

As Introduced

**124th General Assembly
Regular Session
2001-2002**

H. B. No. 94

REPRESENTATIVE Carey

A B I L L

To amend sections 133.07, 3301.075, 3301.80, 3313.37, 1
3313.608, 3314.08, 3317.012, 3317.013, 3317.02, 2
3317.022, 3317.023, 3317.029, 3317.0212, 3317.03, 3
3317.05, 3317.051, 3317.11, 3317.16, 3317.161, 4
3317.162, 3317.20, 3318.31, 3319.19, 3323.09, 5
3323.091, 3333.02, 3333.03, 3333.12, 3333.13, 6
3770.02, 3770.03, 3770.06, 5126.05, and 5126.12; to 7
amend, for the purpose of adopting new section 8
numbers as indicated in parentheses, sections 9
3317.161 (3317.052) and 3317.162 (3317.053); and to 10
repeal section 307.031 of the Revised Code and to 11
amend Section 18 of Am. Sub. H.B. 650 of the 122nd 12
General Assembly, as subsequently amended, and 13
Section 17 of Am. Sub. H.B. 282 of the 123rd 14
General Assembly, as subsequently amended, to make 15
appropriations for education programs for the 16
biennium beginning July 1, 2001, and ending June 17
30, 2003, and to provide authorization and 18
conditions for the operation of education programs. 19
20

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

Section 1. That sections 133.07, 3301.075, 3301.80, 3313.37, 21

3313.608, 3314.08, 3317.012, 3317.013, 3317.02, 3317.022, 22
3317.023, 3317.029, 3317.0212, 3317.03, 3317.05, 3317.051, 23
3317.11, 3317.16, 3317.161, 3317.162, 3317.20, 3318.31, 3319.19, 24
3323.09, 3323.091, 3333.02, 3333.03, 3333.12, 3333.13, 3770.02, 25
3770.03, 3770.06, 5126.05, and 5126.12 be amended and sections 26
3317.161 (3317.052) and 3317.162 (3317.053) be amended for the 27
purpose of adopting new section numbers as indicated in 28
parentheses, to read as follows: 29

Sec. 133.07. (A) A county shall not incur, without a vote of 30
the electors, either of the following: 31

(1) Net indebtedness for all purposes that exceeds an amount 32
equal to one per cent of its tax valuation; 33

(2) Net indebtedness for the purpose of paying the county's 34
share of the cost of the construction, improvement, maintenance, 35
or repair of state highways that exceeds an amount equal to 36
one-half of one per cent of its tax valuation. 37

(B) A county shall not incur total net indebtedness that 38
exceeds an amount equal to one of the following limitations that 39
applies to the county: 40

(1) A county with a valuation not exceeding one hundred 41
million dollars, three per cent of that tax valuation; 42

(2) A county with a tax valuation exceeding one hundred 43
million dollars but not exceeding three hundred million dollars, 44
three million dollars plus one and one-half per cent of that tax 45
valuation in excess of one hundred million dollars; 46

(3) A county with a tax valuation exceeding three hundred 47
million dollars, six million dollars plus two and one-half per 48
cent of that tax valuation in excess of three hundred million 49
dollars. 50

(C) In calculating the net indebtedness of a county, none of the following securities shall be considered:	51 52
(1) Securities described in section 307.201 of the Revised Code;	53 54
(2) Self-supporting securities issued for any purposes, including, but not limited to, any of the following general purposes:	55 56 57
(a) Water systems or facilities;	58
(b) Sanitary sewerage systems or facilities, or surface and storm water drainage and sewerage systems or facilities, or a combination of those systems or facilities;	59 60 61
(c) County or joint county scrap tire collection, storage, monocell, monofill, or recovery facilities, or any combination of those facilities;	62 63 64
(d) Off-street parking lots, facilities, or buildings, or on-street parking facilities, or any combination of off-street and on-street parking facilities;	65 66 67
(e) Facilities for the care or treatment of the sick or infirm, and for housing the persons providing that care or treatment and their families;	68 69 70
(f) Recreational, sports, convention, auditorium, museum, trade show, and other public attraction facilities;	71 72
(g) Facilities for natural resources exploration, development, recovery, use, and sale;	73 74
(h) Correctional and detention facilities and related rehabilitation facilities.	75 76
(3) Securities issued for the purpose of purchasing, constructing, improving, or extending water or sanitary or surface and storm water sewerage systems or facilities, or a combination	77 78 79

of those systems or facilities, to the extent that an agreement 80
entered into with another subdivision requires the other 81
subdivision to pay to the county amounts equivalent to debt 82
charges on the securities; 83

(4) Voted general obligation securities issued for the 84
purpose of permanent improvements for sanitary sewerage or water 85
systems or facilities to the extent that the total principal 86
amount of voted securities outstanding for the purpose does not 87
exceed an amount equal to two per cent of the county's tax 88
valuation; 89

(5) Securities issued for permanent improvements to house 90
agencies, departments, boards, or commissions of the county or of 91
any municipal corporation located, in whole or in part, in the 92
county, to the extent that the revenues, other than revenues from 93
unvoted county property taxes, derived from leases or other 94
agreements between the county and those agencies, departments, 95
boards, commissions, or municipal corporations relating to the use 96
of the permanent improvements are sufficient to cover the cost of 97
all operating expenses of the permanent improvements paid by the 98
county and debt charges on the securities; 99

(6) Securities issued pursuant to section 133.08 of the 100
Revised Code; 101

(7) Securities issued for the purpose of acquiring or 102
constructing roads, highways, bridges, or viaducts, for the 103
purpose of acquiring or making other highway permanent 104
improvements, or for the purpose of procuring and maintaining 105
computer systems for the office of the clerk of any 106
county-operated municipal court, for the office of the clerk of 107
the court of common pleas, or for the office of the clerk of the 108
probate, juvenile, or domestic relations division of the court of 109
common pleas to the extent that the legislation authorizing the 110
issuance of the securities includes a covenant to appropriate from 111

moneys distributed to the county pursuant to division (B) of 112
section 2101.162, 2151.541, 2153.081, 2301.031, or 2303.201 or 113
Chapter 4501., 4503., 4504., or 5735. of the Revised Code a 114
sufficient amount to cover debt charges on and financing costs 115
relating to the securities as they become due; 116

(8) Securities issued for the purpose of acquiring, 117
constructing, improving, and equipping a county, multicounty, or 118
multicounty-municipal jail, workhouse, juvenile detention 119
facility, or correctional facility; 120

(9) Securities issued for the acquisition, construction, 121
equipping, or repair of any permanent improvement or any class or 122
group of permanent improvements enumerated in a resolution adopted 123
pursuant to division (D) of section 5739.026 of the Revised Code 124
to the extent that the legislation authorizing the issuance of the 125
securities includes a covenant to appropriate from moneys received 126
from the taxes authorized under section 5739.023 and division 127
(A)(5) of section 5739.026 of the Revised Code an amount 128
sufficient to pay debt charges on the securities and those moneys 129
shall be pledged for that purpose; 130

(10) Securities issued for county or joint county solid waste 131
or hazardous waste collection, transfer, or disposal facilities, 132
or resource recovery and solid or hazardous waste recycling 133
facilities, or any combination of those facilities; 134

(11) Securities issued for the acquisition, construction, and 135
equipping of a port authority educational and cultural facility 136
under section 307.671 of the Revised Code; 137

(12) Securities issued for the acquisition, construction, 138
equipping, and improving of a municipal educational and cultural 139
facility under division (B)(1) of section 307.672 of the Revised 140
Code; 141

(13) Securities issued for energy conservation measures under 142

section 307.041 of the Revised Code;	143
(14) Securities issued for the acquisition, construction, equipping, improving, or repair of a sports facility, including obligations issued to pay costs of a sports facility under section 307.673 of the Revised Code;	144 145 146 147
(15) Securities issued under section 755.17 of the Revised Code if the legislation authorizing issuance of the securities includes a covenant to appropriate from revenue received from a tax authorized under division (A)(5) of section 5739.026 and section 5741.023 of the Revised Code an amount sufficient to pay debt charges on the securities, and the board of county commissioners pledges that revenue for that purpose, pursuant to section 755.171 of the Revised Code;	148 149 150 151 152 153 154 155
(16) Sales tax supported bonds issued pursuant to section 133.081 of the Revised Code for the purpose of acquiring, constructing, improving, or equipping any permanent improvement to the extent that the legislation authorizing the issuance of the sales tax supported bonds pledges county sales taxes to the payment of debt charges on the sales tax supported bonds and contains a covenant to appropriate from county sales taxes a sufficient amount to cover debt charges or the financing costs related to the sales tax supported bonds as they become due- <u>i</u>	156 157 158 159 160 161 162 163 164
(17) Bonds or notes issued under section 133.60 of the Revised Code if the legislation authorizing issuance of the bonds or notes includes a covenant to appropriate from revenue received from a tax authorized under division (A)(9) of section 5739.026 and section 5741.023 of the Revised Code an amount sufficient to pay the debt charges on the bonds or notes, and the board of county commissioners pledges that revenue for that purpose- <u>i</u>	165 166 167 168 169 170 171
(18) Securities issued under section 3707.55 of the Revised Code for the acquisition of real property by a general health	172 173

district;	174
<u>(19) Securities issued under division (A)(3) of section</u>	175
<u>3313.37 of the Revised Code for the acquisition of real and</u>	176
<u>personal property by an educational service center.</u>	177
(D) In calculating the net indebtedness of a county, no	178
obligation incurred under division (D) of section 339.06 of the	179
Revised Code shall be considered.	180
Sec. 3301.075. The state board of education shall adopt rules	181
governing the purchasing and leasing of data processing services	182
and equipment for all local, exempted village, city, and joint	183
vocational school districts and all educational service centers.	184
Such rules shall include provisions for the establishment of an	185
Ohio education computer network under procedures, guidelines, and	186
specifications of the department of education.	187
	188
The department shall administer funds appropriated for the	189
Ohio education computer network to ensure its efficient and	190
economical operation and shall approve no more than twenty-seven	191
data acquisition sites to operate concurrently. Such sites shall	192
be approved for funding in accordance with rules of the state	193
board adopted under this section that shall provide for the	194
superintendent of public instruction to require the membership of	195
each data acquisition site to be composed of combinations of	196
school districts and educational service centers from contiguous	197
counties having sufficient students to support an efficient,	198
economical comprehensive program of computer services to member	199
districts and educational service centers. Each data acquisition	200
site, other than sites organized under Chapter 167. of the Revised	201
Code prior to the effective date of this section, shall be	202
organized in accordance with section 3313.92 <u>or Chapter 167.</u> of	203
the Revised Code.	204

The department of education may contract with an independent 205
for profit or nonprofit entity to provide current and historical 206
information on Ohio government through the Ohio education computer 207
network to school district libraries operating in accordance with 208
section 3375.14 of the Revised Code in order to assist school 209
teachers in social studies course instruction and support student 210
research projects. Any such contract shall be awarded in 211
accordance with Chapter 125. of the Revised Code. 212

Sec. 3301.80. (A) There is hereby created the Ohio SchoolNet 213
commission as an independent agency. The commission shall 214
administer programs to provide financial and other assistance to 215
school districts and other educational institutions for the 216
acquisition and utilization of educational technology. 217

The commission is a body corporate and politic, an agency of 218
the state performing essential governmental functions of the 219
state. 220

(B)(1) The commission shall consist of eleven members, seven 221
of whom are voting members. Of the voting members, one shall be 222
appointed by the speaker of the house of representatives and one 223
shall be appointed by the president of the senate. The members 224
appointed by the speaker of the house and the president of the 225
senate shall not be members of the general assembly. The state 226
superintendent of public instruction or a designee of the 227
superintendent, the director of budget and management or a 228
designee of the director, the director of administrative services 229
or a designee of the director, the chairperson of the public 230
utilities commission or a designee of the chairperson, and the 231
director of the Ohio educational telecommunications network 232
commission or a designee of the director shall serve on the 233
commission as ex officio voting members. Of the nonvoting members, 234
two shall be members of the house of representatives appointed by 235

the speaker of the house and two shall be members of the senate 236
appointed by the president of the senate. The members appointed 237
from each house shall not be members of the same political party. 238
The superintendent of public instruction or the superintendent's 239
designee shall be the chairperson of the commission. 240
241

(2) The members shall serve without compensation. The voting 242
members appointed by the speaker of the house of representatives 243
and the president of the senate shall be reimbursed, pursuant to 244
office of budget and management guidelines, for necessary expenses 245
incurred in the performance of official duties. 246
247

(3) The terms of office for the members appointed by the 248
speaker of the house and the president of the senate shall be for 249
two years, with each term ending on the same day of the same month 250
as did the term that it succeeds. The members appointed by the 251
speaker of the house and the president of the senate may be 252
reappointed. Any member appointed from the house of 253
representatives or senate who ceases to be a member of the 254
legislative house from which the member was appointed shall cease 255
to be a member of the commission. Vacancies among appointed 256
members shall be filled in the manner provided for original 257
appointments. Any member appointed to fill a vacancy occurring 258
prior to the expiration date of the term for which a predecessor 259
was appointed shall hold office as a member for the remainder of 260
that term. The members appointed by the speaker of the house and 261
the president of the senate shall continue in office subsequent to 262
the expiration date of that member's term until a successor takes 263
office or until a period of sixty days has elapsed, whichever 264
occurs first. 265

(C)(1) The commission shall be under the supervision of an 266
executive director who shall be appointed by the commission. The 267

executive director shall serve at the pleasure of the commission 268
and shall direct commission employees in the administration of all 269
programs for the provision of financial and other assistance to 270
school districts and other educational institutions for the 271
acquisition and utilization of educational technology. 272

(2) The employees of the Ohio SchoolNet commission shall be 273
placed in the unclassified service. The commission shall fix the 274
compensation of the executive director. The executive director 275
shall employ and fix the compensation for such employees as 276
necessary to facilitate the activities and purposes of the 277
commission. The employees shall serve at the pleasure of the 278
executive director. 279

(3) The employees of the Ohio SchoolNet commission shall be 280
exempt from Chapter 4117. of the Revised Code and shall not be 281
public employees as defined in section 4117.01 of the Revised 282
Code. 283

(D) The Ohio SchoolNet commission shall do all of the 284
following: 285

(1) Make grants to institutions and other organizations as 286
prescribed by the general assembly for the provision of technical 287
assistance, professional development, and other support services 288
to enable school districts, community schools established under 289
Chapter 3314. of the Revised Code, and other educational 290
institutions to utilize educational technology; 291

(2) Contract with the department of education, state 292
institutions of higher education, private nonprofit institutions 293
of higher education holding certificates of authorization under 294
section 1713.02 of the Revised Code, and such other public or 295
private entities as the executive director deems necessary for the 296
administration and implementation of the programs under the 297
commission's jurisdiction; 298

(3) Establish a reporting system to which school districts, 299
community schools established under Chapter 3314. of the Revised 300
Code, and other educational institutions receiving financial 301
assistance pursuant to this section for the acquisition of 302
educational technology report information as to the manner in 303
which such assistance was expended, the manner in which the 304
equipment or services purchased with the assistance is being 305
utilized, the results or outcome of this utilization, and other 306
information as may be required by the commission; 307

(4) Establish necessary guidelines governing purchasing and 308
procurement by participants in programs administered by the 309
commission that facilitate the timely and effective implementation 310
of such programs; 311

(5) Take into consideration the efficiency and cost savings 312
of statewide procurement prior to allocating and releasing funds 313
for any programs under its administration. 314

(E)(1) The executive director shall implement policies and 315
directives issued by the Ohio SchoolNet commission. 316

(2) The Ohio SchoolNet commission may establish a systems 317
support network to facilitate the timely implementation of the 318
programs, projects, or activities for which it provides 319
assistance. 320

(3) Chapters 123., 124., 125., and 153., and sections 9.331, 321
9.332, and 9.333 of the Revised Code do not apply to contracts, 322
programs, projects, or activities of the Ohio SchoolNet 323
commission. 324

Sec. 3313.37. (A)(1) The board of education of any city, 325
local, or exempted village school district may build, enlarge, 326
repair, and furnish the necessary schoolhouses, purchase or lease 327
sites therefor, or rights-of-way thereto, or purchase or lease 328

real estate to be used as playgrounds for children or rent 329
suitable schoolrooms, either within or without the district, and 330
provide the necessary apparatus and make all other necessary 331
provisions for the schools under its control. ~~The governing board~~ 332
~~of any educational service center may build, enlarge, repair, and~~ 333
~~furnish the necessary facilities for conducting special education~~ 334
~~programs and driver education courses, purchase or lease sites~~ 335
~~therefor, or rights-of-way thereto, or purchase or lease real~~ 336
~~estate or rent suitable facilities to be used for such purposes~~ 337
~~and provide the necessary apparatus and make all other necessary~~ 338
~~provisions for such facilities as are under its control.~~ 339

(2) A governing board of an educational service center may 340
acquire, lease, or enter into a contract to purchase, lease, or 341
sell real and personal property and may construct, enlarge, 342
repair, renovate, furnish, or equip facilities, buildings, or 343
structures for the educational service center's purposes. The 344
board may enter into loan agreements, including mortgages, for the 345
acquisition of such property. If a governing board exercises any 346
of these powers to acquire office or classroom space, the board of 347
county commissioners has no obligation to provide and equip 348
offices and to provide heat, light, water, and janitorial services 349
for the use of the service center pursuant to section 3319.19 of 350
the Revised Code, unless there is a contract as provided by 351
division (D) of that section. 352

(3) A board of county commissioners may issue securities of 353
the county pursuant to Chapter 133. of the Revised Code for the 354
acquisition of real and personal property or for the construction, 355
enlargement, repair, or renovation of facilities, buildings, or 356
structures by an educational service center, but only if the 357
county has a contract under division (D) of section 3319.19 of the 358
Revised Code with the educational service center whereby the 359
educational service center agrees to pay the county an amount 360

equal to the debt charges on the issued securities on or before 361
the date those charges fall due. For the purposes of this section, 362
"debt charges" and "securities" have the same meanings as in 363
section 133.01 of the Revised Code. 364

(B)(1) Boards of education of city, local, and exempted 365
village school districts may acquire land by gift or devise, by 366
purchase, or by appropriation. Lands purchased may be purchased 367
for cash, by installment payments, with or without a mortgage, by 368
entering into lease-purchase agreements, or by lease with an 369
option to purchase, provided that if the purchase price is to be 370
paid over a period of time, such payments shall not extend for a 371
period of more than five years. A special tax levy may be 372
authorized by the voters of the school district in accordance with 373
section 5705.21 of the Revised Code to provide a special fund to 374
meet the future time payments. 375

(2) For the purposes of section 5705.21 of the Revised Code, 376
acquisition of land under the provisions of this division shall be 377
considered a necessary requirement of the school district. 378

(3) Boards of education of city, local, and exempted village 379
school districts may acquire federal land at a discount by a 380
lease-purchase agreement for use as a site for the construction of 381
educational facilities or for other related purposes. External 382
administrative and other costs pertaining to the acquisition of 383
federal land at a discount may be paid from funds available to the 384
school district for operating purposes. Such boards of education 385
may also acquire federal land by lease-purchase agreements, by 386
negotiation, or otherwise. 387

(4) As used in this division: 388

(a) "Office equipment" includes but is not limited to 389
typewriters, copying and duplicating equipment, and computer and 390
data processing equipment. 391

(b) "Software for instructional purposes" includes computer 392
programs usable for computer assisted instruction, computer 393
managed instruction, drill and practice, and problem simulations. 394

A board of education or governing board of an educational 395
service center may acquire the necessary office equipment, and 396
computer hardware and software for instructional purposes, for the 397
schools under its control by purchase, by lease, by installment 398
payments, by entering into lease-purchase agreements, or by lease 399
with an option to purchase. In the case of a city, exempted 400
village, or local school district, if the purchase price is to be 401
paid over a period of time, the contract setting forth the terms 402
of such purchase shall be considered a continuing contract 403
pursuant to section 5705.41 of the Revised Code. Payments shall 404
not extend for a period of more than five years. Costs relating to 405
the acquisition of necessary apparatus may be paid from funds 406
available to the school district or educational service center for 407
operating purposes. 408

(5) A board of education or governing board of an educational 409
service center may acquire the necessary equipment for the 410
maintenance or physical upkeep of facilities and land under its 411
control by entering into lease-purchase agreements. If payments 412
under the lease-purchase agreement are to be made over a period of 413
time, the agreement shall be considered a continuing contract 414
pursuant to section 5705.41 of the Revised Code, and such payments 415
shall not extend for a period of more than five years. 416

Sec. 3313.608. (A) Beginning with students who enter fourth 417
grade in the school year that starts July 1, 2001, no city, 418
exempted village, or local school district shall promote to fifth 419
grade any student who fails to attain the score designated under 420
division (A)(1) of section 3301.0710 of the Revised Code on the 421
test prescribed under that division to measure skill in reading, 422

unless either of the following applies: 423

(1) The pupil was excused from taking the test under division 424
(C)(1) of section 3301.0711 of the Revised Code; 425

(2) The pupil's principal and reading teacher agree that the 426
pupil is academically prepared, as determined pursuant to the 427
district policy adopted under section 3313.609 of the Revised 428
Code, to be promoted to fifth grade. 429

(B)(1) To assist students in meeting this fourth grade 430
guarantee established by this section, each city, exempted 431
village, and local school district shall adopt policies and 432
procedures with which it shall, beginning in the school year that 433
starts July 1, 1998, annually assess the reading skills of each 434
student at the end of kindergarten, first, second, and third grade 435
and identify students who are reading below their grade level. ~~The~~ 436

(2) The policy and procedures shall require the students' 437
classroom teachers to be involved in the assessment and the 438
identification of students reading below grade level. The district 439
shall notify the parent or guardian of each student whose reading 440
skills are below grade level and, in accordance with division (C) 441
of this section, provide intervention services to each student 442
reading below grade level. 443

~~(2) For each student identified as reading below grade level~~ 444
~~at the end of third grade, the district shall offer intense~~ 445
~~remediation services during the summer following third grade.~~ 446

(3) For each student entering fourth grade after July 1, 447
2001, who does not attain by the end of the fourth grade the score 448
designated under division (A)(1) of section 3301.0710 of the 449
Revised Code on the test prescribed under that division to measure 450
skill in reading, the district also shall offer intense 451
~~remediation~~ intervention services, and another opportunity to take 452
that test, during the summer following fourth grade. 453

(C) For each student required to be offered ~~remediation~~ intervention services under this section, the district shall involve the student's parent or guardian and classroom teacher in developing the intervention strategy, and shall offer to the parent or guardian the opportunity to be involved in the intervention services.

(D) Beginning in the summer of 1999, in addition to the ~~remediation~~ intervention requirements of divisions (B) and (C) of this section, every city, exempted village, or local school district shall offer intervention services during the summer remediation and, if needed, during the following school year to any student who has failed to attain the designated scores on three or more of the five tests described by division (A)(1) or (2) of section 3301.0710 of the Revised Code.

(E) Any ~~summer remediation~~ intervention services funded in whole or in part by the state and offered by school districts to students under this section shall meet the following conditions:

(1) The ~~remediation~~ intervention methods are based on reliable educational research.

(2) The school districts ~~conduct testing before and after~~ assess students ~~participate in the program to facilitate~~ monitoring results of the remediation who receive the intervention services.

(3) The parents of participating students are involved in programming decisions.

(4) The services are conducted in a school building or community center and not on an at-home basis.

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

(1) "Base formula amount" means the amount specified as such in a community school's financial plan for a school year pursuant

to division (A)(15) of section 3314.03 of the Revised Code. 484

(2) "Cost-of-doing-business factor" has the same meaning as 485
in section 3317.02 of the Revised Code. 486

(3) "IEP" means an individualized education program as 487
defined in section 3323.01 of the Revised Code. 488

(4) "Applicable weight" means: 489

(a) For a student receiving special education and related 490
services pursuant to an IEP for a handicap described in division 491
(A) of section 3317.013 of the Revised Code, the multiple 492
specified in that division; 493

(b) For a student receiving special education and related 494
services pursuant to an IEP for a handicap described in division 495
(B) of section 3317.013 or division (F)(3) of section 3317.02 of 496
the Revised Code, the multiple specified in division (B) of 497
section 3317.013 of the Revised Code. 498

(5) "Total special education weight" means the sum of the 499
following: 500

(a) The number of students reported under division (B)(2)(c) 501
of this section who are entitled to attend school in the district, 502
are enrolled in grades one through twelve in a community school, 503
and are receiving from their community school special education 504
and related services pursuant to an IEP for a handicap described 505
in division (A) of section 3317.013 of the Revised Code, 506
multiplied by the multiple specified in division (A) of section 507
3317.013 of the Revised Code; 508

(b) One-half the number of students reported under division 509
(B)(2)(c) of this section who are entitled to attend school in the 510
district, are enrolled in kindergarten in a community school, and 511
are receiving from their community school special education and 512
related services pursuant to an IEP for a handicap described in 513

division (A) of section 3317.013 of the Revised Code, multiplied 514
by the multiple specified in division (A) of section 3317.013 of 515
the Revised Code; 516

(c) The number of students reported under division (B)(2)(c) 517
of this section who are entitled to attend school in the district, 518
are enrolled in grades one through twelve in a community school, 519
and are receiving from their community school special education 520
and related services pursuant to an IEP for a handicap described 521
in division (B) of section 3317.013 or division (F)(3) of section 522
3317.02 of the Revised Code, multiplied by the multiple specified 523
in division (B) of section 3317.013 of the Revised Code; 524

(d) One-half the number of students reported under division 525
(B)(2)(c) of this section who are entitled to attend school in the 526
district, are enrolled in kindergarten in a community school, and 527
are receiving from their community school special education and 528
related services pursuant to an IEP for a handicap described in 529
division (B) of section 3317.013 or division (F)(3) of section 530
3317.02 of the Revised Code, multiplied by the multiple specified 531
in division (B) of section 3317.013 of the Revised Code. 532

(6) "Entitled to attend school" means entitled to attend 533
school in a district under section 3313.64 or 3313.65 of the 534
Revised Code. 535

(7) "DPIA reduction factor" means the percentage figure, if 536
any, for reducing the per pupil amount of disadvantaged pupil 537
impact aid a community school is entitled to receive pursuant to 538
divisions (D)(4) and (5) of this section in any year, as specified 539
in the school's financial plan for the year pursuant to division 540
(A)(15) of section 3314.03 of the Revised Code. 541

(8) "All-day kindergarten" has the same meaning as in section 542
3317.029 of the Revised Code. 543

(B) The state board of education shall adopt rules requiring 544

both of the following:

545

(1) The board of education of each city, exempted village,
and local school district to annually report the number of
students entitled to attend school in the district who are
enrolled in grades one through twelve in a community school
established under this chapter, the number of students entitled to
attend school in the district who are enrolled in kindergarten in
a community school, the number of those kindergartners who are
enrolled in all-day kindergarten in their community school, and
for each child, the community school in which the child is
enrolled.

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

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

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

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(c) The number of students reported under division (B)(2)(b)
of this section receiving special education and related services
pursuant to an IEP for a handicap described in each of divisions
(A) and (B) of section 3317.013 and division (F)(3) of section
3317.02 of the Revised Code;

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(d) The number of enrolled preschool handicapped students
receiving special education services in a state-funded unit;

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(e) The community school's base formula amount;

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(f) For each student, the city, exempted village, or local school district in which the student is entitled to attend school; 575
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(g) Any DPIA reduction factor that applies to a school year. 577

(C) From the payments made to a city, exempted village, or local school district under Chapter 3317. of the Revised Code and, if necessary, sections 321.14 and 323.156 of the Revised Code, the department of education shall annually subtract all of the following: 578
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(1) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the number of the district's students reported under divisions (B)(2)(a) and (b) of this section who are enrolled in grades one through twelve, and one-half the number of students reported under those divisions who are enrolled in kindergarten, in that community school is multiplied by the base formula amount of that community school as adjusted by the school district's cost-of-doing-business factor. 583
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(2) The product of the number of district students reported under division (B)(2)(c) of this section as enrolled in grades one through twelve, and one-half of the number of district students reported under that division as enrolled in kindergarten, who are receiving special education and related services pursuant to an IEP in their respective community schools for a handicap described in division (A) or (B) of section 3317.013 or division (F)(3) of section 3317.02 of the Revised Code, multiplied by the total special education weight times the community school's base formula amount; 592
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(3) An amount equal to the sum of the amounts obtained when, for each community school where the district's students are enrolled, the number of the district's students enrolled in that community school and residing in the district in a family 602
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participating in Ohio works first under Chapter 5107. of the
Revised Code is multiplied by the per pupil amount of
disadvantaged pupil impact aid the school district receives that
year pursuant to division (B) or (C) of section 3317.029 of the
Revised Code, as adjusted by any DPIA reduction factor of that
community school. If the district receives disadvantaged pupil
impact aid under division (B) of that section, the per pupil
amount of that aid is the quotient of the amount the district
received under that division divided by the number of children
ages five through seventeen residing in the district and living in
a family participating in Ohio works first, as most recently
reported under section 3317.10 of the Revised Code. If the
district receives disadvantaged pupil impact aid under division
(C) of section 3317.029 of the Revised Code, the per pupil amount
of that aid is the per pupil dollar amount prescribed for the
district in division (C)(1) or (2) of that section.

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

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(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;

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

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(c) One-half of the district's students who are enrolled in
all-day kindergarten in that community school and who are not

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receiving special education and related services pursuant to an 638
IEP. 639

The district's per pupil amount of aid under division (E) of 640
section 3317.029 of the Revised Code is the quotient of the amount 641
the district received under that division divided by the 642
district's kindergarten through third grade ADM, as defined in 643
that section. 644

(D) The department shall annually pay to a community school 645
established under this chapter all of the following: 646

(1) An amount equal to the sum of the amounts obtained when 647
the number of students enrolled in grades one through twelve, plus 648
one-half of the kindergarten students in the school, reported 649
under divisions (B)(2)(a) and (b) of this section who are not 650
receiving special education and related services pursuant to an 651
IEP for a handicap described in division (A) or (B) of section 652
3317.013 or division (F)(3) of section 3317.02 of the Revised Code 653
is multiplied by the community school's base formula amount, as 654
adjusted by the cost-of-doing-business factor of the school 655
district in which the student is entitled to attend school; 656

(2) The greater of the following: 657

(a) The aggregate amount that the department paid to the 658
community school in fiscal year 1999 for students receiving 659
special education and related services pursuant to IEPs, excluding 660
federal funds and state disadvantaged pupil impact aid funds; 661

(b) The sum of the amounts calculated under divisions 662
(D)(2)(b)(i) and (ii) of this section: 663

(i) For each student reported under division (B)(2)(c) of 664
this section as enrolled in the school in grades one through 665
twelve and receiving special education and related services 666
pursuant to an IEP for a handicap described in division (A) or (B) 667
of section 3317.013 or division (F)(3) of section 3317.02 of the 668

Revised Code, the following amount: 669

(the community school's base formula amount X the 670
cost-of-doing-business factor of the district where the student 671
is entitled to attend school) + (the applicable weight 672
X the community school's base formula amount); 673

(ii) For each student reported under division (B)(2)(c) of 674
this section as enrolled in kindergarten and receiving special 675
education and related services pursuant to an IEP for a handicap 676
described in division (A) or (B) of section 3317.013 or division 677
(F)(3) of section 3317.02 of the Revised Code, one-half of the 678
amount calculated under the formula prescribed in division 679
(D)(2)(b)(i) of this section. 680

(3) An amount received from federal funds to provide special 681
education and related services to students in the community 682
school, as determined by the superintendent of public instruction. 683

(4) An amount equal to the sum of the amounts obtained when, 684
for each school district where the community school's students are 685
entitled to attend school, the number of that district's students 686
enrolled in the community school and participating in Ohio works 687
first is multiplied by the per pupil amount of disadvantaged pupil 688
impact aid that school district receives that year pursuant to 689
division (B) or (C) of section 3317.029 of the Revised Code, as 690
adjusted by any DPIA reduction factor of the community school. The 691
per pupil amount of aid shall be determined as described in 692
division (C)(3) of this section. 693

(5) An amount equal to the sum of the amounts obtained when, 694
for each school district where the community school's students are 695
entitled to attend school, the district's per pupil amount of aid 696
received under division (E) of section 3317.029 of the Revised 697
Code, as adjusted by any DPIA reduction factor of the community 698
school, is multiplied by the sum of the following: 699

(a) The number of the district's students reported under 700
division (B)(2)(a) of this section who are enrolled in grades one 701
to three in that community school and who are not receiving 702
special education and related services pursuant to an IEP; 703

(b) One-half of the district's students who are enrolled in 704
all-day or any other kindergarten class in that community school 705
and who are not receiving special education and related services 706
pursuant to an IEP; 707

(c) One-half of the district's students who are enrolled in 708
all-day kindergarten in that community school and who are not 709
receiving special education and related services pursuant to an 710
IEP. 711

The district's per pupil amount of aid under division (E) of 712
section 3317.029 of the Revised Code shall be determined as 713
described in division (C)(4) of this section. 714

(E) If a community school's costs for a fiscal year for a 715
student receiving special education and related services pursuant 716
to an IEP for a handicap described in section 3317.013 or division 717
(F)(3) of section 3317.02 of the Revised Code are twenty-five 718
thousand dollars or more, the school may submit to the 719
superintendent of public instruction documentation, as prescribed 720
by the superintendent, of all its costs for that student. Upon 721
submission of documentation for a student of the type and in the 722
manner prescribed, the department shall pay to the community 723
school an amount equal to the school's costs for the student in 724
excess of twenty-five thousand dollars. 725

The community school shall only report, and the department 726
shall only pay for, the costs of educational expenses and the 727
related services provided to the student in accordance with the 728
student's individualized education program. Any legal fees, court 729
costs, or other costs associated with any cause of action relating 730

to the student may not be included in the amount. 731

(F) A community school may apply to the department of 732
education for preschool handicapped or gifted unit funding the 733
school would receive if it were a school district. Upon request of 734
its governing authority, a community school that received unit 735
funding as a school district-operated school before it became a 736
community school shall retain any units awarded to it as a school 737
district-operated school provided the school continues to meet 738
eligibility standards for the unit. 739

A community school shall be considered a school district and 740
its governing authority shall be considered a board of education 741
for the purpose of applying to any state or federal agency for 742
grants that a school district may receive under federal or state 743
law or any appropriations act of the general assembly. The 744
governing authority of a community school may apply to any private 745
entity for additional funds. 746

(G) A board of education sponsoring a community school may 747
utilize local funds to make enhancement grants to the school or 748
may agree, either as part of the contract or separately, to 749
provide any specific services to the community school at no cost 750
to the school. 751

(H) A community school may not levy taxes or issue bonds 752
secured by tax revenues. 753

(I) No community school shall charge tuition for the 754
enrollment of any student. 755

(J) A community school may borrow money to pay any necessary 756
and actual expenses of the school in anticipation of the receipt 757
of any portion of the payments to be received by the school 758
pursuant to division (D) of this section. The school may issue 759
notes to evidence such borrowing to mature no later than the end 760
of the fiscal year in which such money was borrowed. The proceeds 761

of the notes shall be used only for the purposes for which the 762
anticipated receipts may be lawfully expended by the school. 763

(K) For purposes of determining the number of students for 764
which divisions (D)(4) and (5) of this section applies in any 765
school year, a community school may submit to the department of 766
job and family services, no later than the first day of March, a 767
list of the students enrolled in the school. For each student on 768
the list, the community school shall indicate the student's name, 769
address, and date of birth and the school district where the 770
student is entitled to attend school. Upon receipt of a list under 771
this division, the department of job and family services shall 772
determine, for each school district where one or more students on 773
the list is entitled to attend school, the number of students 774
residing in that school district who were included in the 775
department's report under section 3317.10 of the Revised Code. The 776
department shall make this determination on the basis of 777
information readily available to it. Upon making this 778
determination and no later than ninety days after submission of 779
the list by the community school, the department shall report to 780
the state department of education the number of students on the 781
list who reside in each school district who were included in the 782
department's report under section 3317.10 of the Revised Code. In 783
complying with this division, the department of job and family 784
services shall not report to the state department of education any 785
personally identifiable information on any student. 786

(L) The department of education shall adjust the amounts 787
subtracted and paid under divisions (C) and (D) of this section to 788
reflect any enrollment of students in community schools for less 789
than the equivalent of a full school year. For purposes of this 790
section, a student shall be considered enrolled in the community 791
school for any portion of the school year the student is 792
participating at a college under Chapter 3365. of the Revised 793

Code. 794

(M) The department of education shall reduce the amounts paid 795
under division (D) of this section to reflect payments made to 796
colleges under division (B) of section 3365.07 of the Revised 797
Code. 798

Sec. 3317.012. (A)(1) The general assembly, having analyzed 799
school district expenditure and cost data for fiscal year ~~1996~~ 800
1999, performed the calculation described in division (B) of this 801
section, ~~and~~ adjusted the results for inflation, and added the 802
amounts described in division (A)(2) of this section, hereby 803
determines that the base cost of an adequate education per pupil 804
for the fiscal year beginning July 1, ~~1998~~ 2001, is ~~\$4,063~~ \$4,909. 805
For the five following fiscal years, the base cost per pupil for 806
each of those years, reflecting an annual rate of inflation of two 807
and eight-tenths per cent, is ~~\$4,177~~ \$5,047 for fiscal year ~~2000~~ 808
2003, ~~\$4,294~~ \$5,189 for fiscal year ~~2001~~ 2004, ~~\$4,414~~ \$5,335 for 809
fiscal year ~~2002~~ 2005, ~~\$4,538~~ \$5,484 for fiscal year ~~2003~~ 2006, 810
and ~~\$4,665~~ \$5,638 for fiscal year ~~2004~~ 2007. 811

(2) The base cost per pupil amounts specified in division 812
(A)(1) of this section include amounts to reflect the cost to 813
school districts of increasing the minimum number of high school 814
academic units required for graduation beginning September 15, 815
2001, under section 3313.603 of the Revised Code. These amounts 816
were added after the calculation described in division (B) of this 817
section and the adjustments for inflation. The per pupil amounts 818
included for this purpose in the base cost specified in division 819
(A)(1) of this section are: \$24 for fiscal year 2002, \$25 for 820
fiscal year 2003, \$26 for fiscal year 2004, \$27 for fiscal year 821
2005, \$28 for fiscal year 2006, and \$29 for fiscal year 2007. 822

(B) In determining the base cost stated in division (A) of 823
this section, capital and debt costs, costs paid for by federal 824

funds, and costs covered by funds provided pursuant to sections 825
~~3317.023 and 3317.024 of the Revised Code as they existed prior to~~ 826
~~July 1, 1998,~~ for disadvantaged pupil impact aid and 827
transportation were excluded, as were the effects on the 828
districts' state funds of the application of the 829
cost-of-doing-business factors, assuming an eighteen per cent 830
variance. 831

The base cost for fiscal year ~~1996~~ 1999 was calculated as the 832
unweighted average cost per student, on a school district basis, 833
of educating students who were not receiving vocational education 834
or services pursuant to Chapter 3323. of the Revised Code and who 835
were enrolled in a city, exempted village, or local school 836
district that in fiscal year ~~1994~~ 1999 met all of the following 837
criteria: 838

(1) The district met at least ~~all but one~~ twenty of the 839
following twenty-seven performance standards: 840

(a) A ~~three~~ ninety per cent or ~~lower dropout~~ higher 841
graduation rate; 842

(b) At least seventy-five per cent of fourth graders 843
proficient on the mathematics test prescribed under division 844
(A)(1) of section 3301.0710 of the Revised Code; 845

(c) At least seventy-five per cent of fourth graders 846
proficient on the reading test prescribed under division (A)(1) of 847
section 3301.0710 of the Revised Code; 848

(d) At least seventy-five per cent of fourth graders 849
proficient on the writing test prescribed under division (A)(1) of 850
section 3301.0710 of the Revised Code; 851

(e) At least seventy-five per cent of fourth graders 852
proficient on the citizenship test prescribed under division 853
(A)(1) of section 3301.0710 of the Revised Code; 854

(f) At least seventy-five per cent of fourth graders 855
proficient on the science test prescribed under division (A)(1) of 856
section 3301.0710 of the Revised Code; 857

(g) At least seventy-five per cent of sixth graders 858
proficient on the mathematics test prescribed under division 859
(A)(2) of section 3301.0710 of the Revised Code; 860

(h) At least seventy-five per cent of sixth graders 861
proficient on the reading test prescribed under division (A)(2) of 862
section 3301.0710 of the Revised Code; 863

(i) At least seventy-five per cent of sixth graders 864
proficient on the writing test prescribed under division (A)(2) of 865
section 3301.0710 of the Revised Code; 866

(j) At least seventy-five per cent of sixth graders 867
proficient on the citizenship test prescribed under division 868
(A)(2) of section 3301.0710 of the Revised Code; 869

(k) At least seventy-five per cent of sixth graders 870
proficient on the science test prescribed under division (A)(2) of 871
section 3301.0710 of the Revised Code; 872

(l) At least seventy-five per cent of ninth graders 873
proficient on the mathematics test prescribed under former 874
division (B) of section 3301.0710 of the Revised Code Section 4 of 875
Am. Sub. S.B. 55 of the 122nd general assembly; 876

~~(g)~~(m) At least seventy-five per cent of ninth graders 877
proficient on the reading test prescribed under former division 878
(B) of section 3301.0710 of the Revised Code Section 4 of Am. Sub. 879
S.B. 55 of the 122nd general assembly; 880

~~(h)~~(n) At least seventy-five per cent of ninth graders 881
proficient on the writing test prescribed under former division 882
(B) of section 3301.0710 of the Revised Code Section 4 of Am. Sub. 883
S.B. 55 of the 122nd general assembly; 884

~~(i)~~(o) At least seventy-five per cent of ninth graders 885
proficient on the citizenship test prescribed under ~~former~~ 886
~~division (B) of section 3301.0710 of the Revised Code~~ Section 4 of 887
Am. Sub. S.B. 55 of the 122nd general assembly; 888

~~(j)~~(p) At least seventy-five per cent of ninth graders 889
proficient on the science test prescribed under Section 4 of Am. 890
Sub. S.B. 55 of the 122nd general assembly; 891

~~(q)~~ At least eighty-five per cent of tenth graders proficient 892
on the mathematics test prescribed under ~~former division (B) of~~ 893
~~section 3301.0710 of the Revised Code~~ Section 4 of Am. Sub. S.B. 894
55 of the 122nd general assembly; 895

~~(k)~~(r) At least eighty-five per cent of tenth graders 896
proficient on the reading test prescribed under ~~former division~~ 897
~~(B) of section 3301.0710 of the Revised Code~~ Section 4 of Am. Sub. 898
S.B. 55 of the 122nd general assembly; 899

~~(l)~~(s) At least eighty-five per cent of tenth graders 900
proficient on the writing test prescribed under ~~former division~~ 901
~~(B) of section 3301.0710 of the Revised Code~~ Section 4 of Am. Sub. 902
S.B. 55 of the 122nd general assembly; 903

~~(m)~~(t) At least eighty-five per cent of tenth graders 904
proficient on the citizenship test prescribed under ~~former~~ 905
~~division (B) of section 3301.0710 of the Revised Code~~ Section 4 of 906
Am. Sub. S.B. 55 of the 122nd general assembly; 907

~~(n)~~(u) At least eighty-five per cent of tenth graders 908
proficient on the science test prescribed under Section 4 of Am. 909
Sub. S.B. 55 of the 122nd general assembly; 910

~~(v)~~ At least sixty per cent of twelfth graders proficient on 911
the mathematics test prescribed under division (A)(3) of section 912
3301.0710 of the Revised Code; 913

~~(o)~~(w) At least sixty per cent of twelfth graders proficient 914

on the reading test prescribed under division (A)(3) of section 915
3301.0710 of the Revised Code; 916

~~(p)~~(x) At least sixty per cent of twelfth graders proficient 917
on the writing test prescribed under division (A)(3) of section 918
3301.0710 of the Revised Code; 919

~~(q)~~(y) At least sixty per cent of twelfth graders proficient 920
on the citizenship test prescribed under division (A)(3) of 921
section 3301.0710 of the Revised Code; 922

~~(r)~~(z) At least sixty per cent of twelfth graders proficient 923
on the science test prescribed under division (A)(3) of section 924
3301.0710 of the Revised Code; 925

(aa) An attendance rate for the year of at least ninety-three 926
per cent as defined in section 3302.01 of the Revised Code. 927
928

(2) The district provided an average pupil-to-teacher ratio 929
in kindergarten through twelfth grade not exceeding twenty-one to 930
one; 931

(3) At least eighty per cent of the district's teachers had 932
at least five years of experience; 933

(4) The district offered at least one advanced placement 934
course; 935

(5) The district was not among the ~~ten~~ five per cent of all 936
districts with the highest income factors, as defined in section 937
3317.02 of the Revised Code, nor among the ~~ten~~ five per cent of 938
all districts with the lowest income factors. 939

~~(3)~~(6) The district was not among the five per cent of all 940
districts with the highest valuation per pupil in ~~ADM, as reported~~ 941
~~under division (A) of section 3317.03 of the Revised Code as it~~ 942
~~existed prior to July 1, 1998,~~ nor among the five per cent of all 943
districts with the lowest valuation per pupil. 944

(C) In July of ~~2000~~ 2005, and in July of every six years 945
thereafter, the speaker of the house of representatives and the 946
president of the senate shall each appoint three members to a 947
committee to reexamine the cost of an adequate education. No more 948
than two members from any political party shall represent each 949
house. The director of budget and management and the 950
superintendent of public instruction shall serve as nonvoting ex 951
officio members of the committee. 952

The committee shall select a rational methodology for 953
calculating the costs of an adequate education system for the 954
ensuing six-year period, and shall report the methodology and the 955
resulting costs to the general assembly. In performing its 956
function, the committee is not bound by any method used by 957
previous general assemblies to examine and calculate costs and 958
instead may utilize any rational method it deems suitable and 959
reasonable given the educational needs and requirements of the 960
state at that time. 961

The methodology for determining the cost of an adequate 962
education system shall take into account the basic educational 963
costs that all districts incur in educating regular students, the 964
unique needs of special categories of students, and significant 965
special conditions encountered by certain classifications of 966
school districts. 967

Any committee appointed pursuant to this section shall make 968
its report to the office of budget and management and the general 969
assembly within ~~six months~~ one year of its appointment so that the 970
information is available for use by the office and the general 971
assembly in preparing the next biennial appropriations act. 972

Sec. 3317.013. This section does not apply to handicapped 973
preschool students. 974

Analysis of special education cost data has resulted in a 975

finding that the average special education additional cost per pupil, including the costs of related services, can be expressed as a multiple of the base cost per pupil calculated under section 3317.012 of the Revised Code. The multiples for the following categories of special education programs, as these programs are defined for purposes of Chapter 3323. of the Revised Code, are as follows:

(A) A multiple of 0.22 for students identified as specific learning disabled, other health handicapped, or developmentally handicapped, as these terms are defined pursuant to Chapter 3323. of the Revised Code;

(B) A multiple of 3.01 for students identified as hearing handicapped, orthopedically handicapped, vision impaired, multihandicapped, and severe behavior handicapped, as these terms are defined pursuant to Chapter 3323. of the Revised Code.

Further analysis indicates that approximately one-eighth of the total costs of serving special education students consists of the furnishing of the related services specified in division (B)~~(3)~~(4) of section 3317.022 of the Revised Code.

Sec. 3317.02. As used in this chapter:

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

(B) "Formula amount" means the base cost for the fiscal year specified in section 3317.012 of the Revised Code, except that to allow for the orderly phase-in of the increased funding specified in that section, the formula amount for fiscal year ~~1999~~ 2002 shall be ~~\$3,851~~ \$4,490, ~~and~~ the formula amount for fiscal year ~~2000~~ 2003 shall be ~~\$4,052~~ \$4,670, ~~the formula amount for fiscal year 2004 shall be \$4,926, and the formula amount for fiscal year 2005 shall be \$5,197.~~ Thereafter, the formula amount shall be as

specified in that section. The formula amounts phased in for 1006
fiscal years 2002 through 2005 include, for the increased 1007
graduation requirements of section 3313.603 of the Revised Code, 1008
\$24 for fiscal year 2002, \$25 for fiscal year 2003, \$26 for fiscal 1009
year 2004, and \$27 for fiscal year 2005. 1010

(C) "FTE basis" means a count of students based on full-time 1011
equivalency, in accordance with rules adopted by the department of 1012
education pursuant to section 3317.03 of the Revised Code. In 1013
adopting its rules under this division, the department shall 1014
provide for counting any student in category one, two, or three 1015
special education ADM or in category one or two vocational 1016
education ADM in the same proportion the student is counted in 1017
formula ADM. 1018

(D)(1) "Formula ADM" means, for a city, local, or exempted 1019
village school district, the number reported pursuant to division 1020
(A) of section 3317.03 of the Revised Code, and for a joint 1021
vocational school district, the number reported pursuant to 1022
division (D) of that section. 1023

(2) "Three-year average formula ADM" means the average of 1024
formula ADMs for the current and preceding two fiscal years. 1025
However, as applicable in fiscal years 1999 and 2000, the 1026
three-year average for city, local, and exempted village school 1027
districts shall be determined utilizing the FY 1997 ADM or FY 1998 1028
ADM in lieu of formula ADM for fiscal year 1997 or 1998. In fiscal 1029
years 2000 and 2001, the three-year average for joint vocational 1030
school districts shall be determined utilizing the average daily 1031
membership reported in fiscal years 1998 and 1999 under division 1032
(D) of section 3317.03 of the Revised Code in lieu of formula ADM 1033
for fiscal years 1998 and 1999. 1034

(E) "FY 1997 ADM" or "FY 1998 ADM" means the school 1035
district's average daily membership reported for the applicable 1036
fiscal year under the version of division (A) of section 3317.03 1037

of the Revised Code in effect during that fiscal year, adjusted as 1038
follows: 1039

(1) Minus the average daily membership of handicapped 1040
preschool children; 1041

(2) Minus one-half of the average daily membership attending 1042
kindergarten; 1043

(3) Minus three-fourths of the average daily membership 1044
attending a joint vocational school district; 1045

(4) Plus the average daily membership entitled under section 1046
3313.64 or 3313.65 of the Revised Code to attend school in the 1047
district but receiving educational services in approved units from 1048
an educational service center or another school district under a 1049
compact or a cooperative education agreement, as determined by the 1050
department; 1051

(5) Minus the average daily membership receiving educational 1052
services from the district in approved units but entitled under 1053
section 3313.64 or 3313.65 of the Revised Code to attend school in 1054
another school district, as determined by the department. 1055

(F)(1) "Category one special education ADM" means the average 1056
daily membership of handicapped children receiving special 1057
education services for those handicaps specified in division (A) 1058
of section 3317.013 of the Revised Code and reported under 1059
division (B)(5) or (D)(2)(b) of section 3317.03 of the Revised 1060
Code. 1061

(2) "Category two special education ADM" means the average 1062
daily membership of handicapped children receiving special 1063
education services for those handicaps specified in division (B) 1064
of section 3317.013 of the Revised Code and reported under 1065
division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised 1066
Code. 1067

(3) "Category three special education ADM" means the average daily membership of students receiving special education services for students identified as autistic, having traumatic brain injuries, or as both visually and hearing disabled as these terms are defined pursuant to Chapter 3323. of the Revised Code, and reported under division (B)(7) or (D)(2)(d) of section 3317.03 of the Revised Code.

(4) "Category one vocational education ADM" means the average daily membership of students receiving vocational education services described in division (A) of section 3317.014 of the Revised Code and reported under division (B)(8) or (D)(2)(e) of section 3317.03 of the Revised Code.

(5) "Category two vocational education ADM" means the average daily membership of students receiving vocational education services described in division (B) of section 3317.014 of the Revised Code and reported under division (B)(9) or (D)(2)(f) of section 3317.03 of the Revised Code.

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

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

(I) "Recognized valuation" means the amount calculated for a school district pursuant to section 3317.015 of the Revised Code.

(J) "Transportation ADM" means the number of children reported under division (B)(10) of section 3317.03 of the Revised Code.

(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. 1099
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(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. 1101
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(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. 1105
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(N)(1) "Cost-of-doing-business factor" means the amount indicated in this division for the county in which a city, local, exempted village, or joint vocational school district is located, adjusted in accordance with division (N)(2) of this section. 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. 1109
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COST-OF-DOING-BUSINESS 1120

COUNTY	FACTOR	AMOUNT	
Adams	1.0074	<u>1.0061</u>	1122
Allen	1.0217	<u>1.0236</u>	1123
Ashland	1.0322	<u>1.0331</u>	1124
Ashtabula	1.0480	<u>1.0431</u>	1125
Athens	1.0046	<u>1.0038</u>	1126
Auglaize	1.0255	<u>1.0272</u>	1127
Belmont	1.0078	<u>1.0043</u>	1128
Brown	1.0194	<u>1.0207</u>	1129
Butler	1.0650	<u>1.0663</u>	1130

Carroll	1.0166 <u>1.0148</u>	1131
Champaign	1.0292 <u>1.0413</u>	1132
Clark	1.0462 <u>1.0443</u>	1133
Clermont	1.0510 <u>1.0532</u>	1134
Clinton	1.0293 <u>1.0296</u>	1135
Columbiana	1.0300 <u>1.0262</u>	1136
Coshocton	1.0205 <u>1.0200</u>	1137
Crawford	1.0152 <u>1.0140</u>	1138
Cuyahoga	1.0697 <u>1.0672</u>	1139
Darke	1.0340 <u>1.0343</u>	1140
Defiance	1.0177 <u>1.0165</u>	1141
Delaware	1.0339 <u>1.0479</u>	1142
Erie	1.0391 <u>1.0372</u>	1143
Fairfield	1.0358 <u>1.0354</u>	1144
Fayette	1.0266 <u>1.0258</u>	1145
Franklin	1.0389 <u>1.0519</u>	1146
Fulton	1.0355 <u>1.0361</u>	1147
Gallia	1.0000	1148
Geauga	1.0568 <u>1.0528</u>	1149
Greene	1.0406 <u>1.0407</u>	1150
Guernsey	1.0072 <u>1.0064</u>	1151
Hamilton	1.0750	1152
Hancock	1.0224 <u>1.0215</u>	1153
Hardin	1.0219 <u>1.0348</u>	1154
Harrison	1.0098 <u>1.0081</u>	1155
Henry	1.0347 <u>1.0338</u>	1156
Highland	1.0139 <u>1.0129</u>	1157
Hocking	1.0149 <u>1.0151</u>	1158
Holmes	1.0237 <u>1.0238</u>	1159
Huron	1.0317 <u>1.0305</u>	1160
Jackson	1.0132 <u>1.0118</u>	1161
Jefferson	1.0084 <u>1.0067</u>	1162
Knox	1.0251 <u>1.0258</u>	1163

Lake	1.0596 <u>1.0556</u>	1164
Lawrence	1.0128 <u>1.0122</u>	1165
Licking	1.0381 <u>1.0375</u>	1166
Logan	1.0188 <u>1.0362</u>	1167
Lorain	1.0535 <u>1.0521</u>	1168
Lucas	1.0413 <u>1.0406</u>	1169
Madison	1.0342 <u>1.0437</u>	1170
Mahoning	1.0426 <u>1.0384</u>	1171
Marion	1.0121 <u>1.0263</u>	1172
Medina	1.0608 <u>1.0595</u>	1173
Meigs	1.0031 <u>1.0018</u>	1174
Mercer	1.0177 <u>1.0199</u>	1175
Miami	1.0425 <u>1.0415</u>	1176
Monroe	1.0118 <u>1.0097</u>	1177
Montgomery	1.0482 <u>1.0476</u>	1178
Morgan	1.0140 <u>1.0128</u>	1179
Morrow	1.0268 <u>1.0276</u>	1180
Muskingum	1.0167 <u>1.0145</u>	1181
Noble	1.0129 <u>1.0103</u>	1182
Ottawa	1.0510 <u>1.0468</u>	1183
Paulding	1.0156 <u>1.0140</u>	1184
Perry	1.0175 <u>1.0154</u>	1185
Pickaway	1.0338 <u>1.0326</u>	1186
Pike	1.0103 <u>1.0094</u>	1187
Portage	1.0556 <u>1.0516</u>	1188
Preble	1.0486 <u>1.0476</u>	1189
Putnam	1.0253 <u>1.0243</u>	1190
Richland	1.0205 <u>1.0213</u>	1191
Ross	1.0089 <u>1.0085</u>	1192
Sandusky	1.0336 <u>1.0307</u>	1193
Scioto	1.0044 <u>1.0029</u>	1194
Seneca	1.0240 <u>1.0223</u>	1195
Shelby	1.0257 <u>1.0263</u>	1196

Stark	1.0313 <u>1.0300</u>	1197
Summit	1.0616 <u>1.0598</u>	1198
Trumbull	1.0425 <u>1.0381</u>	1199
Tuscarawas	1.0099 <u>1.0097</u>	1200
Union	1.0330 <u>1.0446</u>	1201
Van Wert	1.0126 <u>1.0133</u>	1202
Vinton	1.0068 <u>1.0070</u>	1203
Warren	1.0651 <u>1.0659</u>	1204
Washington	1.0110 <u>1.0075</u>	1205
Wayne	1.0406 <u>1.0404</u>	1206
Williams	1.0268 <u>1.0284</u>	1207
Wood	1.0405 <u>1.0382</u>	1208
Wyandot	1.0191 <u>1.0188</u>	1209

(2) As used in this division, "multiplier" means the number 1210
for the corresponding fiscal year as follows: 1211

FISCAL YEAR OF THE		1212
COMPUTATION	MULTIPLIER	1213
1998	9.6/7.5	1214
1999	11.0/7.5	1215
2000	12.4/7.5	1216
2001	13.8/7.5	1217
2002	15.2/7.5	1218
2003	16.6/7.5	1219
2004 and thereafter	18.0/7.5	1220

Beginning in fiscal year 1998, the department shall annually 1221
adjust the cost-of-doing-business factor for each county in 1222
accordance with the following formula: 1223

[(The cost-of-doing-business factor specified under 1224
division (N)(1) of this section - 1) X (the multiplier 1225
for the fiscal year of the calculation)] + 1 1226

The result of such formula shall be the adjusted 1227
cost-of-doing-business factor for that fiscal year. 1228

(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 adjusted total taxable value 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) Except as provided in division (B)~~(3)~~(6) of section 3317.012 of the Revised Code, "valuation per pupil" for a city, exempted village, or local school district means the district's recognized valuation divided by the greater of the district's formula ADM or three-year average formula ADM.

