

County Boards of MRDD Funding Explanation

Introduction

Each of the 88 counties has a county board of mental retardation and developmental disabilities (MRDD) to help serve the needs of over 66,000 special needs Ohioans of all ages with service groups of age 0-2 (13%), age 3-5 (9%) school age 6-21 (25%) and adults 15.3%) in 2005. Some counties do not serve all age groups. A wide variety of services including medical, nursing, case management, occupational and physical therapy, room and board, education, counseling and others are provided.

According to the data compiled by the Ohio Association of County Boards of MRDD, the MRDDs received just under \$1.4 billion to provide all these services to their clients in 2005. Of this amount, 68% was local funding derived mostly from property tax levies. A little over 20% came from federal sources and 11% came from the state. Of the total state revenue, about 40% comes from the Ohio Department of Education (ODE). In FY06 this amounted to about \$60 million.

State Funding From ODE

State aid to MRDDs from ODE is provided in these forms – 1) unit funding for preschool handicapped units, 2) per pupil funding for school aged special education, and 3) transportation services. These will be described in turn.

1) Preschool Handicapped Units

Section 3317.052 of the ORC provides that ODE pay MRDDs for each classroom and related service unit approved by ODE. For each classroom unit, the amount of payment is the sum of the minimum salary of the teacher of the unit, calculated on the basis of the teacher's training level and years of experience pursuant to the salary schedule prescribed in the version of Section 3317.13 of the Revised Code in effect prior to July 1, 2001 (base amount = \$17,000) plus fifteen per cent of that minimum salary amount for fringe benefits plus an \$8,023 non-salary unit allowance, plus a supplemental unit allowance of \$7,799.

For each related services unit approved by ODE the amount is the sum of the minimum salary of the teacher of the unit as calculated above for the classroom unit, plus fifteen percent of that salary for fringe benefits plus a \$2,132 non-salary unit allowance plus a supplemental unit allowance of \$2,966. The total for an MRDD of the preschool unit funding is shown in the MRDD's Statement of Settlement as "Preschool". In FY06 the related services total sent by ODE to all MRDDs was \$13.6 million.

2) School Aged Special Education

Unlike preschool pupils which are funded in units, each school aged special education pupil is funded on a per student basis. The state pays the MRDD for each pupil from a school district up to the number of pupils the district placed with the MRDD in fiscal year 1998. Payment for those pupils above the fiscal year 1998 number is deducted from the school district's SF-3 payment on line 23, Other Adjustments. The calculated amount for each pupil whether paid by the state or deducted from the district's SF-3 