(U) Except as provided in section 3317.0213 of the Revised Code, "adjusted valuation per pupil" means the amount calculated in accordance with the following formula:

$$\text{District valuation per pupil} - [\$60,000 \times (1 - \text{district income factor})]$$

If the result of such formula is negative, the adjusted

valuation per pupil shall be zero. 1260

(V) "Income adjusted valuation" means the product obtained by 1261
multiplying the school district's adjusted valuation per pupil by 1262
the greater of the district's formula ADM or three-year average 1263
formula ADM. 1264

(W) Except as provided in division (A)(2) of section 3317.022 1265
of the Revised Code, "adjusted total taxable value" means one of 1266
the following: 1267

(1) In any fiscal year that a school district's income factor 1268
is less than or equal to one, the amount calculated under the 1269
following formula: 1270

$$\begin{aligned} & (\text{Income adjusted valuation} \times \text{multiple}) + & 1271 \\ & [\text{recognized valuation} \times (1 - \text{multiple})] & 1272 \end{aligned}$$

Where "multiple" means the number for the corresponding 1273
fiscal year as follows: 1274

FISCAL YEAR OF THE			1275
COMPUTATION		MULTIPLE	1276
2000		1/5	1277
2001 and thereafter		4/15	1278

(2) In fiscal year 1999, if a school district's income factor 1279
is greater than one, the amount calculated under the following 1280
formula: 1281

$$\begin{aligned} & (\text{Income adjusted valuation} \times 1/15) & 1282 \\ & + (\text{recognized valuation} \times 14/15) & 1283 \end{aligned}$$

Thereafter, the adjusted total taxable value of a district 1284
with an income factor greater than one shall be its recognized 1285
valuation. 1286

Sec. 3317.022. (A)(1) The department of education shall 1287
compute and distribute state base cost funding to each school 1288
district for the fiscal year in accordance with the following 1289

formula, using adjusted total taxable value as defined in section 1290
3317.02 of the Revised Code or division (A)(2) of this section and 1291
the information obtained under section 3317.021 of the Revised 1292
Code in the calendar year in which the fiscal year begins. 1293

Compute the following for each eligible district: 1294

[cost-of-doing-business factor X 1295

the formula amount X (the greater of formula ADM 1296

or three-year average formula ADM)] - 1297

(.023 X adjusted total taxable value) 1298

If the difference obtained is a negative number, the 1299
district's computation shall be zero. 1300

(2)(a) For each school district for which the tax exempt 1301
value of the district equals or exceeds twenty-five per cent of 1302
the potential value of the district, the department of education 1303
shall calculate the difference between the district's tax exempt 1304
value and twenty-five per cent of the district's potential value. 1305

(b) For each school district to which division (A)(2)(a) of 1306
this section applies, the adjusted total taxable value used in the 1307
calculation under division (A)(1) of this section shall be the 1308
adjusted total taxable value modified by subtracting the amount 1309
calculated under division (A)(2)(a) of this section. 1310

(B) As used in this section: 1311

(1) The "total special education weight" for a district means 1312
the sum of the following amounts: 1313

(a) The district's category one special education ADM 1314
multiplied by the multiple specified under division (A) of section 1315
3317.013 of the Revised Code; 1316

(b) The sum of the district's category two and category three 1317
special education ADMs multiplied by the multiple specified under 1318
division (B) of section 3317.013 of the Revised Code. 1319

(2) "State share percentage" means the percentage calculated for a district as follows:

(a) Calculate the state base cost funding amount for the district for the fiscal year under division (A) of this section. If the district would not receive any state base cost funding for that year under that division, the district's state share percentage is zero.

(b) If the district would receive state base cost funding under that division, divide that amount by an amount equal to the following:

Cost-of-doing-business factor X
the formula amount X (the greater of formula
ADM or three-year average formula ADM)

The resultant number is the district's state share percentage.

(3) "Adjusted state share percentage" means:

(a) For fiscal years prior to fiscal year 2003, the same percentage calculated under division (B)(2) of this section;

(b) Beginning in fiscal year 2003, the percentage calculated under division (B)(2) of this section plus five percentage points.

Beginning in fiscal year 2003, no school district shall have an adjusted state share percentage that is less than five per cent or greater than one hundred per cent.

(4) "Related services" includes:

(a) Child study, special education supervisors and coordinators, speech and hearing services, adaptive physical development services, occupational or physical therapy, teacher assistants for handicapped children whose handicaps are described in division (B) of section 3317.013 or division (F)(3) of section 3317.02 of the Revised Code, behavioral intervention, interpreter

services, work study, nursing services, and specialized	1350
integrative services as those terms are defined by the department;	1351
(b) Speech and language services provided to any student with	1352
a handicap, including any student whose primary or only handicap	1353
is a speech and language handicap;	1354
(c) Any related service not specifically covered by other	1355
state funds but specified in federal law, including but not	1356
limited to, audiology and school psychological services;	1357
(d) Any service included in units funded under former	1358
division (O)(1) of section 3317.023 of the Revised Code;	1359
(e) Any other related service needed by handicapped children	1360
in accordance with their individualized education plans.	1361
(4) (5) The "total vocational education weight" for a district	1362
means the sum of the following amounts:	1363
(a) The district's category one vocational education ADM	1364
multiplied by the multiple specified in division (A) of section	1365
3317.014 of the Revised Code;	1366
(b) The district's category two vocational education ADM	1367
multiplied by the multiple specified in division (B) of section	1368
3317.014 of the Revised Code.	1369
(C)(1) The department shall compute and distribute state	1370
special education and related services additional weighted costs	1371
funds to each school district in accordance with the following	1372
formula:	1373
The district's <u>adjusted</u> state share percentage	1374
X the formula amount for the year	1375
for which the aid is calculated	1376
X the district's total special education weight	1377
(2) In any fiscal year, a school district receiving funds	1378
under division (C)(1) of this section shall spend on related	1379

services the lesser of the following: 1380

(a) The amount the district spent on related services in the 1381
preceding fiscal year; 1382

(b) $1/8 \times \{[\text{cost-of-doing-business factor} \times \text{the formula amount} \times (\text{the category one special education ADM} + \text{category two special education ADM} + \text{category three special education ADM})] + \text{the amount calculated for the fiscal year under division (C)(1) of this section} + \text{the local share of special education and related services additional weighted costs}\}$ - 1383
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(3) The local share of special education and related services 1389
additional weighted costs equals: 1390

(1 - the district's adjusted state share percentage) X 1391
the district's total special education weight X 1392
the formula amount 1393

(4) The department shall compute and pay in accordance with 1394
this division additional state aid to school districts for 1395
students in category one, two, or three special education ADM. If 1396
a district's costs for the fiscal year for a student in its 1397
category one, two, or three special education ADM are twenty-five 1398
thousand dollars or more, the district may submit to the 1399
superintendent of public instruction documentation, as prescribed 1400
by the superintendent, of all its costs for that student. Upon 1401
submission of documentation for a student of the type and in the 1402
manner prescribed, the department shall pay to the district an 1403
amount equal to the sum of the following: 1404

(a) One-half of the district's costs for the student in 1405
excess of twenty-five thousand dollars; 1406

(b) The product of one-half of the district's costs for the 1407
student in excess of twenty-five thousand dollars multiplied by 1408
the district's adjusted state share percentage. 1409

The district shall only report, and the department shall only 1410

pay for, the costs of educational expenses and the related 1411
services provided to the student in accordance with the student's 1412
individualized education program. Any legal fees, court costs, or 1413
other costs associated with any cause of action relating to the 1414
student may not be included in the amount. 1415

(5)(a) As used in this division, the "personnel allowance" 1416
means ~~twenty five thousand dollars in fiscal year 2000 and thirty~~ 1417
thousand dollars in fiscal ~~year 2001~~ years 2002 and 2003. 1418

(b) For the provision of speech services to students and for 1419
no other purpose, the department of education shall pay each 1420
school district an amount calculated under the following formula: 1421

(formula ADM divided by 2000) X the personnel 1422
allowance X the adjusted state share percentage 1423

(6) In any fiscal year, a school district receiving funds 1424
under division (C)(1) of this section shall spend those funds only 1425
for the purposes that the department designates as approved for 1426
special education expenses. 1427

(D)(1) As used in this division: 1428

(a) "Daily bus miles per student" equals the number of bus 1429
miles traveled per day, divided by transportation base. 1430

(b) "Transportation base" equals total student count as 1431
defined in section 3301.011 of the Revised Code, minus the number 1432
of students enrolled in preschool handicapped units, plus the 1433
number of nonpublic school students included in transportation 1434
ADM. 1435

(c) "Transported student percentage" equals transportation 1436
ADM divided by transportation base. 1437

(d) "Transportation cost per student" equals total operating 1438
costs for board-owned or contractor-operated school buses divided 1439
by transportation base. 1440

(2) Analysis of student transportation cost data has resulted 1441
in a finding that an average efficient transportation use cost per 1442
student can be calculated by means of a regression formula that 1443
has as its two independent variables the number of daily bus miles 1444
per student and the transported student percentage. For fiscal 1445
year 1998 transportation cost data, the average efficient 1446
transportation use cost per student is expressed as follows: 1447

$$51.79027 + (139.62626 \times \text{daily bus miles per student}) + 1448$$
$$(116.25573 \times \text{transported student percentage}) 1449$$
$$1450$$

The department of education shall annually determine the 1451
average efficient transportation use cost per student in 1452
accordance with the principles stated in division (D)(2) of this 1453
section, updating the intercept and regression coefficients of the 1454
regression formula modeled in this division, based on an annual 1455
statewide analysis of each school district's daily bus miles per 1456
student, transported student percentage, and transportation cost 1457
per student data. The department shall conduct the annual update 1458
using data, including daily bus miles per student, transported 1459
student percentage, and transportation cost per student data, from 1460
the prior fiscal year. The department shall notify the office of 1461
budget and management of such update by the fifteenth day of 1462
February of each year. 1463

(3) In addition to funds paid under divisions (A), (C), and 1464
(E) of this section, each district with a transported student 1465
percentage greater than zero shall receive a payment equal to a 1466
percentage of the product of the district's transportation base 1467
from the prior fiscal year times the annually updated average 1468
efficient transportation use cost per student, times an inflation 1469
factor of two and eight tenths per cent to account for the 1470
one-year difference between the data used in updating the formula 1471
and calculating the payment and the year in which the payment is 1472

made. The percentage shall be the following percentage of that
product specified for the corresponding fiscal year:

FISCAL YEAR	PERCENTAGE	
2000	52.5%	1476
2001	55%	1477
2002	57.5%	1478
2003 and thereafter	60%	1479

The payments made under division (D)(3) of this section each
year shall be calculated based on all of the same prior year's
data used to update the formula.

(4) In addition to funds paid under divisions (D)(2) and (3)
of this section, a school district shall receive a rough road
subsidy if both of the following apply:

(a) Its county rough road percentage is higher than the
statewide rough road percentage, as those terms are defined in
division (D)(5) of this section;

(b) Its district student density is lower than the statewide
student density, as those terms are defined in that division.

(5) The rough road subsidy paid to each district meeting the
qualifications of division (D)(4) of this section shall be
calculated in accordance with the following formula:

(per rough mile subsidy X total rough road miles) X
density multiplier

where:

(a) "Per rough mile subsidy" equals the amount calculated in
accordance with the following formula:

$0.75 - \{0.75 \times [(\text{maximum rough road percentage} -$

$\text{county rough road percentage}) / (\text{maximum rough road percentage} -$
 $\text{statewide rough road percentage})\}$

(i) "Maximum rough road percentage" means the highest county rough road percentage in the state. 1503
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(ii) "County rough road percentage" equals the percentage of the mileage of state, municipal, county, and township roads that is rated by the department of transportation as type A, B, C, E2, or F in the county in which the school district is located or, if the district is located in more than one county, the county to which it is assigned for purposes of determining its cost-of-doing-business factor. 1505
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(iii) "Statewide rough road percentage" means the percentage of the statewide total mileage of state, municipal, county, and township roads that is rated as type A, B, C, E2, or F by the department of transportation. 1512
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(b) "Total rough road miles" means a school district's total bus miles traveled in one year times its county rough road percentage. 1516
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(c) "Density multiplier" means a figure calculated in accordance with the following formula: 1519
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$$1 - [(\text{minimum student density} - \text{district student density}) / (\text{minimum student density} - \text{statewide student density})]$$
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1523

(i) "Minimum student density" means the lowest district student density in the state. 1524
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(ii) "District student density" means a school district's transportation base divided by the number of square miles in the district. 1526
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(iii) "Statewide student density" means the sum of the transportation bases for all school districts divided by the sum of the square miles in all school districts. 1529
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(6) In addition to funds paid under divisions (D)(2) to (5) 1532

of this section, each district shall receive in accordance with 1533
rules adopted by the state board of education a payment for 1534
students transported by means other than board-owned or 1535
contractor-operated buses and whose transportation is not funded 1536
under division (J) of section 3317.024 of the Revised Code. The 1537
rules shall include provisions for school district reporting of 1538
such students. 1539

~~(7) Notwithstanding divisions (D)(1) to (6) of this section, 1540
in fiscal year 2000 only, each school district shall receive the 1541
greater of the total amount calculated for it under those 1542
divisions and division (J) of section 3317.024 of the Revised Code 1543
or the total amount calculated for it for types one through six 1544
student transportation operating funds in fiscal year 1999. For 1545
purposes of division (D)(7) of this section, the fiscal year 1999 1546
guaranteed total amount does not include subsidies for school bus 1547
purchases. 1548~~

(E)(1) The department shall compute and distribute state 1549
vocational education additional weighted costs funds to each 1550
school district in accordance with the following formula: 1551

state share percentage X 1552
the formula amount X 1553
total vocational education weight 1554

In any fiscal year, a school district receiving funds under 1555
division (E)(1) of this section shall spend those funds only for 1556
the purposes that the department designates as approved for 1557
vocational education expenses. 1558

(2) The department shall compute for each school district 1559
state funds for vocational education associated services in 1560
accordance with the following formula: 1561

state share percentage X .05 X 1562
the formula amount X the sum of categories one and two 1563
vocational education ADM 1564

In any fiscal year, a school district receiving funds under 1565
division (E)(2) of this section, or through a transfer of funds 1566
pursuant to division (L) of section 3317.023 of the Revised Code, 1567
shall spend those funds only for the purposes that the department 1568
designates as approved for vocational education associated 1569
services expenses, which may include such purposes as 1570
apprenticeship coordinators, coordinators for other vocational 1571
education services, vocational evaluation, and other purposes 1572
designated by the department. The department may deny payment 1573
under division (E)(2) of this section to any district that the 1574
department determines is not operating those services or is using 1575
funds paid under division (E)(2) of this section, or through a 1576
transfer of funds pursuant to division (L) of section 3317.023 of 1577
the Revised Code, for other purposes. 1578

~~In fiscal years 2000 and 2001, each school district shall 1579
continue to offer the same number of the vocational education 1580
programs that the district offered in fiscal year 1999, unless the 1581
department of education expressly agrees that the district may 1582
offer fewer programs in either fiscal year 2000 or 2001 or both. 1583~~

Sec. 3317.023. (A) Notwithstanding section 3317.022 of the 1584
Revised Code, the amounts required to be paid to a district under 1585
this chapter shall be adjusted by the amount of the computations 1586
made under divisions (B) to ~~(K)~~(L) of this section. 1587

As used in this section: 1588

(1) "Classroom teacher" means a licensed employee who 1589
provides direct instruction to pupils, excluding teachers funded 1590
from money paid to the district from federal sources; educational 1591
service personnel; and vocational and special education teachers. 1592

(2) "Educational service personnel" shall not include such 1593
specialists funded from money paid to the district from federal 1594
sources or assigned full-time to vocational or special education 1595

students and classes and may only include those persons employed 1596
in the eight specialist areas in a pattern approved by the 1597
department of education under guidelines established by the state 1598
board of education. 1599

(3) "Annual salary" means the annual base salary stated in 1600
the state minimum salary schedule for the performance of the 1601
teacher's regular teaching duties that the teacher earns for 1602
services rendered for the first full week of October of the fiscal 1603
year for which the adjustment is made under division (C) of this 1604
section. It shall not include any salary payments for supplemental 1605
teachers contracts. 1606

(4) "Regular student population" means the formula ADM plus 1607
the number of students reported as enrolled in the district 1608
pursuant to division (A)(1) of section 3313.981 of the Revised 1609
Code; minus the number of students reported under division (A)(2) 1610
of section 3317.03 of the Revised Code; minus the FTE of students 1611
reported under division (B)(5), (6), (7), (8), or (9) of that 1612
section who are enrolled in a vocational education class or 1613
receiving special education; and minus one-fourth of the students 1614
enrolled concurrently in a joint vocational school district. 1615

(5) "State share percentage" ~~has~~ and "adjusted state share 1616
percentage" have the same ~~meaning~~ meanings as in section 3317.022 1617
of the Revised Code. 1618

(6) "VEPD" means a school district or group of school 1619
districts designated by the department of education as being 1620
responsible for the planning for and provision of vocational 1621
education services to students within the district or group. 1622

(7) "Lead district" means a school district, including a 1623
joint vocational school district, designated by the department as 1624
a VEPD, or designated to provide primary vocational education 1625
leadership within a VEPD composed of a group of districts. 1626

(B) If the district employs less than one full-time equivalent classroom teacher for each twenty-five pupils in the regular student population in any school district, deduct the sum of the amounts obtained from the following computations:

(1) Divide the number of the district's full-time equivalent classroom teachers employed by one twenty-fifth;

(2) Subtract the quotient in (1) from the district's regular student population;

(3) Multiply the difference in (2) by seven hundred fifty-two dollars.

(C) If a positive amount, add one-half of the amount obtained by multiplying the number of full-time equivalent classroom teachers by:

(1) The mean annual salary of all full-time equivalent classroom teachers employed by the district at their respective training and experience levels minus;

(2) The mean annual salary of all such teachers at their respective levels in all school districts receiving payments under this section.

The number of full-time equivalent classroom teachers used in this computation shall not exceed one twenty-fifth of the district's regular student population. In calculating the district's mean salary under this division, those full-time equivalent classroom teachers with the highest training level shall be counted first, those with the next highest training level second, and so on, in descending order. Within the respective training levels, teachers with the highest years of service shall be counted first, the next highest years of service second, and so on, in descending order.

(D) This division does not apply to a school district that

has entered into an agreement under division (A) of section 1657
3313.42 of the Revised Code. Deduct the amount obtained from the 1658
following computations if the district employs fewer than five 1659
full-time equivalent educational service personnel, including 1660
elementary school art, music, and physical education teachers, 1661
counselors, librarians, visiting teachers, school social workers, 1662
and school nurses for each one thousand pupils in the regular 1663
student population: 1664

(1) Divide the number of full-time equivalent educational 1665
service personnel employed by the district by five 1666
one-thousandths; 1667

(2) Subtract the quotient in (1) from the district's regular 1668
student population; 1669

(3) Multiply the difference in (2) by ninety-four dollars. 1670

(E) If a local school district, or a city or exempted village 1671
school district to which a governing board of an educational 1672
service center provides services pursuant to section 3313.843 of 1673
the Revised Code, deduct the amount of the payment required for 1674
the reimbursement of the governing board under section 3317.11 of 1675
the Revised Code. 1676

(F)(1) If the district is required to pay to or entitled to 1677
receive tuition from another school district under division (C)(2) 1678
or (3) of section 3313.64 or section 3313.65 of the Revised Code, 1679
or if the superintendent of public instruction is required to 1680
determine the correct amount of tuition and make a deduction or 1681
credit under section 3317.08 of the Revised Code, deduct and 1682
credit such amounts as provided in division (I) of section 3313.64 1683
or section 3317.08 of the Revised Code. 1684

(2) For each child for whom the district is responsible for 1685
tuition or payment under division (A)(1) of section 3317.082 or 1686
section 3323.091 of the Revised Code, deduct the amount of tuition 1687

or payment for which the district is responsible. 1688

(G) If the district has been certified by the superintendent 1689
of public instruction under section 3313.90 of the Revised Code as 1690
not in compliance with the requirements of that section, deduct an 1691
amount equal to ten per cent of the amount computed for the 1692
district under section 3317.022 of the Revised Code. 1693

(H) If the district has received a loan from a commercial 1694
lending institution for which payments are made by the 1695
superintendent of public instruction pursuant to division (E)(3) 1696
of section 3313.483 of the Revised Code, deduct an amount equal to 1697
such payments. 1698

(I)(1) If the district is a party to an agreement entered 1699
into under division (D), (E), or (F) of section 3311.06 or 1700
division (B) of section 3311.24 of the Revised Code and is 1701
obligated to make payments to another district under such an 1702
agreement, deduct an amount equal to such payments if the district 1703
school board notifies the department in writing that it wishes to 1704
have such payments deducted. 1705

(2) If the district is entitled to receive payments from 1706
another district that has notified the department to deduct such 1707
payments under division (I)(1) of this section, add the amount of 1708
such payments. 1709

(J) If the district is required to pay an amount of funds to 1710
a cooperative education district pursuant to a provision described 1711
by division (B)(4) of section 3311.52 or division (B)(8) of 1712
section 3311.521 of the Revised Code, deduct such amounts as 1713
provided under that provision and credit those amounts to the 1714
cooperative education district for payment to the district under 1715
division (B)(1) of section 3317.19 of the Revised Code. 1716

(K)(1) If a district is educating a student entitled to 1717
attend school in another district pursuant to a shared education 1718

contract, compact, or cooperative education agreement other than 1719
an agreement entered into pursuant to section 3313.842 of the 1720
Revised Code, credit to that educating district on an FTE basis 1721
~~both~~ all of the following: 1722

(a) An amount equal to the formula amount times the cost of 1723
doing business factor of the school district where the student is 1724
entitled to attend school pursuant to section 3313.64 or 3313.65 1725
of the Revised Code; 1726

(b) An amount equal to the formula amount times the adjusted 1727
state share percentage times any multiple applicable to the 1728
student pursuant to section 3317.013 of the Revised Code; 1729

(c) An amount equal to the formula amount times the state 1730
share percentage times any multiple applicable to the student 1731
pursuant to section ~~3317.013~~ or 3317.014 of the Revised Code. 1732

(2) Deduct any amount credited pursuant to division (K)(1) of 1733
this section from amounts paid to the school district in which the 1734
student is entitled to attend school pursuant to section 3313.64 1735
or 3313.65 of the Revised Code. 1736

(3) If the district is required by a shared education 1737
contract, compact, or cooperative education agreement to make 1738
payments to an educational service center, deduct the amounts from 1739
payments to the district and add them to the amounts paid to the 1740
service center pursuant to section 3317.11 of the Revised Code. 1741

(L)(1) If a district, including a joint vocational school 1742
district, is a lead district of a VEPD, credit to that district 1743
the amounts calculated for all the school districts within that 1744
VEPD pursuant to division (E)(2) of section 3317.022 of the 1745
Revised Code. 1746

(2) Deduct from each appropriate district that is not a lead 1747
district, the amount attributable to that district that is 1748
credited to a lead district under division (L)(1) of this section. 1749

Sec. 3317.029. (A) As used in this section: 1750

(1) "DPIA percentage" means the quotient obtained by dividing 1751
the five-year average number of children ages five to seventeen 1752
residing in the school district and living in a family receiving 1753
family assistance, as certified or adjusted under section 3317.10 1754
of the Revised Code, by the district's three-year average formula 1755
ADM. 1756

(2) "Family assistance" means assistance received under the 1757
Ohio works first program or, for the purpose of determining the 1758
five-year average number of recipients of family assistance in 1759
fiscal years 1999 through 2002, assistance received under an 1760
antecedent program known as TANF or ADC. 1761

(3) "Statewide DPIA percentage" means the five-year average 1762
of the total number of children ages five to seventeen years 1763
residing in the state and receiving family assistance, divided by 1764
the sum of the three-year average formula ADMs for all school 1765
districts in the state. 1766

(4) "DPIA index" means the quotient obtained by dividing the 1767
school district's DPIA percentage by the statewide DPIA 1768
percentage. 1769

(5) "Kindergarten ADM" means the number of students reported 1770
under section 3317.03 of the Revised Code as enrolled in 1771
kindergarten. 1772

(6) "Kindergarten through third grade ADM" means the amount 1773
calculated as follows: 1774

(a) Multiply the kindergarten ADM by the sum of one plus the 1775
all-day kindergarten percentage; 1776

(b) Add the number of students in grades one through three; 1777

(c) Subtract from the sum calculated under division (A)(6)(b) 1778

of this section the number of special education students in grades 1779
kindergarten through three. 1780

(7) "Statewide average teacher salary" means ~~forty~~ forty-two 1781
thousand ~~one~~ four hundred ~~eighty-seven~~ sixty-nine dollars in 1782
fiscal year ~~2000~~ 2002, and ~~forty-one~~ forty-three thousand ~~three~~ 1783
six hundred ~~twelve~~ fifty-eight dollars in fiscal year ~~2001~~ 2003, 1784
which includes an amount for the value of fringe benefits. 1785

(8) "All-day kindergarten" means a kindergarten class that is 1786
in session five days per week for not less than the same number of 1787
clock hours each day as for pupils in grades one through six. 1788

(9) "All-day kindergarten percentage" means the percentage of 1789
a district's actual total number of students enrolled in 1790
kindergarten who are enrolled in all-day kindergarten. 1791

(10) "Buildings with the highest concentration of need" means 1792
the school buildings in a district with percentages of students 1793
receiving family assistance in grades kindergarten through three 1794
at least as high as the district-wide percentage of students 1795
receiving family assistance. If, however, the information provided 1796
by the department of job and family services under section 3317.10 1797
of the Revised Code is insufficient to determine the family 1798
assistance percentage in each building, "buildings with the 1799
highest concentration of need" has the meaning given in rules that 1800
the department of education shall adopt. The rules shall base the 1801
definition of "buildings with the highest concentration of need" 1802
on family income of students in grades kindergarten through three 1803
in a manner that, to the extent possible with available data, 1804
approximates the intent of this division and division (G) of this 1805
section to designate buildings where the family assistance 1806
percentage in those grades equals or exceeds the district-wide 1807
family assistance percentage. 1808

(B) In addition to the amounts required to be paid to a 1809

school district under section 3317.022 of the Revised Code, a 1810
school district shall receive the greater of the amount the 1811
district received in fiscal year 1998 pursuant to division (B) of 1812
section 3317.023 of the Revised Code as it existed at that time or 1813
the sum of the computations made under divisions (C) to (E) of 1814
this section. 1815

(C) A supplemental payment that may be utilized for measures 1816
related to safety and security and for remediation or similar 1817
programs, calculated as follows: 1818

(1) If the DPIA index of the school district is greater than 1819
or equal to thirty-five-hundredths, but less than one, an amount 1820
obtained by multiplying the five-year average number of pupils in 1821
a district receiving family assistance by two hundred thirty 1822
dollars; 1823

(2) If the DPIA index of the school district is greater than 1824
or equal to one, an amount obtained by multiplying the DPIA index 1825
by two hundred thirty dollars and multiplying that product by the 1826
five-year average number of pupils in a district receiving family 1827
assistance. 1828

Except as otherwise provided in division (F) of this section, 1829
beginning with the school year that starts July 1, 2002, each 1830
school district annually shall use at least twenty per cent of the 1831
funds calculated for the district under this division for 1832
intervention services required by section 3313.608 of the Revised 1833
Code. 1834

(D) A payment for all-day kindergarten if any of the 1835
following apply: 1836

(1) For purposes of making payment in fiscal years prior to 1837
fiscal year 2003, the DPIA index of the school district is greater 1838
than or equal to one ~~or if the;~~ 1839

(2) For purposes of making payment in fiscal year 2003 and 1840

thereafter, the DPIA index of the school district is greater than
or equal to six-tenths;

1841
1842

(3) The district's three-year average formula ADM exceeded
seventeen thousand five hundred₇;

1843
1844

(4) The district qualified for and received a payment for
all-day kindergarten under this division in a previous fiscal
year.

1845
1846
1847

The payment under this division shall be calculated by
multiplying the all-day kindergarten percentage by the
kindergarten ADM and multiplying that product by the formula
amount.

1848
1849
1850
1851

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

1852
1853
1854

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

1855
1856
1857

(a) If the DPIA index of the school district is less than
six-tenths, the formula number of teachers is 43.478, which is the
number of teachers per one thousand students at a student-teacher
ratio of twenty-three to one;

1858
1859
1860
1861

(b) If the DPIA index of the school district is greater than
or equal to six-tenths, but less than two and one-half, the
formula number of teachers is calculated as follows:

1862
1863
1864

$$43.478 + \{[(\text{DPIA index} - 0.6) / 1.9] \times 23.188\}$$

1865

Where 43.478 is the number of teachers per one thousand
students at a student-teacher ratio of twenty-three to one; 1.9 is
the interval from a DPIA index of six-tenths to a DPIA index of
two and one-half; and 23.188 is the difference in the number of
teachers per one thousand students at a student-teacher ratio of

1866
1867
1868
1869
1870

fifteen to one and the number of teachers per one thousand
students at a student-teacher ratio of twenty-three to one. 1871
1872

(c) If the DPIA index of the school district is greater than 1873
or equal to two and one-half, the formula number of teachers is 1874
66.667, which is the number of teachers per one thousand students 1875
at a student-teacher ratio of fifteen to one. 1876

(2) Multiply the formula number of teachers determined or 1877
calculated in division (E)(1) of this section by the kindergarten 1878
through third grade ADM for the district and divide that product 1879
by one thousand; 1880

(3) Calculate the number of new teachers as follows: 1881

(a) Multiply the kindergarten through third grade ADM by 1882
43.478, which is the number of teachers per one thousand students 1883
at a student-teacher ratio of twenty-three to one, and divide that 1884
product by one thousand; 1885

(b) Subtract the quotient obtained in division (E)(3)(a) of 1886
this section from the product in division (E)(2) of this section. 1887

(4) Multiply the greater of the difference obtained under 1888
division (E)(3) of this section or zero by the statewide average 1889
teachers salary. 1890

(F) This division applies only to school districts whose DPIA 1891
index is one or greater. 1892

(1) Each school district subject to this division shall first 1893
utilize funds received under this section so that, when combined 1894
with other funds of the district, sufficient funds exist to 1895
provide all-day kindergarten to at least the number of children in 1896
the district's all-day kindergarten percentage. 1897

(2) Up to an amount equal to the district's DPIA index 1898
multiplied by the five-year average number of pupils in a district 1899
receiving family assistance multiplied by two hundred thirty 1900

dollars of the money distributed under this section may be 1901
utilized for one or both of the following: 1902

(a) Programs designed to ensure that schools are free of 1903
drugs and violence and have a disciplined environment conducive to 1904
learning; 1905

(b) Remediation for students who have failed or are in danger 1906
of failing any of the proficiency tests administered pursuant to 1907
section 3301.0710 of the Revised Code. 1908

Beginning with the school year that starts on July 1, 2002, 1909
each school district shall use at least twenty per cent of the 1910
funds set aside for the purposes of divisions (F)(2)(a) and (b) of 1911
this section to provide intervention services required by section 1912
3313.608 of the Revised Code. 1913

(3) Except as otherwise required by division (G) or permitted 1914
under division (K) of this section, all other funds distributed 1915
under this section to districts subject to this division shall be 1916
utilized for the purpose of the third grade guarantee. The third 1917
grade guarantee consists of increasing the amount of instructional 1918
attention received per pupil in kindergarten through third grade, 1919
either by reducing the ratio of students to instructional 1920
personnel or by increasing the amount of instruction and 1921
curriculum-related activities by extending the length of the 1922
school day or the school year. 1923

School districts may implement a reduction of the ratio of 1924
students to instructional personnel through any or all of the 1925
following methods: 1926

(a) Reducing the number of students in a classroom taught by 1927
a single teacher; 1928

(b) Employing full-time educational aides or educational 1929
paraprofessionals issued a permit or license under section 1930
3319.088 of the Revised Code; 1931

(c) Instituting a team-teaching method that will result in a 1932
lower student-teacher ratio in a classroom. 1933

Districts may extend the school day either by increasing the 1934
amount of time allocated for each class, increasing the number of 1935
classes provided per day, offering optional academic-related 1936
after-school programs, providing curriculum-related extra 1937
curricular activities, or establishing tutoring or remedial 1938
services for students who have demonstrated an educational need. 1939
In accordance with section 3319.089 of the Revised Code, a 1940
district extending the school day pursuant to this division may 1941
utilize a participant of the work experience program who has a 1942
child enrolled in a public school in that district and who is 1943
fulfilling the work requirements of that program by volunteering 1944
or working in that public school. If the work experience program 1945
participant is compensated, the school district may use the funds 1946
distributed under this section for all or part of the 1947
compensation. 1948

Districts may extend the school year either through adding 1949
regular days of instruction to the school calendar or by providing 1950
summer programs. 1951

(G) Each district subject to division (F) of this section 1952
shall not expend any funds received under division (E) of this 1953
section in any school buildings that are not buildings with the 1954
highest concentration of need, unless there is a ratio of 1955
instructional personnel to students of no more than fifteen to one 1956
in each kindergarten and first grade class in all buildings with 1957
the highest concentration of need. This division does not require 1958
that the funds used in buildings with the highest concentration of 1959
need be spent solely to reduce the ratio of instructional 1960
personnel to students in kindergarten and first grade. A school 1961
district may spend the funds in those buildings in any manner 1962
permitted by division (F)(3) of this section, but may not spend 1963

the money in other buildings unless the fifteen-to-one ratio 1964
required by this division is attained. 1965

(H)(1) By the first day of August of each fiscal year, each 1966
school district wishing to receive any funds under division (D) of 1967
this section shall submit to the department of education an 1968
estimate of its all-day kindergarten percentage. Each district 1969
shall update its estimate throughout the fiscal year in the form 1970
and manner required by the department, and the department shall 1971
adjust payments under this section to reflect the updates. 1972

(2) Annually by the end of December, the department of 1973
education, utilizing data from the information system established 1974
under section 3301.0714 of the Revised Code and after consultation 1975
with the legislative office of education oversight, shall 1976
determine for each school district subject to division (F) of this 1977
section whether in the preceding fiscal year the district's ratio 1978
of instructional personnel to students and its number of 1979
kindergarten students receiving all-day kindergarten appear 1980
reasonable, given the amounts of money the district received for 1981
that fiscal year pursuant to divisions (D) and (E) of this 1982
section. If the department is unable to verify from the data 1983
available that students are receiving reasonable amounts of 1984
instructional attention and all-day kindergarten, given the funds 1985
the district has received under this section and that class-size 1986
reduction funds are being used in school buildings with the 1987
highest concentration of need as required by division (G) of this 1988
section, the department shall conduct a more intensive 1989
investigation to ensure that funds have been expended as required 1990
by this section. The department shall file an annual report of its 1991
findings under this division with the chairpersons of the 1992
committees in each house of the general assembly dealing with 1993
finance and education. 1994

(I) Any school district with a DPIA index less than one ~~and a~~ 1995

three-year average formula ADM exceeding seventeen thousand five	1996
hundred that receives payment for all-day kindergarten under	1997
<u>division (D) of this section</u> shall first utilize funds received	1998
under this section so that, when combined with other funds of the	1999
district, sufficient funds exist to provide all-day kindergarten	2000
to at least the number of children in the district's all-day	2001
kindergarten percentage. Such a district shall expend at least	2002
seventy per cent of the remaining funds received under this	2003
section, and any <u>every</u> other district with a DPIA index less than	2004
one shall expend at least seventy per cent of all funds received	2005
under this section, for any of the following purposes:	2006
(1) The purchase of technology for instructional purposes;	2007
(2) All-day kindergarten;	2008
(3) Reduction of class sizes;	2009
(4) Summer school remediation;	2010
(5) Dropout prevention programs;	2011
(6) Guaranteeing that all third graders are ready to progress	2012
to more advanced work;	2013
(7) Summer education and work programs;	2014
(8) Adolescent pregnancy programs;	2015
(9) Head start or preschool programs;	2016
(10) Reading improvement programs described by the department	2017
of education;	2018
(11) Programs designed to ensure that schools are free of	2019
drugs and violence and have a disciplined environment conducive to	2020
learning;	2021
(12) Furnishing, free of charge, materials used in courses of	2022
instruction, except for the necessary textbooks or electronic	2023
textbooks required to be furnished without charge pursuant to	2024

section 3329.06 of the Revised Code, to pupils living in families 2025
participating in Ohio works first in accordance with section 2026
3313.642 of the Revised Code; 2027

(13) School breakfasts provided pursuant to section 3313.813 2028
of the Revised Code. 2029

Each district shall submit to the department, in such format 2030
and at such time as the department shall specify, a report on the 2031
programs for which it expended funds under this division. 2032

(J) If at any time the superintendent of public instruction 2033
determines that a school district receiving funds under division 2034
(D) of this section has enrolled less than the all-day 2035
kindergarten percentage reported for that fiscal year, the 2036
superintendent shall withhold from the funds otherwise due the 2037
district under this section a proportional amount as determined by 2038
the difference in the certified all-day kindergarten percentage 2039
and the percentage actually enrolled in all-day kindergarten. 2040

The superintendent shall also withhold an appropriate amount 2041
of funds otherwise due a district for any other misuse of funds 2042
not in accordance with this section. 2043

(K)(1) A district may use a portion of the funds calculated 2044
for it under division (D) of this section to modify or purchase 2045
classroom space to provide all-day kindergarten, if both of the 2046
following conditions are met: 2047

(a) The district certifies to the department, in a manner 2048
acceptable to the department, that it has a shortage of space for 2049
providing all-day kindergarten. 2050

(b) The district provides all-day kindergarten to the number 2051
of children in the all-day kindergarten percentage it certified 2052
under this section. 2053

(2) A district may use a portion of the funds described in 2054

division (F)(3) of this section to modify or purchase classroom 2055
space to enable it to further reduce class size in grades 2056
kindergarten through two with a goal of attaining class sizes of 2057
fifteen students per licensed teacher. To do so, the district must 2058
certify its need for additional space to the department, in a 2059
manner satisfactory to the department. 2060

Sec. 3317.0212. Divisions (B) and (C) of this section do not 2061
apply to a school district with a formula ADM of one hundred fifty 2062
or less. 2063

(A) As used in this section: 2064

(1) "Fundamental FY 1997 state aid" or "fundamental FY 1998 2065
state aid" for a district means the total amount of state money 2066
received by the district for the applicable fiscal year as 2067
reported on the department of education's form "SF-12," adjusted 2068
as follows: 2069

(a) Minus the amount for transportation; 2070

(b) Minus any amounts for approved preschool handicapped 2071
units; 2072

(c) Minus any additional amount attributable to the 2073
reappraisal guarantee of division (C) of section 3317.04 of the 2074
Revised Code; 2075

(d) Plus the amount deducted for payments to an educational 2076
service center; 2077

(e) Plus an estimated portion of the state money distributed 2078
in the applicable fiscal year to other school districts or 2079
educational service centers for approved units, other than 2080
preschool handicapped or gifted education units, attributable to 2081
the costs of providing services in those units to students 2082
entitled to attend school in the district; 2083

(f) Minus an estimated portion of the state money distributed 2084
to the school district in the applicable fiscal year for approved 2085
units, other than preschool handicapped units or gifted education 2086
units, attributable to the costs of providing services in those 2087
units to students entitled to attend school in another school 2088
district; 2089

(g) Plus any additional amount paid in the applicable fiscal 2090
year pursuant to the vocational education recomputation required 2091
by Section 45.12 of Amended Substitute House Bill No. 117 of the 2092
121st general assembly or former Section 50.22 of Amended 2093
Substitute House Bill No. 215 of the 122nd general assembly; 2094

(h) Plus any additional amount paid in the applicable fiscal 2095
year pursuant to the special education recomputation required by 2096
former division (I) of section 3317.023 of the Revised Code; 2097

(i) Plus any amount paid for equity aid in the applicable 2098
fiscal year under section 3317.0213 of the Revised Code; 2099

(j) Plus any amount received for the applicable fiscal year 2100
pursuant to section 3317.027 of the Revised Code; 2101

(k) Plus any amount received for the applicable fiscal year 2102
resulting from a recomputation made under division (B) of section 2103
3317.022 of the Revised Code, as that section existed in the 2104
applicable fiscal year. 2105

(2) "State basic aid" for a district for any fiscal year 2106
after fiscal year 1999 means the sum of the following: 2107

(a) The amount computed for the district for base cost 2108
funding, special education funding, and vocational education 2109
funding under divisions (A), (C)(1) and (5), and (E) of section 2110
3317.022 and sections 3317.025 and 3317.027 of the Revised Code 2111
and DPIA aid under section 3317.029 of the Revised Code in the 2112
current fiscal year before any deduction or credit required by 2113
division (B), (D), (E), (F), (G), (H), (I), (J), (K), or (L) of 2114

section 3317.023 or division (J) of section 3317.029 of the Revised Code; 2115
2116

(b) Any amounts for which the district is eligible pursuant to division (C) of section 3317.023, divisions (G), (P), and (R) of section 3317.024, and the supplemental unit allowance paid for gifted units under division (B) of section ~~3317.162~~ 3317.053 of the Revised Code; 2117
2118
2119
2120
2121

(c) Any equity aid for which the district is eligible under section 3317.0213 of the Revised Code. 2122
2123

~~(3) "Adjusted FY 1999 actual aid" has the same meaning as in Section 18 of Am. Sub. H.B. 650 of the 122nd general assembly, as amended.~~ 2124
2125
2126

~~(4) "Vocational education set-aside" means the up to \$24,193,118 earmarked for additional school district vocational education grants under appropriation item 200-545, vocational education enhancements, in Am. Sub. H.B. 770 of the 122nd general assembly.~~ 2127
2128
2129
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(B) Upon request of the department of education, the treasurer of any school district or educational service center shall furnish data needed to calculate the amounts specified in divisions (A)(1)(e) and (f) of this section. The department shall compute and pay the state basic aid guarantee for each school district for the fiscal year as follows: 2132
2133
2134
2135
2136
2137

(1) Subtract the amount of state basic aid from the amount of fundamental FY 1998 state aid. If a negative number, this computation shall be deemed to be zero. 2138
2139
2140

(2) Pay the district any positive amount calculated under division (B)(1) of this section. 2141
2142

~~(C) In fiscal year 2000, the department shall calculate for each district the sum of the district's state basic aid for that~~ 2143
2144

~~fiscal year, plus any amount calculated under division (B)(1) of 2145
this section, plus the transportation portion of state aid 2146
computed for the district for that fiscal year under division (D)
of the version of section 3317.022 of the Revised Code in effect 2147
that fiscal year. If a district's adjusted FY 1999 actual aid is 2148
greater than that sum, then the department shall pay the district 2149
in that fiscal year one hundred per cent of the difference. 2150
2151~~

(D)(1) The state basic aid guarantee in any fiscal year for a 2152
school district with a formula ADM of one hundred fifty or less 2153
shall be the greatest of the following amounts: 2154

- (a) The district's state basic aid for the fiscal year; 2155
- (b) The district's fundamental FY 1998 state aid; 2156
- (c) The district's fundamental FY 1997 state aid. 2157

(2) If in any fiscal year the state basic aid for a school 2158
district with a formula ADM of one hundred fifty or less is less 2159
than the guarantee amount determined for the district under 2160
division (D)(C)(1) of this section, the department of education 2161
shall pay the district the amount of the difference. 2162

Sec. 3317.03. Notwithstanding divisions (A)(1), (B)(1), and 2163
(C) of this section, any student enrolled in kindergarten more 2164
than half time shall be reported as one-half student under this 2165
section. 2166

(A) The superintendent of each city and exempted village 2167
school district and of each educational service center shall, for 2168
the schools under the superintendent's supervision, certify to the 2169
state board of education on or before the fifteenth day of October 2170
in each year for the first full school week in October the formula 2171
ADM, which shall consist of the average daily membership during 2172
such week of the sum of the following: 2173

- (1) On an FTE basis, the number of students in grades 2174

kindergarten through twelve receiving any educational services	2175
from the district, except that the following categories of	2176
students shall not be included in the determination:	2177
(a) Students enrolled in adult education classes;	2178
(b) Adjacent or other district students enrolled in the	2179
district under an open enrollment policy pursuant to section	2180
3313.98 of the Revised Code;	2181
(c) Students receiving services in the district pursuant to a	2182
compact, cooperative education agreement, or a contract, but who	2183
are entitled to attend school in another district pursuant to	2184
section 3313.64 or 3313.65 of the Revised Code;	2185
(d) Students for whom tuition is payable pursuant to sections	2186
3317.081 and 3323.141 of the Revised Code.	2187
(2) On an FTE basis, the number of students entitled to	2188
attend school in the district pursuant to section 3313.64 or	2189
3313.65 of the Revised Code, but receiving educational services in	2190
grades kindergarten through twelve from one or more of the	2191
following entities:	2192
(a) A community school pursuant to Chapter 3314. of the	2193
Revised Code, including any participation in a college pursuant to	2194
Chapter 3365. of the Revised Code while enrolled in such community	2195
school;	2196
(b) An alternative school pursuant to sections 3313.974 to	2197
3313.979 of the Revised Code as described in division (I)(2)(a) or	2198
(b) of this section;	2199
(c) A college pursuant to Chapter 3365. of the Revised Code,	2200
except when the student is enrolled in the college while also	2201
enrolled in a community school pursuant to Chapter 3314. of the	2202
Revised Code;	2203
(d) An adjacent or other school district under an open	2204

enrollment policy adopted pursuant to section 3313.98 of the Revised Code;	2205 2206
(e) An educational service center or cooperative education district;	2207 2208
(f) Another school district under a cooperative education agreement, compact, or contract.	2209 2210
(3) One-fourth 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 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;	2211 2212 2213 2214 2215 2216 2217 2218
(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.	2219 2220 2221 2222 2223 2224 2225
(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:	2226 2227 2228 2229
(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;	2230 2231 2232 2233
(2) The number of all handicapped preschool children enrolled as of the first day of December in classes in the district that	2234 2235

are eligible for approval by the state board of education under 2236
division (B) of section 3317.05 of the Revised Code and the number 2237
of those classes, which shall be reported not later than the 2238
fifteenth day of December, in accordance with rules adopted under 2239
that section; 2240

(3) The number of children entitled to attend school in the 2241
district pursuant to section 3313.64 or 3313.65 of the Revised 2242
Code who are participating in a pilot project scholarship program 2243
established under sections 3313.974 to 3313.979 of the Revised 2244
Code as described in division (I)(2)(a) or (b) of this section, 2245
are enrolled in a college under Chapter 3365. of the Revised Code, 2246
except when the student is enrolled in the college while also 2247
enrolled in a community school pursuant to Chapter 3314. of the 2248
Revised Code, are enrolled in an adjacent or other school district 2249
under section 3313.98 of the Revised Code, are enrolled in a 2250
community school established under Chapter 3314. of the Revised 2251
Code, including any participation in a college pursuant to Chapter 2252
3365. of the Revised Code while enrolled in such community school, 2253
or are participating in a program operated by a county MR/DD board 2254
or a state institution; 2255

(4) The number of pupils enrolled in joint vocational 2256
schools; 2257

(5) The average daily membership of handicapped children 2258
reported under division (A)(1) or (2) of this section receiving 2259
category one special education services, described in division (A) 2260
of section 3317.013 of the Revised Code; 2261

(6) The average daily membership of handicapped children 2262
reported under division (A)(1) or (2) of this section receiving 2263
category two special education services, described in division (B) 2264
of section 3317.013 of the Revised Code; 2265

(7) The average daily membership of handicapped children 2266

reported under division (A)(1) or (2) of this section identified	2267
as having any of the handicaps specified in division (F)(3) of	2268
section 3317.02 of the Revised Code;	2269
(8) The average daily membership of pupils reported under	2270
division (A)(1) or (2) of this section enrolled in category one	2271
vocational education programs or classes, described in division	2272
(A) of section 3317.014 of the Revised Code, operated by the	2273
school district or by another district, other than a joint	2274
vocational school district, or by an educational service center;	2275
(9) The average daily membership of pupils reported under	2276
division (A)(1) or (2) of this section enrolled in category two	2277
vocational education programs or services, described in division	2278
(B) of section 3317.014 of the Revised Code, operated by the	2279
school district or another school district, other than a joint	2280
vocational school district, or by an educational service center;	2281
(10) The average number of children transported by the school	2282
district on board-owned or contractor-owned and -operated buses,	2283
reported in accordance with rules adopted by the department of	2284
education;	2285
(11)(a) The number of children, other than handicapped	2286
preschool children, the district placed with a county MR/DD board	2287
in fiscal year 1998;	2288
(b) The number of handicapped children, other than	2289
handicapped preschool children, placed with a county MR/DD board	2290
in the current fiscal year to receive category one special	2291
education services, described in division (A) of section 3317.013	2292
of the Revised Code;	2293
(c) The number of handicapped children, other than	2294
handicapped preschool children, placed with a county MR/DD board	2295
in the current fiscal year to receive category two special	2296
education services, described in division (B) of section 3317.013	2297

of the Revised Code; 2298

(d) The number of handicapped children, other than 2299
handicapped preschool children, placed with a county MR/DD board 2300
in the current fiscal year to receive category three special 2301
education services, described in division (F)(3) of section 2302
3317.02 of the Revised Code. 2303

(C) Except as otherwise provided in this section for 2304
kindergarten students, the average daily membership in divisions 2305
(B)(1) to (9) of this section shall be based upon the number of 2306
full-time equivalent students. The state board of education shall 2307
adopt rules defining full-time equivalent students and for 2308
determining the average daily membership therefrom for the 2309
purposes of divisions (A), (B), and (D) of this section. No child 2310
shall be counted as more than a total of one child in the sum of 2311
the average daily memberships of a school district under division 2312
(A), divisions (B)(1) to (9), or division (D) of this section, 2313
except as follows: 2314

(1) A child with a handicap described in section 3317.013 or 2315
division (F)(3) of section 3317.02 of the Revised Code may be 2316
counted both in formula ADM and in category one, two, or three 2317
special education ADM and, if applicable, in category one or two 2318
vocational education ADM. As provided in division (C) of section 2319
3317.02 of the Revised Code, such a child shall be counted in 2320
category one, two, or three special education ADM in the same 2321
proportion that the child is counted in formula ADM. 2322

(2) A child enrolled in vocational education programs or 2323
classes described in section 3314.014 of the Revised Code may be 2324
counted both in formula ADM and category one or two vocational 2325
education ADM and, if applicable, in category one, two, or three 2326
special education ADM. Such a child shall be counted in category 2327
one or two vocational education ADM in the same proportion as the 2328
percentage of time that the child spends in the vocational 2329

education programs or classes. 2330

Based on the information reported under this section, the 2331
department of education shall determine the total student count, 2332
as defined in section 3301.011 of the Revised Code, for each 2333
school district. 2334

(D)(1) The superintendent of each joint vocational school 2335
district shall certify to the superintendent of public instruction 2336
on or before the fifteenth day of October in each year for the 2337
first full school week in October the formula ADM, which shall 2338
consist of the average daily membership during such week, on an 2339
FTE basis, of the number of students receiving any educational 2340
services from the district, except that the following categories 2341
of students shall not be included in the determination: 2342

(a) Students enrolled in adult education classes; 2343

(b) Adjacent or other district joint vocational students 2344
enrolled in the district under an open enrollment policy pursuant 2345
to section 3313.98 of the Revised Code; 2346

(c) Students receiving services in the district pursuant to a 2347
compact, cooperative education agreement, or a contract, but who 2348
are entitled to attend school in a city, local, or exempted 2349
village school district whose territory is not part of the 2350
territory of the joint vocational district; 2351

(d) Students for whom tuition is payable pursuant to sections 2352
3317.081 and 3323.141 of the Revised Code. 2353

(2) To enable the department of education to obtain the data 2354
needed to complete the calculation of payments pursuant to this 2355
chapter, in addition to the formula ADM, each superintendent shall 2356
report separately the average daily membership included in the 2357
report under division (D)(1) of this section for each of the 2358
following categories of students: 2359

(a) Students enrolled in each grade included in the joint vocational district schools;	2360 2361
(b) Handicapped children receiving category one special education services, described in division (A) of section 3317.013 of the Revised Code;	2362 2363 2364
(c) Handicapped children receiving category two special education services, described in division (B) of section 3317.013 of the Revised Code;	2365 2366 2367
(d) Handicapped children identified as having any of the handicaps specified in division (F)(3) of section 3317.02 of the Revised Code;	2368 2369 2370
(e) Students receiving category one vocational education services, described in division (A) of section 3317.014 of the Revised Code;	2371 2372 2373
(f) Students receiving category two vocational education services, described in division (B) of section 3317.014 of the Revised Code.	2374 2375 2376
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.	2377 2378 2379 2380 2381
(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 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	2382 2383 2384 2385 2386 2387 2388 2389 2390

no pupil shall be counted as in membership prior to the actual 2391
date of entry in the school and also in such manner that where for 2392
any cause a pupil permanently withdraws from the school that pupil 2393
shall not be counted as in membership from and after the date of 2394
such withdrawal. There shall not be included in the membership of 2395
any school any of the following: 2396

(1) Any pupil who has graduated from the twelfth grade of a 2397
public high school; 2398

(2) Any pupil who is not a resident of the state; 2399

(3) Any pupil who was enrolled in the schools of the district 2400
during the previous school year when tests were administered under 2401
section 3301.0711 of the Revised Code but did not take one or more 2402
of the tests required by that section and was not excused pursuant 2403
to division (C)(1) of that section; 2404

(4) Any pupil who has attained the age of twenty-two years, 2405
except for veterans of the armed services whose attendance was 2406
interrupted before completing the recognized twelve-year course of 2407
the public schools by reason of induction or enlistment in the 2408
armed forces and who apply for reenrollment in the public school 2409
system of their residence not later than four years after 2410
termination of war or their honorable discharge. 2411

If, however, any veteran described by division (E)(4)~~(b)~~ of 2412
this section elects to enroll in special courses organized for 2413
veterans for whom tuition is paid under the provisions of federal 2414
laws, or otherwise, that veteran shall not be included in average 2415
daily membership. 2416

Notwithstanding division (E)(3) of this section, the 2417
membership of any school may include a pupil who did not take a 2418
test required by section 3301.0711 of the Revised Code if the 2419
superintendent of public instruction grants a waiver from the 2420
requirement to take the test to the specific pupil. The 2421

superintendent may grant such a waiver only for good cause in 2422
accordance with rules adopted by the state board of education. 2423

Except as provided in division (B)(2) of this section, the 2424
average daily membership figure of any local, city, exempted 2425
village, or joint vocational school district shall be determined 2426
by dividing the figure representing the sum of the number of 2427
pupils enrolled during each day the school of attendance is 2428
actually open for instruction during the first full school week in 2429
October by the total number of days the school was actually open 2430
for instruction during that week. For purposes of state funding, 2431
"enrolled" persons are only those pupils who are attending school, 2432
those who have attended school during the current school year and 2433
are absent for authorized reasons, and those handicapped children 2434
currently receiving home instruction. 2435

The average daily membership figure of any cooperative 2436
education school district shall be determined in accordance with 2437
rules adopted by the state board of education. 2438

(F)(1) If the formula ADM for the first full school week in 2439
February is at least three per cent greater than that certified 2440
for the first full school week in the preceding October, the 2441
superintendent of schools of any city, exempted village, or joint 2442
vocational school district or educational service center shall 2443
certify such increase to the superintendent of public instruction. 2444
Such certification shall be submitted no later than the fifteenth 2445
day of February. For the balance of the fiscal year, beginning 2446
with the February payments, the superintendent of public 2447
instruction shall use the increased formula ADM in calculating or 2448
recalculating the amounts to be allocated in accordance with 2449
section 3317.022 or 3317.16 of the Revised Code. In no event shall 2450
the superintendent use an increased membership certified to the 2451
superintendent after the fifteenth day of February. 2452

(2) If on the first school day of April the total number of 2453

classes or units for handicapped preschool children that are 2454
eligible for approval under division (B) of section 3317.05 of the 2455
Revised Code exceeds the number of units that have been approved 2456
for the year under that division, the superintendent of schools of 2457
any city, exempted village, or cooperative education school 2458
district or educational service center shall make the 2459
certifications required by this section for that day. If the state 2460
board of education determines additional units can be approved for 2461
the fiscal year within any limitations set forth in the acts 2462
appropriating moneys for the funding of such units, the board 2463
shall approve additional units for the fiscal year on the basis of 2464
such average daily membership. For each unit so approved, the 2465
department of education shall pay an amount computed in the manner 2466
prescribed in section ~~3317.161~~ 3317.052 or 3317.19 and section 2467
~~3317.162~~ 3317.053 of the Revised Code. 2468

(G)(1)(a) The superintendent of an institution operating a 2469
special education program pursuant to section 3323.091 of the 2470
Revised Code shall, for the programs under such superintendent's 2471
supervision, certify to the state board of education the average 2472
daily membership of all handicapped children in classes or 2473
programs approved annually by the state board of education, in the 2474
manner prescribed by the superintendent of public instruction. 2475

(b) The superintendent of an institution with vocational 2476
education units approved under division (A) of section 3317.05 of 2477
the Revised Code shall, for the units under the superintendent's 2478
supervision, certify to the state board of education the average 2479
daily membership in those units, in the manner prescribed by the 2480
superintendent of public instruction. 2481

(2) The superintendent of each county MR/DD board that 2482
maintains special education classes under section 3317.20 of the 2483
Revised Code or units approved by the state board of education 2484
pursuant to section 3317.05 of the Revised Code shall do both of 2485

the following: 2486

(a) Certify to the state board, in the manner prescribed by 2487
the board, the average daily membership in classes ~~and units~~ 2488
~~approved under division (D)(1) of~~ under section 3317.05 3317.20 of 2489
the Revised Code for each school district that has placed children 2490
in the classes ~~or units~~; 2491

(b) Certify to the state board, in the manner prescribed by 2492
the board, the number of all handicapped preschool children 2493
enrolled as of the first day of December in classes eligible for 2494
approval under division (B) of section 3317.05 of the Revised 2495
Code, and the number of those classes. 2496

~~(3)(a) If during the first full school week in February the~~ 2497
~~average daily membership of the classes or units maintained by the~~ 2498
~~county MR/DD board that are eligible for approval under division~~ 2499
~~(D)(1) of section 3317.05 of the Revised Code is greater than the~~ 2500
~~average daily membership for the preceding October, the~~ 2501
~~superintendent of the board shall make the certifications required~~ 2502
~~by this section for such week.~~ 2503

~~(b)~~ If on the first school day of April the number of classes 2504
or units maintained for handicapped preschool children by the 2505
county MR/DD board that are eligible for approval under division 2506
(B) of section 3317.05 of the Revised Code is greater than the 2507
number of units approved for the year under that division, the 2508
superintendent shall make the certification required by this 2509
section for that day. 2510

~~(c)~~(b) If the state board determines that additional classes 2511
or units can be approved for the fiscal year within any 2512
limitations set forth in the acts appropriating moneys for the 2513
funding of the classes and units described in division (G)(3)(a) 2514
~~or (b)~~ of this section, the board shall approve and fund 2515
additional units for the fiscal year on the basis of such average 2516
daily membership. For each unit so approved, the department of 2517

education shall pay an amount computed in the manner prescribed in 2518
sections ~~3317.161~~ 3317.052 and ~~3317.162~~ 3317.053 of the Revised 2519
Code. 2520

(H) Except as provided in division (I) of this section, when 2521
any city, local, or exempted village school district provides 2522
instruction for a nonresident pupil whose attendance is 2523
unauthorized attendance as defined in section 3327.06 of the 2524
Revised Code, that pupil's membership shall not be included in 2525
that district's membership figure used in the calculation of that 2526
district's formula ADM or included in the determination of any 2527
unit approved for the district under section 3317.05 of the 2528
Revised Code. The reporting official shall report separately the 2529
average daily membership of all pupils whose attendance in the 2530
district is unauthorized attendance, and the membership of each 2531
such pupil shall be credited to the school district in which the 2532
pupil is entitled to attend school under division (B) of section 2533
3313.64 or section 3313.65 of the Revised Code as determined by 2534
the department of education. 2535

(I)(1) A city, local, exempted village, or joint vocational 2536
school district admitting a scholarship student of a pilot project 2537
district pursuant to division (C) of section 3313.976 of the 2538
Revised Code may count such student in its average daily 2539
membership. 2540

(2) In any year for which funds are appropriated for pilot 2541
project scholarship programs, a school district implementing a 2542
state-sponsored pilot project scholarship program that year 2543
pursuant to sections 3313.974 through 3313.979 of the Revised Code 2544
may count in average daily membership: 2545

(a) All children residing in the district and utilizing a 2546
scholarship to attend kindergarten in any alternative school, as 2547
defined in section 3313.974 of the Revised Code; 2548

(b) All children who were enrolled in the district in the 2549

preceding year who are utilizing a scholarship to attend any such 2550
alternative school. 2551

(J) The superintendent of each cooperative education school 2552
district shall certify to the superintendent of public 2553
instruction, in a manner prescribed by the state board of 2554
education, the applicable average daily memberships for all 2555
students in the cooperative education district, also indicating 2556
the city, local, or exempted village district where each pupil is 2557
entitled to attend school under section 3313.64 or 3313.65 of the 2558
Revised Code. 2559

Sec. 3317.05. (A) For the purpose of calculating payments 2560
under sections ~~3317.161~~ 3317.052 and ~~3317.162~~ 3317.053 of the 2561
Revised Code, the state board of education shall determine for 2562
each institution, by the last day of January of each year and 2563
based on information certified under section 3317.03 of the 2564
Revised Code, the number of vocational education units or 2565
fractions of units approved by the state board on the basis of 2566
standards and rules adopted by the state board. As used in this 2567
division, "institution" means an institution operated by a 2568
department specified in section 3323.091 of the Revised Code and 2569
that provides vocational education programs under the supervision 2570
of the division of vocational education of the department of 2571
education that meet the standards and rules for these programs, 2572
including licensure of professional staff involved in the 2573
programs, as established by the state board of education. 2574

(B) For the purpose of calculating payments under sections 2575
3317.052, 3317.053, 3317.11, ~~3317.161~~, ~~3317.162~~, and 3317.19 of 2576
the Revised Code, the state board shall determine, based on 2577
information certified under section 3317.03 of the Revised Code, 2578
the following by the last day of January of each year for each 2579
educational service center, for each school district, including 2580

each cooperative education school district, for each institution 2581
eligible for payment under section 3323.091 of the Revised Code, 2582
and for each county MR/DD board: the number of classes operated by 2583
the school district, service center, institution, or county MR/DD 2584
board for handicapped preschool children, or fraction thereof, 2585
including in the case of a district or service center that is a 2586
funding agent, classes taught by a licensed teacher employed by 2587
that district or service center under section 3313.841 of the 2588
Revised Code, approved annually by the state board on the basis of 2589
standards and rules adopted by the state board. 2590

(C) For the purpose of calculating payments under sections 2591
3317.052, 3317.053, 3317.11, 3317.161, 3317.162, and 3317.19 of 2592
the Revised Code, the state board shall determine, based on 2593
information certified under section 3317.03 of the Revised Code, 2594
the following by the last day of January of each year for each 2595
school district, including each cooperative education school 2596
district, for each institution eligible for payment under section 2597
3323.091 of the Revised Code, and for each county MR/DD board: the 2598
number of preschool handicapped related services units for child 2599
study, occupational, physical, or speech and hearing therapy, 2600
special education supervisors, and special education coordinators 2601
approved annually by the state board on the basis of standards and 2602
rules adopted by the state board. 2603

(D) For the purpose of calculating payments under sections 2604
~~3317.161~~ 3317.052 and ~~3317.162~~ 3317.053 of the Revised Code, the 2605
state board shall determine, based on information certified under 2606
section 3317.03 of the Revised Code, the following by the last day 2607
of January of each year for each institution eligible for payment 2608
under section 3323.091 of the Revised Code, ~~and for each county~~ 2609
~~MR/DD board:~~ 2610

(1) The number of classes operated by an institution ~~or~~ 2611
~~county MR/DD board~~ for handicapped children other than handicapped 2612

preschool children, or fraction thereof, approved annually by the 2613
state board on the basis of standards and rules adopted by the 2614
state board; 2615

(2) The number of related services units for children other 2616
than handicapped preschool children for child study, occupational, 2617
physical, or speech and hearing therapy, special education 2618
supervisors, and special education coordinators approved annually 2619
by the state board on the basis of standards and rules adopted by 2620
the state board. 2621

(E) All of the arithmetical calculations made under this 2622
section shall be carried to the second decimal place. The total 2623
number of units for school districts, service centers, and 2624
institutions approved annually by the state board under this 2625
section shall not exceed the number of units included in the state 2626
board's estimate of cost for these units and appropriations made 2627
for them by the general assembly. 2628

In the case of units described in division (D)(1) of this 2629
section operated by ~~county MR/DD boards~~ and institutions eligible 2630
for payment under section 3323.091 of the Revised Code, the state 2631
board shall approve only units for persons who are under age 2632
twenty-two on the first day of the academic year, but not less 2633
than six years of age on the thirtieth day of September of that 2634
year, except that such a unit may include one or more children who 2635
are under six years of age on the thirtieth day of September if 2636
such children have been admitted to the unit pursuant to rules of 2637
the state board. In the case of handicapped preschool units 2638
described in division (B) of this section operated by county MR/DD 2639
boards and institutions eligible for payment under section 2640
3323.091 of the Revised Code, the state board shall approve only 2641
preschool units for children who are under age six but not less 2642
than age three on the thirtieth day of September of the academic 2643
year, except that such a unit may include one or more children who 2644

are under age three or are age six or over on the thirtieth day of 2645
September if such children have been admitted to the unit pursuant 2646
to rules of the state board of education. The number of units for 2647
county MR/DD boards and institutions eligible for payment under 2648
section 3323.091 of the Revised Code approved by the state board 2649
under this section shall not exceed the number that can be funded 2650
with appropriations made for such purposes by the general 2651
assembly. 2652

No unit shall be approved under divisions (B) to (D) of this 2653
section unless a plan has been submitted and approved under 2654
Chapter 3323. of the Revised Code. 2655

(F) The department shall approve units or fractions thereof 2656
for gifted children on the basis of standards and rules adopted by 2657
the board. 2658

Sec. 3317.051. (A)(1) Notwithstanding sections 3317.05 and 2659
3317.11 of the Revised Code, a unit funded pursuant to division 2660
(P) of section 3317.024 or division (A)(2) of section ~~3317.161~~ 2661
3317.052 of the Revised Code shall not be approved for state 2662
funding in one school district, including any cooperative 2663
education school district or any educational service center, to 2664
the extent that such unit provides programs in or services to 2665
another district which receives payment pursuant to section 2666
3317.04 of the Revised Code. 2667

(2) Any city, local, exempted village, or cooperative 2668
education school district or any educational service center may 2669
combine partial unit eligibility for handicapped preschool 2670
programs pursuant to section 3317.05 of the Revised Code, and such 2671
combined partial units may be approved for state funding in one 2672
school district or service center. 2673

(B) After units have been initially approved for any fiscal 2674
year under section 3317.05 of the Revised Code, no unit shall be 2675

subsequently transferred from a school district or educational
service center to another city, exempted village, local, or
cooperative education school district or educational service
center or to an institution or county MR/DD board solely for the
purpose of reducing the financial obligations of the school
district in a fiscal year it receives payment pursuant to section
3317.04 of the Revised Code.

Sec. ~~3317.161~~ 3317.052. As used in this section,
"institution" means an institution operated by a department
specified in section 3323.091 of the Revised Code.

(A)(1) The department of education shall pay each school
district, educational service center, institution eligible for
payment under section 3323.091 of the Revised Code, or county
MR/DD board an amount for the total of all classroom units for
handicapped preschool children approved under division (B) of
section 3317.05 of the Revised Code. For each unit, the amount
shall be the sum of the minimum salary for the teacher of the
unit, calculated on the basis of the teacher's training level and
years of experience pursuant to section 3317.13 of the Revised
Code, plus fifteen per cent of that minimum salary amount, and
eight thousand twenty-three dollars.

(2) The department shall pay each school district,
educational service center, institution eligible for payment under
section 3323.091 of the Revised Code, or county MR/DD board an
amount for the total of all related services units for handicapped
preschool children approved under division (C) of section 3317.05
of the Revised Code. For each such unit, the amount shall be the
sum of the minimum salary for the teacher of the unit calculated
on the basis of the teacher's training level and years of
experience pursuant to section 3317.13 of the Revised Code,
fifteen per cent of that minimum salary amount, and two thousand

one hundred thirty-two dollars. 2707

(B) If a school district ~~or~~, educational service center ~~has~~ 2708
~~had additional handicapped preschool units approved for the year~~ 2709
~~under division (F)(2) of section 3317.03 of the Revised Code,~~ or 2710
~~if a county MR/DD board has had additional handicapped preschool~~ 2711
units approved for the year under division (F)(2) or (G)(3) of 2712
section 3317.03 of the Revised Code, the district, educational 2713
service center, or board shall receive an additional amount during 2714
the last half of the fiscal year. For each district, center, or 2715
board, the additional amount for each unit shall equal fifty per 2716
cent of the amounts computed for the unit in the manner prescribed 2717
by division (A) of this section and division (C) of section 2718
~~3317.162~~ 3317.053 of the Revised Code. 2719

(C)(1) The department shall pay each institution eligible for 2720
payment under section 3323.091 of the Revised Code or county MR/DD 2721
board an amount for the total of all special education units 2722
approved under division (D)(1) of section 3317.05 of the Revised 2723
Code. The amount for each unit shall be the sum of the minimum 2724
salary for the teacher of the unit, calculated on the basis of the 2725
teacher's training level and years of experience pursuant to 2726
section 3317.13 of the Revised Code, plus fifteen per cent of that 2727
minimum salary amount, and eight thousand twenty-three dollars. 2728

(2) The department shall pay each institution eligible for 2729
payment under section 3323.091 of the Revised Code ~~or county MR/DD~~ 2730
~~board~~ an amount for the total of all related services units 2731
approved under division (D)(2) of section 3317.05 of the Revised 2732
Code. The amount for each unit shall be the sum of the minimum 2733
salary for the teacher of the unit, calculated on the basis of the 2734
teacher's training level and years of experience pursuant to 2735
section 3317.13 of the Revised Code, plus fifteen per cent of that 2736
minimum salary amount, and two thousand one hundred thirty-two 2737
dollars. 2738

~~(3) If a county MR/DD board has had additional units for handicapped children other than handicapped preschool children approved under division (G)(3) of section 3317.03 of the Revised Code, the board shall receive an additional amount during the last half of the fiscal year. For each board, the additional amount for each unit shall equal fifty per cent of the amount computed for the unit in the manner prescribed by division (C)(1) of this section and division (C) of section 3317.162 of the Revised Code.~~

(D) The department shall pay each institution approved for vocational education units under division (A) of section 3317.05 of the Revised Code an amount for the total of all the units approved under that division. The amount for each unit shall be the sum of the minimum salary for the teacher of the unit, calculated on the basis of the teacher's training level and years of experience pursuant to section 3317.13 of the Revised Code, plus fifteen per cent of that minimum salary amount, and nine thousand five hundred ten dollars.

Sec. ~~3317.162~~ 3317.053. (A) As used in this section:

(1) "State share percentage" has the same meaning as in section 3317.022 of the Revised Code.

(2) "Dollar amount" means the amount shown in the following table for the corresponding type of unit ~~and the appropriate fiscal year:~~

TYPE OF UNIT	DOLLAR AMOUNT		
	FY 2000	FY 2001	
Division (B) of section 3317.05 of the Revised Code	\$8,334	\$8,334	
Division (C) of that section	\$3,234	\$3,234	
Division (F) of that section	\$4,550	\$5,550	

(3) "Average unit amount" means the amount shown in the following table for the corresponding type of unit:

	AVERAGE UNIT AMOUNT		
TYPE OF UNIT	FY 2000	FY 2001	
Division (B) of section 3317.05 of the Revised Code	\$7,799	\$7,799	2769 2770 2771
Division (C) of that section	\$2,966	\$2,966	2772
Division (F) of that section	\$4,251	\$5,251	2773
(B) In the case of each unit described in division (B), (C), or (F) of section 3317.05 of the Revised Code and allocated to a city, local, or exempted village school district, the department of education, in addition to the amounts specified in division (P) of section 3317.024 and sections 3317.161 <u>3317.052</u> and 3317.19 of the Revised Code, shall pay a supplemental unit allowance equal to the sum of the following amounts:			2774 2775 2776 2777 2778 2779 2780
(1) An amount equal to 50% of the average unit amount for the unit;			2781 2782
(2) An amount equal to the percentage of the dollar amount for the unit that equals the district's state share percentage.			2783 2784
If, prior to the fifteenth day of May of a fiscal year, a school district's aid computed under section 3317.022 of the Revised Code is recomputed pursuant to section 3317.027 or 3317.028 of the Revised Code, the department shall also recompute the district's entitlement to payment under this section utilizing a new state share percentage. Such new state share percentage shall be determined using the district's recomputed basic aid amount pursuant to section 3317.027 or 3317.028 of the Revised Code. During the last six months of the fiscal year, the department shall pay the district a sum equal to one-half of the recomputed payment in lieu of one-half the payment otherwise calculated under this section.			2785 2786 2787 2788 2789 2790 2791 2792 2793 2794 2795 2796
(C)(1) In the case of each unit allocated to an institution pursuant to division (A) of section 3317.05 of the Revised Code, the department, in addition to the amount specified in section			2797 2798 2799

~~3317.161~~ 3317.052 of the Revised Code, shall pay a supplemental unit allowance of \$7,227. 2800
2801

(2) In the case of each unit described in division (B) or 2802
(D)(1) of section 3317.05 of the Revised Code that is allocated to 2803
any entity other than a city, exempted village, or local school 2804
district, the department, in addition to the amount specified in 2805
section ~~3317.161~~ 3317.052 of the Revised Code, shall pay a 2806
supplemental unit allowance of \$7,799. 2807

(3) In the case of each unit described in division (C) or 2808
(D)(2) of section 3317.05 of the Revised Code and allocated to any 2809
entity other than a city, exempted village, or local school 2810
district, the department, in addition to the amounts specified in 2811
section ~~3317.161~~ 3317.052 of the Revised Code, shall pay a 2812
supplemental unit allowance of \$2,966. 2813

(4) In the case of each unit described in division (F) of 2814
section 3317.05 of the Revised Code and allocated to an 2815
educational service center, the department, in addition to the 2816
amounts specified in division (P) of section 3317.024 of the 2817
Revised Code, shall pay a supplemental unit allowance of ~~\$4,251 in~~ 2818
~~fiscal year 2000 and \$5,251 in fiscal year 2001.~~ 2819

Sec. 3317.11. (A) Annually, on or before a date designated by 2820
the state board of education, each educational service center 2821
governing board shall prepare a budget of operating expenses for 2822
the ensuing year for the service center on forms prepared and 2823
furnished by the state board of education and shall certify the 2824
budget to the state board of education, together with such other 2825
information as the board may require. Such budget shall consist of 2826
two parts. Part (A) shall include the cost of the salaries, 2827
employers retirement contributions, and travel expenses of 2828
supervisory teachers approved by the state board of education. The 2829
amount derived from the calculation for such units in part (A) of 2830

the governing board budget shall be the sum of: 2831

(1) The sum of the minimum salaries calculated, pursuant to 2832
section 3317.13 of the Revised Code, for each approved licensed 2833
employee of the governing board; 2834

(2) An additional salary allowance proportional to the length 2835
of the extended term of service not to exceed three months for 2836
each supervisory and child study teacher whose term of service in 2837
any year is extended beyond the terms of service of regular 2838
classroom teachers; 2839

(3) An allowance equal to fifteen per cent of the amount 2840
computed under division (A)(1) of this section; 2841

(4) An allowance for necessary travel expenses, for each of 2842
the personnel approved in part (A) of the budget, limited to two 2843
hundred twenty-three dollars and sixteen cents per month, or two 2844
thousand six hundred seventy-eight dollars per year per person 2845
employed, whichever is the lesser. 2846

Part (B) shall include the cost of all other lawful 2847
expenditures of the governing board. The state board of education 2848
shall review such budget and may approve, increase, or decrease 2849
such budget. 2850

The governing board shall be reimbursed by the state board of 2851
education from state funds for the cost of part (A) of the budget. 2852
The governing board shall be reimbursed by the state board of 2853
education, from state funds for the cost of part (B) of the 2854
approved budget that is in excess of six dollars and fifty cents 2855
times the service center ADM. If the governing board provides 2856
services to city or exempted village school districts pursuant to 2857
section 3313.843 of the Revised Code, the governing board shall be 2858
reimbursed from state funds for the cost of part (B) of the budget 2859
that is in excess of six dollars and fifty cents times the sum of 2860
the service center ADM and the client ADMs of the city or exempted 2861

village districts to which such services are provided. The cost of 2862
part (B) not in excess of six dollars and fifty cents times the 2863
number of such ADM shall be apportioned by the state board of 2864
education among the local school districts in the territory of the 2865
service center, or among all districts to which the governing 2866
board provides services, on the basis of the total number of 2867
pupils in each school district. 2868

If part (B) of the budget is in excess of that approved by 2869
the state board of education, the excess cost shall be apportioned 2870
by the state board of education among the local school districts 2871
in the territory of the service center on the basis of the total 2872
number of such pupils in each such school district, provided that 2873
a majority of the boards of education of such local school 2874
districts approve such apportionment. The state board of education 2875
shall initiate and supervise the procedure by which the local 2876
boards shall approve or disapprove such apportionment. 2877

The amounts so apportioned shall be certified to the 2878
treasurers of the various school districts. In the case of each 2879
district such amount shall be deducted by the state board of 2880
education from funds allocated to the district pursuant to 2881
division (E) of section 3317.023 of the Revised Code. 2882

The state board of education shall certify to the director of 2883
budget and management for payment the total of the deductions, 2884
whereupon the amount shall be paid to the governing board of each 2885
service center, to be deposited to the credit of a separate fund, 2886
hereby created, to be known as the educational service center 2887
governing board fund. 2888

An educational service center may provide special education 2889
to students in its local districts or in client districts. A 2890
service center is eligible for funding under division (J) of 2891
section 3317.024 of the Revised Code and eligible for state 2892
subsidies for the purchase of school buses under section 3317.07 2893

of the Revised Code. Special education units for gifted children 2894
may be operated by a governing board. Vocational education may be 2895
provided by a governing board. A governing board may conduct 2896
driver education for pupils enrolled in a high school for which 2897
the state board of education prescribes minimum standards. 2898

Every local school district shall be provided supervisory 2899
services by its governing board as approved by the state board of 2900
education. A city or exempted village school district shall be 2901
considered to be provided supervisory services by a governing 2902
board if it has entered into an agreement for the governing board 2903
to provide any services under section 3313.843 of the Revised 2904
Code. Supervisory services shall not exceed one supervisory 2905
teacher for the first fifty classroom teachers employed in all 2906
districts that are provided supervisory services calculated under 2907
section 3317.023 of the Revised Code and one supervisory teacher 2908
for every additional one hundred such classroom teachers so 2909
calculated. Reimbursement for such supervisory services shall be a 2910
deduction by the state board of education from the payment to the 2911
school district pursuant to division (E) of section 3317.023 of 2912
the Revised Code. Deductions for all supervisory services and 2913
extended services for supervisory and child study shall be 2914
apportioned among local school districts within the territory of 2915
the service center and any city or exempted village districts that 2916
have entered into agreements with a service center pursuant to 2917
section 3313.843 of the Revised Code by the state board of 2918
education on the basis of the total number of pupils in each 2919
school district, except that where such services are provided to 2920
districts other than local school districts within the service 2921
center territory and city or exempted village districts having 2922
agreements with the service center, such charges shall be 2923
apportioned among all participating districts on the basis of the 2924
total number of pupils in each school district. All deductions 2925

from state funding to school districts required for reimbursement 2926
of governing boards by division (E) of section 3317.023 of the 2927
Revised Code shall be made from the total of the payment computed 2928
for the district under this chapter, after making any other 2929
adjustments in that payment required by law. 2930

(B)(1) In addition to the payments made under division (A) of 2931
this section, except as otherwise provided in division (C) of this 2932
section, the department of education shall pay each governing 2933
board ~~the amount in the following schedule for the specified~~ 2934
~~fiscal year, thirty-seven dollars~~ times the sum of the service 2935
center ADM and the sum of the client ADMs of all its client 2936
districts. 2937

~~(a) In fiscal year 2000, thirty-six dollars;~~ 2938

~~(b) In in fiscal year 2001, thirty-seven dollars years 2002~~ 2939
~~and 2003.~~ 2940

(2) In addition to other payments under this section, the 2941
department shall pay each educational service center the amounts 2942
due to it from school districts pursuant to contracts, compacts, 2943
or agreements under which the service center furnishes services to 2944
the districts or their students. In order to receive payment under 2945
this division, an educational service center shall furnish either 2946
a copy of the applicable contract, compact, or agreement clearly 2947
indicating the amounts of the payments, or a written statement of 2948
the payments owed signed by the superintendent or treasurer of the 2949
responsible school district. 2950

The amounts paid to service centers under division (B)(2) of 2951
this section shall be deducted from payments to school districts 2952
pursuant to division (K)(2) of section 3317.023 of the Revised 2953
Code. 2954

(C) Each multicounty service center shall receive a payment 2955
each fiscal year equal to forty dollars and fifty-two cents times 2956

the sum of the service center ADM and the client ADMs of all its client districts. 2957
2958

(D) Each city, exempted village, local, joint vocational, or cooperative education school district shall pay to the governing board of an educational service center any amounts agreed to for each child enrolled in the district who receives special education and related services or vocational education from the educational service center. 2959
2960
2961
2962
2963
2964

(E) As used in this section: 2965

(1) "Service center ADM" means the total of each of the following for all local school districts within the limits of an educational service center's territory: 2966
2967
2968

(a) The formula ADM; 2969

(b) The kindergarten average daily membership included in the formula ADM; 2970
2971

(c) Three-quarters of the number of students reported under division (B)(4) of section 3317.03 of the Revised Code; 2972
2973

(d) The average daily membership of handicapped preschool children reported under division (B)(2) of section 3317.03 of the Revised Code; 2974
2975
2976

(e) The number of preschool students certified under division (B) of section 3317.032 of the Revised Code. 2977
2978

(2) "Client ADM" means the total of each number described under divisions (E)(1)(a) to (e) of this section for a client district. 2979
2980
2981

(3) "Client district" means a city or exempted village school district that has entered into an agreement to receive services from a service center pursuant to section 3313.843 of the Revised Code. 2982
2983
2984
2985

(4) "Multicounty service center" means a service center that includes territory that formerly was included in the territory of at least three former service centers or county school districts, which former centers or districts engaged in one or more mergers pursuant to section 3311.053 of the Revised Code to form the present center.

Sec. 3317.16. (A) As used in this section:

(1) "State share percentage" means the percentage calculated for a joint vocational school district as follows:

(a) Calculate the state base cost funding amount for the district under division (B) of this section. If the district would not receive any base cost funding for that year under that division, the district's state share percentage is zero.

(b) If the district would receive base cost funding under that division, divide that base cost amount by an amount equal to the following:

cost-of-doing-business factor X
the formula amount X
the greater of formula ADM or
three-year average formula ADM

The resultant number is the district's state share percentage.

(2) The "total special education weight" for a joint vocational school district shall be calculated in the same manner as prescribed in division (B)(1) of section 3317.022 of the Revised Code.

(3) The "total vocational education weight" for a joint vocational school district shall be calculated in the same manner as prescribed in division (B)~~(4)~~(5) of section 3317.022 of the Revised Code.

(4) The "adjusted total taxable value" of a joint vocational school district shall be determined by adding the adjusted total taxable values of all its constituent school districts for the applicable fiscal year.

(B) The department of education shall compute and distribute state base cost funding to each joint vocational school district for the fiscal year in accordance with the following formula:

(cost-of-doing-business factor X
formula amount X the greater of formula
ADM or three-year average formula ADM) -
(.0005 X adjusted total taxable value)

If the difference obtained under this division is a negative number, the district's computation shall be zero.

(C)(1) The department shall compute and distribute state vocational education additional weighted costs funds to each joint vocational school district in accordance with the following formula:

state share percentage X formula amount X
total vocational education weight

(2) The department shall compute for each joint vocational school district state funds for vocational education associated services costs in accordance with the following formula:

state share percentage X .05 X
the formula amount X the sum of
categories one and two vocational
education ADM

In any fiscal year, a joint vocational school district receiving funds under division (C)(2) of this section, or through a transfer of funds pursuant to division (L) of section 3317.023 of the Revised Code, shall spend those funds only for the purposes that the department designates as approved for vocational

education associated services expenses, which may include such 3047
purposes as apprenticeship coordinators, coordinators for other 3048
vocational education services, vocational evaluation, and other 3049
purposes designated by the department. The department may deny 3050
payment under division (C)(2) of this section to any district that 3051
the department determines is not operating those services or is 3052
using funds paid under division (C)(2) of this section, or through 3053
a transfer of funds pursuant to division (L) of section 3317.023 3054
of the Revised Code, for other purposes. 3055

(D)(1) The department shall compute and distribute state 3056
special education and related services additional weighted costs 3057
funds to each joint vocational school district in accordance with 3058
the following formula: 3059

state share percentage X formula amount X 3060
total special education weight 3061

(2)(a) As used in this division, the "personnel allowance" 3062
means ~~twenty-five thousand dollars in fiscal year 2000~~ and thirty 3063
thousand dollars in fiscal ~~year 2001~~ years 2002 and 2003. 3064

(b) For the provision of speech services to students and for 3065
no other purpose, the department shall pay each joint vocational 3066
school district an amount calculated under the following formula: 3067

(formula ADM divided by 2000) X the personnel 3068
allowance X state share percentage 3069

(E) If a joint vocational school district's costs for a 3070
fiscal year for a student in its category one, two, or three 3071
special education ADM are twenty-five thousand dollars or more, 3072
the district may submit to the superintendent of public 3073
instruction documentation, as prescribed by the superintendent, of 3074
all of its costs for that student. Upon submission of 3075
documentation for a student of the type and in the manner 3076
prescribed, the department shall pay to the district an amount 3077
equal to the sum of the following: 3078

(1) One-half of the district's costs for the student in 3079
excess of twenty-five thousand dollars; 3080

(2) The product of one-half of the district's costs for the 3081
student in excess of twenty-five thousand dollars multiplied by 3082
the district's state share percentage. 3083

The district shall only report, and the department shall only 3084
pay for, the costs of educational expenses and the related 3085
services provided to the student in accordance with the student's 3086
individualized education program. Any legal fees, court costs, or 3087
other costs associated with any cause of action relating to the 3088
student may not be included in the amount. 3089

(F) Each fiscal year, the department shall pay each joint 3090
vocational school district an amount for adult technical and 3091
vocational education and specialized consultants. 3092

(G)(1) In any fiscal year, a joint vocational school district 3093
receiving funds under division (D) of this section shall spend on 3094
the related services specified in division (B)~~(3)~~(4) of section 3095
3317.022 of the Revised Code at least the lesser of the following: 3096
3097

(a) The amount the district spent on those related services 3098
in the preceding fiscal year; 3099

(b) $1/8 \times \{[\text{cost-of-doing-business factor} \times \text{the formula}$ 3100
amount $\times (\text{the category one special education ADM} + \text{category two}$ 3101
special education ADM + category three special education ADM)] + 3102
the amount calculated for the fiscal year under division (D)(1) of 3103
this section + the local share of special education and related 3104
services additional weighted costs}. 3105

(2) A joint vocational school district's local share of 3106
special education and related services additional weighted costs 3107
equals: 3108

(1 - state share percentage) X 3109

Total special education weight X 3110
the formula amount 3111

(H) In any fiscal year, if the total of all payments made to 3112
a joint vocational school district under divisions (B) to (D) of 3113
this section and division (R) of section 3317.024 of the Revised 3114
Code is less than the amount that district received in fiscal year 3115
1999 under the version of this section in effect that year, plus 3116
the amount that district received under the version of section 3117
3317.162 of the Revised Code in effect that year and minus the 3118
amounts received that year for driver education and adult 3119
education, the department shall pay the district an additional 3120
amount equal to the difference between those two amounts. 3121

~~(I) In fiscal years 2000 and 2001, each joint vocational 3122
school district shall continue to offer the same number of the 3123
vocational education programs that the district offered in fiscal 3124
year 1999, unless the department of education expressly agrees 3125
that the district may offer fewer programs in either or both 3126
fiscal year 2000 or 2001. 3127~~

Sec. 3317.20. This section does not apply to handicapped 3128
preschool children. 3129

(A) As used in this section: 3130

(1) "Applicable weight" means: 3131

(a) For a handicapped child receiving special education 3132
services for a handicap specified in division (A) of section 3133
3317.013 of the Revised Code, the multiple specified in that 3134
division; 3135

(b) For a handicapped child receiving special education 3136
services for a handicap specified in division (B) of section 3137
3317.013 or division (F)(3) of section 3317.02 of the Revised 3138
Code, the multiple specified in division (B) of section 3317.013 3139

of the Revised Code. 3140

(2) "Child's school district" means the school district in 3141
which a child is entitled to attend school pursuant to section 3142
3313.64 or 3313.65 of the Revised Code. 3143

(3) "State share percentage" means the state share percentage 3144
of the child's school district as defined in section 3317.022 of 3145
the Revised Code. 3146

~~(B) Notwithstanding sections 3317.03, 3317.05, 3317.161, and 3147
3317.162 of the Revised Code, the department of education shall 3148
not approve special education and related services units, other 3149
than for handicapped preschool children, in county MR/DD boards in 3150
fiscal years 1999, 2000, and 2001. During those fiscal years, 3151
state funding for special education and related services provided 3152
to school-age children by county MR/DD boards shall be provided 3153
under divisions (C) to (E) of this section. 3154~~

~~(C)~~ Except as provided in division ~~(D)~~(C) of this section, 3155
the department shall annually pay each county MR/DD board an 3156
amount calculated under the following formula for each handicapped 3157
child, other than a handicapped preschool child, for whom the 3158
county MR/DD board provides special education and related 3159
services: 3160

(formula amount X the cost-of-doing-business factor 3161
for the child's school district) + 3162
(state share percentage X formula amount X 3163
the applicable weight) 3164

~~(D)~~(C) If any school district places with a county MR/DD 3165
board more handicapped children than it had placed with a county 3166
MR/DD board in fiscal year 1998, the department shall not make a 3167
payment under division ~~(C)~~(B) of this section for the number of 3168
children exceeding the number placed in fiscal year 1998. The 3169
department instead shall deduct from the district's payments under 3170

this chapter, and pay to the county MR/DD board, an amount 3171
calculated in accordance with the formula prescribed in division 3172
(~~C~~)(~~B~~) of this section for each child over the number of children 3173
placed in fiscal year 1998. 3174

(~~E~~)(~~D~~) The department shall calculate for each county MR/DD 3175
board receiving payments under divisions (~~C~~)(~~B~~) and (~~D~~)(~~C~~) of this 3176
section the following amounts: 3177

(1) The amount received by the county MR/DD board for 3178
approved special education and related services units, other than 3179
preschool handicapped units, in fiscal year 1998, divided by the 3180
total number of children served in the units that year; 3181

(2) The product of the quotient calculated under division 3182
(~~E~~)(~~D~~)(1) of this section times the number of children for whom 3183
payments are made under divisions (~~C~~)(~~B~~) and (~~D~~)(~~C~~) of this 3184
section. 3185

If the amount calculated under division (~~E~~)(~~D~~)(2) of this 3186
section is greater than the total amount calculated under 3187
divisions (~~C~~)(~~B~~) and (~~D~~)(~~C~~) of this section, the department shall 3188
pay the county MR/DD board one hundred per cent of the difference 3189
in addition to the payments under divisions (~~C~~)(~~B~~) and (~~D~~)(~~C~~) of 3190
this section. 3191

Sec. 3318.31. (A) The Ohio school facilities commission may 3192
perform any act and ensure the performance of any function 3193
necessary or appropriate to carry out the purposes of, and 3194
exercise the powers granted under, Chapter 3318. of the Revised 3195
Code, including any of the following: 3196

(1) ~~Employ and fix the compensation of such employees as will 3197
facilitate the activities and purposes of the commission, and who 3198
shall serve at the pleasure of the commission. 3199~~

(~~2~~) Adopt, amend, and rescind, pursuant to section 111.15 of 3200

the Revised Code, rules for the administration of programs 3201
authorized under Chapter 3318. of the Revised Code. 3202

~~(3)~~(2) Contract with, retain the services of, or designate, 3203
and fix the compensation of, such agents, accountants, 3204
consultants, advisers, and other independent contractors as may be 3205
necessary or desirable to carry out the programs authorized under 3206
Chapter 3318. of the Revised Code. 3207

~~(4)~~(3) Receive and accept any gifts, grants, donations, and 3208
pledges, and receipts therefrom, to be used for the programs 3209
authorized under Chapter 3318. of the Revised Code. 3210

~~(5)~~(4) Make and enter into all contracts, commitments, and 3211
agreements, and execute all instruments, necessary or incidental 3212
to the performance of its duties and the execution of its rights 3213
and powers under Chapter 3318. of the Revised Code. 3214

(B) The commission shall appoint and fix the compensation of 3215
an executive director who shall serve at the pleasure of the 3216
commission. The executive director shall supervise the operations 3217
of the commission. The executive director also shall employ and 3218
fix the compensation of such employees as will facilitate the 3219
activities and purposes of the commission, who shall serve at the 3220
pleasure of the executive director. 3221

(C) The attorney general shall serve as the legal 3222
representative for the commission and may appoint other counsel as 3223
necessary for that purpose in accordance with section 109.07 of 3224
the Revised Code. 3225

Sec. 3319.19. (A) Upon Except as provided in division (D) of 3226
this section or division (A)(2) of section 3313.37 of the Revised 3227
Code, upon request, the board of county commissioners shall 3228
provide and equip offices in the county for the use of the 3229
superintendent of an educational service center, and shall provide 3230
heat, light, water, and janitorial services for such offices. Such 3231

offices shall be the permanent headquarters of the superintendent 3232
and shall be used by the governing board of the service center 3233
when it is in session. Except as provided in division (B) of this 3234
section, such offices shall be located in the county seat or, upon 3235
the approval of the governing board, may be located outside of the 3236
county seat. 3237

(B) In the case of a service center formed under section 3238
3311.053 of the Revised Code, the governing board shall designate 3239
the site of its offices. ~~The~~ Except as provided in division (D) of 3240
this section or division (A)(2) of section 3313.37 of the Revised 3241
Code, the board of county commissioners of the county in which the 3242
designated site is located shall provide and equip the offices as 3243
under division (A) of this section, but the costs of such offices 3244
and equipment ~~not covered by funds received under section 307.031~~ 3245
~~of the Revised Code~~ shall be apportioned among the boards of 3246
county commissioners of all counties having any territory in the 3247
area under the control of the governing board, according to the 3248
proportion of local school district pupils under the supervision 3249
of such board residing in the respective counties. Where there is 3250
a dispute as to the amount any board of county commissioners is 3251
required to pay, the probate judge of the county in which the 3252
greatest number of pupils under the supervision of the governing 3253
board reside shall apportion such costs among the boards of county 3254
commissioners and notify each such board of its share of the 3255
costs. 3256

(C) ~~By the first day of March of each year, the~~ 3257
~~superintendent of public instruction shall certify to the tax~~ 3258
~~commissioner the ADM and the number of full-time licensed~~ 3259
~~employees of each educational service center for the purposes of~~ 3260
~~the distribution of funds to boards of county commissioners~~ 3261
~~required under division (B) of section 307.031 of the Revised~~ 3262
~~Code. As used in this section, "ADM" means the formula ADMs of all~~ 3263

~~the local districts having territory in the service center, as 3264
certified in October of the previous year by the service center 3265
superintendent to the state board of education under section 3266
3317.03 of the Revised Code. As used in this division, "licensed 3267
employee" has the same meaning as in section 307.031 of the 3268
Revised Code. 3269~~

~~(D) The superintendent of a service center may annually 3270
submit a proposal approved by the board of county commissioners to 3271
the state superintendent of public instruction, in such manner and 3272
by such date as specified by the state board of education, for a 3273
grant for the board of county commissioners to do one of the 3274
following: 3275~~

~~(1) To improve or enhance the offices and equipment provided 3276
under division (A) or (B) of this section or section 3301.0712 of 3277
the Revised Code; 3278~~

~~(2) If funds received under division (B) of section 307.031 3279
of the Revised Code are insufficient to provide for the actual 3280
cost of meeting the requirements of division (A) or (B) of section 3281
3319.19 and division (A)(2) of section 3301.0712 of the Revised 3282
Code, to provide funds to meet such costs. 3283~~

~~Any service center superintendent intending to submit a 3284
proposal shall submit it to the board of county commissioners that 3285
provides and equips the office of the superintendent for approval 3286
at least twenty days before the date of submission to the 3287
superintendent of public instruction. The superintendent of public 3288
instruction shall evaluate the proposals and select those that 3289
will most benefit the local districts supervised by the governing 3290
boards under standards adopted by the state board. For each 3291
proposal selected for a grant, the superintendent of public 3292
instruction shall determine the grant amount and, with the 3293
approval of the superintendent and the board of county 3294
commissioners, may modify a grant proposal to reflect the amount 3295~~

~~of money available for the grant. The superintendent of public instruction shall notify the board of county commissioners and the tax commissioner of the selection of the proposal as submitted or modified and the amount of the grant. If, pursuant to division (C) of section 307.031 of the Revised Code, the board of county commissioners accepts the proposal and grant, it shall expend the funds as specified in the grant proposal. If the board of county commissioners rejects the proposal and grant, the superintendent of public instruction may select another proposal from among the district proposals that initially failed to be selected for a grant.~~

The state board of education shall adopt rules to implement the requirements of this section Not later than the thirty-first day of March of 2002, 2003, and 2004, a board of county commissioners required to provide or equip offices pursuant to division (A) or (B) of this section shall make a written estimate of the total cost it will incur for the ensuing fiscal year to provide and equip the offices and to provide heat, light, water, and janitorial services for such offices. The total estimate of cost shall include:

(1) The total square feet of space to be utilized by the educational service center;

(2) The total square feet of any common areas that should be reasonably allocated to the center and the methodology for making this allocation;

(3) The actual cost per square foot for both the space utilized by and the common area allocated to the center;

(4) An explanation of the methodology used to determine the per square foot cost;

(5) The estimated cost of providing heat, light, and water, including an explanation of how these costs were determined;

3327

(6) The estimated cost of providing janitorial services 3328
including an explanation of the methodology used to determine this 3329
cost; 3330

(7) Any other estimated costs that the board anticipates it 3331
will occur and a detailed explanation of the costs and the 3332
rationale used to determine such costs. 3333

A copy of the total estimate of costs under this division 3334
shall be sent to the superintendent of the educational service 3335
center not later than the fifth day of April. The superintendent 3336
shall review the total estimate and shall notify the board of 3337
county commissioners not later than twenty days after receipt of 3338
the estimate of either agreement with the estimate or any specific 3339
objections to the estimates and the reasons for the objections. If 3340
the superintendent agrees with the estimate, it shall become the 3341
final total estimate of cost. Failure of the superintendent to 3342
make objections to the estimate by the twentieth day after receipt 3343
of it shall be deemed to mean that the superintendent is in 3344
agreement with the estimate. 3345

If the superintendent provides specific objections to the 3346
board of county commissioners, the board shall review the 3347
objections and may modify the original estimate and shall send a 3348
revised total estimate to the superintendent within ten days after 3349
the receipt of the superintendent's objections. The superintendent 3350
shall respond to the revised estimate within ten days after its 3351
receipt. If the superintendent agrees with it, it shall become the 3352
final total estimated cost. If the superintendent fails to respond 3353
within the required time, the superintendent shall be deemed to 3354
have agreed with the revised estimate. If the superintendent 3355
disagrees with the revised estimate, the superintendent shall send 3356
specific objections to the county commissioners. 3357

3358

If a superintendent has sent specific objections to the 3359
revised estimate within the required time, the probate judge of 3360
the county which has the greatest number of resident local school 3361
district pupils under the supervision of the educational service 3362
center shall determine the final estimated cost and certify this 3363
amount to the superintendent and the board of county commissioners 3364
prior to the first day of July. 3365

(D)(1) A board of county commissioners shall be responsible 3366
for the following percentages of the final total estimated cost 3367
established by division (C) of this section: 3368

(a) Seventy-five per cent for fiscal year 2003; 3369

(b) Fifty per cent for fiscal year 2004; 3370

(c) Twenty-five per cent for fiscal year 2005. 3371

In fiscal years 2003, 2004, and 2005, the educational service 3372
center shall be responsible for the remainder of any costs in 3373
excess of the amounts specified in division (D)(1)(a), (b), or (c) 3374
of this section, as applicable, associated with the provision and 3375
equipment of offices for the educational service center and for 3376
provision of heat, light, water, and janitorial services for such 3377
offices, including any unanticipated or unexpected increases in 3378
the costs beyond the final estimated cost amount. 3379

Beginning in fiscal year 2006, no board of county 3380
commissioners shall have any obligation to provide and equip 3381
offices for an educational service center or to provide heat, 3382
light, water, or janitorial services for such offices. 3383

(2) Nothing in this section shall prohibit the board of 3384
county commissioners and the governing board of an educational 3385
service center from entering into a contract for providing and 3386
equipping offices for the use of an educational service center and 3387
for providing heat, light, water, and janitorial services for such 3388
offices. The term of any such contract shall not exceed a period 3389

of four years and may be renewed for additional periods not to 3390
exceed four years. Any such contract shall supersede the 3391
provisions of division (D)(1) of this section. 3392

(3) No contract entered into under division (D)(2) of this 3393
section for any year prior to fiscal year 2006 between an 3394
educational service center formed under section 3311.053 of the 3395
Revised Code and the educational service center required to 3396
provide and equip its office pursuant to division (B) of this 3397
section shall take effect unless the boards of county 3398
commissioners of all other counties required to participate in the 3399
funding for such offices pursuant to division (B) of this section 3400
adopt resolutions approving the contract. 3401

Sec. 3323.09. (A) As used in this section: 3402

(1) "Home" has the meaning given in section 3313.64 of the 3403
Revised Code; 3404

(2) "Preschool child" means a child who is at least age three 3405
but under age six on the thirtieth day of September of an academic 3406
year. 3407

(B) Each county MR/DD board shall establish special education 3408
programs for all handicapped children who in accordance with 3409
section 3323.04 of the Revised Code have been placed in special 3410
education programs operated by the county board and for preschool 3411
children who are developmentally delayed or at risk of being 3412
developmentally delayed. The board annually shall submit to the 3413
department of education a plan for the provision of these programs 3414
and, if applicable, a request for approval of units under section 3415
3317.05 of the Revised Code. The superintendent of public 3416
instruction shall review the plan and approve or modify it in 3417
accordance with rules adopted by the state board of education 3418
under section 3301.07 of the Revised Code. The superintendent of 3419
public instruction shall compile the plans submitted by county 3420

boards and shall submit a comprehensive plan to the state board of
education. 3421
3422

A county MR/DD board may combine transportation for children 3423
enrolled in classes funded under section 3317.20 or units approved 3424
under section 3317.05 with transportation for children and adults 3425
enrolled in programs and services offered by the board under 3426
section 5126.12 of the Revised Code. 3427

(C) A county MR/DD board that during the school year provided 3428
special education pursuant to this section for any mentally 3429
handicapped child under twenty-two years of age shall prepare and 3430
submit the following reports and statements: 3431

(1) The board shall prepare a statement for each child who at 3432
the time of receiving such special education was a resident of a 3433
home and was not in the legal or permanent custody of an Ohio 3434
resident or a government agency in this state, and whose parents 3435
are not known to have been residents of this state subsequent to 3436
the child's birth. The statement shall contain the child's name, 3437
the name of ~~his~~ the child's school district of residence, the name 3438
of the county board providing the special education, and the 3439
number of months, including any fraction of a month, it was 3440
provided. Not later than the thirtieth day of June, the board 3441
shall forward a certified copy of such statement to both the 3442
director of mental retardation and developmental disabilities and 3443
to the home. 3444

Within thirty days after its receipt of a statement, the home 3445
shall pay tuition to the county board computed in the manner 3446
prescribed by section 3323.141 of the Revised Code. 3447

(2) The board shall prepare a report for each school district 3448
that is the school district of residence of one or more of such 3449
children for whom statements are not required by division (C)(1) 3450
of this section. The report shall contain the name of the county 3451

board providing special education, the name of each child 3452
receiving special education, the number of months, including 3453
fractions of a month, that ~~he~~ the child received it, and the name 3454
of the child's school district of residence. Not later than the 3455
thirtieth day of June, the board shall forward certified copies of 3456
each report to the school district named in the report, the 3457
superintendent of public instruction, and the director of mental 3458
retardation and developmental disabilities. 3459

Sec. 3323.091. (A) The department of mental health, the 3460
department of mental retardation and developmental disabilities, 3461
the department of youth services, and the department of 3462
rehabilitation and correction shall establish and maintain special 3463
education programs for handicapped children in institutions under 3464
their jurisdiction according to standards adopted by the state 3465
board of education. The superintendent of each institution 3466
providing special education under this chapter may apply to the 3467
state department of education for unit funding, which shall be 3468
paid in accordance with sections ~~3317.161~~ 3317.052 and ~~3317.162~~ 3469
3317.053 of the Revised Code. 3470

(B) On or before the thirtieth day of June of each year, the 3471
superintendent of each institution that during the school year 3472
provided special education pursuant to this section shall prepare 3473
a statement for each handicapped child under twenty-two years of 3474
age who has received special education. The statement shall 3475
contain the child's name and the name of the child's school 3476
district of residence. Within sixty days after receipt of such 3477
statement, the department of education shall perform one of the 3478
following: 3479

(1) For any child except a handicapped preschool child 3480
described in division (B)(2) of this section, pay to the 3481
institution submitting the statement an amount equal to the 3482

tuition calculated under division (A) of section 3317.08 of the Revised Code for the period covered by the statement, and deduct the same from the amount of state funds, if any, payable under sections 3317.022 and 3317.023 of the Revised Code, to the child's school district of residence or, if the amount of such state funds is insufficient, require the child's school district of residence to pay the institution submitting the statement an amount equal to the amount determined under this division.

(2) For any handicapped preschool child not included in a unit approved under division (B) of section 3317.05 of the Revised Code, perform the following:

(a) Pay to the institution submitting the statement an amount equal to the tuition calculated under division (B) of section 3317.08 of the Revised Code for the period covered by the statement, except that in calculating the tuition under that section the operating expenses of the institution submitting the statement under this section shall be used instead of the operating expenses of the school district of residence;

(b) Deduct from the amount of state funds, if any, payable under sections 3317.022 and 3317.023 of the Revised Code to the child's school district of residence an amount equal to the amount paid under division (B)(2)(a) of this section.

Sec. 3333.02. The Ohio board of regents shall hold its first meeting at the call of the governor, within three months after all members have been appointed and qualified. Meetings thereafter shall be called in such manner and at such times as prescribed by rules adopted by the board, but the board shall meet at least four times annually. A majority of the board constitutes a quorum. At its first meeting, the board shall organize by selecting a ~~chairman~~ chairperson, a ~~vice-chairman~~ vice-chairperson, and a secretary, and such other officers as it deems necessary. The

board shall adopt rules for the conduct of its business, and to 3514
provide for the term and election of officers, and shall establish 3515
an office in Columbus. The rules shall permit the formation of a 3516
quorum and the taking of votes at meetings conducted by 3517
interactive video teleconference if provisions are made for public 3518
attendance at any location involved in such a teleconference. 3519

A record shall be kept of board proceedings, which shall be 3520
open for public inspection. The board shall adopt a seal to be 3521
affixed to official documents. Each member of the board, before 3522
entering on ~~his~~ official duties and after qualifying for office, 3523
shall take and subscribe to an oath of office, to uphold the 3524
constitution and laws of the United States and this state, and to 3525
perform the duties of ~~his~~ office honestly, faithfully, and 3526
impartially. 3527

Sec. 3333.03. (A) The Ohio board of regents shall appoint a 3528
chancellor to serve at its pleasure and shall prescribe ~~his~~ the 3529
chancellor's duties. The board shall fix the compensation for the 3530
chancellor ~~and for all other professional, administrative, and~~ 3531
~~clerical employees necessary to assist the board and the~~ 3532
~~chancellor in the performance of their duties.~~ 3533

(B) The chancellor is the administrative officer of the 3534
board, and is responsible for appointing and fixing the 3535
compensation of all professional, administrative, and clerical 3536
employees and staff members, ~~subject to board approval, who~~ 3537
necessary to assist the board and the chancellor in the 3538
performance of their duties. All employees and staff shall serve 3539
under ~~his~~ the chancellor's direction and control. The chancellor 3540
shall be a person qualified by training and experience to 3541
understand the problems and needs of the state in the field of 3542
higher education and to devise programs, plans, and methods of 3543
solving the problems and meeting the needs. 3544

(C) Neither the chancellor nor any staff member or employee 3545
of the board shall be a trustee, officer, or employee of any 3546
public or private college or university while serving on the 3547
board. 3548

Sec. 3333.12. (A) As used in this section: 3549

(1) "Eligible student" means an undergraduate student who is: 3550

(a) An Ohio resident; 3551

(b) Enrolled in either of the following: 3552

(i) An accredited institution of higher education in this 3553
state that meets the requirements of Title VI of the Civil Rights 3554
Act of 1964 and is state-assisted, is nonprofit and has a 3555
certificate of authorization from the Ohio board of regents 3556
pursuant to Chapter 1713. of the Revised Code, or has a 3557
certificate of registration from the state board of proprietary 3558
school registration and program authorization to award an 3559
associate or bachelor's degree. Students who attend an institution 3560
that holds a certificate of registration shall be enrolled in a 3561
program leading to an associate or bachelor's degree for which 3562
associate or bachelor's degree program the institution has program 3563
authorization issued under section 3332.05 of the Revised Code. 3564

(ii) A technical education program of at least two years 3566
duration sponsored by a private institution of higher education in 3567
this state that meets the requirements of Title VI of the Civil 3568
Rights Act of 1964. 3569

(c) Enrolled as a full-time student or enrolled as a less 3570
than full-time student for the term expected to be the student's 3571
final term of enrollment and is enrolled for the number of credit 3572
hours necessary to complete the requirements of the program in 3573
which the student is enrolled. 3574

(2) "Gross income" includes all taxable and nontaxable income 3575
of the parents, the student, and the student's spouse, except 3576
income derived from an Ohio academic scholarship, income earned by 3577
the student between the last day of the spring term and the first 3578
day of the fall term, and other income exclusions designated by 3579
the board. Gross income may be verified to the board by the 3580
institution in which the student is enrolled using the federal 3581
financial aid eligibility verification process or by other means 3582
satisfactory to the board. 3583

(3) "Resident," "full-time student," "dependent," 3584
"financially independent," and "accredited" shall be defined by 3585
rules adopted by the board. 3586

(B) The Ohio board of regents shall establish and administer 3587
an instructional grant program and may adopt rules to carry out 3588
this section. The general assembly shall support the instructional 3589
grant program by such sums and in such manner as it may provide, 3590
but the board may also receive funds from other sources to support 3591
the program. If the amounts available for support of the program 3592
are inadequate to provide grants to all eligible students, 3593
preference in the payment of grants shall be given in terms of 3594
income, beginning with the lowest income category of gross income 3595
and proceeding upward by category to the highest gross income 3596
category. 3597

An instructional grant shall be paid to an eligible student 3598
through the institution in which the student is enrolled, except 3599
that no instructional grant shall be paid to any person serving a 3600
term of imprisonment. Applications for such grants shall be made 3601
as prescribed by the board, and such applications may be made in 3602
conjunction with and upon the basis of information provided in 3603
conjunction with student assistance programs funded by agencies of 3604
the United States government or from financial resources of the 3605
institution of higher education. The institution shall certify 3606

\$13,001 — \$14,000	4,386	4,872	4,872	4,872	4,872	3638
\$14,001 — \$15,000	3,888	4,386	4,872	4,872	4,872	3639
\$15,001 — \$16,000	3,408	3,888	4,386	4,872	4,872	3640
\$16,001 — \$17,000	2,928	3,408	3,888	4,386	4,872	3641
\$17,001 — \$20,000	2,442	2,928	3,408	3,888	4,386	3642
\$20,001 — \$23,000	1,944	2,442	2,928	3,408	3,888	3643
\$23,001 — \$26,000	1,452	1,944	2,442	2,928	3,408	3644
\$26,001 — \$29,000	1,200	1,452	1,944	2,442	2,928	3645
\$29,001 — \$30,000	966	1,200	1,452	1,944	2,442	3646
\$30,001 — \$31,000	882	966	1,200	1,452	1,944	3647
\$31,001 — \$32,000	792	882	966	1,200	1,452	3648
\$32,001 — \$33,000	396	792	882	966	1,200	3649
\$33,001 — \$34,000	-0-	396	792	882	966	3650
\$34,001 — \$35,000	-0-	-0-	396	792	882	3651
\$35,001 — \$36,000	-0-	-0-	-0-	396	792	3652
\$36,001 — \$37,000	-0-	-0-	-0-	-0-	396	3653
Over \$37,000	-0-	-0-	-0-	-0-	-0-	3654

Private Institution 3655

Table of Grants 3656

Maximum Grant \$5,466 3657

Gross Income Number of Dependents 3658

	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u> <u>more</u>	
<u>\$0 - \$15,000</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	3660
<u>\$15,001 - \$16,000</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	3661
<u>\$16,001 - \$17,000</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	3662
<u>\$17,001 - \$18,000</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	3663
<u>\$18,001 - \$19,000</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	3664
<u>\$19,001 - \$22,000</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	3665
<u>\$22,001 - \$25,000</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	3666
<u>\$25,001 - \$28,000</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	3667
<u>\$28,001 - \$31,000</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	3668
<u>\$31,001 - \$32,000</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	3669

<u>\$32,001 - \$33,000</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	3670
<u>\$33,001 - \$34,000</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	3671
<u>\$34,001 - \$35,000</u>	<u>444</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	3672
<u>\$35,001 - \$36,000</u>	<u>--</u>	<u>444</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	3673
<u>\$36,001 - \$37,000</u>	<u>--</u>	<u>--</u>	<u>444</u>	<u>888</u>	<u>984</u>	3674
<u>\$37,001 - \$38,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>444</u>	<u>888</u>	3675
<u>\$38,001 - \$39,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>444</u>	3676

For a full-time student who is financially independent and 3677
 enrolled in a nonprofit educational institution that is not a 3678
 state-assisted institution and that has a certificate of 3679
 authorization issued pursuant to Chapter 1713. of the Revised 3680
 Code, the amount of the instructional grant for two semesters, 3681
 three quarters, or a comparable portion of the academic year shall 3682
 be determined in accordance with the following table: 3683

Table of Grants 3684

Gross Income	Maximum Grant \$4,872 3685					
	Number of Dependents 3686					
	0	1	2	3	4	5 or more 3687
Under \$4,201	\$4,872	\$4,872	\$4,872	\$4,872	\$4,872	\$4,872 3688
\$4,201 - \$4,800	4,386	4,872	4,872	4,872	4,872	4,872 3689
\$4,801 - \$5,300	3,888	4,386	4,872	4,872	4,872	4,872 3690
\$5,301 - \$5,800	3,408	3,888	4,386	4,872	4,872	4,872 3691
\$5,801 - \$6,300	2,928	3,408	3,888	4,386	4,872	4,872 3692
\$6,301 - \$6,800	2,442	2,928	3,408	3,888	4,386	4,872 3693
\$6,801 - \$7,800	1,944	2,442	2,928	3,408	3,888	4,386 3694
\$7,801 - \$8,800	1,452	1,944	2,442	2,928	3,408	3,888 3695
\$8,801 - \$9,800	1,200	1,452	1,944	2,442	2,928	3,408 3696
\$9,801 - \$11,300	966	1,200	1,452	1,944	2,442	2,928 3697
\$11,301 - \$12,800	882	966	1,200	1,452	1,944	2,442 3698
\$12,801 - \$14,300	792	882	966	1,200	1,452	1,944 3699
\$14,301 - \$15,800	396	792	882	966	1,200	1,452 3700
\$15,801 - \$18,800	0	396	792	882	966	1,200 3701

\$18,801 - \$21,800	-0-	-0-	396	792	882	966	3702
\$21,801 - \$24,800	-0-	-0-	-0-	396	792	882	3703
\$24,801 - \$29,500	-0-	-0-	-0-	-0-	396	792	3704
\$29,501 - \$34,500	-0-	-0-	-0-	-0-	-0-	396	3705
Over \$34,500	-0-	-0-	-0-	-0-	-0-	-0-	3706

Private Institution

3707

Table of Grants

3708

Maximum Grant \$5,466

3709

Gross Income

Number of Dependents

3710

	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	
						<u>more</u>	
<u>\$0 - \$4,800</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	<u>\$5,466</u>	3711
<u>\$4,801 - \$5,300</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	3712
<u>\$5,301 - \$5,800</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	3713
<u>\$5,801 - \$6,300</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	<u>5,466</u>	3714
<u>\$6,301 - \$6,800</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	<u>5,466</u>	3715
<u>\$6,801 - \$7,300</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	<u>5,466</u>	3716
<u>\$7,301 - \$8,300</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	<u>4,920</u>	3717
<u>\$8,301 - \$9,300</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	<u>4,362</u>	3718
<u>\$9,301 - \$10,300</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	<u>3,828</u>	3719
<u>\$10,301 - \$11,800</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	<u>3,288</u>	3720
<u>\$11,801 - \$13,300</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	<u>2,736</u>	3721
<u>\$13,301 - \$14,800</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	<u>2,178</u>	3722
<u>\$14,801 - \$16,300</u>	<u>444</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	<u>1,626</u>	3723
<u>\$16,301 - \$19,300</u>	<u>--</u>	<u>444</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	<u>1,344</u>	3724
<u>\$19,301 - \$22,300</u>	<u>--</u>	<u>--</u>	<u>444</u>	<u>888</u>	<u>984</u>	<u>1,080</u>	3725
<u>\$22,301 - \$25,300</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>444</u>	<u>888</u>	<u>984</u>	3726
<u>\$25,301 - \$30,300</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>444</u>	<u>888</u>	3727
<u>\$30,301 - \$35,300</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>444</u>	3728

For a full-time student who is a dependent and enrolled in an educational institution that holds a certificate of registration from the state board of proprietary school registration, the amount of the instructional grant for two semesters, three

3730
3731
3732
3733

quarters, or a comparable portion of the academic year shall be 3734
determined in accordance with the following table: 3735

~~Table of Grants~~ 3736

Gross Income	Maximum Grant \$4,128					3737
	Number of Dependents					
	1	2	3	4	5 or	3739
					more	
Under \$13,001	\$4,128	\$4,128	\$4,128	\$4,128	\$4,128	3740
\$13,001 -- \$14,000	3,726	4,128	4,128	4,128	4,128	3741
\$14,001 -- \$15,000	3,288	3,726	4,128	4,128	4,128	3742
\$15,001 -- \$16,000	2,874	3,288	3,726	4,128	4,128	3743
\$16,001 -- \$17,000	2,490	2,874	3,288	3,726	4,128	3744
\$17,001 -- \$20,000	2,046	2,490	2,874	3,288	3,726	3745
\$20,001 -- \$23,000	1,656	2,046	2,490	2,874	3,288	3746
\$23,001 -- \$26,000	1,266	1,656	2,046	2,490	2,874	3747
\$26,001 -- \$29,000	1,014	1,266	1,656	2,046	2,490	3748
\$29,001 -- \$30,000	810	1,014	1,266	1,656	2,046	3749
\$30,001 -- \$31,000	762	810	1,014	1,266	1,656	3750
\$31,001 -- \$32,000	672	762	810	1,014	1,266	3751
\$32,001 -- \$33,000	336	672	762	810	1,014	3752
\$33,001 -- \$34,000	-0-	336	672	762	810	3753
\$34,001 -- \$35,000	-0-	-0-	336	672	762	3754
\$35,001 -- \$36,000	-0-	-0-	-0-	336	672	3755
\$36,001 -- \$37,000	-0-	-0-	-0-	-0-	336	3756
Over \$37,000	-0-	-0-	-0-	-0-	-0-	3757

Proprietary Institution 3758

Table of Grants 3759

<u>Gross Income</u>	<u>Maximum Grant \$4,632</u>					3760
	<u>Number of Dependents</u>					
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or</u>	3762
					<u>more</u>	
<u>\$0 - \$15,000</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	3763
<u>\$15,001 - \$16,000</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	3764

<u>\$16,001 - \$17,000</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	3765
<u>\$17,001 - \$18,000</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	3766
<u>\$18,001 - \$19,000</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	3767
<u>\$19,001 - \$22,000</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	3768
<u>\$22,001 - \$25,000</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	3769
<u>\$25,001 - \$28,000</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	3770
<u>\$28,001 - \$31,000</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	3771
<u>\$31,001 - \$32,000</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	3772
<u>\$32,001 - \$33,000</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	3773
<u>\$33,001 - \$34,000</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	3774
<u>\$34,001 - \$35,000</u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	3775
<u>\$35,001 - \$36,000</u>	<u>--</u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	3776
<u>\$36,001 - \$37,000</u>	<u>--</u>	<u>--</u>	<u>372</u>	<u>750</u>	<u>852</u>	3777
<u>\$37,001 - \$38,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>372</u>	<u>750</u>	3778
<u>\$38,001 - \$39,000</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>372</u>	3779

For a full-time student who is financially independent and 3780
 enrolled in an educational institution that holds a certificate of 3781
 registration from the state board of proprietary school 3782
 registration, the amount of the instructional grant for two 3783
 semesters, three quarters, or a comparable portion of the academic 3784
 year shall be determined in accordance with the following table: 3785

~~Table of Grants~~ 3786

Gross Income	Maximum Grant \$4,128						3787
	Number of Dependents						
	0	1	2	3	4	5 or	3788
						more	3789
Under \$4,201	\$4,128	\$4,128	\$4,128	\$4,128	\$4,128	\$4,128	3790
\$4,201 -- \$4,800	3,726	4,128	4,128	4,128	4,128	4,128	3791
\$4,801 -- \$5,300	3,288	3,726	4,128	4,128	4,128	4,128	3792
\$5,301 -- \$5,800	2,874	3,288	3,726	4,128	4,128	4,128	3793
\$5,801 -- \$6,300	2,490	2,874	3,288	3,726	4,128	4,128	3794
\$6,301 -- \$6,800	2,046	2,490	2,874	3,288	3,726	4,128	3795
\$6,801 -- \$7,800	1,656	2,046	2,490	2,874	3,288	3,726	3796

\$7,801 -- \$8,800	1,266	1,656	2,046	2,490	2,874	3,288	3797
\$8,801 -- \$9,800	1,014	1,266	1,656	2,046	2,490	2,874	3798
\$9,801 -- \$11,300	810	1,014	1,266	1,656	2,046	2,490	3799
\$11,301 -- \$12,800	762	810	1,014	1,266	1,656	2,046	3800
\$12,801 -- \$14,300	672	762	810	1,014	1,266	1,656	3801
\$14,301 -- \$15,800	336	672	762	810	1,014	1,266	3802
\$15,801 -- \$18,800	0	336	672	762	810	1,014	3803
\$18,801 -- \$21,800	0	0	336	672	762	810	3804
\$21,801 -- \$24,800	0	0	0	336	672	762	3805
\$24,801 -- \$29,500	0	0	0	0	336	672	3806
\$29,501 -- \$34,500	0	0	0	0	0	336	3807
Over \$34,500	0	0	0	0	0	0	3808

Proprietary Institution 3809

Table of Grants 3810

Maximum Grant \$4,632 3811

Gross Income Number of Dependents 3812

	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or more</u>	
<u>\$0 - \$4,800</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	<u>\$4,632</u>	3813
<u>\$4,801 - \$5,300</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	3814
<u>\$5,301 - \$5,800</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	3815
<u>\$5,801 - \$6,300</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	<u>4,632</u>	3816
<u>\$6,301 - \$6,800</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	<u>4,632</u>	3817
<u>\$6,801 - \$7,300</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	<u>4,632</u>	3818
<u>\$7,301 - \$8,300</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	<u>4,182</u>	3819
<u>\$8,301 - \$9,300</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	<u>3,684</u>	3820
<u>\$9,301 - \$10,300</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	<u>3,222</u>	3821
<u>\$10,301 - \$11,800</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	<u>2,790</u>	3822
<u>\$11,801 - \$13,300</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	<u>2,292</u>	3823
<u>\$13,301 - \$14,800</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	<u>1,854</u>	3824
<u>\$14,801 - \$16,300</u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	<u>1,416</u>	3825
<u>\$16,301 - \$19,300</u>	<u>--</u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	<u>1,134</u>	3826
<u>\$19,301 - \$22,300</u>	<u>--</u>	<u>--</u>	<u>372</u>	<u>750</u>	<u>852</u>	<u>906</u>	3827

<u>\$22,301 - \$25,300</u>	--	--	--	<u>372</u>	<u>750</u>	<u>852</u>	3829
<u>\$25,301 - \$30,300</u>	--	--	--	--	<u>372</u>	<u>750</u>	3830
<u>\$30,301 - \$35,300</u>	--	--	--	--	--	<u>372</u>	3831

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

~~Maximum Grant \$1,956~~

Gross Income ~~Number of Dependents~~

~~Table of Grants~~

	1	2	3	4	5 or more	
Under \$13,001	\$1,956	\$1,956	\$1,956	\$1,956	\$1,956	3841
\$13,001 - \$14,000	1,764	1,956	1,956	1,956	1,956	3842
\$14,001 - \$15,000	1,554	1,764	1,956	1,956	1,956	3843
\$15,001 - \$16,000	1,380	1,554	1,764	1,956	1,956	3844
\$16,001 - \$17,000	1,182	1,380	1,554	1,764	1,956	3845
\$17,001 - \$20,000	966	1,182	1,380	1,554	1,764	3846
\$20,001 - \$23,000	774	966	1,182	1,380	1,554	3847
\$23,001 - \$26,000	582	774	966	1,182	1,380	3848
\$26,001 - \$29,000	468	582	774	966	1,182	3849
\$29,001 - \$30,000	378	468	582	774	966	3850
\$30,001 - \$31,000	348	378	468	582	774	3851
\$31,001 - \$32,000	318	348	378	468	582	3852
\$32,001 - \$33,000	162	318	348	378	468	3853
\$33,001 - \$34,000	-0-	162	318	348	378	3854
\$34,001 - \$35,000	-0-	-0-	162	318	348	3855
\$35,001 - \$36,000	-0-	-0-	-0-	162	318	3856
\$36,001 - \$37,000	-0-	-0-	-0-	-0-	162	3857
Over \$37,000	-0-	-0-	-0-	-0-	-0-	3858

Public Institution 3859

Table of Grants 3860

\$4,801 — \$5,300	1,554	1,764	1,956	1,956	1,956	1,956	3892
\$5,301 — \$5,800	1,380	1,554	1,764	1,956	1,956	1,956	3893
\$5,801 — \$6,300	1,182	1,380	1,554	1,764	1,956	1,956	3894
\$6,301 — \$6,800	966	1,182	1,380	1,554	1,764	1,956	3895
\$6,801 — \$7,800	774	966	1,182	1,380	1,554	1,764	3896
\$7,801 — \$8,800	582	774	966	1,182	1,380	1,554	3897
\$8,801 — \$9,800	468	582	774	966	1,182	1,380	3898
\$9,801 — \$11,300	378	468	582	774	966	1,182	3899
\$11,301 — \$12,800	348	378	468	582	774	966	3900
\$12,801 — \$14,300	318	348	378	468	582	774	3901
\$14,301 — \$15,800	162	318	348	378	468	582	3902
\$15,801 — \$18,800	0	162	318	348	378	468	3903
\$18,801 — \$21,800	0	0	162	318	348	378	3904
\$21,801 — \$24,800	0	0	0	162	318	348	3905
\$24,801 — \$29,500	0	0	0	0	162	318	3906
\$29,501 — \$34,500	0	0	0	0	0	162	3907
Over \$34,500	0	0	0	0	0	0	3908

Public Institution

3909

Table of Grants

3910

Maximum Grant \$2,190

3911

Gross Income

Number of Dependents

3912

	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5 or more</u>	
<u>\$0 - \$4,800</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	<u>\$2,190</u>	3913
<u>\$4,801 - \$5,300</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	3914
<u>\$5,301 - \$5,800</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	3915
<u>\$5,801 - \$6,300</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	<u>2,190</u>	3916
<u>\$6,301 - \$6,800</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	<u>2,190</u>	3917
<u>\$6,801 - \$7,300</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	<u>2,190</u>	3918
<u>\$7,301 - \$8,300</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	<u>1,974</u>	3919
<u>\$8,301 - \$9,300</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	<u>1,740</u>	3920
<u>\$9,301 - \$10,300</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	<u>1,542</u>	3921
<u>\$10,301 - \$11,800</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	<u>1,320</u>	3922

<u>\$11,801 - \$13,300</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	<u>1,080</u>	3924
<u>\$13,301 - \$14,800</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	<u>864</u>	3925
<u>\$14,801 - \$16,300</u>	<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	<u>648</u>	3926
<u>\$16,301 - \$19,300</u>	--	<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	<u>522</u>	3927
<u>\$19,301 - \$22,300</u>	--	--	<u>174</u>	<u>354</u>	<u>384</u>	<u>420</u>	3928
<u>\$22,301 - \$25,300</u>	--	--	--	<u>174</u>	<u>354</u>	<u>384</u>	3929
<u>\$25,301 - \$30,300</u>	--	--	--	--	<u>174</u>	<u>354</u>	3930
<u>\$30,301 - \$35,300</u>	--	--	--	--	--	<u>174</u>	3931

(D) For a full-time student enrolled in an eligible institution for a semester or quarter in addition to the portion of the academic year covered by a grant determined under division (C) of this section, the maximum grant amount shall be a percentage of the maximum prescribed in the applicable table of that division. The maximum grant for a fourth quarter shall be one-third of the maximum amount prescribed under that division. The maximum grant for a third semester shall be one-half of the maximum amount prescribed under that division.

(E) No grant shall be made to any student in a course of study in theology, religion, or other field of preparation for a religious profession unless such course of study leads to an accredited bachelor of arts, bachelor of science, associate of arts, or associate of science degree.

(F)(1) Except as provided in division (F)(2) of this section, no grant shall be made to any student for enrollment during a fiscal year in an institution with a cohort default rate determined by the United States secretary of education pursuant to the "Higher Education Amendments of 1986," 100 Stat. 1278, 1408, 20 U.S.C.A. 1085, as amended, as of the fifteenth day of June preceding the fiscal year, equal to or greater than thirty per cent for each of the preceding two fiscal years.

(2) Division (F)(1) of this section does not apply to the following:

(a) Any student enrolled in an institution that under the federal law appeals its loss of eligibility for federal financial aid and the United States secretary of education determines its cohort default rate after recalculation is lower than the rate specified in division (F)(1) of this section or the secretary determines due to mitigating circumstances the institution may continue to participate in federal financial aid programs. The board shall adopt rules requiring institutions to provide information regarding an appeal to the board.

(b) Any student who has previously received a grant under this section who meets all other requirements of this section.

(3) The board shall adopt rules for the notification of all institutions whose students will be ineligible to participate in the grant program pursuant to division (F)(1) of this section.

(4) A student's attendance at an institution whose students lose eligibility for grants under division (F)(1) of this section shall not affect that student's eligibility to receive a grant when enrolled in another institution.

(G) Institutions of higher education that enroll students receiving instructional grants under this section shall report to the board all students who have received instructional grants but are no longer eligible for all or part of such grants and shall refund any moneys due the state within thirty days after the beginning of the quarter or term immediately following the quarter or term in which the student was no longer eligible to receive all or part of the student's grant. There shall be an interest charge of one per cent per month on all moneys due and payable after such thirty-day period. The board shall immediately notify the office of budget and management and the legislative budget office of the legislative service commission of all refunds so received.

Sec. 3333.13. (A) Money appropriated to ~~state supported and~~

~~state assisted institutions of higher education and to the Ohio~~ 3987
board of regents for the purposes of this division shall be paid 3988
at the times and in the amounts necessary to meet all payments 3989
required to be made ~~by such institutions and~~ by the board to the 3990
Ohio public facilities commission or treasurer of state pursuant 3991
to leases or agreements made by them under division (B) of section 3992
154.21 of the Revised Code, as certified under division (C) of 3993
this section, including supplements to such certifications. 3994

(B) ~~Each such institution of higher education and the~~ The 3995
board shall include in its estimate of proposed expenses submitted 3996
pursuant to section 126.02 of the Revised Code the estimated 3997
amounts of all such payments to be made by it. The board shall 3998
include the estimated amounts of all such payments to be made ~~by~~ 3999
~~each such institution and of such payments to be made~~ by it in 4000
recommendations for appropriation required by division (J) of 4001
section 3333.04 of the Revised Code. The director of budget and 4002
management shall include in the state budget estimates provided 4003
for in section 126.02 of the Revised Code the estimated amount of 4004
all such payments to be made during the next biennium, and this 4005
amount shall be included in the state budget to be submitted by 4006
the governor to the general assembly pursuant to section 107.03 of 4007
the Revised Code. 4008

(C) On the first day of July of each year, or as soon 4009
thereafter as is practicable, the chancellor or a vice-chancellor 4010
of the board shall certify to the director the payments contracted 4011
to be made, during the period of the then current appropriations 4012
made for the purposes of division (A) of this section, to the 4013
commission or treasurer of state ~~by each state supported and state~~ 4014
~~assisted institution of higher education and~~ by the board pursuant 4015
to leases and agreements made under division (B) of section 154.21 4016
of the Revised Code. The certification shall state the amounts and 4017
dates of payment required therefor ~~as to each such institution of~~ 4018

~~higher education and the board,~~ and the amounts to be credited 4019
pursuant to such leases and agreements to the higher education 4020
bond service trust fund and other special funds established 4021
pursuant to section 151.04 or Chapter 154. of the Revised Code. If 4022
the director finds such certification to be correct, the director 4023
shall promptly add the director's certification thereto and submit 4024
it to the treasurer of state. Such annual certification shall be 4025
supplemented in similar manner upon the execution of each new 4026
lease or agreement, any supplement to an existing lease or 4027
agreement, or any amendment thereof, affecting the amounts of 4028
those payments. 4029

Sec. 3770.02. (A) Subject to the advice and consent of the 4030
senate, the governor shall appoint a director of the state lottery 4031
commission who shall serve at the pleasure of the governor. The 4032
director shall devote full time to the duties of the office and 4033
shall hold no other office or employment. The director shall meet 4034
all requirements for appointment as a member of the commission and 4035
shall by experience and training possess ~~such~~ management skills ~~as~~ 4036
that would equip the director to administer an enterprise of the 4037
nature of a state lottery. The director shall receive an annual 4038
salary in accordance with pay range 48 of section 124.152 of the 4039
Revised Code. 4040

(B)(1) The director shall attend all meetings of the 4041
commission and shall act as its secretary. The director shall keep 4042
a record of all commission proceedings and shall keep ~~such~~ the 4043
commission's records, files, and documents at the commission's 4044
principal office. All records of the commission's meetings shall 4045
be available for inspection by any member of the public, upon a 4046
showing of good cause and prior notification to the director. 4047

(2) The director shall be the commission's executive officer 4048
and shall be responsible for keeping all commission records and 4049
supervising and administering the state lottery in accordance with 4050

this chapter, and carrying out all commission rules adopted under 4051
section 3770.03 of the Revised Code. 4052

(C)(1) The director shall appoint an assistant director and 4053
deputy directors of marketing, operations, sales, finance, public 4054
relations, security, and administration, and as many regional 4055
managers as are required. The director may also appoint such 4056
professional, technical, and clerical assistants as are necessary. 4057
All such officers and employees shall be appointed and compensated 4058
pursuant to Chapter 124. of the Revised Code. Regional and 4059
assistant regional managers, sales representatives, and any 4060
lottery executive account representatives shall remain in the 4061
unclassified service. 4062

(2) The director, in consultation with the director of 4063
administrative services, may establish standards of proficiency 4064
and productivity for commission field representatives. 4065

(D) The director shall request the bureau of criminal 4066
identification and investigation, the department of public safety, 4067
or any other state, local, or federal agency, to supply the 4068
director with the criminal records of any job applicant and may 4069
periodically request ~~such~~ the criminal records of commission 4070
employees. At or prior to the time of making such a request, the 4071
director shall require a job applicant or commission employee to 4072
obtain fingerprint cards prescribed by the superintendent of the 4073
bureau of criminal identification and investigation at a qualified 4074
law enforcement agency, and the director shall cause these 4075
fingerprint cards to be forwarded to the bureau of criminal 4076
identification and investigation and the federal bureau of 4077
investigation. The commission shall assume the cost of obtaining 4078
the fingerprint cards and shall pay to each agency supplying ~~such~~ 4079
criminal records for each investigation under this division a 4080
reasonable fee, as determined by the agency. 4081

(E) The director shall license lottery sales agents pursuant 4082

to section 3770.05 of the Revised Code, and, when it is considered 4083
necessary, may revoke or suspend the license of any lottery sales 4084
agent ~~when such action is considered necessary.~~ 4085

(F) The director shall confer at least once each month with 4086
the commission at which time the director shall advise it ~~of~~ 4087
regarding the operation and administration of the lottery. The 4088
director shall make available at the request of the commission all 4089
documents, files, and other records pertaining to the operation 4090
and administration of the lottery. The director shall prepare and 4091
make available to the commission each month a complete and 4092
accurate accounting of lottery revenues, prize money disbursements 4093
and the cost of goods and services awarded as prizes, operating 4094
expenses, and all other relevant financial information, including 4095
an accounting of all transfers made from any lottery funds in the 4096
custody of the treasurer of state to benefit education. 4097

(G) The director may enter into contracts for the operation 4098
or promotion of the lottery pursuant to Chapter 125. of the 4099
Revised Code. The director may enter into agreements to assist 4100
organizations that deal with problem gambling. 4101

(H)(1) Pursuant to rules adopted by the commission under 4102
section 3770.03 of the Revised Code, the director shall require 4103
any lottery sales agents to either mail directly to the ~~state~~ 4104
~~lottery~~ commission or ~~to~~ deposit to the credit of the state 4105
lottery fund, in banking institutions designated by the treasurer 4106
of state, net proceeds due the ~~lottery~~ commission as determined by 4107
the director, and to file with the director or the director's 4108
designee reports of their receipts and transactions in the sale of 4109
lottery tickets in ~~such~~ the form ~~as~~ required by the director. 4110

(2) Pursuant to rules adopted by the commission under Chapter 4111
119. of the Revised Code, the director may impose penalties for 4112
the failure of a sales agent to transfer funds to the commission 4113
in a timely manner. Penalties may include monetary penalties, 4114

immediate suspension or revocation of a license, or any other 4115
penalty the commission adopts by rule. 4116

(I) The director may arrange for any person, or any banking 4117
institution, to perform ~~such~~ functions and services in connection 4118
with the operation of the lottery as the director may consider 4119
necessary to carry out this chapter. 4120

(J)(1) As used in this chapter, "statewide joint lottery 4121
game" means a lottery game that the commission sells solely within 4122
this state under an agreement with other lottery jurisdictions to 4123
sell the same lottery game solely within their statewide or 4124
jurisdictional boundaries. 4125

(2) The director may enter into an agreement with other 4126
lottery jurisdictions to conduct statewide joint lottery games 4127
and, if the governor signs the agreement personally or by means of 4128
an authenticating officer pursuant to section 107.15 of the 4129
Revised Code, may conduct statewide joint lottery games under the 4130
agreement. 4131

(3) The entire net proceeds from any statewide joint lottery 4132
games shall be used to fund elementary, secondary, vocational, and 4133
special education programs in this state. 4134

(4) The commission shall conduct any statewide joint lottery 4135
games in accordance with rules it adopts under division (B)(5) of 4136
section 3770.03 of the Revised Code. 4137

Sec. 3770.03. (A) The state lottery commission shall 4138
promulgate rules under which a statewide lottery may be conducted. 4139
The rules shall be promulgated pursuant to Chapter 119. of the 4140
Revised Code, except that ~~rules pertaining to~~ instant game rules 4141
shall be promulgated pursuant to section 111.15 of the Revised 4142
Code but are not subject to division (D) of that section. Subjects 4143
covered in ~~such~~ these rules shall include, but need not be limited 4144

to, the following: 4145

(1) The type of lottery to be conducted; 4146

(2) The prices of tickets in the lottery; 4147

(3) The number, nature, and value of prize awards, the manner 4148
and frequency of prize drawings, and the manner in which prizes 4149
shall be awarded to holders of winning tickets. 4150

(B) The commission shall promulgate ~~further~~ rules, in 4151
addition to those described in division (A) of this section, 4152
pursuant to Chapter 119. of the Revised Code under which a 4153
statewide lottery and statewide joint lottery games may be 4154
conducted. Subjects covered in these rules shall include, but not 4155
be limited to, the following: 4156

(1) The locations at which lottery tickets may be sold and 4157
the manner in which they are to be sold. ~~Such~~ These rules may 4158
authorize the sale of lottery tickets by commission personnel or 4159
other licensed individuals from traveling show wagons at the state 4160
fair, and at any other expositions the director of the commission 4161
considers acceptable. ~~Such~~ These rules shall prohibit commission 4162
personnel or other licensed individuals from soliciting from an 4163
exposition the right to sell lottery tickets at that exposition, 4164
but shall allow commission personnel or other licensed individuals 4165
to sell lottery tickets at an exposition if the exposition 4166
requests commission personnel or licensed individuals to do so. 4167
~~Such~~ These rules may also address the accessibility of sales agent 4168
locations to commission products in accordance with the "Americans 4169
with Disabilities Act of 1990," 104 Stat. 327, 42 U.S.C.A. 12101 4170
et seq. 4171

(2) The manner in which lottery sales revenues are to be 4172
collected, including authorization for the director to impose 4173
penalties for failure by lottery sales agents to transfer revenues 4174
to the commission in a timely manner; 4175

(3) The amount of compensation to be paid licensed lottery sales agents; 4176
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(4) The substantive criteria for the licensing of lottery sales agents consistent with section 3770.05 of the Revised Code, and procedures for revoking or suspending ~~such their~~ licenses consistent with Chapter 119. of the Revised Code. If circumstances, such as the nonpayment of funds owed by a lottery sales agent, or other circumstances related to the public safety, convenience, or trust, require immediate action, the director may suspend a license without affording an opportunity for a prior hearing under section 119.07 of the Revised Code. 4178
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(5) Special game rules to implement any agreements the director enters into with other lottery jurisdictions under division (J) of section 3770.02 of the Revised Code to conduct statewide joint lottery games. The rules shall require that the entire net proceeds of those games that remain, after associated operating expenses, prize disbursements, lottery sales agent bonuses, commissions, and reimbursements, and any other expenses necessary to comply with the agreements or the rules are deducted from the gross proceeds of those games, be transferred to the lottery profits education fund under division (B) of section 3770.06 of the Revised Code. 4187
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(C)(1) The ~~state lottery~~ commission shall meet with the director ~~of the commission~~ at least once each month and shall convene other meetings at the request of the ~~chairman~~ chairperson or any five of the members. No action taken by the commission shall be binding unless at least five of the members present vote in favor ~~thereof~~ of the action. A written record shall be made of the proceedings of each meeting and shall be transmitted forthwith to the governor, the president of the senate, the senate minority leader, the speaker of the house of representatives, and the house minority leader. 4198
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(2) The director shall present to the commission a report 4208
each month, showing the total revenues, prize disbursements, and 4209
operating expenses of the state lottery for the preceding month. 4210
As soon as practicable after the end of each fiscal year, the 4211
commission shall prepare and transmit to the governor and the 4212
general assembly a report of lottery revenues, prize 4213
disbursements, and operating expenses for the preceding fiscal 4214
year and any recommendations for legislation considered necessary 4215
by the commission. 4216

Sec. 3770.06. (A) There is hereby created the state lottery 4217
gross revenue fund, which shall be in the custody of the treasurer 4218
of state but shall not be part of the state treasury. All gross 4219
revenues received from sales of lottery tickets, fines, fees, and 4220
related proceeds in connection with the statewide lottery and all 4221
gross proceeds from statewide joint lottery games shall be 4222
deposited into the fund. The treasurer of state shall invest any 4223
portion of the fund not needed for immediate use in the same 4224
manner as, and subject to all provisions of law with respect to 4225
the investment of, state funds. The treasurer of state shall 4226
disburse money from the fund on order of the director of the state 4227
lottery commission or the director's designee. All 4228

Except for gross proceeds from statewide joint lottery games, 4229
all revenues of the state lottery gross revenue fund that are not 4230
paid to holders of winning lottery tickets, that are not required 4231
to meet short-term prize liabilities, that are not paid to lottery 4232
sales agents in the form of ~~agent~~ bonuses, commissions, or 4233
reimbursements, and that are not paid to financial institutions to 4234
reimburse ~~such~~ those institutions for sales agent nonsufficient 4235
funds shall be transferred to the state lottery fund, which is 4236
hereby created in the state treasury. In addition, all revenues of 4237
the state lottery gross revenue fund that represent the gross 4238
proceeds from the statewide joint lottery games and that are not 4239

paid to holders of winning lottery tickets, that are not required 4240
to meet short-term prize liabilities, that are not paid to lottery 4241
sales agents in the form of bonuses, commissions, or 4242
reimbursements, and that are not necessary to cover operating 4243
expenses associated with those games or to otherwise comply with 4244
the agreements the director enters into under division (J) of 4245
section 3770.02 of the Revised Code or the rules the commission 4246
adopts under division (B)(5) of section 3770.03 of the Revised 4247
Code shall be transferred to the state lottery fund. All 4248
investment earnings of the fund shall be credited to the fund. 4249
Moneys shall be disbursed from the ~~state lottery~~ fund pursuant to 4250
vouchers approved by the director of the ~~state lottery commission~~. 4251
Total disbursements for monetary prize awards to holders of 4252
winning lottery tickets and purchases of goods and services 4253
awarded as prizes to holders of winning lottery tickets in 4254
connection with the statewide lottery shall be of an amount equal 4255
to at least fifty per cent of the total revenue accruing from the 4256
sale of lottery tickets. 4257

(B) Pursuant to Section 6 of Article XV, Ohio Constitution, 4258
there is hereby established in the state treasury the lottery 4259
profits education fund. Whenever, in the judgment of the director 4260
of budget and management, the amount to the credit of the state 4261
lottery fund that does not represent proceeds from statewide joint 4262
lottery games is in excess of that needed to meet the maturing 4263
obligations of the commission and as working capital for its 4264
further operations, the director shall transfer the excess to the 4265
lottery profits education fund, ~~provided that the amount to be~~ 4266
~~transferred into the lottery profits education fund shall equal no~~ 4267
~~less than thirty per cent of the total revenue accruing from the~~ 4268
~~sale of lottery tickets. Investment earnings of the lottery~~ 4269
~~profits education fund shall be credited to the fund. In addition,~~ 4270
whenever, in the judgment of the director of budget and 4271
management, the amount to the credit of the state lottery fund 4272

that represents proceeds from statewide joint lottery games equals 4273
the entire net proceeds of those games as described in division 4274
(B)(5) of section 3770.03 of the Revised Code and the rules 4275
adopted under that division, the director shall transfer those 4276
proceeds to the lottery profits education fund. There shall also 4277
be credited to the fund any repayments of moneys loaned from the 4278
educational excellence investment fund. The Investment earnings of 4279
the lottery profits education fund shall be credited to the fund. 4280

The lottery profits education fund shall be used solely for 4281
the support of elementary, secondary, vocational, and special 4282
education programs as determined in appropriations made by the 4283
general assembly, or as provided in applicable bond proceedings 4284
for the payment of debt service on obligations issued to pay costs 4285
of capital facilities, including those for a system of common 4286
schools throughout the state pursuant to section 2n of Article 4287
VIII, Ohio Constitution. When determining the availability of 4288
money in the lottery profits education fund, the director of 4289
budget and management may consider all balances and estimated 4290
revenues of the fund. 4291

From the amounts that the director of budget and management 4292
transfers in any fiscal year from the state lottery fund to the 4293
lottery profits education fund, the director shall transfer the 4294
initial ten million dollars of ~~such~~ those amounts from the lottery 4295
profits education fund to the school building program bond service 4296
fund created in division (Q) of section 3318.26 of the Revised 4297
Code to be pledged for the purpose of paying bond service charges 4298
as defined in division (C) of section 3318.21 of the Revised Code 4299
on one or more issuances of obligations, which obligations are 4300
issued to provide moneys for the school building program 4301
assistance fund created in section 3318.25 of the Revised Code. 4302

(C) There is hereby established in the state treasury the 4303
deferred prizes trust fund. With the approval of the director of 4304

budget and management, an amount sufficient to fund annuity prizes 4305
shall be transferred from the state lottery fund and credited to 4306
the trust fund. The treasurer of state shall credit all earnings 4307
arising from investments purchased under this division to the 4308
fund. Within sixty days after the end of each fiscal year, the 4309
director of budget and management shall certify the amount of 4310
investment earnings necessary to have been credited to the trust 4311
fund during the fiscal year just ending to provide for continued 4312
funding of deferred prizes. Any earnings credited in excess of 4313
this certified amount shall be transferred to the lottery profits 4314
education fund. To provide all or a part of the amounts necessary 4315
to fund deferred prizes awarded by the commission, the treasurer 4316
of state, in consultation with the commission, may invest moneys 4317
contained in the deferred prizes trust fund in obligations of the 4318
type permitted for the investment of state funds but whose 4319
maturities are thirty years or less. Investments of the deferred 4320
prizes trust fund are not subject to the provisions of division 4321
(A)(10) of section 135.143 of the Revised Code limiting to five 4322
per cent the amount of the state's total average portfolio that 4323
may be invested in debt interests and limiting to one-half of one 4324
per cent the amount that may be invested in debt interests of a 4325
single issuer. 4326

All purchases made under this division shall be effected on a 4327
delivery versus payment method and shall be in the custody of the 4328
treasurer of state. 4329

The treasurer of state may retain an investment advisor, if 4330
necessary. The commission shall pay any costs incurred by the 4331
treasurer of state in retaining an investment advisor. 4332

(D) The auditor of state shall conduct annual audits of all 4333
funds and ~~such~~ any other audits as the auditor of state or the 4334
general assembly considers necessary. The auditor of state may 4335
examine all records, files, and other documents of the commission, 4336

and ~~such~~ records of lottery sales agents ~~as~~ that pertain to their 4337
activities as agents, for purposes of conducting authorized 4338
audits. 4339

The state lottery commission shall establish an internal 4340
audit program before the beginning of each fiscal year, subject to 4341
the approval of the auditor of state. At the end of each fiscal 4342
year, the commission shall prepare and submit an annual report to 4343
the auditor of state for the auditor of state's review and 4344
approval, specifying the internal audit work completed by the end 4345
of that fiscal year and reporting on compliance with the annual 4346
internal audit program. The form and content of the report shall 4347
be prescribed by the auditor of state under division (C) of 4348
section 117.20 of the Revised Code. 4349

(E) Whenever, in the judgment of the director of budget and 4350
management, an amount of net state lottery proceeds is necessary 4351
to be applied to the payment of debt service on obligations, all 4352
as defined in sections 151.01 and 151.03 of the Revised Code, the 4353
director shall transfer that amount directly from the state 4354
lottery fund or from the lottery profits education fund to the 4355
bond service fund defined in those sections. The provisions of 4356
this division ~~(E) of this section~~ are subject to any prior pledges 4357
or obligation of those amounts to the payment of bond service 4358
charges as defined in division (C) of section 3318.21 of the 4359
Revised Code, as referred to in division (B) of this section. 4360

Sec. 5126.05. (A) Subject to the rules established by the 4361
director of mental retardation and developmental disabilities 4362
pursuant to Chapter 119. of the Revised Code for programs and 4363
services offered pursuant to this chapter, and subject to the 4364
rules established by the state board of education pursuant to 4365
Chapter 119. of the Revised Code for programs and services offered 4366
pursuant to Chapter 3323. of the Revised Code, the county board of 4367
mental retardation and developmental disabilities shall: 4368

- (1) Administer and operate facilities, programs, and services as provided by this chapter and Chapter 3323. of the Revised Code and establish policies for their administration and operation;
- (2) Coordinate, monitor, and evaluate existing services and facilities available to individuals with mental retardation and developmental disabilities;
- (3) Provide early childhood services, supportive home services, and adult services, according to the plan and priorities developed under section 5126.04 of the Revised Code;
- (4) Provide or contract for special education services pursuant to Chapters 3317. and 3323. of the Revised Code and ensure that related services, as defined in section 3323.01 of the Revised Code, are available according to the plan and priorities developed under section 5126.04 of the Revised Code;
- (5) Adopt a budget, authorize expenditures for the purposes specified in this chapter and do so in accordance with section 319.16 of the Revised Code, approve attendance of board members and employees at professional meetings and approve expenditures for attendance, and exercise such powers and duties as are prescribed by the director;
- (6) Submit annual reports of its work and expenditures, pursuant to sections 3323.09 and 5126.12 of the Revised Code, to the director, the superintendent of public instruction, and the board of county commissioners at the close of the fiscal year and at such other times as may reasonably be requested;
- (7) Authorize all positions of employment, establish compensation, including but not limited to salary schedules and fringe benefits for all board employees, approve contracts of employment for management employees that are for a term of more than one year, employ legal counsel under section 309.10 of the

Revised Code, and contract for employee benefits; 4400

(8) Provide case management services, as defined in rules 4401
adopted by the director of mental retardation and developmental 4402
disabilities, in accordance with section 5126.15 of the Revised 4403
Code; 4404

(9) Certify respite care homes pursuant to rules adopted 4405
under section 5123.171 of the Revised Code by the director of 4406
mental retardation and developmental disabilities. 4407

(B) To the extent that rules adopted under this section apply 4408
to the identification and placement of handicapped children under 4409
Chapter 3323. of the Revised Code, they shall be consistent with 4410
the standards and procedures established under sections 3323.03 to 4411
3323.05 of the Revised Code. 4412

(C) Any county board may enter into contracts with other such 4413
boards and with public or private, nonprofit, or profit-making 4414
agencies or organizations of the same or another county, to 4415
provide the facilities, programs, and services authorized or 4416
required, upon such terms as may be agreeable, and in accordance 4417
with this chapter and Chapter 3323. of the Revised Code and rules 4418
adopted thereunder and in accordance with sections 307.86 and 4419
5126.071 of the Revised Code. 4420

(D) A county board may combine transportation for children 4421
and adults enrolled in programs and services offered under section 4422
5126.12 with transportation for children enrolled in classes 4423
funded under section 3317.20 or units approved under section 4424
3317.05 of the Revised Code. 4425

(E) A county board may purchase all necessary insurance 4426
policies, may purchase equipment and supplies through the 4427
department of administrative services or from other sources, and 4428
may enter into agreements with public agencies or nonprofit 4429
organizations for cooperative purchasing arrangements. 4430

(F) A county board may receive by gift, grant, devise, or bequest any moneys, lands, or property for the benefit of the purposes for which the board is established and hold, apply, and dispose of the moneys, lands, and property according to the terms of the gift, grant, devise, or bequest. All money received by gift, grant, bequest, or disposition of lands or property received by gift, grant, devise, or bequest shall be deposited in the county treasury to the credit of such board and shall be available for use by the board for purposes determined or stated by the donor or grantor, but may not be used for personal expenses of the board members. Any interest or earnings accruing from such gift, grant, devise, or bequest shall be treated in the same manner and subject to the same provisions as such gift, grant, devise, or bequest.

(G) The board of county commissioners shall levy taxes and make appropriations sufficient to enable the county board of mental retardation and developmental disabilities to perform its functions and duties, and may utilize any available local, state, and federal funds for such purpose.

Sec. 5126.12. (A) As used in this section:

(1) "Approved school age ~~unit~~ class" means a class ~~or unit~~ operated by a county board of mental retardation and developmental disabilities and ~~approved~~ funded by the ~~state board~~ department of education under ~~division (D)~~ of section 3317.05 3317.20 of the Revised Code.

(2) "Approved preschool unit" means a class or unit operated by a county board of mental retardation and developmental disabilities and approved by the state board of education under division (B) of section 3317.05 of the Revised Code.

(3) "Active treatment" means a continuous treatment program, which includes aggressive, consistent implementation of a program

of specialized and generic training, treatment, health services, 4462
and related services, that is directed toward the acquisition of 4463
behaviors necessary for an individual with mental retardation or 4464
other developmental disability to function with as much 4465
self-determination and independence as possible and toward the 4466
prevention of deceleration, regression, or loss of current optimal 4467
functional status. 4468

(4) "Eligible for active treatment" means that an individual 4469
with mental retardation or other developmental disability resides 4470
in an intermediate care facility for the mentally retarded 4471
certified under Title XIX of the "Social Security Act," 49 Stat. 4472
620 (1935), 42 U.S.C. 301, as amended; resides in a state 4473
institution operated by the department of mental retardation and 4474
developmental disabilities; or is enrolled in a home and 4475
community-based services waiver program administered by the 4476
department of mental retardation and developmental disabilities as 4477
part of the medical assistance program established under section 4478
5111.01 of the Revised Code. 4479

(5) "Community alternative funding system" means the program 4480
under which habilitation services are reimbursed under the medical 4481
assistance program pursuant to section 5111.041 of the Revised 4482
Code and rules adopted under that section. 4483

(6) "Community employment program" means community employment 4484
services provided outside of a sheltered workshop setting under 4485
which the person earns competitive wages for the performance of 4486
work. 4487

(7) "Traditional adult services" means vocational and 4488
nonvocational activities conducted within a sheltered workshop or 4489
adult activity center or supportive home services. 4490

(B) Each county board of mental retardation and developmental 4491
disabilities shall certify to the director of mental retardation 4492

and developmental disabilities all of the following:	4493
(1) On or before the fifteenth day of October, the average	4494
daily membership for the first full week of programs and services	4495
during October receiving:	4496
(a) Early childhood services provided pursuant to section	4497
5126.05 of the Revised Code for children who are less than three	4498
years of age on the thirtieth day of September of the academic	4499
year;	4500
(b) Special education for handicapped children in approved	4501
school age units <u>classes</u> ;	4502
(c) Adult services for persons sixteen years of age and older	4503
operated pursuant to section 5126.05 and division (B) of section	4504
5126.051 of the Revised Code. Separate counts shall be made for	4505
the following:	4506
(i) Persons enrolled in traditional adult services who are	4507
eligible for but not enrolled in active treatment under the	4508
community alternative funding system;	4509
(ii) Persons enrolled in traditional adult services who are	4510
eligible for and enrolled in active treatment under the community	4511
alternative funding system;	4512
(iii) Persons enrolled in traditional adult services but who	4513
are not eligible for active treatment under the community	4514
alternative funding system;	4515
(iv) Persons participating in community employment services.	4516
To be counted as participating in community employment services, a	4517
person must have spent an average of no less than ten hours per	4518
week in that employment during the preceding six months.	4519
(d) Other programs in the county for individuals with mental	4520
retardation and developmental disabilities that have been approved	4521
for payment of subsidy by the department of mental retardation and	4522

developmental disabilities. 4523

The membership in each such program and service in the county 4524
shall be reported on forms prescribed by the department of mental 4525
retardation and developmental disabilities. 4526

The department of mental retardation and developmental 4527
disabilities shall adopt rules defining full-time equivalent 4528
enrollees and for determining the average daily membership 4529
therefrom, except that certification of average daily membership 4530
in approved school age ~~units~~ classes shall be in accordance with 4531
rules adopted by the state board of education. The average daily 4532
membership figure shall be determined by dividing the amount 4533
representing the sum of the number of enrollees in each program or 4534
service in the week for which the certification is made by the 4535
number of days the program or service was offered in that week. No 4536
enrollee may be counted in average daily membership for more than 4537
one program or service. 4538

(2) By the fifteenth day of December, the number of children 4539
enrolled in approved preschool units on the first day of December; 4540

(3) On or before the thirtieth day of March, an itemized 4541
report of all income and operating expenditures for the 4542
immediately preceding calendar year, in the format specified by 4543
the department of mental retardation and developmental 4544
disabilities; 4545

(4) By the fifteenth day of February, a report of the total 4546
annual cost per enrollee for operation of programs and services in 4547
the preceding calendar year. The report shall include a grand 4548
total of all programs operated, the cost of the individual 4549
programs, and the sources of funds applied to each program. 4550

(5) That each required certification and report is in 4551
accordance with rules established by the department of mental 4552
retardation and developmental disabilities and the state board of 4553

education for the operation and subsidization of the programs and 4554
services. 4555

(C) To compute payments under this section to the board for 4556
the fiscal year, the department of mental retardation and 4557
developmental disabilities shall use the certification of average 4558
daily membership required by division (B)(1) of this section 4559
exclusive of the average daily membership in any approved school 4560
age ~~unit~~ class and the number in any approved preschool unit. 4561

(D) The department shall pay each county board for each 4562
fiscal year an amount equal to nine hundred fifty dollars times 4563
the certified number of persons who on the first day of December 4564
of the academic year are under three years of age and are not in 4565
an approved preschool unit. For persons who are at least age 4566
sixteen and are not in an approved school age ~~unit~~ class, the 4567
department shall pay each county board for each fiscal year the 4568
following amounts: 4569

(1) One thousand dollars times the certified average daily 4570
membership of persons enrolled in traditional adult services who 4571
are eligible for but not enrolled in active treatment under the 4572
community alternative funding system; 4573

(2) One thousand two hundred dollars times the certified 4574
average daily membership of persons enrolled in traditional adult 4575
services who are eligible for and enrolled in active treatment 4576
under the community alternative funding system; 4577

(3) No less than one thousand five hundred dollars times the 4578
certified average daily membership of persons enrolled in 4579
traditional adult services but who are not eligible for active 4580
treatment under the community alternative funding system; 4581

(4) No less than one thousand five hundred dollars times the 4582
certified average daily membership of persons participating in 4583
community employment services. 4584

(E) The department shall distribute this subsidy to county boards in semiannual installments of equal amounts. The installments shall be made not later than the thirty-first day of August and the thirty-first day of January.

(F) The director of mental retardation and developmental disabilities shall make efforts to obtain increases in the subsidies for early childhood services and adult services so that the amount of the subsidies is equal to at least fifty per cent of the statewide average cost of those services minus any applicable federal reimbursements for those services. The director shall advise the director of budget and management of the need for any such increases when submitting the biennial appropriations request for the department.

(G) In determining the reimbursement of a county board for the provision of case management and family support services and other services required or approved by the director for which children three through twenty-one years of age are eligible, the department shall include the average daily membership in approved school age or preschool units. The department, in accordance with this section and upon receipt and approval of the certification required by this section and any other information it requires to enable it to determine a board's payments, shall pay the agency providing the specialized training the amounts payable under this section.

Section 2. That existing sections 133.07, 3301.075, 3301.80, 3313.37, 3313.608, 3314.08, 3317.012, 3317.013, 3317.02, 3317.022, 3317.023, 3317.029, 3317.0212, 3317.03, 3317.05, 3317.051, 3317.11, 3317.16, 3317.161, 3317.162, 3317.20, 3318.31, 3319.19, 3323.09, 3323.091, 3333.02, 3333.03, 3333.12, 3333.13, 3770.02, 3770.03, 3770.06, 5126.05, and 5126.12 and section 307.031 of the Revised Code are hereby repealed.

Section 3. Except as otherwise provided, all appropriation items (AI) in this act are appropriated out of any moneys in the state treasury to the credit of the designated fund, which are not otherwise appropriated. For all appropriations made in this act, the amounts in the first column are for fiscal year 2002 and the amounts in the second column are for fiscal year 2003.

FND AI	AI TITLE	FY 2002	FY 2003	
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Section 4. EDU DEPARTMENT OF EDUCATION 4624

General Revenue Fund 4625

GRF 200-100	Personal Services	\$ 12,061,049	\$ 12,361,049	4626
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GRF 200-320	Maintenance and Equipment	\$ 5,155,986	\$ 5,290,868	4627
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GRF 200-406	Head Start	\$ 102,860,702	\$ 104,917,916	4628
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GRF 200-408	Public Preschool	\$ 19,896,330	\$ 20,294,257	4629
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GRF 200-410	Professional Development	\$ 33,453,542	\$ 45,050,292	4630
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GRF 200-411	Family and Children First	\$ 13,890,000	\$ 13,940,000	4631
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GRF 200-416	Vocational Education Match	\$ 2,429,373	\$ 2,477,960	4632
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GRF 200-420	Technical Systems Development	\$ 6,000,000	\$ 6,500,000	4633
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GRF 200-421	Alternative Education Programs	\$ 22,336,697	\$ 25,511,384	4634
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GRF 200-422	School Management Assistance	\$ 1,515,995	\$ 1,603,285	4635
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GRF 200-424	Policy Analysis	\$ 1,669,538	\$ 1,703,015	4636
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GRF 200-425	Tech Prep Administration	\$ 2,479,632	\$ 2,529,225	4637
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GRF 200-426	Ohio Educational Computer Network	\$ 42,845,336	\$ 44,886,075	4638
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GRF 200-427	Academic Standards	\$	8,474,999	\$	8,862,500	4639
GRF 200-431	School Improvement Initiatives	\$	18,716,637	\$	19,740,742	4640
GRF 200-432	School Conflict Management	\$	652,600	\$	685,230	4641
GRF 200-433	Reading/Writing Improvement	\$	26,773,904	\$	33,600,723	4642
GRF 200-437	Student Assessment	\$	23,692,045	\$	25,942,045	4643
GRF 200-438	Safe Schools	\$	2,050,000	\$	2,050,000	4644
GRF 200-441	American Sign Language	\$	241,743	\$	246,578	4645
GRF 200-442	Child Care Licensing	\$	1,548,726	\$	1,579,701	4646
GRF 200-444	Professional Recruitment	\$	2,900,000	\$	2,460,000	4647
GRF 200-445	OhioReads Admin/Volunteer Support	\$	5,714,000	\$	5,714,000	4648
GRF 200-446	Education Management Information System	\$	15,479,636	\$	17,673,430	4649
GRF 200-447	GED Testing/Adult High School	\$	2,123,623	\$	2,166,095	4650
GRF 200-455	Community Schools	\$	4,728,935	\$	4,824,517	4651
GRF 200-500	School Finance Equity	\$	22,661,968	\$	0	4652
GRF 200-501	Base Cost Funding	\$	3,983,645,394	\$	4,237,604,123	4653
GRF 200-502	Pupil Transportation	\$	304,355,027	\$	323,222,648	4654
GRF 200-503	Bus Purchase Allowance	\$	39,828,415	\$	40,624,984	4655
GRF 200-505	School Lunch Match	\$	9,639,000	\$	9,831,780	4656
GRF 200-509	Adult Literacy Education	\$	9,778,384	\$	9,973,952	4657
GRF 200-511	Auxiliary Services	\$	122,782,475	\$	127,650,709	4658
GRF 200-513	Student Intervention Services	\$	31,900,000	\$	38,280,000	4659
GRF 200-514	Post-Secondary/Adult Vocational Education	\$	25,730,243	\$	25,730,243	4660

GRF 200-520	Disadvantaged Pupil Impact Aid	\$ 375,053,686	\$ 404,513,876	4661
GRF 200-521	Gifted Pupil Program	\$ 45,930,131	\$ 47,893,138	4662
GRF 200-524	Educational Excellence and Competency	\$ 2,699,500	\$ 2,960,900	4663
GRF 200-532	Nonpublic Administrative Cost Reimbursement	\$ 53,533,703	\$ 55,675,051	4664
GRF 200-534	Desegregation Costs	\$ 500,000	\$ 500,000	4665
GRF 200-540	Special Education Enhancements	\$ 144,006,701	\$ 146,950,428	4666
GRF 200-545	Vocational Education Enhancements	\$ 37,397,564	\$ 41,347,564	4667
GRF 200-546	Charge-Off Supplement	\$ 18,944,145	\$ 22,774,635	4668
GRF 200-547	Power Equalization	\$ 43,009,250	\$ 44,098,359	4669
GRF 200-552	County MR/DD Boards Vehicle Purchases	\$ 1,666,204	\$ 1,666,204	4670
GRF 200-553	County MR/DD Boards Transportation Operating	\$ 9,575,910	\$ 9,575,910	4671
GRF 200-558	Emergency Loan Interest Subsidy	\$ 4,500,000	\$ 3,300,000	4672
GRF 200-566	OhioReads Grants	\$ 28,800,000	\$ 28,800,000	4673
GRF 200-570	School Improvement Incentive Grants	\$ 10,000,000	\$ 12,000,000	4674
GRF 200-573	Character Education	\$ 1,050,000	\$ 1,050,000	4675
GRF 200-574	Substance Abuse Prevention	\$ 2,420,000	\$ 2,420,000	4676
GRF 200-901	Property Tax Allocation - Education	\$ 707,700,000	\$ 743,000,000	4677
GRF 200-906	Tangible Tax Exemption - Education	\$ 73,500,000	\$ 75,700,000	4678
TOTAL GRF	General Revenue Fund	\$ 6,490,298,728	\$ 6,869,755,391	4679

		General Services Fund Group					4680
138	200-606	Computer Services	\$	6,629,469	\$	6,761,034	4681
4D1	200-602	Ohio Prevention/Education Resource Center	\$	345,000	\$	345,000	4682
4L2	200-681	Teacher Certification and Licensure	\$	4,684,143	\$	4,856,290	4683
452	200-638	Miscellaneous Revenue	\$	1,045,000	\$	1,045,000	4684
5H3	200-687	School District Solvency Assistance	\$	24,000,000	\$	24,000,000	4685
596	200-656	Ohio Career Information System	\$	743,217	\$	769,230	4686
		TOTAL GSF General Services Fund Group	\$	37,446,829	\$	37,776,554	4687 4688
		Federal Special Revenue Fund Group					4689
3C5	200-661	Federal Dependent Care Programs	\$	18,189,907	\$	18,233,488	4690
3D1	200-664	Drug Free Schools	\$	20,621,375	\$	20,660,570	4691
3D2	200-667	Honors Scholarship Program	\$	2,454,688	\$	2,540,602	4692
3H9	200-605	Head Start Collaboration Project	\$	250,000	\$	250,000	4693
3M0	200-623	ESEA Chapter One	\$	320,505,063	\$	330,172,277	4694
3M1	200-678	ESEA Chapter Two	\$	13,595,978	\$	14,059,555	4695
3M2	200-680	Ind W/Disab Education Act	\$	186,000,000	\$	206,000,000	4696
3L6	200-617	Federal School Lunch	\$	175,274,000	\$	180,181,672	4697
3L7	200-618	Federal School Breakfast	\$	45,746,000	\$	47,026,888	4698
3L8	200-619	Child and Adult Care Programs	\$	60,257,639	\$	61,966,125	4699
3L9	200-621	Vocational Education	\$	43,613,582	\$	45,142,330	4700

		Basic Grant				
3T4	200-613	Public Charter Schools	\$	4,887,260	\$	5,055,185 4701
3T6	200-611	Class Size Reduction	\$	32,289,281	\$	33,903,747 4702
3U2	200-662	Teacher Quality	\$	1,300,501	\$	1,352,000 4703
		Enhancement Grants				
3U3	200-665	Reading Excellence	\$	10,018,756	\$	0 4704
		Grant Program				
3U6	200-675	Provision 2 & 3 Grant	\$	191,050	\$	0 4705
309	200-601	Educationally	\$	20,759,222	\$	21,425,345 4706
		Disadvantaged				
366	200-604	Adult Basic Education	\$	17,527,286	\$	18,140,740 4707
367	200-607	School Food Services	\$	10,089,884	\$	10,408,199 4708
368	200-614	Veterans' Training	\$	648,514	\$	671,212 4709
369	200-616	Vocational Education	\$	8,000,000	\$	8,000,000 4710
370	200-624	Education of All	\$	1,364,246	\$	1,410,908 4711
		Handicapped Children				
371	200-631	EEO Title IV	\$	1,155,361	\$	1,213,894 4712
374	200-647	E.S.E.A. Consolidated	\$	110,094	\$	110,094 4713
378	200-660	Math/Science	\$	12,696,055	\$	13,036,530 4714
		Technology Investments				
		TOTAL FED Federal Special				4715
		Revenue Fund Group	\$	1,007,545,742	\$	1,040,961,361 4716
		State Special Revenue Fund Group				4717
4R7	200-695	Indirect Cost Recovery	\$	3,942,779	\$	4,168,947 4718
4V7	200-633	Interagency Vocational	\$	695,197	\$	731,674 4719
		Support				
454	200-610	Guidance and Testing	\$	940,636	\$	956,761 4720
455	200-608	Commodity Foods	\$	10,000,000	\$	11,000,000 4721
598	200-659	Auxiliary Services	\$	1,328,910	\$	1,328,910 4722
		Mobile Units				
620	200-615	Educational Grants	\$	1,525,000	\$	1,525,000 4723
		TOTAL SSR State Special Revenue				4724
		Fund Group	\$	18,432,522	\$	19,711,292 4725

Lottery Profits Education Fund Group				4726	
017 200-612 Base Cost Funding	\$	615,000,000	\$	640,000,000	4727
017 200-682 Lease Rental Payment	\$	29,722,100	\$	25,722,600	4728
Reimbursement					
TOTAL LPE Lottery Profits				4729	
Education Fund Group	\$	644,722,100	\$	665,722,600	4730
TOTAL ALL BUDGET FUND GROUPS	\$	8,198,445,921	\$	8,633,927,198	4731

Section 4.01. MAINTENANCE AND EQUIPMENT 4733

Of the foregoing appropriation item 200-320, Maintenance and 4734
Equipment, up to \$25,000 may be expended in each year of the 4735
biennium for State Board of Education out-of-state travel. 4736

Section 4.02. HEAD START 4737

The foregoing appropriation item 200-406, Head Start, shall 4738
be distributed by the Department of Education to Head Start 4739
agencies. A "Head Start agency" means an entity that has been 4740
approved to be an agency in accordance with Section 641 (42 U.S.C. 4741
9836) of the Head Start Act and amendments thereto, or an entity 4742
designated for state Head Start funding under this section. 4743
Participation in state-funded Head Start programs is voluntary. 4744

Moneys distributed under this heading shall not be used to 4745
reduce expenditures from funds received by a Head Start agency 4746
from any other sources. Section 3301.31 of the Revised Code does 4747
not apply to funds distributed under this heading. In lieu of 4748
section 3301.31 of the Revised Code, distribution of moneys under 4749
this heading shall be as follows: 4750

(A) In fiscal years 2002 and 2003, up to two per cent of the 4751
appropriation may be used by the department for administrative 4752
costs of complying with this section; developing program capacity; 4753
and assisting programs with facilities planning, construction, 4754
renovation, or lease agreements in combination with the Community 4755

Development Finance Fund (CDFF). Up to \$1,530,000 in fiscal year 4756
2002 and up to \$1,560,600 in fiscal year 2003 may be used for 4757
training in early literacy for Head Start classroom teachers and 4758
administrators to support the OhioReads Initiative. 4759

(B) The department shall provide an annual report to the 4760
Governor, the Speaker of the House of Representatives, the 4761
President of the Senate, the State Board of Education, Head Start 4762
grantees, and other interested parties. The report shall include 4763
the following: 4764

(1) The number and per cent of eligible children by county 4765
and by grantee; 4766

(2) The amount of state funds requested for continuation per 4767
grantee; 4768

(3) The amount of state funds received for continuation per 4769
grantee; 4770

(4) A summary of program performance on the state critical 4771
performance indicators; 4772

(5) A summary of developmental progress of children 4773
participating in the state-funded Head Start program; 4774

(6) Any other data reflecting the performance of Head Start 4775
that the department considers pertinent. 4776

(C) For purposes of this section, "eligible child" means a 4777
child who is at least three years of age and not of compulsory 4778
school age whose family earns no more than 100 per cent of the 4779
federal poverty level, except as otherwise provided in this 4780
division. 4781

The Department of Education, in consultation with Head Start 4782
grantees or their designated representatives, shall establish 4783
criteria under which individual Head Start grantees may apply to 4784
the department for a waiver to include as "eligible children" 4785

those children from families earning up to 125 per cent of the 4786
federal poverty level when the children otherwise qualify as 4787
"eligible children" under this division. 4788

The Department of Education, in consultation with the 4789
Department of Job and Family Services, interested parties, and 4790
Head Start agencies shall formulate a method for determining an 4791
estimate of the number of eligible children and the per cent 4792
served by grantee(s) in each county. 4793

(D) After setting aside amounts to make any payments due from 4794
the prior fiscal year, in fiscal years 2002 and 2003, funds shall 4795
first be distributed to recipients of Head Start funds during the 4796
preceding fiscal year. Awards under this division may be reduced 4797
by the amount received in that year for one-time start-up costs 4798
and may be adjusted for actual months of program operation or 4799
enrollment as reported during the first full week of December, and 4800
may be increased by a reasonable percentage for inflation to be 4801
determined by the Department of Education and in accordance with 4802
this section. The department may redistribute dollars to programs 4803
demonstrating an unmet need based on updated assessments of family 4804
needs and community resources, with special attention to the 4805
projected impact of welfare reform. In fiscal years 2002 and 2003, 4806
the department may authorize recipients to carry over funds to the 4807
subsequent fiscal year. 4808

The department may reallocate unobligated or unspent money to 4809
participating Head Start agencies for purposes of program 4810
expansion, improvement, or special projects to promote excellence 4811
and innovation. 4812

(E) Costs for developing and administering a Head Start 4813
program may not exceed fifteen per cent of the total approved 4814
costs of the program. 4815

All recipients of funds shall maintain such fiscal control 4816

and accounting procedures as may be necessary to ensure the 4817
disbursement of, and accounting for, these funds. The control of 4818
funds provided in this program, and title to property obtained 4819
therefrom, shall be under the authority of the approved recipient 4820
for purposes provided in the program. The approved recipient shall 4821
administer and use such property and funds for the purposes 4822
specified. 4823

Each recipient shall furnish the department an annual audit 4824
that includes the review of state funds received under this 4825
section. 4826

(F) The department shall prescribe target levels for critical 4827
performance indicators for the purpose of assessing Head Start 4828
programs. On-site reviews and follow-up visits shall be based on 4829
grantee progress in meeting the prescribed target levels. 4830

The department may audit a Head Start agency's financial and 4831
program records. Head Start agencies that have financial practices 4832
not in accordance with standard accounting principles, that fail 4833
to substantially meet the Head Start performance standards, or 4834
that exhibit below-average performance shall be subject to an 4835
on-site review. 4836

The department shall require corrective plans of action for 4837
programs not achieving target levels or financial and program 4838
standards. Action plans shall include activities to be conducted 4839
by the grantee and timelines for activities to be completed and 4840
timelines for additional data submission to the department 4841
demonstrating targets have been met. The Policy Council 4842
chairperson and the appropriate grantee board official shall sign 4843
the corrective plans of action. 4844

Programs not meeting performance targets in accordance with 4845
the plan of action and prescribed timelines may have their 4846
continuation funding reduced, be disqualified for expansion 4847

consideration until targets are met, or have all state funds
withdrawn and a new grantee established. 4848
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The department shall require school districts to collect 4850
"preschool" information by program type. All data shall be 4851
reported via the Education Management Information System (EMIS). 4852

(G) The department shall require Head Start grantees to 4853
document child progress, using a common instrument prescribed by 4854
the department, and report results annually. The department shall 4855
determine the dates for documenting and reporting. 4856

The State Board of Education shall adopt rules addressing the 4857
use of screening and assessment data, including, but not limited 4858
to, all the following: 4859

(1) Protection of the identity of individual children through 4860
assignment of a unique but not personally identifiable code; 4861
4862

(2) Parents' rights; 4863

(3) Use of the data by school personnel as it relates to 4864
kindergarten entrance. 4865

(H) New agencies may be designated for state Head Start 4866
funding if a Head Start agency voluntarily waives its right for 4867
funding or is de-funded based on performance. 4868

When such a condition exists, the department shall conduct a 4869
competitive bidding process to select a new agency to provide 4870
state funded continuation or expansion services. The bidding 4871
process shall include notices of competitive bidding mailed to 4872
delegate agencies in the affected area and to newspapers in the 4873
Head Start service area. 4874

Section 3313.646 of the Revised Code does not apply to funds 4875
distributed under this section. 4876

(I) It is the intent of the General Assembly that 4877

appropriations for appropriation items 200-406, Head Start, and 4878
200-408, Public Preschool, be available for transfer between Head 4879
Start and public preschool programs so that unallocated funds may 4880
be used between the two programs. 4881

Section 4.03. PUBLIC PRESCHOOL 4882

The Department of Education shall distribute the foregoing 4883
appropriation item 200-408, Public Preschool, to pay the costs of 4884
comprehensive preschool programs. As used in this section, "school 4885
district" means a city, local, exempted village, or joint 4886
vocational school district, or an educational service center. 4887

(A) In fiscal years 2002 and 2003, up to two per cent of the 4888
total appropriation may be used by the department for 4889
administrative costs of complying with this section; developing 4890
program capacity; and assisting programs with facilities planning, 4891
construction, renovation, or lease agreements in conjunction with 4892
the Community Development Finance Fund (CDDFF). 4893

(B) The department shall provide an annual report to the 4894
Governor, the Speaker of the House of Representatives, the 4895
President of the Senate, the State Board of Education, Head Start 4896
grantees, and other interested parties. The report shall include: 4897

(1) The number and per cent of eligible children by county 4898
and by school district; 4899

(2) The amount of state funds requested for continuation per 4900
school district; 4901

(3) The amount of state funds received for continuation per 4902
school district; 4903

(4) A summary of program performance on the state critical 4904
performance indicators in the public preschool program; 4905

(5) A summary of developmental progress of children 4906

participating in the state-funded public preschool program; 4907

(6) Any other data reflecting the performance of public 4908
preschool programs that the department considers pertinent. 4909

(C) For purposes of this section, "eligible child" means a 4910
child who is at least three years of age whose family earns no 4911
more than 185 per cent of the federal poverty level. 4912

The Department of Education, in consultation with the 4913
Department of Job and Family Services, interested parties, and 4914
Head Start agencies shall formulate a method for determining an 4915
estimate of the number of eligible children and the percentage 4916
served by grantees in each county. 4917

(D) After setting aside amounts to make any payments due from 4918
the prior fiscal year, in fiscal years 2002 and 2003, funds shall 4919
first be distributed to recipients of funds during the preceding 4920
fiscal year. Awards under this division may be reduced by the 4921
amount received in that fiscal year for one-time start-up costs 4922
and may be adjusted for actual months of program operation or 4923
enrollment as reported during the first full week of December, and 4924
may be increased by a reasonable percentage to be determined by 4925
the Department of Education. The department may redistribute 4926
dollars to programs demonstrating an unmet need based on updated 4927
assessments of family needs and community resources, with special 4928
attention to the projected impact of welfare reform. In fiscal 4929
years 2002 and 2003, the department may authorize recipients to 4930
carry over funds to the subsequent fiscal year. 4931

The department may reallocate unobligated or unspent money to 4932
participating school districts for purposes of program expansion, 4933
improvement, or special projects to promote excellence and 4934
innovation. 4935

(E) Costs for developing and administering a preschool 4936
program may not exceed fifteen per cent of the total approved 4937

costs of the program. 4938

All recipients of funds shall maintain such fiscal control 4939
and accounting procedures as may be necessary to ensure the 4940
disbursement of, and accounting for, these funds. The control of 4941
funds provided in this program, and title to property obtained 4942
therefrom, shall be under the authority of the approved recipient 4943
for purposes provided in the program. The approved recipient shall 4944
administer and use such property and funds for the purposes 4945
specified. 4946

(F) The department shall prescribe target levels for critical 4947
performance indicators for the purpose of assessing public 4948
preschool programs. On-site reviews and follow-up visits shall be 4949
based on progress in meeting the prescribed target levels. 4950
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The department may audit a school district's preschool 4952
financial and program records. School districts that have 4953
financial practices not in accordance with standard accounting 4954
principles, that operate preschool programs that fail to 4955
substantially meet the Head Start performance standards, or that 4956
exhibit below-average performance shall be subject to an on-site 4957
review. 4958

The department shall require corrective plans of action for 4959
programs not achieving target levels or financial and program 4960
standards. Action plans shall include activities to be conducted 4961
by the grantee and timelines for activities to be completed and 4962
timelines for additional data submission to the department 4963
demonstrating that targets have been met. The appropriate school 4964
board official shall sign the corrective plans of action. 4965

Public preschool programs not meeting performance targets in 4966
accordance with the plan of action and prescribed timelines may 4967
have their continuation funding reduced, be disqualified for 4968

expansion consideration until targets are met, or have all state
funds withdrawn and a new program established.

(G) The department shall require public preschool programs to
document child progress, using a common instrument prescribed by
the department, and report results annually. The department shall
determine the dates for documenting and reporting.

The State Board of Education shall adopt rules addressing the
use of screening and assessment data, including, but not limited
to, all of the following:

(1) Protection of the identity of individual children through
assignment of a unique but not personally identifiable code;

(2) Parents' rights;

(3) Use of the data by school personnel as it relates to
kindergarten entrance.

(H) Each school district shall develop a sliding fee scale
based on family incomes in the district and shall charge families
who earn more than the federal poverty level for preschool.

(I) It is the intent of the General Assembly that
appropriations for appropriation items 200-406, Head Start, and
200-408, Public Preschool, be available for transfer between Head
Start and Public Preschool programs so that unallocated funds may
be used between the two programs.

Section 4.04. PROFESSIONAL DEVELOPMENT

Of the foregoing appropriation item 200-410, Professional
Development, \$5,997,829 in each fiscal year shall be used by the
Department of Education to develop a statewide comprehensive
system of twelve professional development centers that support
local educators' ability to foster academic achievement in the

students they serve. The centers shall include training teachers 4998
on site-based management concepts to encourage teachers to become 4999
involved in the management of their schools. 5000

Of the foregoing appropriation item 200-410, Professional 5001
Development, \$9,659,713 in each fiscal year shall be distributed 5002
on a per teacher basis to all school districts and joint 5003
vocational school districts for locally developed teacher training 5004
and professional development and for the establishment of local 5005
professional development committees in all school districts and 5006
chartered nonpublic schools. School districts and joint vocational 5007
school districts shall not be precluded from using these funds for 5008
cooperative activities on a county or regional basis. School 5009
districts with pass rates of less than 75 per cent on the fourth 5010
grade reading proficiency test shall allocate not less than 40 per 5011
cent of these funds for professional development for teachers in 5012
elementary literacy skills. 5013

Of the foregoing appropriation item 200-410, Professional 5014
Development, \$5,845,000 in fiscal year 2002 and \$6,000,000 in 5015
fiscal year 2003 shall be used by the Department of Education to 5016
pay the application fee for teachers from public and chartered 5017
nonpublic schools applying to the National Board for Professional 5018
Teaching Standards for professional teaching certificates or 5019
licenses that the board offers, and to provide grants in each 5020
fiscal year to recognize and reward teachers who become certified 5021
by the board pursuant to section 3319.55 of the Revised Code. 5022

These moneys shall be used to pay for the first 900 5023
applications in fiscal year 2002 and up to the first 550 5024
applications in fiscal year 2003 received by the department. Each 5025
prospective applicant for certification or licensure shall submit 5026
an application to the Department of Education. When the department 5027
has collected a group of applications, but not later than 30 days 5028
after receipt of the first application in a group, it shall send 5029

the applications to the National Board for Professional Teaching Standards along with a check to cover the cost of the application fee for all applicants in that group. 5030
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Of the foregoing appropriation item 200-410, Professional Development, up to \$8,296,000 in fiscal year 2002 and up to \$19,387,750 in fiscal year 2003 shall be allocated for entry year programs. These funds shall be used to support mentoring services of beginning teachers. In fiscal year 2002, the Department of Education shall select eligible beginning teachers to participate in a year-long entry year program that provides mentoring by experienced school district and university faculty and Praxis III teacher performance assessment. In fiscal year 2003, the program shall also include the assessment of all beginning teachers with the Education Testing Service's Praxis III examination. 5033
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Of the foregoing appropriation item 200-410, Professional Development, up to \$730,000 in each fiscal year shall be used to continue Ohio leadership academies to develop and train superintendents in new leadership and management practices to support high performance schools. This training shall be coordinated with other locally administered leadership programs. 5044
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Of the foregoing appropriation item 200-410, Professional Development, up to \$1,000,000 in fiscal year 2002 and up to \$1,250,000 in fiscal year 2003 shall be used to support the Ohio Principal's Leadership Academy that will serve principals and their staff teams. An advisory panel comprised of national business and education experts shall advise the Department of Education on content and delivery of curriculum and instruction. 5050
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Of the foregoing appropriation item 200-410, Professional Development, up to \$1,000,000 in each fiscal year shall be used to establish an entry year program for principals. Grants in fiscal year 2002 shall be issued to pilot sites that shall develop prototypes of the program in a variety of contexts. These sites 5057
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also shall pilot the School Leaders Licensure Assessment, which 5062
was developed by the Educational Testing Service at a cost of \$450 5063
per assessment. Funds in fiscal year 2003 shall be used to 5064
implement an entry year program for principals. 5065

Of the foregoing appropriation item 200-410, Professional 5066
Development, up to \$575,000 in each fiscal year shall be used by 5067
the Rural Appalachian Initiative to create professional 5068
development academies for teachers, principals, and 5069
superintendents in the Appalachian region. No funding shall be 5070
released prior to the Department of Education receiving a 5071
satisfactory report of the activities conducted by these 5072
professional development academies during the previous year. 5073

Of the foregoing appropriation item 200-410, Professional 5074
Development, up to \$250,000 in fiscal year 2002 and up to \$350,000 5075
in fiscal year 2003 shall be used to support a Teacher Recognition 5076
Program. Funds awarded shall be used to recognize exemplary 5077
performance and support the professional development of educators 5078
across the educator life-cycle continuum, and may also be used to 5079
support the implementation of an educator-in-residence program. 5080

Of the foregoing appropriation item 200-410, Professional 5081
Development, up to \$25,000 in each fiscal year shall be used by 5082
the Ohio Teacher Education and Certification Commission to carry 5083
out the responsibilities of the 21-member Ohio Teacher Education 5084
and Certification Advisory Commission. The advisory commission is 5085
charged by the State Board of Education with considering all 5086
matters related to educator preparation and licensure, including 5087
standards for educator preparation and licensure, approval of 5088
institutions and programs, and recommending consideration of 5089
decisions to the State Board. 5090

Of the foregoing appropriation item 200-410, Professional 5091
Development, up to \$75,000 in each fiscal year shall be used to 5092
support the Ohio University Leadership Program. 5093

Section 4.05. FAMILY AND CHILDREN FIRST 5094

(A) Of the foregoing appropriation item 200-411, Family and 5095
Children First, the Department of Education shall transfer up to 5096
\$5,000,000 in each fiscal year by intrastate transfer voucher to 5097
the Department of Mental Retardation and Developmental 5098
Disabilities. These funds shall be spent on direct grants to 5099
county family and children first councils created under section 5100
121.37 of the Revised Code. The funds shall be used as partial 5101
support payment and reimbursement for locally coordinated 5102
treatment plans for multineeds children that come to the attention 5103
of the Family and Children First Cabinet Council pursuant to 5104
section 121.37 of the Revised Code. The treatment plans shall 5105
include strategies to address each child's academic achievement. 5106
The Department of Mental Retardation and Developmental 5107
Disabilities shall administer the distribution of the direct 5108
grants to the county councils. The Department of Mental 5109
Retardation and Developmental Disabilities may use up to five per 5110
cent of this amount for administrative expenses associated with 5111
the distribution of funds to the county councils. 5112

(B) Of the foregoing appropriation item 200-411, Family and 5113
Children First, up to \$3,550,000 in each fiscal year shall be used 5114
as administrative grants to county family and children first 5115
councils to provide a portion of the salary and fringe benefits 5116
necessary to fund county council coordinators, administrative 5117
support, training, or parental involvement. The total initial 5118
grant under this provision to any county family and children first 5119
council shall not exceed \$40,000. In the event that not all 5120
counties in the state have established a county council, at the 5121
beginning of the fourth quarter of a fiscal year, any remaining 5122
funds to be used as administrative grants may be redirected by the 5123
Family and Children First Cabinet Council to other priorities and 5124
activities. Up to \$30,000 of the \$3,550,000 in each fiscal year 5125

shall be used by the Family and Children First Cabinet Council for 5126
administrative costs, including stipends to family representatives 5127
participating in approved activities of the initiative, 5128
educational and informational forums, and technical assistance to 5129
local family and children first councils. 5130

(C) Of the foregoing appropriation item 200-411, Family and 5131
Children First, up to \$5,190,000 in each fiscal year shall be used 5132
to fund school-based or school-linked school readiness resource 5133
centers in school districts where there is a concentration of risk 5134
factors to school readiness and success, including indicators of 5135
poverty, health, and family stability. The purpose of these 5136
centers is to assist in providing services to families of 5137
school-age children who want and need support. 5138

School readiness resource centers shall be located in each of 5139
the state's 21 urban school districts as defined in division (O) 5140
of section 3317.02 of the Revised Code, as that section existed 5141
prior to July 1, 1998. The Ohio Family and Children First Cabinet 5142
Council, in consultation with the Department of Education and 5143
school districts, shall identify individual schools based on 5144
quantitative and qualitative factors that reflect both the need 5145
for school readiness resource centers and the local capacity for 5146
redesigning, as necessary, a delivery system of family support 5147
services. The council and the Department of Education shall 5148
organize and provide technical assistance to the school districts 5149
and communities in planning, developing, and implementing the 5150
centers. The council shall also negotiate a performance agreement 5151
that details required program characteristics, service options, 5152
and expected results. 5153

Each urban school district and community may receive up to 5154
\$240,000 to maintain three school readiness resource centers that 5155
are located in or linked to elementary, middle, and high school 5156
sites that are connected by student assignment patterns within the 5157

school districts. Each school district shall work with a 5158
representative of the local family and children first council and 5159
a representative cross-section of families and community leaders 5160
in the district to operate the school readiness resource centers 5161
based upon conditions agreed to in the performance agreement 5162
negotiated with the cabinet council. 5163

Up to \$50,000 in each fiscal year may be used by the Ohio 5164
Family and Children First Cabinet Council for an evaluation of the 5165
effectiveness of the school readiness resource centers. Up to 5166
\$100,000 in each fiscal year may be used by the cabinet council to 5167
approve technical assistance and oversee the implementation of the 5168
centers. The administration and management of the school readiness 5169
resource centers may be contracted out through a competitive 5170
bidding process established by the cabinet council in consultation 5171
with the Department of Education. 5172

Section 4.06. VOCATIONAL EDUCATION MATCH 5173

The foregoing appropriation item 200-416, Vocational 5174
Education Match, shall be used by the Department of Education to 5175
provide vocational administration matching funds pursuant to 20 5176
U.S.C. 2311. 5177

TECHNICAL SYSTEMS DEVELOPMENT 5178

The foregoing appropriation item 200-420, Technical Systems 5179
Development, shall be used to support the development and 5180
implementation of information technology solutions designed to 5181
improve the performance and customer service of the Department of 5182
Education. Funds may be used for personnel, maintenance, and 5183
equipment costs related to the development and implementation of 5184
these technical system projects. Implementation of these systems 5185
shall allow the department to provide greater levels of assistance 5186
to school districts and to provide more timely information to the 5187
public, including school districts, administrators, and 5188

legislators. 5189

In each fiscal year, up to \$2,000,000 shall be used for EMIS 5190
conversion, including district support and technical assistance; 5191
up to \$350,000 in each year may be used for the department's 5192
annual maintenance contract for database management software; and 5193
up to \$200,000 in each year shall be used to support the data 5194
warehouse project. 5195

ALTERNATIVE EDUCATION PROGRAMS 5196

There is hereby created the Alternative Education Advisory 5197
Council, which shall consist of one representative from each of 5198
the following agencies: the Ohio Department of Education; the 5199
Department of Youth Services; the Ohio Department of Alcohol and 5200
Drug Addiction Services; the Department of Mental Health; the 5201
Office of the Governor or, at the Governor's discretion, the 5202
Office of the Lieutenant Governor; and the Office of the Attorney 5203
General. 5204

Of the foregoing appropriation item 200-421, Alternative 5205
Education Programs, not less than \$10,275,000 in fiscal year 2002 5206
and not less than \$11,842,500 in fiscal year 2003 shall be used 5207
for the renewal of successful implementation grants and for 5208
competitive matching grants to the 21 urban school districts as 5209
defined in division (O) of section 3317.02 of the Revised Code as 5210
it existed prior to July 1, 1998, and not less than \$10,275,000 in 5211
fiscal year 2002 and not less than \$11,842,500 in fiscal year 2003 5212
shall be used for the renewal of successful implementation of 5213
grants and for competitive matching grants to rural and suburban 5214
school districts for alternative educational programs for existing 5215
and new at-risk and delinquent youth. Programs shall be focused on 5216
youth in one or more of the following categories: those who have 5217
been expelled or suspended, those who have dropped out of school 5218
or who are at risk of dropping out of school, those who are 5219
habitually truant or disruptive, or those on probation or on 5220

parole from a Department of Youth Services facility. Grants shall 5221
be awarded according to the criteria established by the 5222
Alternative Education Advisory Council in 1999. Grants shall be 5223
awarded only to programs where the grant would not serve as the 5224
program's primary source of funding. These grants shall be 5225
administered by the Department of Education. 5226

The Department of Education may waive compliance with any 5227
minimum education standard established under section 3301.07 of 5228
the Revised Code for any alternative school that receives a grant 5229
under this section on the grounds that the waiver will enable the 5230
program to more effectively educate students enrolled in the 5231
alternative school. 5232

Of the foregoing appropriation item 200-421, Alternative 5233
Education Programs, up to \$536,697 in fiscal year 2002 and up to 5234
\$576,384 in fiscal year 2003 may be used for program 5235
administration, monitoring, technical assistance, support, 5236
research, and evaluation. Any unexpended balance may be used to 5237
provide additional matching grants to urban, suburban, or rural 5238
school districts as outlined above. 5239

Of the foregoing appropriation item 200-421, Alternative 5240
Education Programs, \$350,000 in each fiscal year shall be used to 5241
contract with the Center for Learning Excellence at The Ohio State 5242
University to provide technical support for the project and the 5243
completion of formative and summative evaluation of the grants. 5244

Of the foregoing appropriation item 200-421, Alternative 5245
Education Programs, up to \$900,000 in each fiscal year shall be 5246
used to support Amer-I-Can. 5247

SCHOOL MANAGEMENT ASSISTANCE 5248

The foregoing appropriation item 200-422, School Management 5249
Assistance, shall be used by the Department of Education to 5250
provide fiscal technical assistance and inservice education for 5251

school district management personnel and to administer, monitor, 5252
and implement the fiscal watch and fiscal emergency provisions 5253
under Chapter 3316. of the Revised Code. 5254

POLICY ANALYSIS 5255

The foregoing appropriation item 200-424, Policy Analysis, 5256
shall be used by the Department of Education to support a system 5257
of administrative, statistical, and legislative education 5258
information to be used for policy analysis. Staff supported by 5259
this appropriation shall administer the development of reports, 5260
analyses, and briefings to inform education policymakers of 5261
current trends in education practice, efficient and effective use 5262
of resources, and evaluation of programs to improve education 5263
results. The database shall be kept current at all times. These 5264
research efforts shall be used to supply information and analysis 5265
of data to the General Assembly and other state policymakers, 5266
including the Office of Budget and Management and the Legislative 5267
Service Commission. 5268

The Department of Education may use funding from this 5269
appropriation item to purchase or contract for the development of 5270
software systems or contract for policy studies that will assist 5271
in the provision and analysis of policy-related information. 5272
Funding from this appropriation item also may be used to monitor 5273
and enhance quality assurance for research-based policy analysis 5274
and program evaluation to enhance the effective use of education 5275
information to inform education policymakers. 5276

Of the foregoing appropriation item 200-424, Policy Analysis, 5277
up to \$1,000,000 in each fiscal year may be used for the cost of 5278
an independent evaluation of programs that have been funded to 5279
improve public instruction. Specific programs to be evaluated 5280
shall be determined by the Department of Education in consultation 5281
with the Office of Budget and Management. 5282

TECH PREP ADMINISTRATION 5283

The foregoing appropriation item 200-425, Tech Prep 5284
Administration, shall be used by the Department of Education to 5285
support state-level activities designed to support, promote, and 5286
expand tech prep programs. Use of these funds shall include, but 5287
not be limited to, administration of grants, program evaluation, 5288
professional development, curriculum development, assessment 5289
development, program promotion, communications, and statewide 5290
coordination of tech prep consortia. 5291

OHIO EDUCATIONAL COMPUTER NETWORK 5292

The foregoing appropriation item 200-426, Ohio Educational 5293
Computer Network, shall be used by the Department of Education to 5294
maintain a system of information technology throughout Ohio and to 5295
provide technical assistance for such a system in support of the 5296
State Education Technology Plan pursuant to section 3301.07 of the 5297
Revised Code. 5298

Of the foregoing appropriation item 200-426, Ohio Educational 5299
Computer Network, up to \$20,571,198 in fiscal year 2002 and up to 5300
\$21,188,334 in fiscal year 2003 shall be used by the Department of 5301
Education to support connection of all public school buildings to 5302
the state's education network, to each other, and to the Internet. 5303
In each fiscal year the Department of Education shall use these 5304
funds to help reimburse data acquisition sites or school districts 5305
for the operational costs associated with this connectivity. The 5306
Department of Education shall develop a formula and guidelines for 5307
the distribution of these funds to the data acquisition sites or 5308
individual school districts. As used in this section, "public 5309
school building" means a school building of any city, local, 5310
exempted village, or joint vocational school district, or any 5311
community school established under Chapter 3314. of the Revised 5312
Code, or any educational service center building used for 5313
instructional purposes. 5314

Of the foregoing appropriation item 200-426, Ohio Educational Computer Network, up to \$2,043,938 in fiscal year 2002 and up to \$2,095,037 in fiscal year 2003 shall be used for the Union Catalog and InfoOhio Network.

The Department of Education shall use up to \$4,590,000 in fiscal year 2002 and up to \$4,727,700 in fiscal year 2003 to assist designated data acquisition sites with operational costs associated with the increased use of the state's education network by chartered nonpublic schools. The Department of Education shall develop a formula and guidelines for distribution of these funds to designated data acquisition sites.

Of the foregoing appropriation item 200-426, Ohio Educational Computer Network, \$1,200,000 in each fiscal year shall be used by the Department of Education to fund a grant to RISE, Inc., as support to train preschool staff members and parents.

It is the intent of the General Assembly that the department, in conjunction with RISE, Inc., shall develop a program that may be conducted in conjunction with state-supported technology programs including, but not limited to, SchoolNet Commission appropriation item 228-406, Technical and Instructional Professional Development, and appropriation item 228-539, Education Technology, designed to educate preschool staff members and providers on developmentally appropriate teaching methods and to involve parents more closely in the education and development of their children. The project shall include an interactive instructional program, which shall be distributed to program participants at up to 26 locations throughout the state. The interactive instructional program shall be developed to enhance the professional development, training, and performance of preschool staff members; the education and care-giving skills of the parents of preschool children; and the preparation of preschool-aged children for learning.

The project shall utilize the grant to continue a 5347
direct-service program that shall include at least three 5348
teleconferences to be distributed by Ohio-based public television 5349
utilizing satellite or microwave technology in a manner designed 5350
to promote interactive communications between the program 5351
participants located at sub-sites within the Ohio Educational 5352
Broadcast Network or as determined by the commission. Program 5353
participants shall communicate with trainers and participants at 5354
other program sites through telecommunications and facsimile and 5355
on-line computer technology. As much as possible, the project 5356
shall utilize systems currently available in state-supported 5357
technology programs and conduct the program in a manner that 5358
promotes innovative, interactive communications between program 5359
participants at all the sites. Parent support groups and teacher 5360
training sessions shall supplement the teleconferences and shall 5361
occur on a local basis. 5362

RISE, Inc., may subcontract components of the project. 5363

Individuals eligible to participate in the program include 5364
those children, their parents, custodians, or guardians, and 5365
preschool staff members who are eligible to participate in a 5366
preschool program as defined in division (A) of section 3301.52 5367
and section 5104.02 of the Revised Code. 5368

(A) Up to \$600,000 of the \$1,200,000 in each fiscal year may 5369
be used by RISE, Inc., to enter into a competitively bid contract 5370
with a not-for-profit entity or entities to conduct a series of 5371
training programs for adult volunteers who work with adolescent 5372
youth in afterschool mentoring programs, including youth-serving 5373
organizations such as Boy Scouts, Girl Scouts, Big Brothers, Big 5374
Sisters, 4-H, and public school mentor programs. The series of 5375
programs shall be designed to: 5376

(1) Improve the quality and effectiveness of adult volunteers 5377
so that they sustain their involvement with youth over time. 5378

Specifically, the adult volunteers improve their ability to 5379
motivate, supervise, and communicate with young people. 5380

(2) Improve the quality and effectiveness of adult volunteers 5381
so that the children they mentor, coach, teach, or befriend 5382
sustain their involvement with youth-serving organizations over 5383
time; 5384

(3) Encourage collaboration between all Ohio youth-serving 5385
organizations, including Boy Scouts, Girls Scouts, Big Brothers, 5386
Big Sisters, 4-H, and others; 5387

(4) Provide cost-efficient, sustainable distance learning to 5388
both rural and urban sites. 5389

(B) In order to be eligible for the contract with RISE, Inc., 5390
program participants shall be able to demonstrate that leading 5391
national experts in adolescent development intervention programs 5392
will be utilized and that the program will use a variety of media 5393
to engage participants and help them learn the goals of the 5394
program. The program shall be designed to focus on the adult 5395
volunteers who assist in youth development. Training content shall 5396
focus on: 5397

(1) Development issues for youth; 5398

(2) Best practices to motivate, guide, and communicate with 5399
these young people; 5400

(3) Strategies for successful adult-to-adult interpersonal 5401
relationships that are necessary for ongoing learning and support. 5402

The program may include: two three-hour broadcast seminars 5403
from a central up-link station, distributed in up to 88 counties; 5404
corporate settings and extension offices with on-site facilitated 5405
discussion and exercises; high production-value video sought in 5406
various locations; and direct interactive adult learning 5407
activities. The program shall develop program workbooks and 5408

involve at least three small group-facilitated follow-up 5409
discussion workshops and development and distribution of at least 5410
two home videos. The program shall also provide Internet access, 5411
interactive lines, bulletin board, and CD-ROM. 5412

Upon completion of each of the school years for which the 5413
grant was made, RISE, Inc., shall issue a report to the commission 5414
and the members of the General Assembly explaining the goals and 5415
objectives determined, the activities implemented, the progress 5416
made toward the achievement of the goals and objectives, and the 5417
outcome of the project. 5418

The remainder in each fiscal year of appropriation item 5419
200-426, Ohio Educational Computer Network, shall be used to 5420
support development, maintenance, and operation of a network of 5421
uniform and compatible computer-based information and 5422
instructional systems. The technical assistance shall include, but 5423
not be restricted to, development and maintenance of adequate 5424
computer software systems to support network activities. Program 5425
funds may be used, through a formula and guidelines devised by the 5426
department, to subsidize the activities of not more than 24 5427
designated data acquisition sites, as defined by State Board of 5428
Education rules, to provide school districts and chartered 5429
nonpublic schools with computer-based student and teacher 5430
instructional and administrative information services, including 5431
approved computerized financial accounting, and to ensure the 5432
effective operation of local automated administrative and 5433
instructional systems. To broaden the scope of the use of 5434
technology for education, the department may use up to \$250,000 in 5435
each fiscal year to coordinate the activities of the computer 5436
network with other agencies funded by the department or the state. 5437
In order to improve the efficiency of network activities, the 5438
department and data acquisition sites may jointly purchase 5439
equipment, materials, and services from funds provided under this 5440

appropriation for use by the network and, when considered 5441
practical by the department, may utilize the services of 5442
appropriate state purchasing agencies. 5443

ACADEMIC STANDARDS 5444

The foregoing appropriation item 200-427, Academic Standards, 5445
shall be used by the Department of Education to develop and 5446
disseminate academic content standards. These funds shall be used 5447
to develop academic content standards and curriculum models and to 5448
fund communication of expectations to teachers, school districts, 5449
parents, and communities. 5450

Section 4.07. SCHOOL IMPROVEMENT INITIATIVES 5451

Of the foregoing appropriation item 200-431, School 5452
Improvement Initiatives, up to \$3,700,000 in fiscal year 2002 5453
shall be used to continue previously awarded venture capital 5454
grants of \$25,000 to 148 schools and up to \$975,000 in fiscal year 5455
2003 shall be used to continue previously awarded venture capital 5456
grants of \$25,000 to 39 schools. 5457

Of the foregoing appropriation item 200-431, School 5458
Improvement Initiatives, \$4,500,000 in fiscal year 2002 and 5459
\$5,000,000 in fiscal year 2003 shall be used for the development 5460
and distribution of school report cards pursuant to section 5461
3302.03 of the Revised Code, for the development of core 5462
competencies for the proficiency tests, and to support the 5463
recommendations of the Governor's Commission for Student Success. 5464

Of the foregoing appropriation item 200-431, School 5465
Improvement Initiatives, \$7,500,000 in fiscal year 2002 and 5466
\$8,500,000 in fiscal year 2003 shall be used to provide technical 5467
assistance to school districts that are declared to be in a state 5468
of academic watch or academic emergency under section 3302.03 of 5469
the Revised Code to develop their continuous improvement plans as 5470

required in section 3302.04 of the Revised Code. 5471

Of the foregoing appropriation item 200-431, School 5472
Improvement Initiatives, up to \$152,998 in fiscal year 2002 and up 5473
to \$156,441 in fiscal year 2003 shall be used to support a 5474
teacher-in-residence at the Governor's office and related support 5475
staff, travel expenses, and administrative overhead. 5476

Of the foregoing appropriation item 200-431, School 5477
Improvement Initiatives, up to \$250,000 in fiscal year 2002 and up 5478
to \$300,000 in fiscal year 2003 shall be used to implement the 5479
Criteria for Performance Excellence with the Department of 5480
Education and selected school districts. Up to \$25,000 in fiscal 5481
year 2002 and up to \$30,000 in fiscal year 2003 may be allocated 5482
for evaluation and administration. The remainder of the 5483
appropriation shall be used to provide district grants of up to 5484
\$2,250 each in fiscal year 2002 and up to \$2,700 each in fiscal 5485
year 2003 to 100 school districts. 5486

Funds shall support the integrated management system of 5487
performance excellence through continuous improvement to support 5488
state school standards, ongoing professional development, and 5489
quality tools; to encourage and reward knowledge and skill; and to 5490
create and implement print and electronic knowledge sharing to 5491
improve student achievement. 5492

Of the foregoing appropriation item 200-431, School 5493
Improvement Initiatives, up to \$1,500,000 in fiscal year 2002 and 5494
up to \$3,500,000 in fiscal year 2003 shall be used to support 5495
initiatives related to increasing access to advanced placement 5496
courses on the Internet. 5497

Of the foregoing appropriation item 200-431, School 5498
Improvement Initiatives, up to \$600,000 in fiscal year 2002 and up 5499
to \$780,000 in fiscal year 2003 shall be used to ensure that 5500
school operating standards are developed and communicated. 5501

Of the foregoing appropriation item 200-431, School Improvement Initiatives, up to \$513,639 in fiscal year 2002 and up to \$529,301 in fiscal year 2003 shall be used to support the Department of Education's customer response system.

SCHOOL CONFLICT MANAGEMENT

Of the foregoing appropriation item 200-432, School Conflict Management, amounts shall be used by the Department of Education for the purpose of providing dispute resolution and conflict management training, consultation, and materials for school districts, and for the purpose of providing competitive school conflict management grants to school districts.

The Department of Education shall assist the Commission on Dispute Resolution and Conflict Management in the development and dissemination of the school conflict management program. The assistance provided by the Department of Education shall include the assignment of a full-time employee of the department to the Commission on Dispute Resolution and Conflict Management to provide technical and administrative support to maximize the quality of dispute resolution and conflict management programs and services provided to school districts.

READING/WRITING IMPROVEMENT

Of the foregoing appropriation item 200-433, Reading/Writing Improvement, up to \$12,396,970 in each fiscal year shall be used for professional development in literacy for classroom teachers, administrators, and literacy specialists.

Of the foregoing appropriation item 200-433, Reading/Writing Improvement, up to \$6,500,000 in fiscal year 2002 and up to \$13,000,000 in fiscal year 2003 shall be used to support half-time literacy specialists in eligible elementary school buildings. The Department of Education shall develop guidelines for the allocation of these funds and provide equalized state share

funding to identified eligible districts. 5533

Of the foregoing appropriation item 200-433, Reading/Writing 5534
Improvement, up to \$1,780,268 in fiscal year 2002 and up to 5535
\$1,815,874 in fiscal year 2003 shall be used by the Department of 5536
Education to fund the Reading Recovery Training Network, to cover 5537
the cost of release time for the teacher trainers, and to provide 5538
grants to districts to implement other reading improvement 5539
programs on a pilot basis. Funds for this appropriation item may 5540
also be used to conduct evaluations of the impact and 5541
effectiveness of Reading Recovery and other reading improvement 5542
programs. 5543

The remainder of appropriation item 200-433, Reading/Writing 5544
Improvement, shall be used by the Department of Education to 5545
develop and support reading and writing improvement programs by 5546
providing a common assessment/profile instrument for elementary 5547
school buildings, literacy specialist support and training 5548
programs, and incentives for teachers to complete professional 5549
development programs. 5550

STUDENT ASSESSMENT 5551

The foregoing appropriation item 200-437, Student Assessment, 5552
shall be used to develop, field test, print, distribute, score, 5553
and report results from the tests required under sections 5554
3301.0710 and 3301.0711 of the Revised Code and for similar 5555
purposes as required by section 3301.27 of the Revised Code. 5556

SAFE SCHOOLS 5557

Of the foregoing appropriation item 200-438, Safe Schools, 5558
\$250,000 in each fiscal year shall be used for the development and 5559
operation of a Safe Schools Center. The Department of Education 5560
shall oversee the creation of a center to serve as a coordinating 5561
entity to assist school district personnel, parents, juvenile 5562
justice representatives, and law enforcement in identifying 5563

effective strategies and services for improving school safety and 5564
reducing threats to the security of students and school personnel. 5565

Of the foregoing appropriation item 200-438, Safe Schools, up 5566
to \$1,800,000 in each fiscal year shall be used for a safe-school 5567
help line program for students, parents, and the community to 5568
report threats to the safety of students or school personnel. The 5569
Department of Education shall establish criteria to distribute 5570
these funds to school districts whose superintendents indicate the 5571
program would be a meaningful aid to school security. 5572

AMERICAN SIGN LANGUAGE 5573

Of the foregoing appropriation item 200-441, American Sign 5574
Language, up to \$153,000 in fiscal year 2002 and up to \$156,060 in 5575
fiscal year 2003 shall be used to implement pilot projects for the 5576
integration of American Sign Language deaf language into the 5577
kindergarten through twelfth-grade curriculum. 5578

The remainder of the appropriation shall be used by the 5579
Department of Education to provide supervision and consultation to 5580
school districts in dealing with parents of handicapped children 5581
who are deaf or hard of hearing, in integrating American Sign 5582
Language as a foreign language, and in obtaining interpreters and 5583
improving their skills. 5584

CHILD CARE LICENSING 5585

The foregoing appropriation item 200-442, Child Care 5586
Licensing, shall be used by the Department of Education to license 5587
and to inspect preschool and school-age child care programs in 5588
accordance with sections 3301.52 to 3301.59 of the Revised Code. 5589

PROFESSIONAL RECRUITMENT 5590

Of the foregoing appropriation item 200-444, Professional 5591
Recruitment, \$1,300,000 in each fiscal year shall be used by the 5592
Department of Education to establish programs targeted at 5593

recruiting underrepresented populations into the teaching 5594
profession. In each year, the recruitment programs shall include, 5595
but not be limited to, alternative teacher licensure or 5596
certification programs emphasizing the recruitment of highly 5597
qualified minority candidates into teaching, including emphasizing 5598
the recruitment of highly qualified minority candidates into 5599
teaching positions in schools that have a high percentage of 5600
minority students. The recruitment programs also shall target 5601
recruiting qualified candidates available as a result of 5602
downsizing of the military and business sectors. Funding also 5603
shall be targeted to statewide, regional, and local programs that 5604
are competitively selected as promising programs demonstrating the 5605
potential of significantly increasing Ohio's minority teaching 5606
force. 5607

The remainder of appropriation item 200-444 shall be used by 5608
the Department of Education for recruitment programs targeting 5609
special needs areas: recruiting prospective mathematics and 5610
science teachers, recruiting special educators, recruiting 5611
principals, developing a web-based placement bureau, establishing 5612
a pre-collegiate program to target future teachers, and piloting 5613
paraeducators-to-teacher programs. 5614

OHIOREADS ADMIN/VOLUNTEER SUPPORT 5615

The foregoing appropriation item 200-445, OhioReads 5616
Admin/Volunteer Support, may be allocated by the OhioReads Council 5617
for volunteer coordinators in public school buildings, to 5618
educational service centers for costs associated with volunteer 5619
coordination, for background checks for volunteers, to evaluate 5620
the OhioReads Program, and for operating expenses associated with 5621
administering the program. 5622

Section 4.08. EDUCATION MANAGEMENT INFORMATION SYSTEM 5623

The foregoing appropriation item 200-446, Education 5624

Management Information System, shall be used by the Department of 5625
Education to provide school districts with the means to implement 5626
local automated information systems and to implement, develop, and 5627
improve the Education Management Information System (EMIS) for the 5628
common student information management software developed by the 5629
Department of Education. 5630

Of the foregoing appropriation item 200-446, Education 5631
Management Information System, up to \$1,100,000 in fiscal year 5632
2003 may be used by the Department of Education to assist 5633
designated data acquisition sites or school districts with 5634
deployment and implementation of the common student management 5635
record system software, and for hardware, personnel, equipment, 5636
staff development, software, and forms modification, as well as to 5637
support EMIS special report activities in the department. 5638

Of the foregoing appropriation item 200-446, Education 5639
Management Information System, up to \$2,213,639 in fiscal year 5640
2002 and up to \$1,476,760 in fiscal year 2003 shall be distributed 5641
to designated data acquisition sites for costs relating to 5642
processing, storing, and transferring data for the effective 5643
operation of the EMIS. These costs may include, but are not 5644
limited to, personnel, hardware, software development, 5645
communications connectivity, professional development, and support 5646
services, and to provide services to participate in the State 5647
Education Technology Plan pursuant to section 3301.07 of the 5648
Revised Code. 5649

Of the foregoing appropriation item 200-446, Education 5650
Management Information System, up to \$7,763,297 in fiscal year 5651
2002 and up to \$8,999,708 in fiscal year 2003 shall be distributed 5652
to school districts, community schools established under Chapter 5653
3314. of the Revised Code, education service centers, and joint 5654
vocational school districts on a per-pupil basis. From this 5655
funding, each school district or community school established 5656

under Chapter 3314. of the Revised Code with enrollment greater 5657
than 100 students and each vocational school district shall 5658
receive a minimum of \$5,000 for each year of the biennium. Each 5659
school district or community school established under Chapter 5660
3314. of the Revised Code with enrollment between one and one 5661
hundred and each education service center and each county board of 5662
MR/DD that submits data through EMIS shall receive \$3,000 for each 5663
year of the biennium. This money shall be used for costs 5664
associated with the development and operation of local automated 5665
record-based information systems that provide data as required by 5666
the education management information system, and facilitate local 5667
district, school, and classroom management activities. 5668

GED TESTING/ADULT HIGH SCHOOL 5669

The foregoing appropriation item 200-447, GED Testing/Adult 5670
High School, shall be used to provide General Educational 5671
Development (GED) testing at no cost to applicants, pursuant to 5672
rules adopted by the State Board of Education. The Department of 5673
Education shall reimburse school districts and community schools, 5674
created in accordance with Chapter 3314. of the Revised Code, for 5675
a portion of the costs incurred in providing summer instructional 5676
or intervention services to students who have not graduated due to 5677
their inability to pass one or more parts of the state's ninth 5678
grade proficiency test. School districts shall also provide such 5679
services to students who are residents of the district pursuant to 5680
section 3313.64 of the Revised Code, but who are enrolled in 5681
chartered, nonpublic schools. The services shall be provided in 5682
the public school, in nonpublic schools, in public centers, or in 5683
mobile units located on or off the nonpublic school premises. No 5684
school district shall provide summer instructional or intervention 5685
services to nonpublic school students as authorized by this 5686
section unless such services are available to students attending 5687
the public schools within the district. No school district shall 5688

provide services for use in religious courses, devotional 5689
exercises, religious training, or any other religious activity. 5690
Chartered, nonpublic schools shall pay for any unreimbursed costs 5691
incurred by school districts for providing summer costs incurred 5692
by school districts for providing summer instruction or 5693
intervention services to students enrolled in chartered, nonpublic 5694
schools. School districts may provide these services to students 5695
directly or contract with postsecondary or nonprofit 5696
community-based institutions in providing instruction. The 5697
appropriation also shall be used for state reimbursement to school 5698
districts for adult high school continuing education programs 5699
pursuant to section 3313.531 of the Revised Code or for costs 5700
associated with awarding adult high school diplomas under section 5701
3313.611 of the Revised Code. 5702

COMMUNITY SCHOOLS 5703

Of the foregoing appropriation item 200-455, Community 5704
Schools, up to \$100,000 in each fiscal year may be used by the 5705
Lucas County Educational Service Center to pay for additional 5706
services provided to community schools, subject to the reporting 5707
by the service center of actual expenses incurred to the 5708
Department of Education. Up to \$1,628,935 in fiscal year 2002 and 5709
up to \$1,724,517 in fiscal year 2003 may be used by the Office of 5710
School Options in the Department of Education for additional 5711
services and responsibilities under section 3314.11 of the Revised 5712
Code. 5713

The remaining appropriation may be used by the Department of 5714
Education and the Lucas County Educational Service Center to make 5715
grants of up to \$50,000 to each proposing group with a preliminary 5716
agreement obtained under division (C)(2) of section 3314.02 of the 5717
Revised Code in order to defray planning and initial start-up 5718
costs. In the first year of operation of a community school, the 5719
Department of Education and the Lucas County Educational Service 5720

Center may make a grant of no more than \$100,000 to the governing authority of the school to partially defray additional start-up costs. The amount of the grant shall be based on a thorough examination of the needs of the community school. The Department of Education and the Lucas County Educational Service Center shall not utilize moneys received under this section for any other purpose other than those specified under this section. The department shall allocate an amount to the Lucas County Educational Service Center for grants to schools in the Lucas County area under this paragraph.

A community school awarded start-up grants from appropriation item 200-613, Public Charter Schools (Fund 3T4), shall not be eligible for grants under this section.

Section 4.09. SCHOOL FINANCE EQUITY

The foregoing appropriation item 200-500, School Finance Equity, shall be distributed to school districts in fiscal year 2002 based on the formula specified in section 3317.0213 of the Revised Code.

Section 4.10. BASE COST FUNDING

Of the foregoing appropriation item 200-501, Base Cost Funding, up to \$425,000 shall be expended in each year of the biennium for court payments pursuant to section 2151.357 of the Revised Code; an amount shall be available each year of the biennium for the cost of the reappraisal guarantee pursuant to section 3317.04 of the Revised Code; an amount shall be available in each year of the biennium to fund up to 225 full-time equivalent approved GRADS teacher grants pursuant to division (R) of section 3317.024 of the Revised Code; an amount shall be available in each year of the biennium to make payments to school districts pursuant to division (A)(2) of section 3317.022 of the

Revised Code; and up to \$15,000,000 in each year of the biennium 5751
shall be reserved for payments pursuant to sections 3317.026, 5752
3317.027, and 3317.028 of the Revised Code except that the 5753
Controlling Board may increase the \$15,000,000 amount if presented 5754
with such a request from the Department of Education. Of the 5755
foregoing appropriation item 200-501, Base Cost Funding, up to 5756
\$14,000,000 shall be used in each fiscal year to provide 5757
additional state aid to school districts for special education 5758
students pursuant to division (C)(4) of section 3317.022 of the 5759
Revised Code; up to \$2,000,000 in each year of the biennium shall 5760
be reserved for Youth Services tuition payments pursuant to 5761
section 3317.024 of the Revised Code; and up to \$52,000,000 in 5762
each fiscal year shall be reserved to fund the state reimbursement 5763
of educational service centers pursuant to section 3317.11 of the 5764
Revised Code. 5765

Of the foregoing appropriation item 200-501, Base Cost 5766
Funding, up to \$10,000,000 in fiscal year 2003 shall be expended 5767
by the Department of Education to provide temporary transitional 5768
aid to school districts with an exceptionally high dependence on 5769
inventory generated tangible personal property tax revenues. 5770
Distribution of these funds shall be based on criteria and a 5771
formula developed by the Office of Budget and Management and the 5772
Department of Taxation. 5773

Of the foregoing appropriation item 200-501, Base Cost 5774
Funding, up to \$1,000,000 in each fiscal year shall be used by the 5775
Department of Education for a pilot program to pay for educational 5776
services for youth who have been assigned by a juvenile court or 5777
other authorized agency to any of the facilities described in 5778
division (A) of the section titled "Private Treatment Facility 5779
Pilot Project." 5780

The remaining portion of appropriation item 200-501, Base 5781
Cost Funding, shall be expended for the public schools of city, 5782

local, exempted village, and joint vocational school districts, 5783
including base cost funding, special education weight funding, 5784
special education speech service enhancement funding, vocational 5785
education weight funding, vocational education associated service 5786
funding, guarantee funding, and teacher training and experience 5787
funding pursuant to sections 3317.022, 3317.023, 3317.0212, and 5788
3317.16 of the Revised Code. 5789

Section 4.11. PUPIL TRANSPORTATION 5790

Of the foregoing appropriation item 200-502, Pupil 5791
Transportation, up to \$800,000 in fiscal year 2002 and up to 5792
\$822,400 in fiscal year 2003 may be used by the Department of 5793
Education for training prospective and experienced school bus 5794
drivers in accordance with training programs prescribed by the 5795
department; an amount shall be available in each year of the 5796
biennium to be used for special education transportation 5797
reimbursements. The reimbursement rate in each year shall be based 5798
on the rate defined in division (D) of section 3317.022 of the 5799
Revised Code. The remainder of appropriation item 200-502, Pupil 5800
Transportation, shall be used for the state reimbursement of 5801
public school districts' costs in transporting pupils to and from 5802
the school they attend in accordance with the district's policy, 5803
State Board of Education standards, and the Revised Code. 5804

BUS PURCHASE ALLOWANCE 5805

The foregoing appropriation item 200-503, Bus Purchase 5806
Allowance, shall be distributed to school districts and 5807
educational service centers pursuant to rules adopted under 5808
section 3317.07 of the Revised Code. Up to 25 per cent of the 5809
amount appropriated may be used to reimburse school districts and 5810
educational service centers for the purchase of buses to transport 5811
handicapped and nonpublic school students. 5812

SCHOOL LUNCH 5813

The foregoing appropriation item 200-505, School Lunch Match, 5814
shall be used to provide matching funds to obtain federal funds 5815
for the school lunch program. 5816

Section 4.12. ADULT LITERACY EDUCATION 5817

The foregoing appropriation item 200-509, Adult Literacy 5818
Education, shall be used to support adult basic and literacy 5819
education instructional programs and the State Literacy Resource 5820
Center Program. 5821

Of the foregoing appropriation item 200-509, Adult Literacy 5822
Education, up to \$543,150 in fiscal year 2002 and up to \$554,013 5823
in fiscal year 2003 shall be used for the support and operation of 5824
the State Literacy Resource Center. 5825

The remainder shall be used to continue to satisfy the state 5826
match and maintenance of effort requirements for the support and 5827
operation of the Department of Education-administered 5828
instructional grant program for adult basic and literacy education 5829
in accordance with the department's state plan for adult basic and 5830
literacy education as approved by the State Board of Education and 5831
the Secretary of the United States Department of Education. 5832

AUXILIARY SERVICES 5833

The foregoing appropriation item 200-511, Auxiliary Services, 5834
shall be used by the State Board of Education for the purpose of 5835
implementing section 3317.06 of the Revised Code. Of the 5836
appropriation, up to \$1,250,000 in fiscal year 2002 and up to 5837
\$1,500,000 in fiscal year 2003 may be used for payment of the 5838
Post-Secondary Enrollment Options Program for nonpublic students 5839
pursuant to section 3365.10 of the Revised Code. 5840

STUDENT INTERVENTION SERVICES 5841

The foregoing appropriation item 200-513, Student 5842
Intervention Services, shall be used to assist districts providing 5843

the intervention services specified in section 3313.608 of the Revised Code. The Department of Education shall establish guidelines for the use and distribution of these moneys. School districts receiving funds from this appropriation shall report to the Department of Education on how funds were used.

POST-SECONDARY/ADULT VOCATIONAL EDUCATION

The foregoing appropriation item 200-514, Post-Secondary/Adult Vocational Education, shall be used by the State Board of Education to provide post-secondary/adult vocational education under sections 3313.52 and 3313.53 of the Revised Code.

Of the foregoing appropriation item 200-514, Post-Secondary/Adult Vocational Education, up to \$500,000 in each fiscal year shall be allocated for the Ohio Career Information System (OCIS) and used for the dissemination of career information data to public schools, libraries, rehabilitation centers, two- and four-year colleges and universities, and other governmental units.

Of the foregoing appropriation item 200-514, Post-Secondary/Adult Vocational Education, up to \$30,000 in each fiscal year shall be used for the statewide coordination of the activities of the Ohio Young Farmers.

Of the foregoing appropriation item 200-514, Post-Secondary/Adult Vocational Education, \$2,500,000 in each fiscal year shall be allocated as an incentive to support local EnterpriseOhio Network campus/adult workforce education center partnerships. The purpose of the partnerships is to promote and deliver coordinated, comprehensive training to local employers. Each partnership shall include a formal agreement between one or more EnterpriseOhio Network campus and one or more adult workforce education center for the delivery of training services. The

Department of Education and Board of Regents shall jointly award 5875
funds to certified EnterpriseOhio Network campus/adult workforce 5876
education center partnerships to offer training grants to eligible 5877
companies. A certified EnterpriseOhio Network campus/adult 5878
workforce education center partnership is one that has been 5879
documented and approved by the Board of Regents and the Department 5880
of Education according to partnership criteria established jointly 5881
by the two agencies. An eligible company is one that meets the 5882
funding criteria of the Targeted Industries Training Grant 5883
Program. The amount set aside for the partnerships is designed to 5884
match an equal appropriation in the Board of Regents appropriation 5885
item 235-415, Jobs Challenge. The Board of Regents appropriation 5886
also serves as a partnership building incentive by allocating 5887
funds to local EnterpriseOhio Network campus/adult workforce 5888
education center partnerships. 5889

DISADVANTAGED PUPIL IMPACT AID 5890

The foregoing appropriation item 200-520, Disadvantaged Pupil 5891
Impact Aid, shall be distributed to school districts according to 5892
section 3317.029 of the Revised Code. However, no money shall be 5893
distributed for all-day kindergarten to any school district whose 5894
three-year average formula ADM exceeds 17,500 but whose DPIA index 5895
is not at least equal to 1.00 in fiscal year 2002 or 0.6 in fiscal 5896
year 2003, unless the Department of Education certifies that 5897
sufficient funds exist in this appropriation to make all other 5898
payments required by section 3317.029 of the Revised Code. 5899

The Department of Education shall pay all-day, everyday 5900
kindergarten funding to all school districts in fiscal year 2002 5901
and fiscal year 2003 that qualified for and provided the service 5902
in a preceding fiscal year pursuant to section 3317.029 of the 5903
Revised Code, regardless of changes to such districts' DPIA 5904
indexes in fiscal year 2002 and fiscal year 2003. 5905

The Department of Education shall pay to community schools an 5906

amount for all-day kindergarten if the school district in which 5907
the student is entitled to attend school is eligible but does not 5908
receive a payment for all-day kindergarten, pursuant to division 5909
(B) of section 3314.13 of the Revised Code, and the student is 5910
reported by the community school as enrolled in all-day 5911
kindergarten at the community school. 5912

Of the foregoing appropriation item 200-520, Disadvantaged 5913
Pupil Impact Aid, up to \$3,200,000 in fiscal year 2002 and up to 5914
\$3,300,000 in fiscal year 2003 shall be used for school breakfast 5915
programs. Of these amounts, up to \$500,000 shall be used each year 5916
by the Department of Education to provide start-up grants to rural 5917
school districts and to school districts with less than 1,500 ADM 5918
that start school breakfast programs. The remainder of the 5919
appropriation shall be used to: (1) partially reimburse school 5920
buildings within school districts that are required to have a 5921
school breakfast program pursuant to section 3313.813 of the 5922
Revised Code, at a rate decided by the department, for each 5923
breakfast served to any pupil enrolled in the district; (2) 5924
partially reimburse districts participating in the National School 5925
Lunch Program that have at least 20 per cent of students who are 5926
eligible for free and reduced meals according to federal 5927
standards, at a rate decided by the department; and (3) to 5928
partially reimburse districts participating in the National School 5929
Lunch Program for breakfast served to children eligible for free 5930
and reduced meals enrolled in the district, at a rate decided by 5931
the department. 5932

Of the portion of the funds distributed to the Cleveland City 5933
School District under section 3317.029 of the Revised Code 5934
calculated under division (F)(2) of that section, up to 5935
\$14,903,943 in fiscal year 2002 and up to \$18,066,820 in fiscal 5936
year 2003 shall be used to operate the pilot school choice program 5937
in the Cleveland City School District pursuant to sections 5938

3313.974 to 3313.979 of the Revised Code. 5939

Of the foregoing appropriation item 200-520, Disadvantaged Pupil Impact Aid, \$1,000,000 in each fiscal year shall be used to support dropout recovery programs administered by the Department of Education, Jobs for Ohio's Graduates Program. 5940
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Section 4.13. GIFTED PUPIL PROGRAM 5944

The foregoing appropriation item 200-521, Gifted Pupil Program, shall be used for gifted education units not to exceed 1,050 in fiscal year 2002 and 1,100 in fiscal year 2003 pursuant to division (P) of section 3317.024 and division (F) of section 3317.05 of the Revised Code. 5945
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Of the foregoing appropriation item 200-521, Gifted Pupil Program, up to \$5,000,000 in each fiscal year of the biennium may be used as an additional supplement for identifying gifted students pursuant to Chapter 3324. of the Revised Code. 5950
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Of the foregoing appropriation item 200-521, Gifted Pupil Program, the Department of Education may expend up to \$1,000,000 each year for the Summer Honors Institute for gifted freshman and sophomore high school students. Up to \$600,000 in each fiscal year shall be used for research and demonstration projects. Up to \$70,000 in each year shall be used for the Ohio Summer School for the Gifted (Martin Essex Program). 5954
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Section 4.14. EDUCATIONAL EXCELLENCE AND COMPETENCY 5961

Of the foregoing appropriation item 200-524, Educational Excellence and Competency, up to \$125,000 in each year of the biennium may be used to support the Aid for College Opportunities Program. 5962
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Of the foregoing appropriation item 200-524, Educational Excellence and Competency, \$25,000 in each fiscal year shall be 5966
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used to support the purchase of the "I Know I Can" book and 5968
supporting materials for second grade students in school districts 5969
in which at least fifty per cent of elementary school students 5970
receive free or reduced lunch. 5971

Of the foregoing appropriation item 200-524, Educational 5972
Excellence and Competency, up to \$645,000 in each fiscal year 5973
shall be used to support the Columbus City District's "I Know I 5974
Can" Program. 5975

Of the foregoing appropriation item 200-524, Educational 5976
Excellence and Competency, up to \$645,000 in fiscal year 2002 and 5977
up to \$780,450 in fiscal year 2003 shall be used to support the 5978
Dayton-Montgomery County Scholarship Program. 5979

Of the foregoing appropriation item 200-524, Educational 5980
Excellence and Competency, up to \$550,000 in fiscal year 2002 and 5981
up to \$605,000 in fiscal year 2003 shall be used to support the 5982
Cleveland Scholarship Program. 5983

Of the foregoing appropriation item 200-524, Educational 5984
Excellence and Competency, up to \$709,500 in fiscal year 2002 and 5985
up to \$780,450 in fiscal year 2003 shall be used to support the 5986
Cincinnati Scholarship Foundation. 5987

NONPUBLIC ADMINISTRATIVE COST REIMBURSEMENT 5988

The foregoing appropriation item 200-532, Nonpublic 5989
Administrative Cost Reimbursement, shall be used by the State 5990
Board of Education for the purpose of implementing section 5991
3317.063 of the Revised Code. 5992

DESEGREGATION COSTS 5993

The foregoing appropriation item 200-534, Desegregation 5994
Costs, shall be used to pay the legal fees associated with 5995
desegregation cases brought against the state. 5996

As part of managing state desegregation costs, any board of 5997

education of a school district subject to a federal court 5998
desegregation order that requires the district board to bus 5999
students for the purpose of racial balance shall, within one year 6000
after the effective date of this section: 6001

(1) Update its plan required under Am. Sub. H.B. 298 of the 6002
119th General Assembly designed to satisfy the court so as to 6003
obtain release from the court's desegregation order; and 6004

(2) Submit an updated copy of the plan to the State Board of 6005
Education. 6006

Upon request of the district board, the State Board shall provide 6007
technical assistance to the school district board in developing a 6008
plan. 6009

Within ninety days after the date on which the plan is 6010
submitted to the State Board of Education, the district board, or 6011
the district board and the State Board of Education jointly if 6012
both are parties to the desegregation case, shall submit the plan 6013
to the court and apply for release from the court's desegregation 6014
order. 6015

Section 4.15. SPECIAL EDUCATION ENHANCEMENTS 6016

Of the foregoing appropriation item 200-540, Special 6017
Education Enhancements, up to \$50,295,000 in fiscal year 2002 and 6018
up to \$52,809,750 in fiscal year 2003 shall be used to fund 6019
special education and related services at county boards of mental 6020
retardation and developmental disabilities for eligible students 6021
under section 3317.20 of the Revised Code. Up to \$2,500,000 shall 6022
be used in each fiscal year to fund up to 57 special education 6023
classroom and related services units at institutions. 6024

Of the foregoing appropriation item 200-540, Special 6025
Education Enhancements, up to \$3,293,959 in fiscal year 2002 and 6026
up to \$3,425,717 in fiscal year 2003 shall be used for home 6027

instruction for handicapped children; up to \$1,500,000 in each 6028
fiscal year shall be used for parent mentoring programs; and up to 6029
\$2,744,966 in fiscal year 2002 and up to \$2,854,764 in fiscal year 6030
2003 may be used for school psychology interns. 6031

Of the foregoing appropriation item 200-540, Special 6032
Education Enhancements, \$3,852,160 in fiscal year 2002 and up to 6033
\$4,006,246 in fiscal year 2003 shall be used by the Department of 6034
Education to assist school districts in funding aides pursuant to 6035
paragraph (A)(3)(c)(i)(b) of rule 3301-51-04 of the Administrative 6036
Code. 6037

Of the foregoing appropriation item 200-540, Special 6038
Education Enhancements, \$78,623,506 in each fiscal year shall be 6039
distributed by the Department of Education to county boards of 6040
mental retardation and developmental disabilities, educational 6041
service centers, and school districts for preschool special 6042
education units and preschool supervisory units in accordance with 6043
section 3317.161 of the Revised Code. The department may reimburse 6044
county boards of mental retardation and developmental 6045
disabilities, educational service centers, and school districts 6046
for related services as defined in rule 3301-31-05 of the 6047
Administrative Code, for preschool occupational and physical 6048
therapy services provided by a physical therapy assistant and 6049
certified occupational therapy assistant, and for an instructional 6050
assistant. To the greatest extent possible, the Department of 6051
Education shall allocate these units to school districts and 6052
educational service centers. The Controlling Board may approve the 6053
transfer of unallocated funds from appropriation item 200-501, 6054
Base Cost Funding, to appropriation item 200-540, Special 6055
Education Enhancements, to fully fund existing units as necessary 6056
or to fully fund additional units. The Controlling Board may 6057
approve the transfer of unallocated funds from appropriation item 6058
200-540, Special Education Enhancements, to appropriation item 6059

200-501, Base Cost Funding, to fully fund the special education weight cost funding. 6060
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The Department of Education shall require school districts, educational service centers, and county MR/DD boards serving preschool children with disabilities to document child progress using a common instrument prescribed by the department and report results annually. The reporting dates and methodology shall be determined by the department. 6062
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The department shall adopt rules addressing the use of screening and assessment data including, but not limited to: 6068
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(1) Protection of the identity of individual children through assignment of a unique, but not personally identifiable, code; 6070
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(2) Parents' rights; and 6073

(3) Use of the child data by school personnel as it relates to kindergarten entrance. 6074
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Of the foregoing appropriation item 200-540, Special Education Enhancements, up to \$808,081 in fiscal year 2002 and up to \$832,323 in fiscal year 2003 shall be allocated to provide grants to research-based reading mentoring programs for students with disabilities in kindergarten through fourth grade. Priority shall be given to mentoring programs that have been recognized by the Education Commission of the States as promising educational practices for accelerating student achievement, are easily replicated, have strong evaluative components, and have goals aligned to the Ohio Proficiency Test. Programs may be implemented at times deemed most appropriate. Certified staff shall administer these programs and testing of participants shall be required prior to, during, and after participation in these programs. The results of the tests shall be reported to the Governor, Superintendent of Public Instruction, and General Assembly. 6076
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Of the foregoing appropriation item 200-540, Special 6092
Education Enhancements, up to \$86,000 in each fiscal year shall be 6093
used to conduct a collaborative pilot program to provide 6094
educational services and develop best educational practices for 6095
autistic children. The pilot program shall include, but not be 6096
limited to, the involvement of the Wood County Board of Mental 6097
Retardation and Developmental Disabilities, Wood County 6098
Educational Services Center, Children's Resource Center of Wood 6099
County, and the Family and Children First Council of Wood County. 6100

6101
Of the foregoing appropriation item 200-540, Special 6101
Education Enhancements, up to \$303,030 in fiscal year 2002 and up 6102
to \$312,121 in fiscal year 2003 shall be expended to conduct a 6103
demonstration project involving language and literacy intervention 6104
teams supporting student acquisition of language and literacy 6105
skills. The demonstration project shall demonstrate improvement of 6106
language and literacy skills of at-risk learners under the 6107
instruction of certified speech language pathologists and 6108
educators. Baseline data shall be collected and comparison data 6109
for fiscal year 2002 and fiscal year 2003 shall be collected and 6110
reported to the Governor, OhioReads Council, Department of 6111
Education, and the General Assembly. 6112

Section 4.16. VOCATIONAL EDUCATION ENHANCEMENTS 6113

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Of the foregoing appropriation item 200-545, Vocational 6114
Education Enhancements, up to \$2,616,001 in each fiscal year shall 6115
be used to fund vocational education units at institutions. Up to 6116
\$10,972,500 in each fiscal year shall be used to fund the Jobs for 6117
Ohio Graduates (JOG) program. 6118

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Of the foregoing appropriation item 200-545, Vocational 6119
Education Enhancements, up to \$5,250,000 in fiscal year 2002 and 6120
up to \$6,000,000 in fiscal year 2003 shall be used by the 6121

Department of Education to fund competitive grants to tech prep 6122
consortia that expand the number of students enrolled in tech prep 6123
programs. These grant funds shall be used to directly support 6124
expanded tech prep programs provided to students enrolled in 6125
school districts, including joint vocational school districts, and 6126
affiliated higher education institutions. 6127

If federal funds for vocational education cannot be used for 6128
local school district leadership without being matched by state 6129
funds, then an amount as determined by the Superintendent of 6130
Public Instruction shall be made available from state funds 6131
appropriated for vocational education. If any state funds are used 6132
for this purpose, federal funds in an equal amount shall be 6133
distributed for vocational education in accordance with 6134
authorization of the state plan for vocational education for Ohio 6135
as approved by the Secretary of the United States Department of 6136
Education. 6137

Of the foregoing appropriation item 200-545, Vocational 6138
Education Enhancements, \$6,451,490 in each fiscal year shall be 6139
used to enable students to develop career plans, to identify 6140
initial educational and career goals, and to develop a career 6141
passport that provides a clear understanding of the student's 6142
knowledge, skills, and credentials to present to future employers, 6143
universities, and other training institutes. The amount shall be 6144
allocated to school districts pursuant to guidelines developed by 6145
the Department of Education for programs described in section 6146
3313.607 of the Revised Code for children in the kindergarten 6147
through twelfth grades. Funds so allocated shall be used for 6148
educational materials, services, career information, curriculum 6149
development, staff development, mentorships, career exploration, 6150
and career assessment instruments as needed to develop 6151
individualized career plans and passports. 6152

Of the foregoing appropriation item 200-545, Vocational 6153

Education Enhancements, \$5,707,573 in each fiscal year shall be 6154
used to provide an amount to each eligible school district for the 6155
replacement or updating of equipment essential for the instruction 6156
of students in job skills taught as part of a vocational program 6157
or programs approved for such instruction by the State Board of 6158
Education. School districts replacing or updating vocational 6159
education equipment may purchase or lease such equipment. The 6160
Department of Education shall review and approve all equipment 6161
requests and may allot appropriated funds to eligible school 6162
districts on the basis of the number of full-time equivalent 6163
workforce development teachers in all eligible districts making 6164
application for funds. 6165

The State Board of Education may adopt standards of need for 6166
equipment allocation. Pursuant to the adoption of any such 6167
standards of need by the State Board of Education, appropriated 6168
funds may be allotted to eligible districts according to such 6169
standards. Equipment funds allotted under either process shall be 6170
provided to a school district on a 30, 40, or 50 per cent of cost 6171
on the basis of a district vocational priority index rating 6172
developed by the Department of Education for all districts each 6173
year. The vocational priority index shall give preference to 6174
districts with a large percentage of disadvantaged students and 6175
shall include other socio-economic factors as determined by the 6176
State Board of Education. 6177

Of the foregoing appropriation item 200-545, Vocational 6178
Education Enhancements, up to \$6,400,000 in fiscal year 2002 and 6179
up to \$9,600,000 in fiscal year 2003 shall be used to support 6180
existing High Schools That Work (HSTW) sites, develop new sites, 6181
fund technical assistance, and support regional centers and middle 6182
school programs. The purpose of HSTW is to combine challenging 6183
academic courses and modern vocational and technical studies to 6184
raise the academic achievement of students. It provides intensive 6185

technical assistance, focused staff development, targeted 6186
assessment services, and ongoing communications and networking 6187
opportunities. 6188

Section 4.17. CHARGE-OFF SUPPLEMENT 6189

The foregoing appropriation item 200-546, Charge-Off 6190
Supplement, shall be used by the Department of Education to make 6191
payments pursuant to section 3317.0216 of the Revised Code. 6192

POWER EQUALIZATION 6193

The foregoing appropriation item 200-547, Power Equalization, 6194
shall be used by the Department of Education to make payments 6195
pursuant to section 3317.0215 of the Revised Code. 6196

COUNTY MR/DD BOARDS - VEHICLE PURCHASES 6197

The foregoing appropriation item 200-552, County MR/DD Boards 6198
Vehicle Purchases, shall be used to provide financial assistance 6199
to MR/DD boards for the purchase of vehicles as permitted in 6200
section 3317.07 of the Revised Code. 6201

COUNTY MR/DD BOARDS - TRANSPORTATION 6202

The foregoing appropriation item 200-553, County MR/DD Boards 6203
Transportation Operating, shall be used to provide financial 6204
assistance for transportation operating costs as provided in 6205
division (M) of section 3317.024 of the Revised Code. 6206

EMERGENCY LOAN INTEREST SUBSIDY 6207

The foregoing appropriation item 200-558, Emergency Loan 6208
Interest Subsidy, shall be used to provide a subsidy to school 6209
districts receiving emergency school loans pursuant to section 6210
3313.484 of the Revised Code. The subsidy shall be used to pay 6211
these districts the difference between the amount of interest the 6212
district is paying on an emergency loan, and the interest that the 6213
district would have paid if the interest rate on the loan had been 6214

two per cent. 6215

Section 4.18. OHIOREADS GRANTS 6216

Of the foregoing appropriation item 200-566, OhioReads 6217
Grants, \$23,800,000 each year shall be disbursed by the OhioReads 6218
Office in the Department of Education at the direction of the 6219
OhioReads Council to provide classroom grants to public schools in 6220
city, local, and exempted village school districts; community 6221
schools; and educational service centers serving kindergarten 6222
through fourth grade students. 6223

Of the foregoing appropriation item 200-566, OhioReads 6224
Grants, \$5,000,000 each year shall be disbursed by the OhioReads 6225
Office in the Department of Education at the direction of the 6226
OhioReads Council to provide community matching grants to 6227
community organizations and associations, libraries, and others 6228
for tutoring, tutor recruitment and training, and parental 6229
involvement. 6230

Grants awarded by the OhioReads Council are intended to 6231
improve reading outcomes, especially on the fourth grade reading 6232
proficiency test. 6233

SCHOOL IMPROVEMENT INCENTIVE GRANTS 6234

Of the foregoing appropriation item 200-570, School 6235
Improvement Incentive Grants, \$2,000,000 in fiscal year 2002 and 6236
\$2,500,000 in fiscal 2003 shall be used to provide grants of 6237
\$25,000 per building for improvements in reading performance based 6238
on selection criteria developed by the OhioReads Council. 6239

Of the foregoing appropriation item 200-570, School 6240
Improvement Incentive Grants, \$6,500,000 in fiscal year 2002 and 6241
\$7,750,000 in fiscal year 2003 shall be used to provide grants of 6242
\$25,000 each to elementary schools and \$50,000 each to middle 6243
schools, junior high schools, and high schools that demonstrate 6244

significant improvement on proficiency tests, attendance rates, 6245
and graduation rates based on standards developed by the 6246
Department of Education. 6247

Of the foregoing appropriation item 200-570, School 6248
Improvement Incentive Grants, \$500,000 in fiscal year 2002 and 6249
\$750,000 in fiscal year 2003 shall be used to provide grants of 6250
\$50,000 each to educational service centers and joint vocational 6251
school districts for exemplary programs or that demonstrate 6252
significant improvement on proficiency tests, attendance rates, 6253
and graduation rates based on standards developed by the 6254
Department of Education. 6255

Of the foregoing appropriation item 200-570, School 6256
Improvement Incentive Grants, \$1,000,000 in each fiscal year shall 6257
be used to provide grants of up to \$50,000 each to educational 6258
best practices award winners selected for superior performance by 6259
BEST, Building Excellent Schools for Today and the 21st Century. 6260

Any grants awarded from the foregoing appropriation item 6261
200-570, School Improvement Incentive Grants, shall be awarded to 6262
individual school buildings, educational service centers, or joint 6263
vocational school districts, as appropriate. Grant awards shall be 6264
expended for staff development, classroom equipment, materials, 6265
and books. The principal or administrator of each grantee shall 6266
decide how best to use the grant award, with input from staff 6267
members. 6268

CHARACTER EDUCATION 6269

The foregoing appropriation item 200-573, Character 6270
Education, shall be used by the Department of Education to provide 6271
matching grants of up to \$50,000 each to school districts to 6272
develop pilot character education programs. 6273

SUBSTANCE ABUSE PREVENTION 6274

Of the foregoing appropriation item 200-574, Substance Abuse 6275

Prevention, up to \$2,120,000 in each fiscal year shall be used for 6276
the Safe and Drug Free Schools Coordinators Program. Of the 6277
foregoing appropriation item 200-574, Substance Abuse Prevention, 6278
up to \$300,000 in each fiscal year of the biennium shall be used 6279
for the Substance Abuse Prevention Student Assistance Program. The 6280
Department of Education and the Department of Alcohol and Drug 6281
Addiction Services shall jointly develop and approve a plan for 6282
the expenditure of these funds including, but not limited to, the 6283
development of position descriptions and training specifications 6284
for safe and drug free schools coordinators. Safe and drug free 6285
schools coordinators shall possess or be in the process of 6286
obtaining credentials issued by the Ohio Credentialing Board for 6287
Chemical Dependency Professionals or other credentials recognized 6288
by that board. 6289

AUXILIARY SERVICES MOBILE REPAIR 6290

Notwithstanding section 3317.064 of the Revised Code, if the 6291
unobligated cash balance is sufficient, the Treasurer of State 6292
shall transfer \$1,500,000 in fiscal year 2002 within thirty days 6293
after the effective date of this section and \$1,500,000 in fiscal 6294
year 2003 by August 1, 2002, from the Auxiliary Services Personnel 6295
Unemployment Compensation Fund to the Department of Education's 6296
Auxiliary Services Mobile Repair Fund (Fund 598). 6297

Section 4.19. LOTTERY PROFITS EDUCATION FUND 6298

Appropriation item 200-612, Base Cost Funding (Fund 017), 6299
shall be used in conjunction with appropriation item 200-501, Base 6300
Cost Funding (GRF), to provide payments to school districts 6301
pursuant to Chapter 3317. of the Revised Code. 6302

Of the foregoing appropriation item 200-612, Base Cost 6303
Funding (Fund 017), \$25,000,000 in each fiscal year shall be used 6304
from the funds transferred from the Unclaimed Prizes Trust Fund 6305
pursuant to the section entitled "Transfers from the Unclaimed 6306

Prizes Fund" of this act. 6307

The Department of Education, with the approval of the 6308
Director of Budget and Management, shall determine the monthly 6309
distribution schedules of appropriation item 200-501, Base Cost 6310
Funding (GRF), and appropriation item 200-612, Base Cost Funding 6311
(Fund 017). If adjustments to the monthly distribution schedule 6312
are necessary, the Department of Education shall make such 6313
adjustments with the approval of the Director of Budget and 6314
Management. 6315

The Director of Budget and Management shall transfer via 6316
intrastate transfer voucher the amount appropriated under the 6317
Lottery Profits Education Fund for appropriation item 200-682, 6318
Lease Rental Payment Reimbursement, to the General Revenue Fund on 6319
a schedule determined by the director. These funds shall support 6320
the appropriation item 230-428, Lease Rental Payments (GRF), of 6321
the School Facilities Commission. 6322

LOTTERY PROFITS TRANSFERS* 6323

On the fifteenth day of May of each fiscal year, the Director 6324
of Budget and Management shall determine if lottery profits 6325
transfers will meet the appropriation amounts from the Lottery 6326
Profits Education Fund. 6327

On or after the date specified in each fiscal year, if the 6328
director determines that lottery profits will not meet 6329
appropriations and if other funds are not available to meet the 6330
shortfall, the Superintendent of Public Instruction shall take the 6331
actions specified under the "Reallocation of Funds" section of 6332
this act. 6333

TRANSFERS FROM THE UNCLAIMED PRIZES FUND 6334

By the fifteenth day of January of fiscal year 2002 and 6335
fiscal year 2003, the Director of Budget and Management shall 6336
transfer \$25,000,000 from the State Lottery Commission's Unclaimed 6337

Prizes Fund to the Lottery Profits Education Fund, to be used 6338
solely for purposes specified in the Department of Education's 6339
budget. Transfers of unclaimed prizes under this provision shall 6340
not count as lottery profits in the determination made concerning 6341
excess profits titled "Lottery Profits" under the Department of 6342
Education in this act. 6343

TEACHER CERTIFICATION AND LICENSURE 6344

The foregoing appropriation item 200-681, Teacher 6345
Certification and Licensure, shall be used by the Department of 6346
Education in each year of the biennium to administer teacher 6347
certification and licensure functions pursuant to sections 6348
3301.071, 3301.074, 3301.50, 3301.51, 3319.088, 3319.22, 3319.24 6349
to 3319.28, 3319.281, 3319.282, 3319.29, 3319.301, 3319.31, and 6350
3319.51 of the Revised Code. 6351

Section 4.20. LOTTERY PROFITS 6352

(A) There is hereby created the Lottery Profits Education 6353
Reserve Fund (Fund 018) in the State Treasury. At no time shall 6354
the amount to the credit of the fund exceed \$75,000,000. 6355
Investment earnings of the Lottery Profits Education Reserve Fund 6356
shall be credited to the fund. Notwithstanding any provisions of 6357
law to the contrary, for fiscal years 2002 and 2003, there is 6358
appropriated to the Department of Education, from the Lottery 6359
Profits Education Reserve Fund, an amount necessary to make loans 6360
authorized by sections 3317.0210, 3317.0211, and 3317.62 of the 6361
Revised Code. All loan repayments from loans made in fiscal years 6362
1992, 1993, 1994, 1995, 1996, 1997, 1998, or 1999 shall be 6363
deposited into the credit of the Lottery Profits Education Reserve 6364
Fund. 6365

(B)(1) On or before July 15, 2001, the Director of Budget and 6366
Management shall determine the amount by which lottery profit 6367
transfers received by the Lottery Profits Education Fund for 6368

fiscal year 2001 exceed \$665,200,000. The amount so certified 6369
shall be distributed in fiscal year 2002 pursuant to divisions (C) 6370
and (D) of this section. 6371

(2) On or before July 15, 2002, the Director of Budget and 6372
Management shall determine the amount by which lottery profit 6373
transfers received by the Lottery Profits Education Fund for 6374
fiscal year 2002 exceed \$619,722,100. The amount so determined 6375
shall be distributed in fiscal year 2003 pursuant to divisions (E) 6376
and (F) of this section. 6377

The Director of Budget and Management shall annually certify 6378
the amounts determined pursuant to this section to the Speaker of 6379
the House of Representatives and the President of the Senate. 6380

(C) Not later than June 15, 2002, the Department of 6381
Education, in consultation with the Director of Budget and 6382
Management, shall determine, based upon estimates, if a 6383
reallocation of funds as described in the section of this act 6384
titled "Reallocation of Funds" is required. 6385

If a reallocation of funds is required, then the 6386
Superintendent of Public Instruction shall request Controlling 6387
Board approval for a release of any balances in the Lottery 6388
Profits Education Fund available for the purpose of this division 6389
and pursuant to divisions (C)(1) and (2) of the section of this 6390
act titled "Reallocation of Funds." Any moneys so released are 6391
appropriated. 6392

(D) In fiscal year 2002, if the Department of Education does 6393
not determine that a reallocation of funds is necessary by the 6394
fifteenth day of June, as provided in division (C) of this 6395
section, or if there is a balance in the Lottery Profits Education 6396
Fund after the release of any amount needed to preclude a 6397
reallocation of funds as provided in division (C) of this section, 6398
the moneys in the Lottery Profits Education Fund shall be 6399

allocated as provided in this division. Any amounts so allocated
are appropriated.

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An amount equal to five per cent of the estimated lottery
profits of \$665,200,000 in fiscal year 2001 or the amount
remaining in the fund, whichever is the lesser amount, shall be
transferred to the Lottery Profits Education Reserve Fund within
the limitations specified in division (A) of this section and be
reserved and shall not be available for allocation or distribution
during fiscal year 2002. Any amounts exceeding \$75,000,000 shall
be distributed pursuant to division (G) of this section.

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(E) Not later than June 15, 2003, the Department of
Education, in consultation with the Director of Budget and
Management, shall determine, based upon estimates, if a
reallocation of funds as described in the section of this act
titled "Reallocation of Funds" is required.

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If a reallocation of funds is required, then the
Superintendent of Public Instruction shall request Controlling
Board approval for a release of any balances in the Lottery
Profits Education Fund available for the purpose of this division
and pursuant to divisions (C)(1) and (2) of the section of this
act titled "Reallocation of Funds." Any moneys so released are
appropriated.

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(F) In fiscal year 2003, if the Department of Education does
not determine that a reallocation of funds is necessary by the
fifteenth day of June, as provided in division (E) of this
section, or if there is a balance in the Lottery Profits Education
Fund after the release of any amount needed to preclude a
reallocation of funds as provided in division (E) of this section,
the moneys in the Lottery Profits Education Fund shall be
allocated as provided in this division. Any amounts so allocated
are appropriated.

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An amount equal to five per cent of the estimated lottery profits transfers of \$619,722,100 in fiscal year 2002 or the amount remaining in the fund, whichever is the lesser amount, shall be transferred to the Lottery Profits Education Reserve Fund within the limitations specified in division (A) of this section and be reserved and shall not be available for allocation or distribution during fiscal year 2003. Any amounts exceeding \$75,000,000 shall be distributed pursuant to division (G) of this section.

(G) In the appropriate fiscal year, any remaining amounts after the operations required by division (D) or (F) of this section, respectively, shall be transferred to the Public School Building Fund (Fund 021) and such amount is appropriated to appropriation item CAP-622, Public School Buildings, in the School Facilities Commission.

Section 4.21. PROPERTY TAX ALLOCATION

The Superintendent of Public Instruction shall not request, and the Controlling Board shall not approve, the transfer of funds from appropriation item 200-901, Property Tax Allocation-Education, to any other appropriation item.

SCHOOL DISTRICT SOLVENCY ASSISTANCE

Of the foregoing appropriation item 200-687, School District Solvency Assistance, \$12,000,000 in each fiscal year shall be allocated to the School District Shared Resource Account and \$12,000,000 in each fiscal year shall be allocated to the Catastrophic Expenditures Account. These funds shall be used to provide assistance and grants to school districts to enable them to remain solvent pursuant to section 3316.20 of the Revised Code. Assistance and grants shall be subject to approval by the Controlling Board. Any required reimbursements from school districts for solvency assistance shall be made to the appropriate

account in the School District Solvency Assistance Fund. 6462

Section 4.22. PROPERTY TAX ALLOCATION - EDUCATION 6463

The appropriation item 200-901, Property Tax Allocation - 6464
Education, is appropriated to pay for the state's costs incurred 6465
due to the homestead exemption and the property tax rollback. In 6466
cooperation with the Department of Taxation, the Department of 6467
Education shall distribute these funds directly to the appropriate 6468
school districts of the state, notwithstanding sections 321.24 and 6469
323.156 of the Revised Code, which provide for payment of the 6470
homestead exemption and property tax rollback by the Tax 6471
Commissioner to the appropriate county treasurer and the 6472
subsequent redistribution of these funds to the appropriate local 6473
taxing districts by the county auditor. 6474

Appropriation item 200-906, Tangible Tax Exemption - 6475
Education is appropriated to pay for the state's costs incurred 6476
due to the tangible personal property tax exemption required by 6477
division (C)(3) of section 5709.01 of the Revised Code. In 6478
cooperation with the Department of Taxation, the Department of 6479
Education shall distribute to each county treasurer the total 6480
amount certified by the county treasurer pursuant to section 6481
319.311 of the Revised Code, for all school districts located in 6482
the county, notwithstanding the provision in section 319.311 of 6483
the Revised Code which provides for payment of the \$10,000 6484
tangible personal property tax exemption by the Tax Commissioner 6485
to the appropriate county treasurer for all local taxing districts 6486
located in the county. Pursuant to division (G) of section 321.24 6487
of the Revised Code, the county auditor shall distribute the 6488
amount paid by the Department of Education among the appropriate 6489
school districts. 6490

Upon receipt of these amounts, each school district shall 6491
distribute the amount among the proper funds as if it had been 6492

paid as real or tangible personal property taxes. Payments for the 6493
costs of administration shall continue to be paid to the county 6494
treasurer and county auditor as provided for in sections 319.54, 6495
321.26, and 323.156 of the Revised Code. 6496

Any sums, in addition to the amounts specifically 6497
appropriated in appropriation items 200-901, Property Tax 6498
Allocation - Education, for the homestead exemption and the 6499
property tax rollback payments, and 200-906, Tangible Tax 6500
Exemption - Education, for the \$10,000 tangible personal property 6501
tax exemption payments, which are determined to be necessary for 6502
these purposes, are appropriated. 6503

Section 4.23. DISTRIBUTION FORMULAS* 6504

The Department of Education shall report the following to the 6505
Director of Budget and Management, the Legislative Office of 6506
Education Oversight, and the Legislative Service Commission: 6507

(A) Changes in formulas for distributing state 6508
appropriations, including administratively defined formula 6509
factors; 6510

(B) Discretionary changes in formulas for distributing 6511
federal appropriations; 6512

(C) Federally mandated changes in formulas for distributing 6513
federal appropriations. 6514

Any such changes shall be reported two weeks prior to the 6515
effective date of the change. 6516

Section 4.24. DISTRIBUTION - SCHOOL DISTRICT SUBSIDY PAYMENTS 6517

This section shall not take effect unless the Director of 6519
Budget and Management adopts an order putting it into effect and 6520
certifies a copy of the order to the Superintendent of Public 6521

Instruction and the Controlling Board. 6522

Notwithstanding any other provision of the Revised Code, the 6523
monthly distribution of payments made to school districts and 6524
educational service centers pursuant to section 3317.01 of the 6525
Revised Code for the first six months of each fiscal year shall 6526
equal, as nearly as possible, six and two-thirds per cent of the 6527
estimate of the amounts payable for each fiscal year. The monthly 6528
distribution of payments for the last six months of each fiscal 6529
year shall equal, as nearly as possible, ten per cent of the final 6530
calculation of the amounts payable to each school district for 6531
that fiscal year. 6532

The treasurer of each school district or educational service 6533
center may accrue, in addition to the payments defined in this 6534
section, to the accounts of the calendar years that end during 6535
each fiscal year, the difference between the sum of the first six 6536
months' payments in each fiscal year and the amounts the district 6537
would have received had the payments been made in, as nearly as 6538
possible in each fiscal year, twelve equal monthly payments. 6539

Notwithstanding the limitations on the amount of borrowing 6540
and time of payment provided for in section 133.10 of the Revised 6541
Code but subject to sections 133.26 and 133.30 of the Revised 6542
Code, a board of education of a school district may at any time 6543
between July 1, 2001, and December 31, 2001, or at any time 6544
between July 1, 2002, and December 31, 2002, borrow money to pay 6545
any necessary and actual expenses of the school district during 6546
the last six months of calendar years 2001 and 2002 and in 6547
anticipation of the receipt of any portion of the payments to be 6548
received by that district in the first six months of calendar 6549
years 2002 and 2003 representing the respective amounts accrued 6550
pursuant to the preceding paragraph, and issue notes to evidence 6551
that borrowing to mature no later than the thirtieth day of June 6552
of the calendar year following the calendar year in which such 6553

amount was borrowed. The principal amount borrowed in the last six
months of calendar years 2001 or 2002 under this paragraph may not
exceed the entire amount accrued or to be accrued by the district
treasurer in those calendar years pursuant to the preceding
paragraph. The proceeds of the notes shall be used only for the
purposes for which the anticipated receipts are lawfully
appropriated by the board of education. No board of education
shall be required to use the authority granted by this paragraph.
The receipts so anticipated, and additional amounts from
distributions to the districts in the first six months of calendar
years 2002 and 2003 pursuant to Chapter 3317. of the Revised Code
needed to pay the interest on the notes, shall be deemed
appropriated by the board of education to the extent necessary for
the payment of the principal of and interest on the notes at
maturity, and the amounts necessary to make those monthly
distributions are appropriated from the General Revenue Fund. For
the purpose of better ensuring the prompt payment of principal of
and interest on the notes when due, the resolution of the board of
education authorizing the notes may direct that the amount of the
receipts anticipated, together with those additional amounts
needed to pay the interest on the borrowed amounts, shall be
deposited and segregated, in trust or otherwise, to the extent, at
the time or times, and in the manner provided in that resolution.
The borrowing authorized by this section does not constitute debt
for purposes of section 133.04 of the Revised Code. School
districts shall be reimbursed by the state for all necessary and
actual costs to districts arising from this provision, including,
without limitation, the interest paid on the notes while the notes
are outstanding. The Department of Education shall adopt rules
that are not inconsistent with this section for school district
eligibility and application for reimbursement of such costs.
Payments of these costs shall be made out of any anticipated
balances in appropriation items distributed under Chapter 3317. of

the Revised Code. The department shall submit all requests for 6587
reimbursement under these provisions to the Controlling Board for 6588
approval. 6589

During the last six months of each calendar year, instead of 6590
deducting the amount the Superintendent of Public Instruction 6591
would otherwise deduct from a school district's or educational 6592
service center's state aid payments in accordance with the 6593
certifications made for such year pursuant to sections 3307.56 and 6594
3309.51 of the Revised Code, the superintendent shall deduct an 6595
amount equal to forty per cent of the amount so certified. The 6596
secretaries of the retirement systems shall compute the 6597
certifications for the ensuing year under such sections as if the 6598
entire amounts certified as due in the calendar year ending the 6599
current fiscal year, but not deducted pursuant to this paragraph, 6600
had been deducted and paid in that calendar year. During the first 6601
six months of the ensuing calendar year, in addition to deducting 6602
the amounts the Superintendent of Public Instruction is required 6603
to deduct under such sections during such period, the 6604
superintendent shall deduct from a district's or educational 6605
service center's state aid payments an additional amount equal to 6606
the amount that was certified as due from the district for the 6607
calendar year that ends during the fiscal year, but that was not 6608
deducted because of this paragraph. The superintendent's 6609
certifications to the Director of Budget and Management during the 6610
first six months of the calendar year shall reflect such 6611
additional deduction. 6612

Section 4.25. REALLOCATION OF FUNDS 6613

(A) As used in this section: 6614

(1) "Basic aid" means the amount calculated for the school 6615
district received for the fiscal year under divisions (A) and (C) 6616
of section 3317.022 and sections 3317.023, 3317.025 to 3317.029, 6617

3317.0212, and 3317.0213 of the Revised Code and the amount 6618
computed for a joint vocational school district under section 6619
3317.16 of the Revised Code. 6620

(2) "Nonbasic aid" means the amount computed for a school 6621
district for fiscal year 2002 or fiscal year 2003 under Chapter 6622
3317. of the Revised Code and this act, excluding the district's 6623
basic aid and the amount computed under such chapter and acts for 6624
educational service centers, MR/DD boards, and institutions. 6625

(B) If in either fiscal year of the biennium the Governor 6626
issues an order under section 126.05 of the Revised Code to reduce 6627
expenditures and incurred obligations and the order requires the 6628
superintendent to reduce such state education payments, or if 6629
lottery profits transfers are insufficient to meet the amounts 6630
appropriated from the Lottery Profits Education Fund for base cost 6631
funding, and if other funds are not sufficient to offset the 6632
shortfall, the superintendent shall reduce nonbasic aid payments 6633
so that the total amount expended in the fiscal year will not 6634
exceed the amount available for expenditure pursuant to the 6635
Governor's order. Subject to Controlling Board approval, the 6636
superintendent shall reallocate appropriations not yet expended 6637
from one program to another. 6638

(C)(1) If further reductions in nonbasic aid are necessary 6639
following the reallocations implemented pursuant to division (B) 6640
of this section, the superintendent shall request the Controlling 6641
Board to approve the use of the money appropriated by this 6642
division. The superintendent shall include with the 6643
superintendent's request a report listing the amount of reductions 6644
that each school district will receive if the request is not 6645
approved, and also the amount of the reduction, if any, that will 6646
still be required if the use of the money appropriated by this 6647
section is approved. 6648

(2) In accordance with division (C)(1) of this section, there 6649

is appropriated to the Department of Education from the 6650
unobligated balance remaining in the Lottery Profits Education 6651
Fund at the end of fiscal year 2001 the lesser of: the unobligated 6652
balance in the fund, or the amount needed to preclude a 6653
reallocation pursuant to this section. The money appropriated by 6654
this division may be spent or distributed by the department only 6655
with the approval of the Controlling Board. 6656

(D) If reductions in nonbasic aid are still necessary 6657
following the actions taken pursuant to divisions (B) and (C) of 6658
this section, the superintendent shall determine by what 6659
percentage expenditures for nonbasic aid must be reduced for the 6660
remainder of the fiscal year to make the total amount distributed 6661
for the year equal the amount appropriated or available for 6662
distribution. The superintendent shall reduce by that percentage 6663
the amount to be paid in nonbasic aid to each city, exempted 6664
village, local, and joint vocational school district, to each 6665
educational service center, to each county board of mental 6666
retardation and developmental disabilities, and to each 6667
institution providing special education programs under section 6668
3323.091 of the Revised Code for the remainder of the fiscal year. 6669

Section 4.26. EDUCATIONAL SERVICE CENTERS FUNDING 6670

Notwithstanding division (B) of section 3317.11 of the 6671
Revised Code, no funds shall be provided to an educational service 6672
center in either fiscal year for any pupils of a city or exempted 6673
village school district unless an agreement to provide services 6674
under section 3313.843 of the Revised Code was entered into by 6675
January 1, 1997, except that funds shall be provided to an 6676
educational service center for any pupils of a city school 6677
district if the agreement to provide services was entered into 6678
within one year of the date upon which such district changed from 6679
a local school district to a city school district. If insufficient 6680

funds are appropriated in fiscal year 2002 or fiscal year 2003 for
the purposes of division (B) of section 3317.11 of the Revised
Code, the department shall first distribute to each educational
service center \$37 per pupil in its service center ADM, as defined
in that section. The remaining funds in each fiscal year shall be
distributed proportionally, on a per-student basis, to each
educational service center for its client ADM, as defined in that
section, that is attributable to each city and exempted village
school district that had entered into an agreement with an
educational service center for that fiscal year under section
3313.843 of the Revised Code by January 1, 1997.

Section 4.27. * For the school year commencing July 1, 2001,
or the school year commencing July 1, 2002, or both, the
Superintendent of Public Instruction may waive for the board of
education of any school district the ratio of teachers to pupils
in kindergarten through fourth grade required under paragraph
(A)(3) of rule 3301-35-03 of the Administrative Code if the
following conditions apply:

(A) The board of education requests the waiver.

(B) After the Department of Education conducts an on-site
evaluation of the district related to meeting the required ratio,
the board of education demonstrates to the satisfaction of the
Superintendent of Public Instruction that providing the facilities
necessary to meet the required ratio during the district's regular
school hours with pupils in attendance would impose an extreme
hardship on the district.

(C) The board of education provides assurances that are
satisfactory to the Superintendent of Public Instruction that the
board will act in good faith to meet the required ratio as soon as
possible.

Section 4.28. PRIVATE TREATMENT FACILITY PILOT PROJECT	6711
(A) As used in this section:	6712
(1) The following are "participating residential treatment centers":	6713 6714
(a) Private residential treatment facilities that have entered into a contract with the Department of Youth Services to provide services to children placed at the facility by the department and which, in fiscal year 2002 or 2003 or both, the department pays through appropriation item 470-401, Care and Custody;	6715 6716 6717 6718 6719 6720
(b) Abraxas, in Shelby;	6721
(c) Paint Creek, in Bainbridge;	6722
(d) Act One, in Akron;	6723
(e) Friars Club, in Cincinnati.	6724
(2) "Education program" means an elementary or secondary education program or a special education program and related services.	6725 6726 6727
(3) "Served child" means any child receiving an education program pursuant to division (B) of this section.	6728 6729
(4) "School district responsible for tuition" means a city, exempted village, or local school district that, if tuition payment for a child by a school district is required under law that existed in fiscal year 1998, is the school district required to pay that tuition.	6730 6731 6732 6733 6734
(5) "Residential child" means a child who resides in a participating residential treatment center and who is receiving an educational program under division (B) of this section.	6735 6736 6737
(B) A youth who is a resident of the state and has been	6738

assigned by a juvenile court or other authorized agency to a residential treatment facility specified in division (A) of this section shall be enrolled in an approved educational program located in or near the facility. Approval of the educational program shall be contingent upon compliance with the criteria established for such programs by the Department of Education. The educational program shall be provided by a school district or educational service center, or by the residential facility itself. Maximum flexibility shall be given to the residential treatment facility to determine the provider. In the event that a voluntary agreement cannot be reached and the residential facility does not choose to provide the educational program, the educational service center in the county in which the facility is located shall provide the educational program at the treatment center to children under twenty-two years of age residing in the treatment center.

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(C) Any school district responsible for tuition for a residential child shall, notwithstanding any conflicting provision of the Revised Code regarding tuition payment, pay tuition for the child for fiscal years 2002 and 2003 to the education program provider and in the amount specified in this division. If there is no school district responsible for tuition for a residential child and if the participating residential treatment center to which the child is assigned is located in the city, exempted village, or local school district that, if the child were not a resident of that treatment center, would be the school district where the child is entitled to attend school under sections 3313.64 and 3313.65 of the Revised Code, that school district shall, notwithstanding any conflicting provision of the Revised Code, pay tuition for the child for fiscal years 2002 and 2003 under this division unless that school district is providing the educational program to the child under division (B) of this section.

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A tuition payment under this division shall be made to the 6772
school district, educational service center, or residential 6773
treatment facility providing the educational program to the child. 6774

The amount of tuition paid shall be: 6775

(1) The amount of tuition determined for the district under 6776
division (A) of section 3317.08 of the Revised Code; 6777

(2) In addition, for any student receiving special education 6778
pursuant to an individualized education program as defined in 6779
section 3323.01 of the Revised Code, a payment for excess costs. 6780
This payment shall equal the actual cost to the school district, 6781
educational service center, or residential treatment facility of 6782
providing special education and related services to the student 6783
pursuant to the student's individualized education program, minus 6784
the tuition paid for the child under division (C)(1) of this 6785
section. 6786

A school district paying tuition under this division shall 6787
not include the child for whom tuition is paid in the district's 6788
average daily membership certified under division (A) of section 6789
3317.03 of the Revised Code. 6790

(D) In each of fiscal years 2002 and 2003, the Department of 6791
Education shall reimburse, from appropriations made for the 6792
purpose, a school district, educational service center, or 6793
residential treatment facility, whichever is providing the 6794
service, that has demonstrated that it is in compliance with the 6795
funding criteria for each served child for whom a school district 6796
must pay tuition under division (C) of this section. The amount of 6797
the reimbursement in either fiscal year shall be the formula 6798
amount specified in section 3317.022 of the Revised Code, except 6799
that the department shall proportionately reduce this 6800
reimbursement if sufficient funds are not available to pay this 6801

amount to all qualified providers. 6802

(E) Funds provided to a school district, educational service 6803
center, or residential treatment facility under this section shall 6804
be used to supplement, not supplant, funds from other public 6805
sources for which the school district, service center, or 6806
residential treatment facility is entitled or eligible. 6807

(F) The Department of Education shall track the utilization 6808
of funds provided to school districts, educational service 6809
centers, and residential treatment facilities under this section 6810
and monitor the effect of the funding on the educational programs 6811
they provide in participating residential treatment facilities. 6812
The department shall monitor the programs for educational 6813
accountability. 6814

Section 4.29. SCHOOL DISTRICT PARTICIPATION IN NATIONAL 6815
ASSESSMENT OF EDUCATION PROGRESS 6816

The General Assembly intends for the Superintendent of Public 6817
Instruction to provide for school district participation in the 6818
administration of the National Assessment of Education Progress in 6819
fiscal years 2002 and 2003 in accordance with section 3301.27 of 6820
the Revised Code. 6821

Section 4.30. Notwithstanding Chapter 3318. of the Revised 6822
Code, for purposes of complying with the local share and repayment 6823
tax requirements of section 3318.05 of the Revised Code, any 6824
school district given conditional approval for classroom 6825
facilities assistance under section 3318.04 of the Revised Code as 6826
of January 1, 1993, that approved a replacement permanent 6827
improvement levy at the November 5, 1996, election shall be 6828
permitted to use the proceeds of such levy, and any notes issued 6829
or to be issued in anticipation thereof, as available funds, 6830
within the meaning specified under section 3318.03 of the Revised 6831

Code, to pay the local share of the cost of the approved classroom 6832
facilities project. Notwithstanding the local share as previously 6833
determined for purposes of the conditional approval of the 6834
project, the local share shall be equal to the amount of proceeds 6835
to be obtained by the district under such replacement permanent 6836
improvement levy. Such school districts shall not be required to 6837
obtain approval of either of the propositions described in 6838
division (A) or (B) of section 3318.051 of the Revised Code. The 6839
agreement required under section 3318.08 of the Revised Code for 6840
the construction and sale of the project shall include provisions 6841
for the transfer of the proceeds of the replacement permanent 6842
improvement levy, and any notes issued in anticipation thereof, to 6843
the school district's project construction account, and for the 6844
levy of the replacement permanent improvement levy. 6845

Section 4.31. The Superintendent of Public Instruction shall 6846
contract with an independent research entity to evaluate the pilot 6847
project approved pursuant to section 3313.975 of the Revised Code. 6848
The evaluation shall study the impact of scholarships on student 6849
attendance, conduct, commitment to education, and standardized 6850
test scores; parental involvement; the school district's ability 6851
to provide services to district students; and the availability of 6852
alternative educational opportunities. The evaluation shall also 6853
study the economic impact of scholarships on the school district. 6854

Section 4.32. Notwithstanding division (C)(1) of section 6855
3313.975 of the Revised Code, in addition to students in 6856
kindergarten through third grade, initial scholarships may be 6857
awarded to fourth, fifth, sixth, seventh, and eighth grade 6858
students in fiscal year 2002 and in fiscal year 2003. 6859

Section 4.33. (A) As used in this section, "pilot project 6860
area" means the school districts included in the territory of the 6861

former community school pilot project established by former 6862
Section 50.52 of Am. Sub. H.B. 215 of the 122nd General Assembly. 6863

(B) Any teacher or nonteaching employee of a school district 6864
in the pilot project area who, on the effective date of this 6865
section, is taking a leave of absence from the district pursuant 6866
to a policy adopted under former Section 50.52.13 of that act to 6867
work at a community school established under the pilot project and 6868
located in another school district may continue the leave under 6869
the terms of that policy and former section. Upon termination of 6870
the leave, the district shall return the teacher or nonteaching 6871
employee to a position, salary, and level of seniority as required 6872
by that former section. 6873

Section 4.34. As required by Section 50.52.2 of Am. Sub. H.B. 6874
215 of the 122nd General Assembly, as subsequently amended, the 6875
Legislative Office of Education Oversight shall complete, by June 6876
1, 2003, its final report on community schools with 6877
recommendations as to the future of community schools in Ohio. 6878
Copies of the report shall be delivered to the President of the 6879
Senate and the Speaker of the House of Representatives. 6880

Section 5. HEF HIGHER EDUCATIONAL FACILITY COMMISSION 6881

Agency Fund Group 6882

461 372-601 Operating Expenses	\$	12,000	\$	12,000	6883
TOTAL AGY Agency Fund Group	\$	12,000	\$	12,000	6884
TOTAL ALL BUDGET FUND GROUPS	\$	12,000	\$	12,000	6885

Section 6. LOT STATE LOTTERY COMMISSION 6887

State Lottery Fund Group 6888

044 950-100 Personal Services	\$	23,990,502	\$	25,164,204	6889
044 950-200 Maintenance	\$	24,167,162	\$	24,698,840	6890
044 950-300 Equipment	\$	4,131,719	\$	3,664,576	6891

044	950-402	Game and Advertising Contracts	\$ 64,913,869	\$ 64,624,331	6892
044	950-601	Prizes, Bonuses, and Commissions	\$ 136,371,980	\$ 132,532,125	6893
871	950-602	Annuity Prizes	\$ 185,454,636	\$ 188,275,991	6894
872	950-603	Unclaimed Prize Awards	\$ 13,093,114	\$ 13,354,976	6895
TOTAL SLF State Lottery Fund Group					6896
			\$ 452,122,982	\$ 452,315,043	6897
TOTAL ALL BUDGET FUND GROUPS					6898
			\$ 452,122,982	\$ 452,315,043	6898

OPERATING EXPENSES

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The foregoing appropriation items include all amounts
necessary for the purchase and printing of tickets, consultant
services, and advertising. The Controlling Board may, at the
request of the State Lottery Commission, authorize additional
appropriations for operating expenses of the State Lottery
Commission from the State Lottery Fund up to a maximum of 15 per
cent of anticipated total revenue accruing from the sale of
lottery tickets.

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PRIZES, BONUSSES, AND COMMISSIONS

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Any amounts, in addition to the amounts appropriated in
appropriation item 950-601, Prizes, Bonuses, and Commissions, that
are determined by the Director of the State Lottery Commission to
be necessary to fund prizes, bonuses, and commissions are
appropriated.

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ANNUITY PRIZES

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With the approval of the Office of Budget and Management, the
State Lottery Commission shall transfer cash from the State
Lottery Fund Group (Fund 044) to the Deferred Prizes Trust Fund
(Fund 871) in an amount sufficient to fund deferred prizes. The
Treasurer of State, from time to time, shall credit the Deferred
Prizes Trust Fund (Fund 871) the pro rata share of interest earned

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by the Treasurer of State on invested balances.

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Any amounts, in addition to the amounts appropriated in appropriation item 950-602, Annuity Prizes, that are determined by the Director of the State Lottery Commission to be necessary to fund deferred prizes and interest earnings are appropriated.

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Section 7. BOR BOARD OF REGENTS

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General Revenue Fund

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GRF 235-321	Operating Expenses	\$	3,265,450	\$	3,330,759	6928
GRF 235-401	Lease-Rental Payments	\$	295,058,500	\$	268,910,500	6929
GRF 235-402	Sea Grants	\$	299,940	\$	299,940	6930
GRF 235-403	Math/Science Teaching Improvement	\$	1,734,000	\$	1,768,680	6931
GRF 235-404	College Readiness Initiatives	\$	3,127,361	\$	3,189,908	6932
GRF 235-406	Articulation and Transfer	\$	1,000,000	\$	1,000,000	6933
GRF 235-408	Midwest Higher Education Compact	\$	82,500	\$	82,500	6934
GRF 235-409	Information System	\$	1,417,615	\$	1,445,968	6935
GRF 235-414	State Grants and Scholarship Administration	\$	1,429,478	\$	1,458,068	6936
GRF 235-415	Jobs Challenge	\$	13,548,125	\$	14,891,302	6937
GRF 235-417	Ohio Learning Network	\$	4,000,000	\$	4,000,000	6938
GRF 235-418	Access Challenge	\$	77,268,000	\$	90,268,000	6939
GRF 235-420	Success Challenge	\$	53,615,100	\$	58,976,610	6940
GRF 235-426	The Ohio Plan	\$	10,000,000	\$	30,000,000	6941
GRF 235-428	Appalachian New Economy Partnership	\$	1,000,000	\$	1,500,000	6942
GRF 235-451	Eminent Scholars	\$	0	\$	5,200,000	6943
GRF 235-454	Research Challenge	\$	23,725,284	\$	26,097,812	6944

GRF 235-455	Productivity Improvement Challenge	\$ 1,729,538	\$ 1,764,128	6945
GRF 235-474	AHEC Program Support	\$ 2,136,456	\$ 2,179,185	6946
GRF 235-477	Access Improvement Projects	\$ 1,110,879	\$ 1,110,879	6947
GRF 235-501	State Share of Instruction	\$ 1,681,450,071	\$ 1,715,288,155	6948
GRF 235-502	Student Support Services	\$ 1,000,000	\$ 1,000,000	6949
GRF 235-503	Ohio Instructional Grants	\$ 101,000,000	\$ 114,500,000	6950
GRF 235-504	War Orphans Scholarships	\$ 4,652,548	\$ 4,792,124	6951
GRF 235-507	OhioLINK	\$ 7,822,106	\$ 7,978,548	6952
GRF 235-508	Air Force Institute of Technology	\$ 3,500,000	\$ 3,500,000	6953
GRF 235-509	Displaced Homemakers	\$ 244,996	\$ 244,996	6954
GRF 235-510	Ohio Supercomputer Center	\$ 4,932,218	\$ 4,932,218	6955
GRF 235-511	Cooperative Extension Service	\$ 28,262,696	\$ 28,827,949	6956
GRF 235-513	OU Voinovich Center	\$ 375,000	\$ 375,000	6957
GRF 235-514	Central State Supplement	\$ 12,044,956	\$ 12,044,956	6958
GRF 235-515	CWRU School of Medicine	\$ 4,367,575	\$ 4,454,926	6959
GRF 235-518	Capitol Scholarship Programs	\$ 250,000	\$ 250,000	6960
GRF 235-519	Family Practice	\$ 6,671,909	\$ 6,805,347	6961
GRF 235-520	Shawnee State Supplement	\$ 2,767,520	\$ 2,712,170	6962
GRF 235-521	OSU Glenn Institute	\$ 375,000	\$ 375,000	6963
GRF 235-523	Center for Labor	\$ 95,000	\$ 95,000	6964

	Research				
GRF 235-524	Police and Fire Protection	\$	244,996	\$	244,996
					6965
GRF 235-525	Geriatric Medicine	\$	1,109,383	\$	1,131,570
					6966
GRF 235-526	Primary Care Residencies	\$	3,230,784	\$	3,295,399
					6967
GRF 235-527	Ohio Aerospace Institute	\$	2,431,973	\$	2,431,973
					6968
GRF 235-530	Academic Scholarships	\$	8,400,000	\$	8,820,000
					6969
GRF 235-531	Student Choice Grants	\$	52,428,000	\$	53,476,560
					6970
GRF 235-535	Agricultural Research and Development Center	\$	39,505,502	\$	40,295,612
					6971
GRF 235-536	Ohio State University Clinical Teaching	\$	16,316,207	\$	16,642,531
					6972
GRF 235-537	University of Cincinnati Clinical Teaching	\$	13,419,858	\$	13,688,256
					6973
GRF 235-538	Medical College of Ohio at Toledo Clinical Teaching	\$	10,460,052	\$	10,669,253
					6974
GRF 235-539	Wright State University Clinical Teaching	\$	5,081,698	\$	5,183,332
					6975
GRF 235-540	Ohio University Clinical Teaching	\$	4,912,631	\$	5,010,884
					6976
GRF 235-541	Northeastern Ohio Universities College of Medicine Clinical Teaching	\$	5,052,636	\$	5,153,689
					6977
GRF 235-543	OCPM Clinical Subsidy	\$	510,000	\$	520,200
					6978
GRF 235-547	School of International Business	\$	1,743,637	\$	1,743,637
					6979
GRF 235-549	Part-time Student	\$	13,311,638	\$	13,977,219
					6980

	Instructional Grants					
GRF 235-552	Capital Component	\$	14,537,639	\$	14,537,639	6981
GRF 235-553	Dayton Area Graduate Studies Institute	\$	3,856,212	\$	3,856,212	6982
GRF 235-554	Computer Science Graduate Education	\$	3,553,437	\$	3,553,437	6983
GRF 235-555	Library Depositories	\$	2,040,000	\$	2,080,800	6984
GRF 235-556	Ohio Academic Resource Network	\$	3,582,426	\$	3,654,074	6985
GRF 235-558	Long-term Care Research	\$	318,371	\$	318,371	6986
GRF 235-561	BGSU Canadian Studies Center	\$	167,642	\$	167,642	6987
GRF 235-572	Ohio State University Clinic Support	\$	2,102,361	\$	2,144,408	6988
GRF 235-583	Urban University Programs	\$	6,636,285	\$	6,636,285	6989
GRF 235-585	Ohio University Innovation Center	\$	49,745	\$	49,745	6990
GRF 235-587	Rural University Projects	\$	1,403,624	\$	1,403,624	6991
GRF 235-588	Ohio Resource Center for Mathematics, Science, and Reading	\$	1,000,000	\$	1,000,000	6992
GRF 235-595	International Center for Water Resources Development	\$	189,381	\$	189,381	6993
GRF 235-596	Hazardous Materials Program	\$	244,996	\$	244,996	6994
GRF 235-599	National Guard Scholarship Program	\$	12,293,986	\$	12,293,986	6995
GRF 235-909	Higher Education General Obligation	\$	50,055,100	\$	74,344,100	6996

Debt Service			
TOTAL GRF General Revenue Fund	\$ 2,635,550,021	\$ 2,734,410,439	6997
General Services Fund Group			6998
456 235-603 Publications	\$ 43,050	\$ 44,342	6999
456 235-613 Job Preparation	\$ 144,383	\$ 144,383	7000
Initiative			
TOTAL GSF General Services			7001
Fund Group	\$ 187,433	\$ 188,725	7002
Federal Special Revenue Fund Group			7003
3H2 235-608 Human Services Project	\$ 1,000,000	\$ 1,000,000	7004
3N6 235-605 State Student	\$ 2,000,000	\$ 2,000,000	7005
Incentive Grants			
3T0 235-610 NHSC Ohio Loan	\$ 100,000	\$ 100,000	7006
Repayment			
312 235-609 Tech Prep	\$ 183,852	\$ 183,852	7007
312 235-611 Gear-up Grant	\$ 1,590,986	\$ 1,690,434	7008
312 235-612 Carl D. Perkins	\$ 112,960	\$ 112,960	7009
Grant/Plan			
Administration			
312 235-631 Federal Grants	\$ 2,055,511	\$ 0	7010
TOTAL FED Federal Special Revenue			7011
Fund Group	\$ 7,043,309	\$ 5,087,246	7012
State Special Revenue Fund Group			7013
4E8 235-602 HEFC Administration	\$ 12,000	\$ 12,000	7014
4P4 235-604 Physician Loan	\$ 416,067	\$ 436,870	7015
Repayment			
649 235-607 Ohio State University	\$ 511,000	\$ 523,775	7016
Highway/Transportation			
Research			
682 235-606 Nursing Loan Program	\$ 870,000	\$ 893,000	7017
TOTAL SSR State Special Revenue			7018
Fund Group	\$ 1,809,067	\$ 1,865,645	7019

TOTAL ALL BUDGET FUND GROUPS \$ 2,644,589,830 \$ 2,741,552,055 7020

Section 7.01. STATE SHARE OF INSTRUCTION 7022

As soon as practicable during each fiscal year of the 7023
2001-2003 biennium in accordance with instructions of the Board of 7024
Regents, each state-assisted institution of higher education shall 7025
report its actual enrollment to the Board of Regents. 7026

The Board of Regents shall establish procedures required by 7027
the system of formulas set out below and for the assignment of 7028
individual institutions to categories described in the formulas. 7029
The system of formulas establishes the manner in which aggregate 7030
expenditure requirements shall be determined for each of the three 7031
components of institutional operations. In addition to other 7032
adjustments and calculations described below, the subsidy 7033
entitlement of an institution shall be determined by subtracting 7034
from the institution's aggregate expenditure requirements income 7035
to be derived from the local contributions assumed in calculating 7036
the subsidy entitlements. The local contributions for purposes of 7037
determining subsidy support shall not limit the authority of the 7038
individual boards of trustees to establish fee levels. 7039

The General Studies and Technical models shall be adjusted by 7040
the Board of Regents so that the share of state subsidy earned by 7041
those models is not altered by changes in the overall local share. 7042
A lower-division fee differential shall be used to maintain the 7043
relationship that would have occurred between these models and the 7044
baccalaureate models had an assumed share of thirty-seven per cent 7045
been funded. 7046

In defining the number of full-time equivalent (FTE) students 7047
for state subsidy purposes, the Board of Regents shall exclude all 7048
undergraduate students who are not residents of Ohio, except those 7049
charged in-state fees in accordance with reciprocity agreements 7050
made pursuant to section 3333.17 or employer contracts entered 7051

into pursuant to section 3333.32 of the Revised Code. 7052

(A) AGGREGATE EXPENDITURE PER FULL-TIME EQUIVALENT STUDENT 7053

(1) INSTRUCTION AND SUPPORT SERVICES 7054

MODEL	FY 2002	FY 2003	
General Studies I	\$ 4,481	\$ 4,904	7056
General Studies II	\$ 5,046	\$ 5,299	7057
General Studies III	\$ 6,101	\$ 6,652	7058
Technical I	\$ 5,353	\$ 5,696	7059
Technical III	\$ 8,854	\$ 9,044	7060
Baccalaureate I	\$ 7,031	\$ 7,517	7061
Baccalaureate II	\$ 7,875	\$ 8,310	7062
Baccalaureate III	\$ 11,480	\$ 12,193	7063
Masters and Professional I	\$ 13,338	\$ 13,875	7064
Masters and Professional II	\$ 19,084	\$ 19,652	7065
Masters and Professional III	\$ 25,869	\$ 26,577	7066
Medical I	\$ 28,800	\$ 29,934	7067
Medical II	\$ 40,152	\$ 40,981	7068
Blended MPD I	\$ 14,163	\$ 14,877	7069

(2) STUDENT SERVICES 7070

For this purpose, FTE counts shall be weighted to reflect 7071
differences among institutions in the numbers of students enrolled 7072
on a part-time basis. 7073

MODEL	FY 2002	FY 2003	
General Studies I	\$ 694	\$ 747	7075
General Studies II	\$ 704	\$ 747	7076
General Studies III	\$ 687	\$ 747	7077
Technical I	\$ 669	\$ 747	7078
Technical III	\$ 675	\$ 747	7079
Baccalaureate I	\$ 666	\$ 747	7080
Baccalaureate II	\$ 663	\$ 747	7081
Baccalaureate III	\$ 675	\$ 747	7082
Masters and Professional I	\$ 680	\$ 747	7083

Masters and Professional II	\$ 685	\$ 747	7084
Masters and Professional III	\$ 694	\$ 747	7085
Medical I	\$ 668	\$ 747	7086
Medical II	\$ 668	\$ 747	7087
Blended MPD I	\$ 668	\$ 747	7088

(B) PLANT OPERATION AND MAINTENANCE (POM) 7089

(1) DETERMINATION OF THE SQUARE-FOOT-BASED POM SUBSIDY 7090

Space undergoing renovation shall be funded at the rate 7091
allowed for storage space. 7092

In the calculation of square footage for each campus, square 7093
footage shall be weighted to reflect differences in space 7094
utilization. 7095

The space inventories for each campus shall be those 7096
determined in the fiscal year 1999 instructional subsidy, adjusted 7097
for changes attributable to the construction or renovation of 7098
facilities for which state appropriations were made or local 7099
commitments were made prior to January 1, 1995. 7100

Only 50 per cent of the space permanently taken out of 7101
operation in fiscal year 2002 or fiscal year 2003 that is not 7102
otherwise replaced by a campus shall be deleted from the fiscal 7103
year 1997 inventory. 7104

The square-foot-based plant operation and maintenance subsidy 7105
for each campus shall be determined as follows: 7106

(a) For each standard room type category shown below, the 7107
subsidy-eligible net assignable square feet (NASF) for each campus 7108
shall be multiplied by the following rates, and the amounts summed 7109
for each campus to determine the total gross square-foot-based POM 7110
expenditure requirement: 7111

	FY 2002	FY 2003	
Classrooms	\$5.33	\$5.56	7113
Laboratories	\$6.65	\$6.93	7114

Offices	\$5.33	\$5.56	7115
Audio Visual Data Processing	\$6.65	\$6.93	7116
Storage	\$2.36	\$2.46	7117
Circulation	\$6.73	\$7.01	7118
Other	\$5.33	\$5.56	7119

(b) The total gross square-foot POM expenditure requirement 7120
shall be allocated to models in proportion to FTE enrollments as 7121
reported in enrollment data for all models except Doctoral I and 7122
Doctoral II. 7123

(c) The amounts allocated to models in division (B)(1)(b) of 7124
this section shall be multiplied by the ratio of subsidy-eligible 7125
FTE students to total FTE students reported in each model, and the 7126
amounts summed for all models. To this total amount shall be added 7127
an amount to support roads and grounds expenditures to produce the 7128
total square-foot-based POM subsidy. 7129

(2) DETERMINATION OF THE ACTIVITY-BASED POM SUBSIDY 7130

(a) The number of subsidy-eligible FTE students in each model 7131
shall be multiplied by the following rates for each campus for 7132
each fiscal year. 7133

	FY 2002	FY 2003	
General Studies I	\$ 537	\$ 543	7134
General Studies II	\$ 669	\$ 686	7135
General Studies III	\$1,424	\$1,565	7136
Technical I	\$ 649	\$ 750	7137
Technical II	\$1,315	\$1,436	7138
Baccalaureate I	\$ 671	\$ 692	7139
Baccalaureate II	\$1,175	\$1,263	7140
Baccalaureate III	\$1,606	\$1,674	7141
Masters and Professional I	\$1,138	\$1,217	7142
Masters and Professional II	\$2,447	\$2,928	7143
Masters and Professional III	\$3,363	\$3,932	7144
Medical I	\$2,568	\$2,653	7145

Medical II	\$3,470	\$3,581	7147
Blended MPD I	\$1,135	\$1,192	7148

(b) The sum of the products for each campus determined in 7149
division (B)(2)(a) of this section for all models except Doctoral 7150
I and Doctoral II for each fiscal year shall be weighted by a 7151
factor to reflect sponsored research activity and job 7152
training-related public services expenditures to determine the 7153
total activity-based POM subsidy. 7154

(C) CALCULATION OF CORE SUBSIDY ENTITLEMENTS AND ADJUSTMENTS 7155

(1) CALCULATION OF CORE SUBSIDY ENTITLEMENTS 7156

The calculation of the core subsidy entitlement shall consist 7157
of the following components: 7158

(a) For each campus and for each fiscal year, the core 7159
subsidy entitlement shall be determined by multiplying the amounts 7160
listed above in divisions (A)(1) and (2) and (B)(2) of this 7161
section less assumed local contributions, by (i) average 7162
subsidy-eligible FTEs for the two-year period ending in the prior 7163
year for all models except Doctoral I and Doctoral II; and (ii) 7164
average subsidy-eligible FTEs for the five-year period ending in 7165
the prior year for all models except Doctoral I and Doctoral II. 7166

(b) In calculating the core subsidy entitlements for Medical 7167
II models only, the Board of Regents shall use the following count 7168
of FTE students in place of the two-year average and five-year 7169
average of subsidy-eligible students: 7170

(i) For those medical schools whose current year enrollment 7171
is below the base enrollment, the Medical II FTE enrollment shall 7172
equal: 65 per cent of the base enrollment plus 35 per cent of the 7173
current year enrollment, where the base enrollment is: 7174

The Ohio State University	1010	7175
University of Cincinnati	833	7176
Medical College of Ohio at Toledo	650	7177

Wright State University	433	7178
Ohio University	433	7179
Northeastern Ohio Universities College of Medicine	433	7180

(ii) For those medical schools whose current year enrollment is equal to or greater than the base enrollment, the Medical II FTE enrollment shall equal the current enrollment.

(c) For all FTE-based subsidy calculations involving annualized FTE data, FTE-based allowances shall be converted from annualized to all-terms rates to ensure equity and consistency of subsidy determination.

(d) The Board of Regents shall compute the sum of the two calculations listed in division (C)(1)(a) of this section and use the greater sum as the core subsidy entitlement.

The POM subsidy for each campus shall equal the greater of the square-foot-based subsidy or the activity-based POM subsidy component of the core subsidy entitlement.

(e) The state share of instruction provided for doctoral students shall be based on a fixed percentage of the total appropriation. In fiscal year 2002, not more than 10.34 per cent of the total state share of instruction shall be reserved to implement the recommendations of the Graduate Funding Commission. In fiscal year 2003, not more than 10.25 per cent of the total state share of instruction shall be reserved for the same purpose. It is the intent of the General Assembly that the doctoral reserve be reduced 0.25 percentage points each year thereafter until no more than 10.0 per cent of the total state share of instruction is reserved to implement the recommendations of the Graduate Funding Commission. The Board of Regents shall reallocate 4 per cent in fiscal year 2002 and 5 per cent in fiscal year 2003 of the reserve among the state-assisted universities on the basis of a quality review as specified in the recommendations of the Graduate Funding

Commission.	7209
The amount so reserved shall be allocated to universities in proportion to their share of the total number of Doctoral I equivalent FTEs as calculated on an institutional basis using the greater of the two-year or five-year FTEs for the period fiscal year 1994 through fiscal year 1998 with annualized FTEs for fiscal years 1994 through 1997 and all-term FTEs for fiscal year 1998 as adjusted to reflect the effects of doctoral review. For the purposes of this calculation, Doctoral I equivalent FTEs shall equal the sum of Doctoral I FTEs plus 1.5 times the sum of Doctoral II FTEs.	7210 7211 7212 7213 7214 7215 7216 7217 7218 7219
(2) ANNUAL HOLD HARMLESS PROVISION	7220
In addition to and after the other adjustment noted above, in fiscal year 2002 each campus shall have its state share of instruction adjusted to the extent necessary to provide an amount that is not less than 100 per cent of the state share of instruction received by the campus in fiscal year 2001. In fiscal year 2003, each campus shall have its state share of instruction adjusted to the extent necessary to provide an amount that is not less than 100 per cent of the state share of instruction received by the campus in fiscal year 2002.	7221 7222 7223 7224 7225 7226 7227 7228 7229
(3) CAPITAL COMPONENT DEDUCTION	7230
After all other adjustments have been made, instructional subsidy earnings shall be reduced for each campus by the amount, if any, by which debt service charged in Am. H.B. No. 748 of the 121st General Assembly, Am. Sub. H.B. No. 850 of the 122nd General Assembly, and Am. H.B. No. 640 of the 123rd General Assembly for that campus exceeds that campus's capital component earnings.	7231 7232 7233 7234 7235 7236
(D) REDUCTIONS IN EARNINGS	7237
If the total state share of instruction earnings in any fiscal year exceed the total appropriations available for such	7238 7239

purposes, the Board of Regents shall proportionately reduce the 7240
state share of instruction earnings for all campuses by a uniform 7241
percentage so that the systemwide sum equals available 7242
appropriations. 7243

(E) EXCEPTIONAL CIRCUMSTANCES 7244

Adjustments may be made to the state share of instruction 7245
payments and other subsidies distributed by the Board of Regents 7246
to state-assisted colleges and universities for exceptional 7247
circumstances. No adjustments for exceptional circumstances may be 7248
made without the recommendation of the Chancellor and the approval 7249
of the Controlling Board. 7250

DISTRIBUTION OF STATE SHARE OF INSTRUCTION 7251

The state share of instruction payments to the institutions 7252
shall be in substantially equal monthly amounts during the fiscal 7253
year, unless otherwise determined by the Director of Budget and 7254
Management pursuant to section 126.09 of the Revised Code. 7255
Payments during the first six months of the fiscal year shall be 7256
based upon the state share of instruction appropriation estimates 7257
made for the various institutions of higher education according to 7258
Board of Regents enrollment estimates. Payments during the last 7259
six months of the fiscal year shall be distributed after approval 7260
of the Controlling Board upon the request of the Board of Regents. 7261

LAW SCHOOL SUBSIDY 7263

The state share of instruction to state-supported 7264
universities for students enrolled in law schools in fiscal year 7265
2002 and fiscal year 2003 shall be calculated by using the number 7266
of subsidy-eligible FTE law school students funded by state 7267
subsidy in fiscal year 1995 or the actual number of 7268
subsidy-eligible FTE law school students at the institution in the 7269
fiscal year, whichever is less. 7270

Section 7.02. MISSION-BASED CORE FUNDING FOR HIGHER EDUCATION 7271

JOBS CHALLENGE 7272

Funds appropriated to appropriation item 235-415, Jobs 7273
Challenge, shall be distributed to state-assisted community and 7274
technical colleges, regional campuses of state-assisted 7275
universities, and other organizationally distinct and identifiable 7276
member campuses of the EnterpriseOhio Network in support of job of 7277
noncredit job-related training. In fiscal years 2002 and 2003, 7278
\$2,836,620 and \$2,893,352, respectively, shall be distributed as 7279
performance grants to EnterpriseOhio Network campuses based upon 7280
each campus's documented performance according to criteria 7281
established by the Board of Regents for increasing training and 7282
related services to businesses, industries, and public sector 7283
organizations. 7284

Of the foregoing appropriation item 235-415, Jobs Challenge, 7285
\$4,198,694 in each fiscal year shall be allocated to the Targeted 7286
Industries Training Grant Program to attract, develop, and retain 7287
business and industry strategically important to the state's 7288
economy. 7289

Also, in fiscal years 2002 and 2003, \$4,012,812 and 7290
\$5,299,255, respectively, shall be allocated to the Non-credit 7291
Incentives Grant Program to reward two-year campuses for 7292
increasing the amount of non-credit skill upgrading services 7293
provided to Ohio employers and employees. The funds shall be 7294
distributed to campuses in proportion to each campus's share of 7295
noncredit job-related training revenues received by all campuses 7296
for the previous fiscal year. It is the intent of the General 7297
Assembly that this workforce development incentive component of 7298
the Jobs Challenge Program reward campus noncredit job-related 7299
training efforts in the same manner that the Research Challenge 7300
Program rewards campuses for their ability to obtain sponsored 7301

research revenues. 7302

Of the foregoing appropriation item 235-415, Jobs Challenge, 7303
\$2,500,000 in each fiscal year shall be allocated as an incentive 7304
to support local EnterpriseOhio Network Campus/Adult Workforce 7305
Education Center Partnerships. The purpose of the partnerships is 7306
to promote and deliver coordinated, comprehensive training to 7307
local employers. Each partnership shall include a formal agreement 7308
between one or more EnterpriseOhio Network campus and one or more 7309
adult workforce education center for the delivery of training 7310
services. The Department of Education and Board of Regents shall 7311
jointly award funds to certified EnterpriseOhio campus/adult 7312
workforce education center partnerships to offer training grants 7313
to eligible companies. A certified EnterpriseOhio Network/adult 7314
workforce education center partnership is one that has been 7315
documented and approved by the Board of Regents and the Department 7316
of Education according to partnership criteria established jointly 7317
by those agencies. An eligible company is one that meets the 7318
funding criteria of the Targeted Industries Training Grant 7319
Program. The amount set aside for the partnerships is designed to 7320
match an equal appropriation in the Department of Education's 7321
appropriation item 200-514, Post-Secondary/Adult Vocational 7322
Education. The Department of Education's appropriation also serves 7323
as a partnership-building incentive by allocating funds to local 7324
EnterpriseOhio Network campus/adult workforce education center 7325
partnerships. 7326

ACCESS CHALLENGE 7327

In each fiscal year, the foregoing appropriation item 7328
235-418, Access Challenge, shall be distributed to Ohio's 7329
state-assisted access colleges and universities to freeze 7330
instructional and general fees for resident lower-division 7331
undergraduates at their fiscal year 2001 levels. For the purposes 7332
of this allocation, "access campuses" includes state-assisted 7333

community colleges, state community colleges, technical colleges, 7334
Shawnee State University, Central State University, Cleveland 7335
State University, the regional campuses of state-assisted 7336
universities, and, where they are organizationally distinct and 7337
identifiable, the community-technical colleges located at the 7338
University of Cincinnati, Youngstown State University, and the 7339
University of Akron. 7340

In each year of the biennium, Access Challenge appropriations 7341
shall be allocated to eligible campuses according to the following 7342
methodology: 7343

(A) Each campus shall receive an amount equal to four per 7344
cent of the product of its subsidy-eligible lower-division FTE 7345
student enrollments for the prior fiscal year multiplied by the 7346
unweighted average of in-state undergraduate instructional and 7347
general fees for community colleges, state community colleges, 7348
technical colleges, and regional campuses in fiscal year 2001. 7349

(B) All remaining appropriations shall be allocated to each 7350
campus proportionate to its share of the sum of FTEs used in the 7351
distribution of access funds in the prior fiscal year updated with 7352
the most recent FTE data available. 7353

For the purposes of this calculation, Cleveland State 7354
University's share of full-time equivalent (FTE) subsidy-eligible 7355
General Studies students shall equal its total FTE 7356
subsidy-eligible General Studies students multiplied by the ratio 7357
of the sum of FTE subsidy-eligible General Studies students 7358
enrolled in the community-technical colleges at the University of 7359
Toledo, the University of Cincinnati, Youngstown State University, 7360
and the University of Akron divided by the sum of FTE 7361
subsidy-eligible General Studies students enrolled at those same 7362
four universities. However, Cleveland State University shall not 7363
receive less in each year of the 2001-2003 biennium than the 7364
amount received in fiscal year 2001. 7365

For the purposes of this calculation, Youngstown State 7366
University's enrollments shall be adjusted by the ratio of the sum 7367
of subsidy-eligible lower-division FTE student enrollments 7368
eligible for access funding to the sum of subsidy-eligible General 7369
Studies FTE student enrollments at Central State University and 7370
Shawnee State University, and for the following universities and 7371
their regional campuses: Ohio State University, Ohio University, 7372
Kent State University, Bowling Green State University, Miami 7373
University, the University of Cincinnati, the University of Akron, 7374
and Wright State University. 7375

The tuition restraint required by these appropriations shall 7376
apply to resident lower-division undergraduate students enrolled 7377
at university regional campuses. Notwithstanding any other 7378
provision of law to the contrary, the annual increase in in-state 7379
undergraduate instructional and general fees for upper-division 7380
undergraduates enrolled at university regional campuses shall not 7381
exceed the maximum rate of increase authorized by law for in-state 7382
resident undergraduates enrolled at university main campuses. 7383

For Central State University and Shawnee State University, 7384
the methodology shall consider the combined effects of Access 7385
Challenge appropriations and each institution's supplement when 7386
determining each institution's tuition restraint requirements in 7387
each year of the biennium. No such determination shall be made 7388
without the approval of the Office of Budget and Management. The 7389
fee restraint provisions shall not apply to campuses that do not 7390
receive an increase in Access Challenge allocations from one 7391
fiscal year to the next. The tuition restraint or reduction 7392
percentage shall not apply or be applied in the case of a 7393
particular access campus, if and to the extent such application 7394
would impair compliance with institutional covenants related to 7395
payment of debt charges on its bonds or notes issued prior to July 7396
1, 2001, or on bonds or notes for which a pledge of fees, or new 7397

agreement for adjustment of fees, was approved prior to that date 7398
by the Board of Regents as referred to in this act. 7399

SUCCESS CHALLENGE 7400

The foregoing appropriation item 235-420, Success Challenge, 7401
shall be used by the Board of Regents to promote degree completion 7402
by students enrolled at a main campus of a state-assisted 7403
university. 7404

In each fiscal year, two-thirds of the appropriations shall 7405
be distributed to state-assisted university main campuses in 7406
proportion to each campus's share of the total statewide 7407
bachelor's degrees granted by university main campuses to 7408
"at-risk" students. In fiscal years 2002 and 2003, an "at-risk" 7409
student means any undergraduate student who has received an Ohio 7410
Instructional Grant during the past ten years. An eligible 7411
institution shall not receive its share of this distribution until 7412
it has submitted a plan that addresses how the subsidy will be 7413
used to better serve at-risk students and increase their 7414
likelihood of successful completion of a bachelor's degree 7415
program. The Board of Regents shall disseminate to all 7416
state-supported institutions of higher education all such plans 7417
submitted by institutions that received Success Challenge funds. 7418

In each fiscal year, one-third of the appropriations shall be 7419
distributed to university main campuses in proportion to each 7420
campus's share of the total bachelor's degrees granted by 7421
university main campuses to undergraduate students who completed 7422
their bachelor's degrees in a "timely manner" in the previous 7423
fiscal year. For the purposes of this section, "timely manner" 7424
means the normal time it would take for a full-time degree-seeking 7425
undergraduate student to complete the student's degree. Generally, 7426
for such students pursuing a bachelor's degree, "timely manner" 7427
means four years. Exceptions to this general rule shall be 7428
permitted for students enrolled in programs specifically designed 7429

to be completed in a longer time period. The Board of Regents 7430
shall collect base-line data beginning with the 1998-99 academic 7431
year to assess the timely completion statistics by university main 7432
campuses. 7433

EMINENT SCHOLARS PROGRAM 7434

The foregoing appropriation item 235-451, Eminent Scholars, 7435
shall be used by the Board of Regents to continue the Ohio Eminent 7436
Scholars Program, the purpose of which is to invest educational 7437
resources to address problems that are of vital statewide 7438
significance while fostering the growth in eminence of Ohio's 7439
academic programs. Endowment grants of \$750,000 to state colleges 7440
and universities and nonprofit Ohio institutions of higher 7441
education holding certificates of authorization issued under 7442
section 1713.02 of the Revised Code to match endowment gifts from 7443
nonstate sources may be made in accordance with a plan established 7444
by the Board of Regents. Matching gifts in science and technology 7445
programs shall be \$750,000, and in all other program areas, 7446
\$500,000. The grants shall have as their purpose attracting and 7447
sustaining in Ohio scholar-leaders of national or international 7448
prominence who will assist the state in one of the following three 7449
areas: (1) improving the state's economic development; (2) 7450
strengthening the state's system of K-12 education; or (3) 7451
improving public health and safety. Such scholar-leaders shall, 7452
among their duties, share broadly the benefits and knowledge 7453
unique to their field of scholarship to the betterment of Ohio and 7454
its people. 7455

RESEARCH CHALLENGE 7456

The foregoing appropriation item 235-454, Research Challenge, 7457
shall be used to enhance the basic research capabilities of public 7458
colleges and universities and accredited Ohio institutions of 7459
higher education holding certificates of authorization issued 7460
pursuant to section 1713.02 of the Revised Code, in order to 7461

strengthen academic research for pursuing Ohio's economic 7462
redevelopment goals. The Board of Regents, in consultation with 7463
the colleges and universities, shall administer the Research 7464
Challenge Program and utilize a means of matching, on a fractional 7465
basis, external funds attracted in the previous year by 7466
institutions for basic research. The program may include 7467
incentives for increasing the amount of external research funds 7468
coming to eligible institutions and for focusing research efforts 7469
upon critical state needs. Colleges and universities shall submit 7470
for review and approval to the Board of Regents plans for the 7471
institutional allocation of state dollars received through the 7472
program. The institutional plans shall provide the rationale for 7473
the allocation in terms of the strategic targeting of funds for 7474
academic and state purposes, for strengthening research programs, 7475
and for increasing the amount of external research funds, and 7476
shall include an evaluation process to provide results of the 7477
increased support. 7478

The Board of Regents shall submit a biennial report of 7479
progress to the General Assembly. 7480

COMPUTER SCIENCE GRADUATE EDUCATION 7481

The foregoing appropriation item 235-554, Computer Science 7482
Graduate Education, shall be used by the Board of Regents to 7483
support improvements in graduate programs in computer science at 7484
state-assisted universities. In each fiscal year, up to \$200,000 7485
may be used to support collaborative efforts in graduate education 7486
in this program area. 7487

Section 7.03. HIGHER EDUCATION - BOARD OF TRUSTEES 7488

Funds appropriated for instructional subsidies at colleges 7489
and universities may be used to provide such branch or other 7490
off-campus undergraduate courses of study and such master's degree 7491
courses of study as may be approved by the Board of Regents. 7492

In providing instructional and other services to students, 7493
boards of trustees of state-assisted institutions of higher 7494
education shall supplement state subsidies by income from charges 7495
to students. Each board shall establish the fees to be charged to 7496
all students, including an instructional fee for educational and 7497
associated operational support of the institution and a general 7498
fee for noninstructional services, including locally financed 7499
student services facilities used for the benefit of enrolled 7500
students. The instructional fee and the general fee shall 7501
encompass all charges for services assessed uniformly to all 7502
enrolled students. Each board may also establish special purpose 7503
fees, service charges, and fines as required; such special purpose 7504
fees and service charges shall be for services or benefits 7505
furnished individual students or specific categories of students 7506
and shall not be applied uniformly to all enrolled students. A 7507
tuition surcharge shall be paid by all students who are not 7508
residents of Ohio. 7509

Boards of trustees of individual state-assisted universities 7510
shall limit combined university main campus in-state undergraduate 7511
instructional and general fee increases for an academic year over 7512
the amounts charged in the prior academic year to no more than six 7513
per cent. The boards of trustees of individual state-assisted 7514
universities shall not authorize combined university main campus 7515
in-state undergraduate instructional and general fee increases of 7516
more than four per cent in a single vote. These fee increase 7517
limitations apply even if an institutional board of trustees has, 7518
prior to the effective date of this section, voted to assess a 7519
higher fee for the 2001-2002 academic year. These limitations 7520
shall not apply to increases required to comply with institutional 7521
covenants related to their obligations or to meet unfunded legal 7522
mandates or legally binding obligations incurred or commitments 7523
made prior to the effective date of this section with respect to 7524

which the institution had identified such fee increases as the 7525
source of funds. Any increase required by such covenants and any 7526
such mandates, obligations, or commitments shall be reported by 7527
the Board of Regents to the Controlling Board. These limitations 7528
may also be modified by the Board of Regents, with the approval of 7529
the Controlling Board, to respond to exceptional circumstances as 7530
identified by the Board of Regents. 7531

The board of trustees of a state-assisted institution of 7532
higher education shall not authorize a waiver or nonpayment of 7533
instructional fees or general fees for any particular student or 7534
any class of students other than waivers specifically authorized 7535
by law or approved by the Chancellor. This prohibition is not 7536
intended to limit the authority of boards of trustees to provide 7537
for payments to students for services rendered the institution, 7538
nor to prohibit the budgeting of income for staff benefits or for 7539
student assistance in the form of payment of such instructional 7540
and general fees. 7541

Each state-assisted institution of higher education in its 7542
statement of charges to students shall separately identify the 7543
instructional fee, the general fee, the tuition charge, and the 7544
tuition surcharge. Fee charges to students for instruction shall 7545
not be considered to be a price of service but shall be considered 7546
to be an integral part of the state government financing program 7547
in support of higher educational opportunity for students. 7548

In providing the appropriations in support of instructional 7549
services at state-assisted institutions of higher education and 7550
the appropriations for other instruction it is the intent of the 7551
General Assembly that faculty members shall devote a proper and 7552
judicious part of their work week to the actual instruction of 7553
students. Total class credit hours of production per quarter per 7554
full-time faculty member is expected to meet the standards set 7555
forth in the budget data submitted by the Board of Regents. 7556

The authority of government vested by law in the boards of trustees of state-assisted institutions of higher education shall in fact be exercised by those boards. Boards of trustees may consult extensively with appropriate student and faculty groups. Administrative decisions about the utilization of available resources, about organizational structure, about disciplinary procedure, about the operation and staffing of all auxiliary facilities, and about administrative personnel shall be the exclusive prerogative of boards of trustees. Any delegation of authority by a board of trustees in other areas of responsibility shall be accompanied by appropriate standards of guidance concerning expected objectives in the exercise of such delegated authority and shall be accompanied by periodic review of the exercise of this delegated authority to the end that the public interest, in contrast to any institutional or special interest, shall be served.

OSU LIMITED TUITION CAP EXEMPTION

In addition to the six per cent main campus in-state undergraduate instructional and general fee increase limit established in this section, the board of trustees of The Ohio State University may authorize an additional university main campus in-state undergraduate instructional and general fee increase for academic years 2002 and 2003 over the amounts charged in the prior academic years of no more than a \$4 per credit hour per quarter increase, or \$144 for a full-time student for an academic year.

The amount of this increase above the six per cent main campus in-state undergraduate instructional and graduate fee increase limit established in this section shall be used exclusively to enhance undergraduate education. Areas of enhancement shall include increased financial aid for undergraduate students and improvements in academic programming

and support services for undergraduate students pursuant to a plan 7589
approved by the board of trustees of The Ohio State University. 7590
The Ohio State University shall ensure that the additional 7591
increases above the six per cent main campus in-state 7592
undergraduate instructional and graduate fee do not limit access 7593
to academically qualified financial aid-eligible students. 7594

By December 30, 2002, The Ohio State University shall provide 7595
a report to the Board of Regents that indicates how the additional 7596
funds have been utilized to enhance undergraduate education during 7597
that period. 7598

Section 7.04. MEDICAL SCHOOL SUBSIDIES 7599

The foregoing appropriation item 235-515, CWRU School of 7600
Medicine, shall be disbursed to Case Western Reserve University 7601
through the Board of Regents in accordance with agreements entered 7602
into as provided for by section 3333.10 of the Revised Code, 7603
provided that the state support per full-time medical student 7604
shall not exceed that provided to full-time medical students at 7605
state universities. 7606

The foregoing appropriation items 235-536, Ohio State 7607
University Clinical Teaching; 235-537, University of Cincinnati 7608
Clinical Teaching; 235-538, Medical College of Ohio at Toledo 7609
Clinical Teaching; 235-539, Wright State University Clinical 7610
Teaching; 235-540, Ohio University Clinical Teaching; and 235-541, 7611
Northeastern Ohio Universities College of Medicine Clinical 7612
Teaching, shall be distributed through the Board of Regents. 7613

The foregoing appropriation item 235-572, Ohio State 7614
University Clinic Support, shall be distributed through the Board 7615
of Regents to The Ohio State University for support of dental and 7616
veterinary medicine clinics. 7617

The Board of Regents shall develop plans consistent with 7618

existing criteria and guidelines as may be required for the 7619
distribution of appropriation items 235-519, Family Practice, 7620
235-525, Geriatric Medicine, and 235-526, Primary Care 7621
Residencies. 7622

Of the foregoing appropriation item 235-539, Wright State 7623
University Clinical Teaching, \$160,000 in each fiscal year shall 7624
be for the use of Wright State University's Ellis Institute for 7625
Clinical Teaching Studies to operate the clinical facility to 7626
serve the Greater Dayton area. 7627

PERFORMANCE STANDARDS FOR MEDICAL EDUCATION 7628

The Board of Regents, in consultation with the state-assisted 7629
medical colleges, shall develop performance standards for medical 7630
education. Special emphasis in the standards shall be placed on 7631
attempting to ensure that at least 50 per cent of the aggregate 7632
number of students enrolled in state-assisted medical colleges 7633
continue to enter residency as primary care physicians. Primary 7634
care physicians are general family practice physicians, general 7635
internal medicine practitioners, and general pediatric care 7636
physicians. The Board of Regents shall monitor medical school 7637
performance in relation to their plans for reaching the 50 per 7638
cent systemwide standard for primary care physicians. 7639

The foregoing appropriation item 235-526, Primary Care 7641
Residencies, shall be distributed in each fiscal year of the 7642
biennium, based on whether the institution has submitted and 7643
gained approval for a plan. If the institution does not have an 7644
approved plan, it shall receive five per cent less funding per 7645
student than it would have received from its annual allocation. 7646
The remaining funding shall be distributed among those 7647
institutions that meet or exceed their targets. 7648

AREA HEALTH EDUCATION CENTERS 7649

The foregoing appropriation item 235-474, AHEC Program Support, shall be used by the Board of Regents to support the medical school regional area health education centers' educational programs for the continued support of medical and other health professions education and for support of the Area Health Education Center Program.

Of the foregoing appropriation item 235-474, AHEC Program Support, \$200,000 in each fiscal year shall be disbursed to the Ohio University College of Osteopathic Medicine for the establishment of a mobile health care unit to serve the southeastern area of the state. Of the foregoing appropriation item 235-474, AHEC Program Support, \$150,000 in each fiscal year shall be used to support the Ohio Valley Community Health Information Network (OVCHIN) project.

Section 7.05. MIDWEST HIGHER EDUCATION COMPACT

The foregoing appropriation item 235-408, Midwest Higher Education Compact, shall be distributed by the Board of Regents pursuant to section 3333.40 of the Revised Code.

COLLEGE READINESS INITIATIVES

Appropriation item 235-404, College Readiness Initiatives, shall be used by the Board of Regents to support programs designed to improve the ability of high school students to enroll and succeed in higher education.

MATHEMATICS AND SCIENCE TEACHING IMPROVEMENT

Appropriation item 235-403, Math/Science Teaching Improvement, shall be used by the Board of Regents to support programs designed to raise the quality of mathematics and science teaching in primary and secondary education.

OHIO LEARNING NETWORK

Appropriation item 235-417, Ohio Learning Network, shall be used by the Board of Regents to support the continued implementation of the Ohio Learning Network, a statewide electronic collaborative effort designed to promote degree completion of students, workforce training of employees, and professional development through the use of advanced telecommunications and distance education initiatives.

DISPLACED HOMEMAKERS 7686

Out of the foregoing appropriation item 235-509, Displaced Homemakers, the Board of Regents shall continue funding pilot projects authorized in Am. Sub. H.B. No. 291 of the 115th General Assembly for the following centers: Cuyahoga Community College, University of Toledo, Southern State Community College, and Stark Technical College. The amount of \$30,000 in each fiscal year shall be used for the Baldwin-Wallace Single Parents Reaching Out for Unassisted Tomorrows program.

OHIO AEROSPACE INSTITUTE 7695

The foregoing appropriation item 235-527, Ohio Aerospace Institute, shall be distributed by the Board of Regents under section 3333.042 of the Revised Code.

PRODUCTIVITY IMPROVEMENT CHALLENGE 7699

The foregoing appropriation item 235-455, Productivity Improvement Challenge, shall be allocated by the Board of Regents to continue increasing the capabilities of the EnterpriseOhio Network to meet the ongoing training needs of Ohio employers. Funds shall support multicampus collaboration, best practice dissemination, and capacity building projects. The Regents Advisory Committee for Workforce Development, in its advisory role, shall advise in the development of plans and activities.

Of the foregoing appropriation item 235-455, Productivity Improvement Challenge, \$208,000 in each fiscal year shall be used

by the Dayton Business/Sinclair College Jobs Profiling Program. 7710

ACCESS IMPROVEMENT PROJECTS 7711

The foregoing appropriation item 235-477, Access Improvement 7712
Projects, shall be used by the Board of Regents to develop 7713
innovative statewide strategies to increase student access and 7714
retention for specialized populations, and to provide for pilot 7715
projects that will contribute to improving access to higher 7716
education by specialized populations. The funds may be used for 7717
projects that improve access for nonpublic secondary students. 7718

Of the foregoing appropriation item 235-477, Access 7719
Improvement Projects, \$740,000 in each fiscal year shall be 7720
distributed to the Appalachian Center for Higher Education at 7721
Shawnee State University. The board of directors of the center 7722
shall consist of the presidents of Shawnee State University, Ohio 7723
University, Belmont Technical College, Hocking Technical College, 7724
Jefferson Technical College, Muskingum Area Technical College, Rio 7725
Grande Community College, Southern State Community College, and 7726
Washington State Community College; the dean of either the Salem 7727
or East Liverpool regional campus of Kent State University, as 7728
designated by the president of Kent State University; a 7729
representative of the Board of Regents designated by the 7730
Chancellor; and other members as may be determined by the Board of 7731
Regents. 7732

OHIO SUPERCOMPUTER CENTER 7733

The foregoing appropriation item 235-510, Ohio Supercomputer 7734
Center, shall be used by the Board of Regents to support the 7735
operation of the center, located at The Ohio State University, as 7736
a statewide resource available to Ohio research universities both 7737
public and private. It is also intended that the center be made 7738
accessible to private industry as appropriate. Policies of the 7739
center shall be established by a governance committee, 7740

representative of Ohio's research universities and private industry, to be appointed by the Chancellor of the Board of Regents and established for this purpose. 7741
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OHIO ACADEMIC RESOURCES NETWORK (OARNET) 7744

The foregoing appropriation item 235-556, Ohio Academic Resource Network, shall be used to support the operations of the Ohio Academic Resource Network, which shall include support for Ohio's state-assisted colleges and universities in maintaining and enhancing network connections. 7745
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Section 7.06. PLEDGE OF FEES* 7750

Any new pledge of fees, or new agreement for adjustment of fees, made in the 2001-2003 biennium to secure bonds or notes of a state-assisted institution of higher education for a project for which bonds or notes were not outstanding on the effective date of this section shall be effective only after approval by the Board of Regents, unless approved in a previous biennium. 7751
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HIGHER EDUCATION GENERAL OBLIGATION DEBT SERVICE 7757

The foregoing appropriation item 235-909, Higher Education General Obligation Debt Service, shall be used to pay all debt service and financing costs at the times they are required to be made pursuant to sections 151.01 and 151.04 of the Revised Code during the period from July 1, 2001, to June 30, 2003. The Office of the Sinking Fund or the Director of Budget and Management shall effectuate the required payments by an interstate transfer voucher. 7758
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LEASE-RENTAL PAYMENTS 7766

The foregoing appropriation item 235-401, Lease-Rental Payments, shall be used to meet all payments at the times they are required to be made during the period from July 1, 2001, to June 30, 2003, by the Board of Regents pursuant to leases and 7767
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agreements made under section 154.21 of the Revised Code, but 7771
limited to the aggregate amount of \$563,969,000. Nothing in this 7772
act shall be deemed to contravene the obligation of the state to 7773
pay, without necessity for further appropriation, from the sources 7774
pledged thereto, the bond service charges on obligations issued 7775
pursuant to section 154.21 of the Revised Code. 7776

Section 7.07. OHIO INSTRUCTIONAL GRANTS 7777

Notwithstanding section 3333.12 of the Revised Code, in lieu 7778
of the tables in that section, instructional grants for all 7779
full-time students shall be made for fiscal year 2002 using the 7780
tables under this heading. 7781

The tables under this heading prescribe the maximum grant 7782
amounts covering two semesters, three quarters, or a comparable 7783
portion of one academic year. The grant amount for a full-time 7784
student enrolled in an eligible institution for a semester or 7785
quarter in addition to the portion of the academic year covered by 7786
a grant determined under these tables shall be a percentage of the 7787
maximum prescribed in the applicable table. The maximum grant for 7788
a fourth quarter shall be one-third of the maximum amount 7789
prescribed under the table. The maximum grant for a third semester 7790
shall be one-half of the maximum amount prescribed under the 7791
table. 7792

For a full-time student who is a dependent and enrolled in a 7793
nonprofit educational institution that is not a state-assisted 7794
institution and that has a certificate of authorization issued 7795
pursuant to Chapter 1713. of the Revised Code, the amount of the 7796
instructional grant for two semesters, three quarters, or a 7797
comparable portion of the academic year shall be determined in 7798
accordance with the following table: 7799

Private Institution 7800

Table of Grants 7801

	Maximum Grant \$5,160					7802
Gross Income	Number of Dependents					7803
	1	2	3	4	5 or more	7804
Under \$14,000	\$5,160	\$5,160	\$5,160	\$5,160	\$5,160	7805
\$14,001 - \$15,000	4,644	5,160	5,160	5,160	5,160	7806
\$15,001 - \$16,000	4,116	4,644	5,160	5,160	5,160	7807
\$16,001 - \$17,000	3,612	4,116	4,644	5,160	5,160	7808
\$17,001 - \$18,000	3,102	3,612	4,116	4,644	5,160	7809
\$18,001 - \$21,000	2,586	3,102	3,612	4,116	4,644	7810
\$21,001 - \$24,000	2,058	2,586	3,102	3,612	4,116	7811
\$24,001 - \$27,000	1,536	2,058	2,586	3,102	3,612	7812
\$27,001 - \$30,000	1,272	1,536	2,058	2,586	3,102	7813
\$30,001 - \$31,000	1,020	1,272	1,536	2,058	2,586	7814
\$31,001 - \$32,000	930	1,020	1,272	1,536	2,058	7815
\$32,001 - \$33,000	840	930	1,020	1,272	1,536	7816
\$33,001 - \$34,000	420	840	930	1,020	1,272	7817
\$34,001 - \$35,000	--	420	840	930	1,020	7818
\$35,001 - \$36,000	--	--	420	840	930	7819
\$36,001 - \$37,000	--	--	--	420	840	7820
\$37,001 - \$38,000	--	--	--	--	420	7821

For a full-time student who is financially independent and 7822
enrolled in a nonprofit educational institution that is not a 7823
state-assisted institution and that has a certificate of 7824
authorization issued pursuant to Chapter 1713. of the Revised 7825
Code, the amount of the instructional grant for two semesters, 7826
three quarters, or a comparable portion of the academic year shall 7827
be determined in accordance with the following table: 7828

Private Institution 7829

Table of Grants 7830

	Maximum Grant \$5,160					7831	
Gross Income	Number of Dependents					7832	
	0	1	2	3	4	5 or more	7833

more

Under \$4,500	\$5,160	\$5,160	\$5,160	\$5,160	\$5,160	\$5,160	7834
\$4,501 - \$5,000	4,644	5,160	5,160	5,160	5,160	5,160	7835
\$5,001 - \$5,500	4,116	4,644	5,160	5,160	5,160	5,160	7836
\$5,501 - \$6,000	3,612	4,116	4,644	5,160	5,160	5,160	7837
\$6,001 - \$6,500	3,102	3,612	4,116	4,644	5,160	5,160	7838
\$6,501 - \$7,000	2,586	3,102	3,612	4,116	4,644	5,160	7839
\$7,001 - \$8,000	2,058	2,586	3,102	3,612	4,116	4,644	7840
\$8,001 - \$9,000	1,536	2,058	2,586	3,102	3,612	4,116	7841
\$9,001 - \$10,000	1,272	1,536	2,058	2,586	3,102	3,612	7842
\$10,001 - \$11,500	1,020	1,272	1,536	2,058	2,586	3,102	7843
\$11,501 - \$13,000	930	1,020	1,272	1,536	2,058	2,586	7844
\$13,001 - \$14,500	840	930	1,020	1,272	1,536	2,058	7845
\$14,501 - \$16,000	420	840	930	1,020	1,272	1,536	7846
\$16,001 - \$19,000	--	420	840	930	1,020	1,272	7847
\$19,001 - \$22,000	--	--	420	840	930	1,020	7848
\$22,001 - \$25,000	--	--	--	420	840	930	7849
\$25,001 - \$30,000	--	--	--	--	420	840	7850
\$30,001 - \$35,000	--	--	--	--	--	420	7851

For a full-time student who is a dependent and enrolled in an educational institution that holds a certificate of registration from the state board of proprietary school registration, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Proprietary Institution

Table of Grants

Maximum Grant \$4,374

Gross Income Number of Dependents

1 2 3 4 5 or

more

Under \$14,000	\$4,374	\$4,374	\$4,374	\$4,374	\$4,374	7863
\$14,001 - \$15,000	3,948	4,374	4,374	4,374	4,374	7864

\$15,001 - \$16,000	3,480	3,948	4,374	4,374	4,374	7865
\$16,001 - \$17,000	3,042	3,480	3,948	4,374	4,374	7866
\$17,001 - \$18,000	2,634	3,042	3,480	3,948	4,374	7867
\$18,001 - \$21,000	2,166	2,634	3,042	3,480	3,948	7868
\$21,001 - \$24,000	1,752	2,166	2,634	3,042	3,480	7869
\$24,001 - \$27,000	1,338	1,752	2,166	2,634	3,042	7870
\$27,001 - \$30,000	1,074	1,338	1,752	2,166	2,634	7871
\$30,001 - \$31,000	858	1,074	1,338	1,752	2,166	7872
\$31,001 - \$32,000	804	858	1,074	1,338	1,752	7873
\$32,001 - \$33,000	708	804	858	1,074	1,338	7874
\$33,001 - \$34,000	354	708	804	858	1,074	7875
\$34,001 - \$35,000	--	354	708	804	858	7876
\$35,001 - \$36,000	--	--	354	708	804	7877
\$36,001 - \$37,000	--	--	--	354	708	7878
\$37,001 - \$38,000	--	--	--	--	354	7879

For a full-time student who is financially independent and
 enrolled in an educational institution that holds a certificate of
 registration from the state board of proprietary school
 registration, the amount of the instructional grant for two
 semesters, three quarters, or a comparable portion of the academic
 year shall be determined in accordance with the following table:

Proprietary Institution 7886

Table of Grants 7887

Maximum Grant \$4,374 7888

Gross Income Number of Dependents 7889

	Number of Dependents						7890
	0	1	2	3	4	5 or more	
Under \$4,500	\$4,374	\$4,374	\$4,374	\$4,374	\$4,374	\$4,374	7891
\$4,501 - \$5,000	3,948	4,374	4,374	4,374	4,374	4,374	7892
\$5,001 - \$5,500	3,480	3,948	4,374	4,374	4,374	4,374	7893
\$5,501 - \$6,000	3,042	3,480	3,948	4,374	4,374	4,374	7894
\$6,001 - \$6,500	2,634	3,042	3,480	3,948	4,374	4,374	7895
\$6,501 - \$7,000	2,166	2,634	3,042	3,480	3,948	4,374	7896

\$7,001 - \$8,000	1,752	2,166	2,634	3,042	3,480	3,948	7897
\$8,001 - \$9,000	1,338	1,752	2,166	2,634	3,042	3,480	7898
\$9,001 - \$10,000	1,074	1,338	1,752	2,166	2,634	3,042	7899
\$10,001 - \$11,500	858	1,074	1,338	1,752	2,166	2,634	7900
\$11,501 - \$13,000	804	858	1,074	1,338	1,752	2,166	7901
\$13,001 - \$14,500	708	804	858	1,074	1,338	1,752	7902
\$14,501 - \$16,000	354	708	804	858	1,074	1,338	7903
\$16,001 - \$19,000	--	354	708	804	858	1,074	7904
\$19,001 - \$22,000	--	--	354	708	804	858	7905
\$22,001 - \$25,000	--	--	--	354	708	804	7906
\$25,001 - \$30,000	--	--	--	--	354	708	7907
\$30,001 - \$35,000	--	--	--	--	--	354	7908

For a full-time student who is a dependent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution

Table of Grants

Gross Income	Maximum Grant \$2,070				
	Number of Dependents				
	1	2	3	4	5 or more
Under \$14,000	\$2,070	\$2,070	\$2,070	\$2,070	\$2,070
\$14,001 - \$15,000	1,866	2,070	2,070	2,070	2,070
\$15,001 - \$16,000	1,644	1,866	2,070	2,070	2,070
\$16,001 - \$17,000	1,458	1,644	1,866	2,070	2,070
\$17,001 - \$18,000	1,248	1,458	1,644	1,866	2,070
\$18,001 - \$21,000	1,020	1,248	1,458	1,644	1,866
\$21,001 - \$24,000	816	1,020	1,248	1,458	1,644
\$24,001 - \$27,000	612	816	1,020	1,248	1,458
\$27,001 - \$30,000	492	612	816	1,020	1,248
\$30,001 - \$31,000	396	492	612	816	1,020

\$31,001 - \$32,000	366	396	492	612	816	7929
\$32,001 - \$33,000	336	366	396	492	612	7930
\$33,001 - \$34,000	168	336	366	396	492	7931
\$34,001 - \$35,000	--	168	336	366	396	7932
\$35,001 - \$36,000	--	--	168	336	366	7933
\$36,001 - \$37,000	--	--	--	168	336	7934
\$37,001 - \$38,000	--	--	--	--	168	7935

For a full-time student who is financially independent and enrolled in a state-assisted educational institution, the amount of the instructional grant for two semesters, three quarters, or a comparable portion of the academic year shall be determined in accordance with the following table:

Public Institution

Table of Grants

Maximum Grant \$2,070

Gross Income	Number of Dependents				
	1	2	3	4	5 or more
Under \$14,000	\$2,070	\$2,070	\$2,070	\$2,070	\$2,070
\$14,001 - \$15,000	1,866	2,070	2,070	2,070	2,070
\$15,001 - \$16,000	1,644	1,866	2,070	2,070	2,070
\$16,001 - \$17,000	1,458	1,644	1,866	2,070	2,070
\$17,001 - \$18,000	1,248	1,458	1,644	1,866	2,070
\$18,001 - \$21,000	1,020	1,248	1,458	1,644	1,866
\$21,001 - \$24,000	816	1,020	1,248	1,458	1,644
\$24,001 - \$27,000	612	816	1,020	1,248	1,458
\$27,001 - \$30,000	492	612	816	1,020	1,248
\$30,001 - \$31,000	396	492	612	816	1,020
\$31,001 - \$32,000	366	396	492	612	816
\$32,001 - \$33,000	336	366	396	492	612
\$33,001 - \$34,000	168	336	366	396	492
\$34,001 - \$35,000	--	168	336	366	396
\$35,001 - \$36,000	--	--	168	336	366

\$36,001 - \$37,000	--	--	--	168	336	7961
\$37,001 - \$38,000	--	--	--	--	168	7962

The foregoing appropriation item 235-503, Ohio Instructional Grants, shall be used to make the payments authorized by division (C) of section 3333.26 of the Revised Code to the institutions described in that division. In addition, this appropriation shall be used to reimburse the institutions described in division (B) of section 3333.26 of the Revised Code for the cost of the waivers required by that division.

WAR ORPHANS SCHOLARSHIPS 7970

The foregoing appropriation item 235-504, War Orphans Scholarships, shall be used to reimburse state-assisted institutions of higher education for waivers of instructional fees and general fees provided by them, to provide grants to institutions that have received a certificate of authorization from the Ohio Board of Regents under Chapter 1713. of the Revised Code, in accordance with the provisions of section 5910.04 of the Revised Code, and to fund additional scholarship benefits provided by section 5910.032 of the Revised Code.

PART-TIME STUDENT INSTRUCTIONAL GRANTS 7980

The foregoing appropriation item 235-549, Part-time Student Instructional Grants, shall be used to support a grant program for part-time undergraduate students who are Ohio residents and who are enrolled in degree granting programs.

Eligibility for participation in the program shall include degree granting educational institutions that hold a certificate of registration from the State Board of Proprietary School Registration, and nonprofit institutions that have a certificate of authorization issued pursuant to Chapter 1713. of the Revised Code, as well as state-assisted colleges and universities. Grants shall be given to students on the basis of need, as determined by

the college, which, in making these determinations, shall give 7992
special consideration to single-parent heads-of-household and 7993
displaced homemakers who enroll in an educational degree program 7994
that prepares the individual for a career. In determining need, 7995
the college also shall consider the availability of educational 7996
assistance from a student's employer. It is the intent of the 7997
General Assembly that these grants not supplant such assistance. 7998

Section 7.08. CAPITOL SCHOLARSHIP PROGRAMS 7999

The foregoing appropriation item 235-518, Capitol Scholarship 8000
Programs, shall be used to provide 125 scholarships in each fiscal 8001
year in the amount of \$2,000 each for students enrolled in Ohio's 8002
public and private institutions of higher education to participate 8003
in the Washington Center Internship Program. The scholarships 8004
shall be matched by the Washington Center's scholarship funds. 8005

STUDENT CHOICE GRANTS 8006

The foregoing appropriation item 235-531, Student Choice 8007
Grants, shall be used to support the Student Choice Grant Program 8008
created by section 3333.27 of the Revised Code. 8009

ACADEMIC SCHOLARSHIPS 8010

The foregoing appropriation item 235-530, Academic 8011
Scholarships, shall be used to provide academic scholarships to 8012
students under section 3333.22 of the Revised Code. The annual 8013
scholarship amount awarded to any student who receives a 8014
scholarship for the 2001-2002 and 2002-2003 academic years shall 8015
be \$2,000. 8016

PHYSICIAN LOAN REPAYMENT 8017

The foregoing appropriation item 235-604, Physician Loan 8018
Repayment, shall be used in accordance with sections 3702.71 to 8019
3702.81 of the Revised Code. 8020

NURSING LOAN PROGRAM 8021

The foregoing appropriation item 235-606, Nursing Loan 8022
Program, shall be used to administer the nurse education 8023
assistance program. Up to \$159,600 in fiscal year 2002 and 8024
\$167,580 in fiscal year 2003 may be used for operating expenses 8025
associated with the program. Any additional funds needed for the 8026
administration of the program are subject to Controlling Board 8027
approval. 8028

Section 7.09. COOPERATIVE EXTENSION SERVICE 8029

Of the foregoing appropriation item 235-511, Cooperative 8030
Extension Service, \$210,000 in each fiscal year shall be used for 8031
additional staffing for county agents for expanded 4-H activities. 8032
Of the foregoing appropriation item 235-511, Cooperative Extension 8033
Service, \$210,000 in each fiscal year shall be used by the 8034
Cooperative Extension Service, through the Enterprise Center for 8035
Economic Development in cooperation with other agencies, for a 8036
public-private effort to create and operate a small business 8037
economic development program to enhance the development of 8038
alternatives to the growing of tobacco, and implement, through 8039
applied research and demonstration, the production and marketing 8040
of other high-value crops and value-added products. Of the 8041
foregoing appropriation item 235-511, Cooperative Extension 8042
Service, \$65,000 in each fiscal year shall be used for farm labor 8043
mediation and education programs. Of the foregoing appropriation 8044
item 235-511, Cooperative Extension Service, \$215,000 in each 8045
fiscal year shall be used to support the Ohio State University 8046
Marion Enterprise Center. 8047

Of the foregoing appropriation item 235-511, Cooperative 8048
Extension Service, \$910,500 in each fiscal year shall be used to 8049
support the Ohio Watersheds Initiative. 8050

AGRICULTURAL RESEARCH AND DEVELOPMENT CENTER 8051

Of the foregoing appropriation item 235-535, Agricultural 8052
Research and Development Center, \$950,000 in each fiscal year 8053
shall be distributed to the Piketon Agricultural Research and 8054
Extension Center. 8055

Of the foregoing appropriation item 235-535, Agricultural 8056
Research and Development Center, \$250,000 in each fiscal year 8057
shall be distributed to the Raspberry/Strawberry-Ellagic Acid 8058
Research program at the Ohio State University Medical College in 8059
cooperation with the Ohio State University College of Agriculture. 8060

Of the foregoing appropriation item 235-535, Agricultural 8061
Research and Development Center, \$50,000 in each fiscal year shall 8062
be used to support the Ohio Berry Administrator. 8063

Of the foregoing appropriation item 235-535, Agricultural 8064
Research and Development Center, \$100,000 in each fiscal year 8065
shall be used for the development of agricultural crops and 8066
products not currently in widespread production in Ohio, in order 8067
to increase the income and viability of family farmers. 8068

COOPERATIVE EXTENSION SERVICE AND AGRICULTURAL RESEARCH AND 8069
DEVELOPMENT CENTER 8070

The foregoing appropriation items 235-511, Cooperative 8071
Extension Service, and 235-535, Agricultural Research and 8072
Development Center, shall be disbursed through the Board of 8073
Regents to The Ohio State University in monthly payments, unless 8074
otherwise determined by the Director of Budget and Management 8075
pursuant to section 126.09 of the Revised Code. Of the foregoing 8076
appropriation item 235-535, Agricultural Research and Development 8077
Center, \$540,000 in each fiscal year shall be used to purchase 8078
equipment. 8079

The Ohio Agricultural Research and Development Center shall 8080
not be required to remit payment to The Ohio State University 8081
during the 2001-2003 biennium for cost reallocation assessments. 8082

The cost reallocation assessments include, but are not limited to,
any assessment on state appropriations to the center. 8083
8084

Section 7.10. SEA GRANTS 8085

The foregoing appropriation item 235-402, Sea Grants, shall 8086
be disbursed to The Ohio State University and shall be used to 8087
conduct research on fish in Lake Erie. 8088

INFORMATION SYSTEM 8089

The foregoing appropriation item 235-409, Information System, 8090
shall be used by the Board of Regents to operate the higher 8091
education information data system known as the Higher Education 8092
Information System. 8093

STUDENT SUPPORT SERVICES 8094

The foregoing appropriation item 235-502, Student Support 8095
Services, shall be distributed by the Board of Regents to Ohio's 8096
state-assisted colleges and universities that incur 8097
disproportionate costs in the provision of support services to 8098
disabled students. 8099

CENTRAL STATE SUPPLEMENT 8100

The foregoing appropriation item 235-514, Central State 8101
Supplement, shall be used by Central State University to keep 8102
undergraduate fees below the statewide average, consistent with 8103
its mission of service to many first-generation college students 8104
from groups historically underrepresented in higher education and 8105
from families with limited incomes. 8106

SHAWNEE STATE SUPPLEMENT 8107

The foregoing appropriation item 235-520, Shawnee State 8108
Supplement, shall be used by Shawnee State University as detailed 8109
by both of the following: 8110

(A) To allow Shawnee State University to keep its 8111

undergraduate fees below the statewide average, consistent with 8112
its mission of service to an economically depressed Appalachian 8113
region; 8114

(B) To allow Shawnee State University to employ new faculty 8115
to develop and teach in new degree programs that meet the needs of 8116
Appalachians. 8117

POLICE AND FIRE PROTECTION 8118

The foregoing appropriation item 235-524, Police and Fire 8119
Protection, shall be used for police and fire services in the 8120
municipalities of Kent, Athens, Oxford, Fairborn, Bowling Green, 8121
Portsmouth, Xenia Township (Greene County), and Rootstown 8122
Township, which may be used to assist these local governments in 8123
providing police and fire protection for the central campus of the 8124
state-affiliated university located therein. Each participating 8125
municipality and township shall receive at least five thousand 8126
dollars per year. Funds shall be distributed by the Board of 8127
Regents. 8128

SCHOOL OF INTERNATIONAL BUSINESS 8129

Of the foregoing appropriation item 235-547, School of 8130
International Business, \$1,243,637 in each fiscal year shall be 8131
used for the continued development and support of the School of 8132
International Business of the state universities of northeast 8133
Ohio. The money shall go to the University of Akron. These funds 8134
shall be used by the university to establish a School of 8135
International Business located at the University of Akron. It may 8136
confer with Kent State University, Youngstown State University, 8137
and Cleveland State University as to the curriculum and other 8138
matters regarding the school. 8139

Of the foregoing appropriation item 235-547, School of 8140
International Business, \$250,000 in each fiscal year shall be used 8141
to support the University of Toledo International Business 8142

Institute.	8143
Of the foregoing appropriation item 235-547, School of	8144
International Business, \$250,000 in each fiscal year shall be used	8145
to support the Ohio State University MUCIA program.	8146
 CAPITAL COMPONENT	 8147
The foregoing appropriation item 235-552, Capital Component,	8148
shall be used by the Board of Regents to implement the capital	8149
funding policy for state-assisted colleges and universities	8150
established in Am. H.B. No. 748 of the 121st General Assembly.	8151
Appropriations from this item shall be distributed to all campuses	8152
for which the estimated campus debt service attributable to new	8153
qualifying capital projects is less than the campus's	8154
formula-determined capital component allocation. Campus	8155
allocations shall be determined by subtracting the estimated	8156
campus debt service attributable to new qualifying capital	8157
projects from the campus formula-determined capital component	8158
allocation. Moneys distributed from this appropriation item shall	8159
be restricted to capital-related purposes.	8160
 DAYTON AREA GRADUATE STUDIES INSTITUTE	 8161
The foregoing appropriation item 235-553, Dayton Area	8162
Graduate Studies Institute, shall be used by the Board of Regents	8163
to support the Dayton Area Graduate Studies Institute, an	8164
engineering graduate consortium of three universities in the	8165
Dayton area: Wright State University, the University of Dayton,	8166
and the Air Force Institute of Technology, with the participation	8167
of the University of Cincinnati and The Ohio State University.	8168
 LONG-TERM CARE RESEARCH	 8169
The foregoing appropriation item 235-558, Long-term Care	8170
Research, shall be disbursed to Miami University for long-term	8171
care research.	8172

BGSU CANADIAN STUDIES CENTER 8173

The foregoing appropriation item 235-561, BGSU Canadian 8174
Studies Center, shall be used by the Canadian Studies Center at 8175
Bowling Green State University to study opportunities for Ohio and 8176
Ohio businesses to benefit from the Free Trade Agreement between 8177
the United States and Canada. 8178

URBAN UNIVERSITY PROGRAMS 8179

Of the foregoing appropriation item 235-583, Urban University 8180
Programs, universities receiving funds that are used to support an 8181
ongoing university unit shall certify periodically in a manner 8182
approved by the Board of Regents that program funds are being 8183
matched on a one-to-one basis with equivalent resources. Overhead 8184
support may not be used to meet this requirement. Where Urban 8185
University Program funds are being used to support an ongoing 8186
university unit, matching funds must come from continuing rather 8187
than one-time sources. At each participating state-assisted 8188
institution of higher education, matching funds must be within the 8189
substantial control of the individual designated by the 8190
institution's president as the Urban University Program 8191
representative. 8192

Of the foregoing appropriation item 235-583, Urban University 8193
Programs, \$380,000 in each fiscal year shall be used to support a 8194
public communication outreach program (WCPN). The primary purpose 8195
of the program shall be to develop a relationship between 8196
Cleveland State University and nonprofit communications entities. 8197

Of the foregoing appropriation item 235-583, Urban University 8198
Programs, \$180,000 in each fiscal year shall be used to support 8199
the Center for the Interdisciplinary Study of Education and the 8200
Urban Child at Cleveland State University. These funds shall be 8201
distributed according to rules adopted by the Board of Regents and 8202
shall be used by the center for interdisciplinary activities 8203

targeted toward increasing the chance of lifetime success of the urban child, including interventions beginning with the prenatal period. The primary purpose of the center is to study issues in urban education and to systematically map directions for new approaches and new solutions by bringing together a cadre of researchers, scholars, and professionals representing the social, behavioral, education, and health disciplines.

Of the foregoing appropriation item 235-583, Urban University Programs, \$260,000 in each fiscal year shall be used to support the Kent State University Learning and Technology Project. This project is a kindergarten through university collaboration between schools surrounding Kent's eight campuses in northeast Ohio, and corporate partners who will assist in development and delivery.

The Kent State University Project shall provide a faculty member who has a full-time role in the development of collaborative activities and teacher instructional programming between Kent and the K-12th grade schools that surround its eight campuses; appropriate student support staff to facilitate these programs and joint activities; and hardware and software to schools that will make possible the delivery of instruction to pre-service and in-service teachers, and their students, in their own classrooms or school buildings. This shall involve the delivery of low-bandwidth streaming video and web-based technologies in a distributed instructional model.

Of the foregoing appropriation item 235-583, Urban University Programs, \$100,000 in each fiscal year shall be used to support the Ameritech Classroom/Center for Research at Kent State University.

Of the foregoing appropriation item 235-583, Urban University Programs, \$1,000,000 in each fiscal year shall be used to support the Polymer Distance Learning Project at the University of Akron.

Of the foregoing appropriation item 235-583, Urban University Programs, \$50,000 in each fiscal year shall be distributed to the Kent State University/Cleveland Design Center program.

Of the foregoing appropriation item 235-583, Urban University Programs, \$250,000 in each fiscal year shall be used to support the Bliss Institute of Applied Politics at the University of Akron.

Of the foregoing appropriation item 235-583, Urban University Programs, \$15,000 in each fiscal year shall be used for the Advancing-Up Program at the University of Akron.

Of the foregoing appropriation item 235-583, Urban University Programs, in each fiscal year \$2,200,643 shall be distributed by the Board of Regents to Cleveland State University in support of the Maxine Goodman Levin College of Urban Affairs.

Of the foregoing appropriation item 235-583, Urban University Programs, in each fiscal year \$2,200,643 shall be distributed to the Northeast Ohio Research Consortium, the Urban Linkages Program, and the Urban Research Technical Assistance Grant Program. The distribution among the three programs shall be determined by the chair of the Urban University Program.

INTERNATIONAL CENTER FOR WATER RESOURCES DEVELOPMENT

The foregoing appropriation item 235-595, International Center for Water Resources Development, shall be used to support the International Center for Water Resources Development at Central State University. The center shall develop methods to improve the management of water resources for Ohio and for emerging nations.

RURAL UNIVERSITY PROJECTS

Of the foregoing appropriation item 235-587, Rural University Projects, Bowling Green State University shall receive \$216,400 in

each fiscal year, Miami University shall receive \$331,125 in each 8265
fiscal year, and Ohio University shall receive \$756,099 in each 8266
fiscal year. These funds shall be used to support the Institute 8267
for Local Government Administration and Rural Development at Ohio 8268
University, the Center for Public Management and Regional Affairs 8269
at Miami University, and the Center for Policy Analysis and Public 8270
Service at Bowling Green State University. 8271

Of the foregoing appropriation item 235-587, Rural University 8272
Projects, \$25,000 in each fiscal year shall be used to support the 8273
Washington State Community College day care center. 8274

Of the foregoing appropriation item 235-587, Rural University 8275
Projects, \$75,000 in fiscal year 2001 shall be used to support the 8276
COAD/ILGARD/GOA Appalachian Leadership Initiative. 8277

A small portion of the funds provided to Ohio University 8278
shall also be used for the Institute for Local Government 8279
Administration and Rural Development State and Rural Policy 8280
Partnership with the Governor's Office of Appalachia and the 8281
Appalachian delegation of the General Assembly. 8282

OHIO RESOURCE CENTER FOR MATHEMATICS, SCIENCE, AND READING 8283

The foregoing appropriation item 235-588, Ohio Resource 8284
Center for Mathematics, Science, and Reading, shall be used to 8285
support a resource center for mathematics, science, and reading to 8286
be located at a state-assisted university for the purpose of 8287
identifying best educational practices in primary and secondary 8288
schools and establishing methods for communicating them to 8289
colleges of education and school districts. 8290

HAZARDOUS MATERIALS PROGRAM 8291

The foregoing appropriation item 235-596, Hazardous Materials 8292
Program, shall be disbursed to Cleveland State University for the 8293
operation of a program to certify firefighters for the handling of 8294
hazardous materials. Training shall be available to all Ohio 8295

firefighters.	8296
NATIONAL GUARD SCHOLARSHIP PROGRAM	8297
The Board of Regents shall disburse funds from appropriation	8298
item 235-599, National Guard Scholarship Program, at the direction	8299
of the Adjutant General.	8300
OHIO HIGHER EDUCATIONAL FACILITY COMMISSION SUPPORT	8301
The foregoing appropriation item 235-602, HEFC	8302
Administration, shall be used by the Board of Regents for	8303
operating expenses related to the Board of Regents' support of the	8304
activities of the Ohio Higher Educational Facility Commission.	8305
Upon the request of the chancellor, the Director of Budget and	8306
Management shall transfer up to \$12,000 cash from Fund 461 to Fund	8307
4E8 in each fiscal year of the biennium.	8308
Section 7.11. BREAKTHROUGH INVESTMENTS	8309
THE OHIO PLAN	8310
The foregoing appropriation item 235-426, The Ohio Plan,	8311
shall be used by the Board of Regents to promote economic growth	8312
through research, development, and commercialization initiatives.	8313
The Board of Regents shall award funds on a competitive basis to	8314
universities and consortia of universities and industry in the	8315
areas of biotechnology, nanotechnology, and information	8316
technology. Proposals shall be evaluated on the basis of quality	8317
in terms of national and international standards of scientific	8318
merit, relevance to private sector commercial opportunities, and a	8319
demonstration of private sector involvement and substantial	8320
funding match from local and external sources in a process to	8321
continuously evaluate commercialization opportunities.	8322
Additionally, the Board of Regents shall work in close	8323
collaboration with the Technology Action Board in the	8324
administration of this program to ensure implementation of a	8325

coherent state strategy with respect to science and technology investments.	8326 8327
APPALACHIAN NEW ECONOMY PARTNERSHIP	8328
The foregoing appropriation item 235-428, Appalachian New Economy Partnership, shall be used by the Board of Regents to begin a multicampus and multiagency coordinated effort to link Appalachia to the new economy. Funds shall be distributed to Ohio University to provide leadership in the development and implementation of initiatives in the areas of entrepreneurship, technology, education, and management.	8329 8330 8331 8332 8333 8334 8335
Section 7.12. REPAYMENT OF RESEARCH FACILITY INVESTMENT FUND MONEYS	8336 8337
Notwithstanding any provision of law to the contrary, all repayments of Research Facility Investment Fund loans shall be made to the Bond Service Trust Fund. All Research Facility Investment Fund loan repayments made prior to the effective date of this section shall be transferred by the Director of Budget and Management to the Bond Service Trust Fund within sixty days of the effective date of this section.	8338 8339 8340 8341 8342 8343 8344
Campuses shall make timely repayments of Research Facility Investment Fund loans, according to the schedule established by the Board of Regents. In the case of late payments, the Board of Regents may deduct from an institution's periodic subsidy distribution an amount equal to the amount of the overdue payment for that institution, transfer such amount to the Bond Service Trust Fund, and credit the appropriate institution for the repayment.	8345 8346 8347 8348 8349 8350 8351 8352
VETERANS' PREFERENCES	8353
The Board of Regents shall work with the Governor's Office of Veterans' Affairs to develop specific veterans' preference	8354 8355

guidelines for higher education institutions. These guidelines 8356
shall ensure that the institutions' hiring practices are in 8357
accordance with the intent of Ohio's veterans' preference laws. 8358

Section 7.13. CENTRAL STATE UNIVERSITY 8359

(A) Notwithstanding sections 3345.72, 3345.74, 3345.75, and 8360
3345.76 of the Revised Code and rule 126:3-1-01 of the 8361
Administrative Code, Central State University shall adhere to the 8362
following fiscal standards: 8363

(1) Maintenance of a balanced budget and filing of quarterly 8364
reports on an annualized budget with the Board of Regents, 8365
comparing the budget to actual spending and revenues with 8366
projected expenditures and revenues for the remainder of the year. 8367
Such reports shall include narrative explanations as appropriate 8368
and be filed within 30 days of the end of the quarter. 8369

(2) Timely and accurate assessment of the current and 8370
projected cash flow of university funds, by fund type; 8371

(3) Timely reconciliation of all university cash and general 8372
ledger accounts, by fund; 8373

(4) Submission to the Auditor of State of financial 8374
statements consistent with audit requirements prescribed by the 8375
Auditor of State within four months after the end of the fiscal 8376
year; 8377

(5) Completion of an audit within six months after the end of 8378
the fiscal year. 8379

The Director of Budget and Management shall provide 8380
clarification to the university on these fiscal standards as 8381
deemed necessary. The director also may take such actions as are 8382
necessary to ensure that the university adheres to these standards 8383
and other fiscal standards consistent with generally accepted 8384
accounting principles and the requirements of external entities 8385

providing funding to the university. Such actions may include the 8386
appointment of a financial consultant to assist Central State 8387
University in the continuous process of design and implementation 8388
of responsible systems of financial management and accounting. 8389

(B) The director's fiscal oversight shall continue until such 8390
time as the university meets the same criteria as those created in 8391
paragraph (F) of rule 126:3-1-01 of the Administrative Code for 8392
the termination of a fiscal watch. At that time Central State 8393
University shall be relieved of the requirements of this section 8394
and subject to the requirements of sections 3345.72, 3345.74, 8395
3345.75, and 3345.76 of the Revised Code. 8396

Any encumbered funds remaining from appropriation item 8397
042-407, Central State Deficit, as appropriated in Am. Sub. S.B. 6 8398
of the 122nd General Assembly shall be released during the 8399
2001-2003 biennium for nonrecurring expenses contingent upon the 8400
approval of the Director of Budget and Management. 8401

Section 8. OSB OHIO STATE SCHOOL FOR THE BLIND 8402

General Revenue Fund 8403

GRF 226-100 Personal Services	\$	5,880,065	\$	6,157,563	8404
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GRF 226-200 Maintenance	\$	700,437	\$	717,948	8405
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GRF 226-300 Equipment	\$	139,288	\$	142,770	8406
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TOTAL GRF General Revenue Fund	\$	6,719,790	\$	7,018,281	8407
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General Services Fund Group 8408

4H8 226-602 Education Reform	\$	30,652	\$	31,476	8409
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Grants

TOTAL GSF General Services 8410

Fund Group	\$	30,652	\$	31,476	8411
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State Special Revenue Fund Group 8412

4M5 226-601 Work Study &	\$	41,854	\$	42,919	8413
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Technology Investments

TOTAL SSR State Special Revenue				8414
Fund Group	\$	41,854	\$ 42,919	8415
Federal Special Revenue Fund Group				8416
3P5 226-643 Medicaid Professional	\$	125,000	\$ 125,000	8417
Services Reimbursement				
310 226-626 Coordinating Unit	\$	1,274,274	\$ 1,278,475	8418
TOTAL FED Federal Special				8419
Revenue Fund Group	\$	1,399,274	\$ 1,403,475	8420
TOTAL ALL BUDGET FUND GROUPS	\$	8,191,570	\$ 8,496,151	8421
Section 9. OSD OHIO STATE SCHOOL FOR THE DEAF				8423
General Revenue Fund				8424
GRF 221-100 Personal Services	\$	7,662,763	\$ 8,022,913	8425
GRF 221-200 Maintenance	\$	998,197	\$ 1,018,160	8426
GRF 221-300 Equipment	\$	270,867	\$ 276,284	8427
TOTAL GRF General Revenue Fund	\$	8,931,827	\$ 9,317,357	8428
General Services Fund Group				8429
4M1 221-602 Education Reform	\$	68,107	\$ 70,701	8430
Grants				
TOTAL GSF General Services				8431
Fund Group	\$	68,107	\$ 70,701	8432
State Special Revenue Fund Group				8433
4M0 221-601 Educational Program	\$	35,320	\$ 33,188	8434
Expenses				8435
5H6 221-609 Even Start Fees &	\$	157,723	\$ 122,989	8436
Gifts				
TOTAL SSR State Special Revenue				8437
Fund Group	\$	193,043	\$ 156,177	8438
Federal Special Revenue Fund Group				8439
3R0 221-684 Medicaid Professional	\$	90,464	\$ 111,377	8440
Services Reimbursement				8441
3U4 221-603 Even Start	\$	125,000	\$ 104,625	8442

311 221-625 Coordinating Unit	\$	910,000	\$	933,400	8443
TOTAL FED Federal Special Revenue Fund Group					8444
	\$	1,125,464	\$	1,149,402	8445
TOTAL ALL BUDGET FUND GROUPS	\$	10,318,441	\$	10,693,637	8446

Section 10. SFC SCHOOL FACILITIES COMMISSION 8448

General Revenue Fund					8449
GRF 230-428 Lease Rental Payments	\$	41,645,300	\$	37,654,300	8450
GRF 230-908 Common Schools General Obligation Debt Service	\$	36,418,800	\$	55,336,300	8451
TOTAL GRF General Revenue Fund	\$	78,064,100	\$	92,990,600	8452
State Special Revenue Fund Group					8453
5E3 230-644 Operating Expenses	\$	6,096,521	\$	6,409,766	8454
TOTAL SSR State Special Revenue Fund Group	\$	6,096,521	\$	6,409,766	8455
TOTAL ALL BUDGET FUND GROUPS	\$	84,160,621	\$	99,400,366	8456

LEASE RENTAL PAYMENTS 8458

The foregoing appropriation item 230-428, Lease Rental Payments, shall be used to meet all payments at the times they are required to be made during the period from July 1, 2001, to June 30, 2003, by the School Facilities Commission pursuant to leases and agreements made under section 3318.26 of the Revised Code, but limited to the aggregate amount of \$79,299,600. Nothing in this act shall be deemed to contravene the obligation of the state to pay, without necessity for further appropriation, from the sources pledged thereto, the bond service charges on obligations issued pursuant to Chapter 3318. of the Revised Code. 8459
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COMMON SCHOOLS GENERAL OBLIGATION DEBT SERVICE 8469

The foregoing appropriation item 230-908, Common Schools General Obligation Debt Service, shall be used to pay all debt 8470
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service and financing costs at the times they are required to be 8472
made pursuant to sections 151.01 and 151.03 of the Revised Code 8473
during the period from July 1, 2001, to June 30, 2003. The Office 8474
of the Sinking Fund or the Director of Budget and Management shall 8475
effectuate the required payments by an intrastate transfer 8476
voucher. 8477

OPERATING EXPENSES 8478

The foregoing appropriation item 230-644, Operating Expenses, 8479
shall be used by the Ohio School Facilities Commission to carry 8480
out its responsibilities pursuant to this section and Chapter 8481
3318. of the Revised Code. 8482

Within ten days after the effective date of this section, or 8483
as soon as possible thereafter, the Executive Director of the Ohio 8484
School Facilities Commission shall certify to the Director of 8485
Budget and Management the amount of cash to be transferred from 8486
the School Building Assistance Fund (Fund 032) or the Public 8487
School Building Fund (Fund 021) to the Ohio School Facilities 8488
Commission Fund (Fund 5E3). 8489

By July 10, 2002, the Executive Director of the Ohio School 8490
Facilities Commission shall certify to the Director of Budget and 8491
Management the amount of cash to be transferred from the School 8492
Building Assistance Fund (Fund 032) or the Public School Building 8493
Fund (Fund 021) to the Ohio School Facilities Commission Fund 8494
(Fund 5E3). 8495

SCHOOL FACILITIES ENCUMBRANCES AND REAPPROPRIATION 8496

At the request of the Executive Director of the Ohio School 8497
Facilities Commission, the Director of Budget and Management may 8498
cancel encumbrances for school district projects from a previous 8499
biennium if the district has not raised its local share of project 8500
costs within one year of receiving Controlling Board approval in 8501
accordance with section 3318.05 of the Revised Code. The Executive 8502

Director of the Ohio School Facilities Commission shall certify 8503
the amounts of these canceled encumbrances to the Director of 8504
Budget and Management on a quarterly basis. The amounts of the 8505
canceled encumbrances are appropriated. 8506

DISABILITY ACCESS PROJECTS 8507

The unencumbered and unallotted balances as of June 30, 2001, 8508
in appropriation item 230-649, Disability Access Project, are 8509
hereby reappropriated. The unencumbered and unallotted balances of 8510
the appropriation at the end of fiscal year 2002 are hereby 8511
reappropriated in fiscal year 2003 to fund capital projects 8512
pursuant to this section. 8513

(A) As used in this section: 8514

(1) "Percentile" means the percentile in which a school 8515
district is ranked according to the fiscal year 1998 ranking of 8516
school districts with regard to income and property wealth under 8517
division (B) of section 3318.011 of the Revised Code. 8518

(2) "School district" means a city, local, or exempted 8519
village school district, but excluding a school district that is 8520
one of the state's 21 urban school districts as defined in 8521
division (O) of section 3317.02 of the Revised Code, as that 8522
section existed prior to July 1, 1998. 8523

(3) "Valuation per pupil" means a district's total taxable 8524
value as defined in section 3317.02 of the Revised Code divided by 8525
the district's ADM as defined in division (A) of section 3317.02 8526
of the Revised Code as that section existed prior to July 1, 1998. 8527

(B) The School Facilities Commission shall adopt rules for 8528
awarding grants to school districts with a valuation per pupil of 8529
less than \$200,000, to be used for construction, reconstruction, 8530
or renovation projects in classroom facilities, the purpose of 8531
which is to improve access to such facilities by physically 8532
handicapped persons. The rules shall include application 8533

procedures. No school district shall be awarded a grant under this 8534
section in excess of \$100,000. In addition, any school district 8535
shall be required to pay a percentage of the cost of the project 8536
or which the grant is being awarded equal to the percentile in 8537
which the district is ranked. 8538

(C) The School Facilities Commission is hereby authorized to 8539
transfer a portion of appropriation item CAP-622, Public School 8540
Buildings, contained in Am. Sub. H.B. No. 283 of the 123rd General 8541
Assembly, to CAP-777, Disability Access Projects, to provide funds 8542
to make payments resulting from the approval of applications for 8543
disability access grants received prior to January 1, 1999. The 8544
amounts transferred are appropriated. 8545

**Section 10.01. EXTREME ENVIRONMENTAL CONTAMINATION OF SCHOOL 8546
FACILITIES 8547**

Notwithstanding any other provisions of law to the contrary, 8548
the School Facilities Commission may provide assistance under the 8549
Exceptional Needs Pilot Program to any school district and not 8550
exclusively a school district in the lowest 50 per cent of 8551
adjusted valuation per pupil on the fiscal year 1999 ranking of 8552
school districts established pursuant to section 3317.02 of the 8553
Revised Code, for the purpose of the relocation or replacement of 8554
school facilities required as a result of extreme environmental 8555
contamination. If in the assessment of the school district's 8556
classroom facilities needs conducted under the Exceptional Needs 8557
Pilot Program pursuant to Section 26 of Am. Sub. H.B. 850 of the 8558
122nd General Assembly, the commission determines that all the 8559
school district's classroom facilities ultimately will require 8560
replacement under sections 3318.01 to 3318.20 of the Revised Code, 8561
then the commission may undertake a district-wide project under 8562
sections 3318.01 to 3318.20 of the Revised Code. 8563

The School Facilities Commission shall contract with an 8564

independent environmental consultant to conduct a study and to report to the commission as to the seriousness of the environmental contamination, whether the contamination violates applicable state and federal standards, and whether the facilities are no longer suitable for use as school facilities. The commission then shall make a determination regarding funding for the relocation or replacement of the school facilities. If the federal government or other public or private entity provides funds for restitution of costs incurred by the state or school district in the relocation or replacement of the school facilities, the school district shall use such funds in excess of the school district's share to refund the state for the state's contribution to the environmental contamination portion of the project. The school district may apply an amount of such restitution funds up to an amount equal to the school district's portion of the project, as defined by the commission, toward paying its portion of that project to reduce the amount of bonds the school district otherwise must issue to receive state assistance under sections 3318.01 to 3318.20 of the Revised Code.

Section 10.02. (A) The Ohio School Facilities Commission may commit up to thirty-five million dollars to the Canton City School District for construction of a facility described in this section, in lieu of a high school that would otherwise be authorized under Chapter 3318. of the Revised Code. The commission shall not commit funds under this section unless all of the following conditions are met:

(1) The district has entered into a cooperative agreement with a state-assisted technical college.

(2) The district has received an irrevocable commitment of additional funding from nonpublic sources.

(3) The facility is intended to serve both secondary and

postsecondary instructional purposes. 8596

(B) The commission shall enter into an agreement with the 8597
district for the construction of the facility authorized under 8598
this section that is separate from and in addition to the 8599
agreement required for the district's participation in the 8600
Classroom Facilities Assistance Program under section 3318.08 of 8601
the Revised Code. Notwithstanding that section and sections 8602
3318.03, 3318.04, and 3318.083 of the Revised Code, the additional 8603
agreement shall provide, but not be limited to, the following: 8604

(1) The commission shall not have any oversight 8605
responsibilities over the construction of the facility. 8606

(2) The facility need not comply with the specifications for 8607
plans and materials for high schools adopted by the commission. 8608

(3) The commission may decrease the basic project cost that 8609
would otherwise be calculated for a high school under Chapter 8610
3318. of the Revised Code. 8611

(4) The state shall not share in any increases in the basic 8612
project cost for the facility above the amount authorized under 8613
this section. 8614

All other provisions of Chapter 3318. of the Revised Code 8615
apply to the approval and construction of a facility authorized 8616
under this section. 8617

The state funds committed to the facility authorized by this 8618
section shall be part of the total amount the state commits to the 8619
Canton City School District under Chapter 3318. of the Revised 8620
Code. All additional state funds committed to the Canton City 8621
School District for classroom facilities assistance shall be 8622
subject to all provisions of Chapter 3318. of the Revised Code. 8623

Section 11. NET OHIO SCHOOLNET COMMISSION 8624

General Revenue Fund				8625
GRF 228-404 Operating Expenses	\$	6,770,127	\$ 6,608,426	8626
GRF 228-406 Technical and Instructional Professional Development	\$	10,475,898	\$ 10,172,630	8627
GRF 228-539 Education Technology	\$	6,161,096	\$ 5,910,596	8628
Total GRF General Revenue Fund	\$	23,407,121	\$ 22,691,652	8629
General Services Fund Group				8630
5D4 228-640 Conference/Special Purpose Expenses	\$	510,700	\$ 521,382	8631
TOTAL GSF General Services Fund Group	\$	510,700	\$ 521,382	8632 8633
State Special Revenue Fund Group				8634
4W9 228-630 Ohio SchoolNet Telecommunity Fund	\$	547,615	\$ 447,615	8635
4X1 228-634 Distance Learning	\$	2,930,000	\$ 2,930,000	8636
TOTAL SSR State Special Revenue Fund Group	\$	3,477,615	\$ 3,377,615	8637 8638
Federal Special Revenue Fund Group				8639
3S3 228-655 Technology Literacy Challenge	\$	15,918,780	\$ 15,918,780	8640
TOTAL FED Federal Special Revenue Fund Group	\$	15,918,780	\$ 15,918,780	8641 8642
TOTAL ALL BUDGET FUND GROUPS	\$	43,314,216	\$ 42,509,429	8643
INTERACTIVE VIDEO DISTANCE LEARNING PROGRAM				8644
The unencumbered and unallotted balances as of June 30, 2001, in appropriation item 228-690, SchoolNet Electrical Infrastructure, are reappropriated to fund projects pursuant to this section. The foregoing appropriation item 228-650, Interactive Distance Learning shall be used to extend the				8645 8646 8647 8648 8649

Interactive Video Distance Learning Program in accordance with the 8650
statewide educational technology strategic plan. The commission 8651
shall adopt procedures for the administration and implementation 8652
of the Interactive Video Distance Learning Program, which shall 8653
include application procedures, specifications for distance 8654
learning technology, and terms and conditions for participation in 8655
the program. The commission shall not approve any application for 8656
participation unless it determines that the applicant can 8657
effectively and efficiently integrate the proposed distance 8658
learning technology into schools or the selected schools or 8659
classrooms for the phase of the program. The commission shall 8660
consider the Interactive Video Distance Learning Pilot established 8661
in Am. Sub. H.B. 215 of the 122nd General Assembly, and the Ohio 8662
SchoolNet Telecommunity program in Am. Sub. H. B. 627 of the 121st 8663
General Assembly, in developing application procedures and 8664
criteria for the Interactive Video Distance Learning Program. The 8665
commission shall give preference to lower wealth districts or 8666
consortia of such districts that do not have existing video 8667
teleconferencing technology. 8668

SCHOOLNET PLUS PROGRAM 8669

All appropriations that are unencumbered and unallotted in 8670
appropriation item 228-698, SchoolNet Plus, as of June 30, 2001, 8671
are hereby reappropriated for the same purpose in fiscal year 2002 8672
upon the request of the Executive Director of the Ohio SchoolNet 8673
Commission and the approval of the Director of Budget and 8674
Management. 8675

TECHNICAL AND INSTRUCTIONAL PROFESSIONAL DEVELOPMENT 8676

The foregoing appropriation item 228-406, Technical and 8677
Instructional Professional Development, shall be used by the Ohio 8678
SchoolNet Commission to make grants to qualifying schools, 8679
including the State School for the Blind and the Ohio School for 8680
the Deaf, for the provision of hardware, software, 8681

telecommunications services, and staff development to support 8682
educational uses of technology in the classroom. 8683

The Ohio SchoolNet Commission shall consider the professional 8684
development needs associated with the OhioReads Program when 8685
making funding allocations and program decisions. 8686

The Ohio Educational Telecommunications Network Commission, 8687
with the advice of the Ohio SchoolNet Commission, shall make 8688
grants totaling up to \$1,400,000 in each year of the biennium for 8689
research development and production of interactive instructional 8690
programming series and teleconferences to support SchoolNet. Up to 8691
\$55,000 of this amount shall be used in each year of the biennium 8692
to provide for the administration of these activities by the Ohio 8693
Educational Telecommunications Network Commission. The programming 8694
shall be targeted to the needs of the poorest 200 school districts 8695
as determined by the district's adjusted valuation per pupil as 8696
defined in section 3317.0213 of the Revised Code. 8697

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Of the foregoing appropriation item 228-406, Technical and 8699
Instructional Professional Development, \$2,900,000 in each fiscal 8700
year shall be distributed by the Ohio SchoolNet Commission to 8701
low-wealth districts or consortia including low-wealth school 8702
districts, as determined by the district's adjusted valuation per 8703
pupil as defined in section 3317.0213 of the Revised Code, or the 8704
State School for the Blind or the Ohio School for the Deaf. 8705

The remaining appropriation allocated in appropriation item 8706
228-406, Technical and Instructional Professional Development, 8707
shall be used by the Ohio SchoolNet Commission for professional 8708
development for teachers and administrators for the use of 8709
educational technology. The commission shall make grants to 8710
provide technical assistance and professional development on the 8711
use of educational technology to school districts. 8712

Eligible recipients of grants include regional training 8713
centers, county offices of education, data collection sites, 8714
instructional technology centers, institutions of higher 8715
education, public television stations, special education resource 8716
centers, area media centers, or other nonprofit educational 8717
organizations. Services provided through these grants may include 8718
use of private entities subcontracting through the grant 8719
recipient. 8720

Grants shall be made to entities on a contractual basis with 8721
the Ohio SchoolNet Commission. Contracts shall include provisions 8722
that demonstrate how services will benefit technology use in the 8723
schools, and in particular will support SchoolNet efforts to 8724
support technology in the schools. Contracts shall specify the 8725
scope of assistance being offered and the potential number of 8726
professionals who will be served. Contracting entities may be 8727
awarded more than one grant at a time. 8728

Grants shall be awarded in a manner consistent with the goals 8729
of SchoolNet. Special emphasis in the award of grants shall be 8730
placed on collaborative efforts among service providers. 8731

Application for grants from this appropriation in 8732
appropriation item 228-406, Technical and Instructional 8733
Professional Development, shall be consistent with a school 8734
district's technology plan that shall meet the minimum 8735
specifications for school district technology plans as prescribed 8736
by the Ohio SchoolNet Commission. Funds allocated through these 8737
grants may be combined with funds received through other state or 8738
federal grants for technology so long as the school district's 8739
technology plan specifies the use of these funds. The commission 8740
may combine the application for these grants with the SchoolNet 8741
application process authorized in Am. Sub. H.B. 790 of the 120th 8742
General Assembly. 8743

EDUCATION TECHNOLOGY 8744

The foregoing appropriation item 228-539, Education 8745
Technology, shall be used to provide funding to suppliers of 8746
information services to school districts for the provision of 8747
hardware, software, and staff development in support of 8748
educational uses of technology in the classroom as prescribed by 8749
the State Plan for Technology pursuant to section 3301.07 of the 8750
Revised Code, and to support assistive technology for children and 8751
youth with disabilities. 8752

Up to \$5,200,000 in each fiscal year shall be used by the 8753
Ohio SchoolNet Commission to contract with instructional 8754
television, and \$850,000 in fiscal year 2002, and \$840,000 in 8755
fiscal year 2003 shall be used by the commission to contract with 8756
education media centers to provide Ohio schools with instructional 8757
resources and services. 8758

Resources may include, but not be limited to, the following: 8759
pre-recorded video materials (including videotape, laser discs, 8760
and CD-ROM discs); computer software for student use or student 8761
access to electronic communication, databases, spreadsheet, and 8762
word processing capability; live student courses or courses 8763
delivered electronically; automated media systems; and 8764
instructional and professional development materials for teachers. 8765
The commission shall cooperate with education technology agencies 8766
in the acquisition, development, and delivery of such educational 8767
resources to ensure high-quality and educational soundness at the 8768
lowest possible cost. Delivery of such resources may utilize a 8769
variety of technologies, with preference given to a high-speed 8770
integrated information network that can transport video, voice, 8771
data, and graphics simultaneously. 8772

Services shall include presentations and technical assistance 8773
that will help students and teachers integrate educational 8774
materials that support curriculum objectives, match specific 8775
learning styles, and are appropriate for individual interests and 8776

ability levels.

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Such instructional resources and services shall be made available for purchase by chartered nonpublic schools or by public school districts for the benefit of pupils attending chartered nonpublic schools.

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DISTANCE LEARNING

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Appropriation item 228-634, Distance Learning, shall be distributed by the Ohio SchoolNet Commission on a grant basis to eligible school districts to establish "distance learning" in the school district. Per the agreement with Ameritech, school districts are eligible for funds if they are within an Ameritech service area. Funds to administer the program shall be expended by the commission up to the amount specified in the agreement with Ameritech.

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Within 30 days after the effective date of this section, the Director of Budget and Management shall transfer to fund 4X1 in the State Special Revenue Fund Group any investment earnings from moneys paid to the office or to the SchoolNet Commission by any telephone company as part of a settlement agreement between the company and the Public Utilities Commission in fiscal year 1995.

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ELECTRICAL INFRASTRUCTURE

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The unencumbered and unallotted balances of June 30, 2001, in appropriation item 228-690, SchoolNet Electrical Infrastructure, are reappropriated to fund projects pursuant to this section. The foregoing appropriation item may be distributed by the Ohio SchoolNet Commission for use by school districts to renovate existing buildings with sufficient electrical service to safely operate educational technology consistent with their SchoolNet and SchoolNet Plus technology plans. The Executive Director of the Ohio SchoolNet Commission shall review grant proposals from school districts for the use of these funds. In evaluating grant

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proposals, the executive director shall consider the ability and 8808
commitment of school districts to contribute local public and 8809
private resources to upgrade their electrical service and shall 8810
give consideration to consortia of school districts that have 8811
formed to optimize resources to upgrade electrical service. In no 8812
case shall grant awards exceed \$1,000,000 for a single school 8813
district. Funding recommendations for this appropriation made by 8814
the executive director are subject to the review of the Ohio 8815
SchoolNet Commission. 8816

Section 12. SCR STATE BOARD OF PROPRIETARY SCHOOL 8817

REGISTRATION 8818

General Revenue Fund 8819

GRF 233-100 Personal Services	\$	340,000	\$	347,322	8820
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GRF 233-200 Maintenance	\$	81,000	\$	82,058	8821
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GRF 233-300 Equipment	\$	4,465	\$	4,457	8822
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TOTAL GRF General Revenue Fund	\$	425,465	\$	433,837	8823
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TOTAL ALL BUDGET FUND GROUPS	\$	425,465	\$	433,837	8824
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Section 13. TTA OHIO TUITION TRUST AUTHORITY 8826

State Special Revenue Fund Group 8827

645 095-601 Operating Expenses	\$	4,437,885	\$	4,611,050	8828
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TOTAL SSR State Special Revenue 8829

Fund Group	\$	4,437,885	\$	4,611,050	8830
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TOTAL ALL BUDGET FUND GROUPS	\$	4,437,885	\$	4,611,050	8831
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Section 14. That Section 18 of Am. Sub. H.B. 650 of the 122nd 8833

General Assembly, as most recently amended by Sub. S.B. 245 of the 8834

123rd General Assembly, be amended to read as follows: 8835

"Sec. 18. (A) As used in this section: 8836

(1) "FY 1998 state aid" means the total amount of state money 8837

received by a school district for fiscal year 1998 as reported on 8838
the Department of Education's form "SF-12," adjusted as follows: 8839

(a) Minus any amounts for approved preschool handicapped 8840
units; 8841

(b) Minus any additional amount attributable to the 8842
reappraisal guarantee of division (C) of section 3317.04 of the 8843
Revised Code; 8844

(c) Plus the amount deducted for payments to an educational 8845
service center; 8846

(d) Plus an estimated portion of the state money distributed 8847
in fiscal year 1998 to other school districts or educational 8848
service centers for approved units, other than preschool 8849
handicapped or gifted education units, attributable to the costs 8850
of providing services in those units to students entitled to 8851
attend school in the district; 8852

(e) Minus an estimated portion of the state money distributed 8853
to the school district in fiscal year 1998 for approved units, 8854
other than preschool handicapped units or gifted education units, 8855
attributable to the costs of providing services in those units to 8856
students entitled to attend school in another school district; 8857
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(f) Plus any additional amount paid pursuant to the 8859
vocational education recomputation required by former Section 8860
50.22 of Am. Sub. H.B. No. 215 of the 122nd General Assembly; 8861

(g) Plus any additional amount paid pursuant to the special 8862
education recomputation required by former division (I) of section 8863
3317.023 of the Revised Code; 8864

(h) Plus any amount paid for equity aid under section 8865
3317.0213 of the Revised Code; 8866

(i) Plus any amount received for that year pursuant to 8867

section 3317.027 of the Revised Code; 8868

(j) Plus any amount received for that year pursuant to a 8869
recomputation made under division (B) of section 3317.022 of the 8870
Revised Code, as that section existed in that year. 8871

(2) "FY 1999 state aid" means "FY 1999 state aid" as defined 8872
in the version of this section in effect for fiscal year 1999. 8873

(3) "FY 2000 state aid," "FY 2001 state aid," and "FY 2002 8874
state aid" mean the total amount of state money a school district 8875
is eligible to receive for the applicable fiscal year under 8876
divisions (A), (C)(1) and (5), (D), and (E) of section 3317.022 8877
and sections 3317.025, 3317.027, 3317.029, 3317.0212, and 8878
3317.0213 of the Revised Code, plus any amount for which the 8879
district is eligible pursuant to division (C) of section 3317.023, 8880
divisions (G), (P), and (R) of section 3317.024, and the 8881
supplemental unit allowance paid for gifted units under division 8882
(B) of section ~~3317.162~~ 3317.053 of the Revised Code, and prior to 8883
any deductions or credits required by division (B), (D), (E), (F), 8884
(G), (H), (I), (J), (K), or (L) of section 3317.023 or division 8885
(J) of section 3317.029 of the Revised Code. 8886

(4) "Adjusted FY 1999 actual aid" means FY 1999 state aid 8887
that was actually paid to a school district after the application 8888
of division (B) of this section, plus an appropriate proportion, 8889
as determined by the department of education, of the amount 8890
received by the school district in fiscal year 1999 from the 8891
vocational education set-aside, as defined in the version of 8892
section 3317.0212 of the Revised Code in effect prior to the 8893
effective date of this amendment, and attributable to the 8894
district's students. 8895

(5) "FY 2000 actual aid," and "FY 2001 actual aid" mean the 8896
amount of the state aid described in division (A)(3) of this 8897
section that was actually paid to a school district in the 8898

applicable fiscal year after the application of divisions (C) to 8899
(E) of this section. 8900

(6) "FY 1998 ADM," "formula ADM," and "three-year average 8901
formula ADM" have the meanings prescribed in section 3317.02 of 8902
the Revised Code. 8903

(7) "All-day kindergarten" has the meaning prescribed in 8904
section 3317.029 of the Revised Code. 8905

(8) "School district" means a city, local, or exempted 8906
village school district. 8907

(B) In fiscal year 1999, notwithstanding any provision of law 8908
to the contrary, no school district shall receive FY 1999 state 8909
aid that is more than the greater of the following: 8910

(1) 110 per cent of FY 1998 state aid; 8911

(2) $[1.06 \times (\text{FY 1998 state aid}/\text{FY 1998 ADM})]$ X the greater of 8912
fiscal year 1999 formula ADM or three-year average formula ADM. 8913

If a district's projected FY 1999 state aid is more than the 8914
greater of division (B)(1) or (2) of this section, such district 8915
shall receive only the greater of division (B)(1) or (2) of this 8916
section in fiscal year 1999. 8917

(C) In fiscal year 2000, notwithstanding any provision of law 8918
to the contrary, no school district shall receive FY 2000 state 8919
aid that is more than the greater of the following: 8920

(1) 111.5 per cent of adjusted FY 1999 actual aid; 8921

(2) $[1.095 \times (\text{adjusted FY 1999 actual aid}/\text{fiscal year 1999}$ 8922
 $\text{formula ADM})]$ X the greater of fiscal year 2000 formula ADM or 8923
three-year average formula ADM. 8924

If a district's projected FY 2000 state aid is more than the 8925
greater of division (C)(1) or (2) of this section, such district 8926
shall receive only the greater of division (C)(1) or (2) of this 8927

section in fiscal year 2000. 8928

(D) In fiscal year 2001, notwithstanding any provision of law 8929
to the contrary, no school district shall receive FY 2001 state 8930
aid that is more than the greater of the following: 8931

(1) 112 per cent of FY 2000 actual aid; 8932

(2) [1.10 X (FY 2000 actual aid/fiscal year 2000 formula 8933
ADM)] X the greater of fiscal year 2001 formula ADM or three-year 8934
average formula ADM. 8935

If a district's projected FY 2001 state aid is more than the 8936
greater of division (D)(1) or (2) of this section, such district 8937
shall receive only the greater of division (D)(1) or (2) of this 8938
section in fiscal year 2001. 8939

(E) In fiscal year 2002, notwithstanding any provision of law 8940
to the contrary, no school district shall receive FY 2002 state 8941
aid that is more than the greater of the following: 8942

(1) 112 per cent of FY 2001 actual aid; 8943

(2) [1.10 X (FY 2001 actual aid/fiscal year 2001 formula 8944
ADM)] X the greater of fiscal year 2002 formula ADM or three-year 8945
average formula ADM. 8946

If a district's projected FY 2002 state aid is more than the 8947
greater of division (E)(1) or (2) of this section, such district 8948
shall receive only the greater of division (E)(1) or (2) of this 8949
section in fiscal year 2002. 8950

(F) This division and division (G) of this section apply only 8951
to districts subject to division (F) of section 3317.029 of the 8952
Revised Code and only until July 1, 2002. As used in this division 8953
and division (G) of this section: 8954

(1) "Capped district" means a district that pursuant to 8955
division (B), (C), (D), or (E) of this section will not receive 8956
the full amount of FY 1999, FY 2000, FY 2001, or FY 2002 state 8957

aid.	8958
(2) "DPIA funds" means:	8959
(a) In FY 1998, the amount calculated for the district pursuant to division (B) of section 3317.023 of the Revised Code as it existed in that fiscal year;	8960 8961 8962
(b) In any fiscal year after FY 1998, the total amount calculated for the district for that fiscal year pursuant to section 3317.029 of the Revised Code.	8963 8964 8965
(3) "Exempt DPIA portion" means:	8966
(a) In the case of any district other than a capped district, an amount equal to zero;	8967 8968
(b) In the case of a capped district, the amount resulting from the application of the following formula:	8969 8970
(The district's DPIA funds for the year of the calculation minus the district's DPIA funds for FY 1998) minus (the district's actual aid for the year of the calculation minus the district's FY 1998 state aid)	8971
However, if this formula produces a negative number, the district's exempt DPIA portion is zero.	8972 8973
(4) "Required all-day kindergarten" for a district means the provision of all-day kindergarten to the number of students in the district's kindergarten percentage specified pursuant to division (H)(1) of section 3317.029 of the Revised Code.	8974 8975 8976 8977
(G) Notwithstanding any provision of law to the contrary:	8978
(1)(a) In the case of any district, the district's DPIA funds are hereby deemed to first consist of any disadvantaged pupil impact aid calculated for the district for all-day kindergarten under division (D) of section 3317.029 of the Revised Code, and to next consist of any disadvantaged pupil impact aid calculated for the district under divisions (C) and (E) of section 3317.029 of	8979 8980 8981 8982 8983 8984

the Revised Code. Except as provided in division (G)(1)(b) of this section, each district shall expend whatever funds necessary to ensure provision of its required all-day kindergarten.

(b) Notwithstanding divisions (F)(1), (H), and (J) of section 3317.029 of the Revised Code, a district may serve a lesser percentage of students than the number initially certified in its all-day kindergarten percentage as of the first day of August of the fiscal year and may retain and spend the DPIA funds it would have used to serve the difference between the initial certified percentage and such lesser percentage solely for the purpose of modifying or purchasing additional classroom space necessary to provide all-day kindergarten. A district may only reduce its certified all-day kindergarten percentage and spend the resultant funds on modification and purchase of space with the approval of the department of education. The department shall only approve such use of all-day kindergarten funds and the corresponding reduction of the district's certified all-day kindergarten percentage if it determines that the district cannot reasonably provide all-day kindergarten to its initially certified percentage without additional space.

(2) In FY 1999, a district shall expend for the purposes of section 3317.029 of the Revised Code an amount equal to at least twenty-five per cent of the resultant derived from subtracting the district's exempt DPIA portion from the amount calculated for the district under divisions (C) and (E) of section 3317.029 of the Revised Code.

(3) In FY 2000, a district shall expend for the purposes of section 3317.029 of the Revised Code an amount equal to at least fifty per cent of the resultant derived from subtracting the district's exempt DPIA portion from the amount calculated for the district under divisions (C) and (E) of section 3317.029 of the

Revised Code. Of that amount: 9017

(a) The percentage that the district spends for the purposes 9018
of division (F)(2) of section 3317.029 of the Revised Code shall 9019
equal the percentage that its original calculation under division 9020
(C) of that section, before the application of this section, is of 9021
the total of the amounts originally calculated under divisions (C) 9022
and (E) of section 3317.029 of the Revised Code. 9023

(b) The percentage that the district spends for the purposes 9024
of division (F)(3) of section 3317.029 of the Revised Code shall 9025
equal the percentage that its original calculation under division 9026
(E) of that section, before the application of this section, is of 9027
the total of the amounts originally calculated under divisions (C) 9028
and (E) of section 3317.029 of the Revised Code. 9029

(4) In FY 2001, a district shall expend for the purposes of 9030
section 3317.029 of the Revised Code an amount equal to at least 9031
seventy-five per cent of the resultant derived from subtracting 9032
the district's exempt DPIA portion from the amount calculated for 9033
the district under divisions (C) and (E) of section 3317.029 of 9034
the Revised Code. Of that amount: 9035

(a) The percentage that the district spends for the purposes 9036
of division (F)(2) of section 3317.029 of the Revised Code shall 9037
equal the percentage that its original calculation under division 9038
(C) of that section, before the application of this section, is of 9039
the total of the amounts originally calculated under divisions (C) 9040
and (E) of section 3317.029 of the Revised Code. 9041

(b) The percentage that the district spends for the purposes 9042
of division (F)(3) of section 3317.029 of the Revised Code shall 9043
equal the percentage that its original calculation under division 9044
(E) of that section, before the application of this section, is of 9045
the total of the amounts originally calculated under divisions (C) 9046
and (E) of section 3317.029 of the Revised Code. 9047

(5) In FY 2002, a district shall expend one hundred per cent 9048
of its DPIA funds for the purposes of section 3317.029 of the 9049
Revised Code. 9050

(6) ~~Districts~~ In each fiscal year, districts shall comply 9051
with the requirements of division (G) of section 3317.029 of the 9052
Revised Code." 9053

Section 15. That existing Section 18 of Am. Sub. H.B. 650 of 9054
the 122nd General Assembly, as most recently amended by Sub. S.B. 9055
245 of the 123rd General Assembly, is hereby repealed. 9056

Section 16. That Section 17 of Am. Sub. H.B. 282 of the 123rd 9057
General Assembly, as most recently amended by Sub. S.B. 245 of the 9058
123rd General Assembly, be amended to read as follows: 9059

"Sec. 17. (A) As used in this section: 9060

(1) "FY 1999 state aid" means the total amount of state money 9061
received by a joint vocational school district under the version 9062
of sections 3317.16 and 3317.162 of the Revised Code in effect for 9063
that fiscal year, minus the amounts paid for driver education and 9064
adult education. 9065

(2) "FY 2000 state aid," "FY 2001 state aid," and "FY 2002 9066
state aid" mean the total amount of state money received by a 9067
joint vocational school district in the applicable fiscal year 9068
under divisions (B) to (D) of the version of section 3317.16 of 9069
the Revised Code in effect for the applicable fiscal year and 9070
division (R) of the version of section 3317.024 of the Revised 9071
Code in effect for the applicable fiscal year. 9072

(3) "FY 2000 actual aid" and "FY 2001 actual aid" mean the 9073
amount of state aid described in division (A)(2) of this section 9074
that was actually paid to a joint vocational school district in 9075
the applicable fiscal year after the application of division (B) 9076

or (C) of this section. 9077

(4) "Formula ADM" has the same meaning as in section 3317.02 9078
of the Revised Code. 9079

(5) "FY 1999 ADM" means the average daily membership 9080
certified by the joint vocational school district for fiscal year 9081
1999 under division (D) of the version of section 3317.03 of the 9082
Revised Code in effect for that year. 9083

(B) In fiscal year 2000, notwithstanding any provision of law 9084
to the contrary, no joint vocational school district shall receive 9085
FY 2000 state aid that is more than the greater of the following: 9086
9087

(1) 111.5 % per cent of its FY 1999 state aid; 9088

(2) $[1.095 \times (\text{FY 1999 state aid} / \text{FY 1999 ADM})]$ X fiscal year 9089
2000 formula ADM. 9090

If a joint vocational school district's projected FY 2000 9091
state aid is more than the greater of division (B)(1) or (2) of 9092
this section, the district shall receive only the greater of 9093
division (B)(1) or (2) of this section in fiscal year 2000. 9094

(C) In fiscal year 2001, notwithstanding any provision of law 9095
to the contrary, no joint vocational school district shall receive 9096
FY 2001 state aid that is more than the greater of the following: 9097
9098

(1) 112% per cent of its FY 2000 actual aid; 9099

(2) $[1.10 \times (\text{FY 2000 actual aid} / \text{fiscal year 2000 formula}$ 9100
ADM)] X fiscal year 2001 formula ADM. 9101

If a joint vocational school district's projected FY 2001 9102
state aid is more than the greater of division (C)(1) or (2) of 9103
this section, the district shall receive only the greater of 9104
division (C)(1) or (2) of this section in fiscal year 2001. 9105

(D) In fiscal year 2002, notwithstanding any provision of law 9106
to the contrary, no joint vocational school district shall receive 9107
FY 2002 state aid that is more than the greater of the following: 9108

(1) 112% per cent of its FY 2001 state aid; 9109
9110

(2) [1.10 X (FY 2001 actual aid/fiscal year 2001 formula 9111
ADM)] X fiscal year 2002 formula ADM. 9112

If a joint vocational school district's projected FY 2002 9113
state aid is more than the greater of division (D)(1) or (2) of 9114
this section, the district shall receive only the greater of 9115
division (D)(1) or (2) of this section in fiscal year 2002." 9116

Section 17. That existing Section 17 of Am. Sub. H.B. 282 of 9117
the 123rd General Assembly, as most recently amended by Sub. S.B. 9118
245 of the 123rd General Assembly, is hereby repealed. 9119

Section 18. LEASE PAYMENTS TO OPFC, OBA, AND TREASUER 9120

Certain appropriations are in this act for the purpose of 9121
making lease payments pursuant to leases and agreements relating 9122
to bonds or notes issued by the Ohio Building Authority or the 9123
Treasurer of State, or previously by the Ohio Public Facilities 9124
Commission, pursuant to the Ohio Constitution and acts of the 9125
General Assembly. If it is determined that additional 9126
appropriations are necessary for this purpose, such amounts are 9127
appropriated. 9128

Section 19. GENERAL OBLIGATION DEBT SERVICE PAYMENTS 9129

Certain appropriations are in this act for the purpose of 9130
paying debt service and financing costs on general obligation 9131
bonds or notes of the state issued pursuant to the Ohio 9132
Constitution and Acts of the General Assembly. If it is determined 9133

that additional appropriations are necessary for this purpose, 9134
such amounts are appropriated. 9135

Section 20. Except as otherwise specifically provided in this 9136
act, the codified sections of law amended or enacted in this act, 9137
and the items of law of which the codified sections of law amended 9138
or enacted in this act are composed, are subject to the 9139
referendum. Therefore, under Ohio Constitution, Article II, 9140
Section 1c and section 1.471 of the Revised Code, the codified 9141
sections of law amended or enacted by this act, and the items of 9142
law of which the codified sections of law as amended or enacted by 9143
this act are composed, take effect on the ninety-first day after 9144
this act is filed with the Secretary of State. If, however, a 9145
referendum petition is filed against any such codified section of 9146
law as amended or enacted by this act, or against any item of law 9147
of which any such codified section of law as amended or enacted by 9148
this act is composed, the codified section of law as amended or 9149
enacted, or item of law, unless rejected at the referendum, takes 9150
effect at the earliest time permitted by law. 9151

Section 21. The repeal by this act of section 307.031 of the 9152
Revised Code is subject to the referendum. Therefore, under Ohio 9153
Constitution, Article II, Section 1c and section 1.471 of the 9154
Revised Code, the repeal by this act of section 307.031 of the 9155
Revised Code takes effect on the ninety-first day after this act 9156
is filed with the Secretary of State. If, however, a referendum 9157
petition is filed against the repeal, the repeal, unless rejected 9158
at the referendum, takes effect at the earliest time permitted by 9159
law. 9160

Section 22. Sections 3314.08, 3317.012, 3317.013, 3317.02, 9161
3317.022, 3317.023, 3317.029, 3317.0212, 3317.03, 3317.05, 9162
3317.051, 3317.161 (3317.052), 3317.162 (3317.053), 3317.11, 9163

3317.16, 3317.20, 3323.09, 3323.091, 5126.05, and 5126.12 of the 9164
Revised Code as amended or enacted by this act, and the items of 9165
law of which such sections as amended or enacted by this act are 9166
composed, are not subject to the referendum. Therefore, under Ohio 9167
Constitution, Article II, Section 1d and section 1.471 of the 9168
Revised Code, such sections as amended or enacted by this act, and 9169
the items of law of which such sections as amended or enacted by 9170
this act are composed, go into immediate effect when this act 9171
becomes law. 9172

Section 23. Except as otherwise specifically provided in this 9173
act, the uncodified sections of law amended or enacted in this 9174
act, and the items of law of which the uncodified sections of law 9175
amended or enacted in this act are composed, are not subject to 9176
the referendum. Therefore, under Ohio Constitution, Article II, 9177
Section 1d and section 1.471 of the Revised Code, the uncodified 9178
sections of law amended or enacted in this act, and the items of 9179
law of which the uncodified sections of law amended or enacted in 9180
this act are composed, go into immediate effect when this act 9181
becomes law. 9182

Section 24. The amendment by this act of Section 18 of Am. 9183
Sub. H.B. 650 of the 122nd General Assembly is not subject to the 9184
referendum. Therefore, under Ohio Constitution, Article II, 9185
Section 1d and section 1.471 of the Revised Code, the amendment 9186
goes into immediate effect when this act becomes law. 9187

Section 25. Uncodified sections of law amended or enacted in 9188
this act, and items of law contained within the uncodified 9189
sections of law amended or enacted in this act, that are marked 9190
with an asterisk are subject to the referendum. Therefore, under 9191
Ohio Constitution, Article II, Section 1c and section 1.471 of the 9192
Revised Code, the uncodified sections and items of law marked with 9193

an asterisk take effect on the ninety-first day after this act is 9194
filed with the Secretary of State. If, however, a referendum 9195
petition is filed against an uncodified section or item of law 9196
marked with an asterisk, the uncodified section or item of law 9197
marked with an asterisk, unless rejected at the referendum, takes 9198
effect at the earliest time permitted by law. 9199

If the amending and existing repeal clauses commanding an 9200
amendment of an uncodified section of law are both marked with 9201
asterisks, the uncodified section as amended is deemed also to 9202
have been marked with an asterisk. 9203

An asterisk marking an uncodified section or item of law has 9204
the form *. 9205

This section defines the meaning and form of, but is not 9206
itself to be considered marked with, an asterisk. 9207

Section 26. If the amendment or enactment in this act of a 9208
codified or uncodified section of law is subject to the 9209
referendum, the corresponding indications in the amending, 9210
enacting, or existing repeal clauses commanding the amendment or 9211
enactment also are subject to the referendum, along with the 9212
amendment or enactment. If the amendment or enactment by this act 9213
of a codified or uncodified section of law is not subject to the 9214
referendum, the corresponding indications in the amending, 9215
enacting, or existing repeal clauses commanding the amendment or 9216
enactment also are not subject to the referendum, the same as the 9217
amendment or enactment. 9218

Section 27. An item, other than an amending, enacting, or 9219
repealing clause, that composes the whole or part of an uncodified 9220
section contained in this act has no effect after June 30, 2003, 9221
unless its context clearly indicates otherwise. 9222

Section 28. Section 3317.03 of the Revised Code is presented 9223
in this act as a composite of the section as amended by both Am. 9224
Sub. H.B. 640 and Sub. S.B. 173 of the 123rd General Assembly. The 9225
General Assembly, applying the principle stated in division (B) of 9226
section 1.52 of the Revised Code that amendments are to be 9227
harmonized if reasonably capable of simultaneous operation, finds 9228
that the composite is the resulting version of the section in 9229
effect prior to the effective date of the section as presented in 9230
this act. 9231

This section is not subject to the referendum because of its 9232
relationship to section 3317.03 of the Revised Code and therefore 9233
goes into immediate effect when this act becomes law. 9234

Section 29. If any item of law that constitutes the whole or 9235
part of a codified or uncodified section of law contained in this 9236
act, or if any application of any item of law that constitutes the 9237
whole or part of a codified or uncodified section of law contained 9238
in this act, is held invalid, the invalidity does not affect other 9239
items of law or applications of item of law that can be given 9240
effect without the invalid item of law or application. To this 9241
end, the items of law of which the codified and uncodified 9242
sections contained in this act are composed, and their 9243
applications, are independent and severable. 9244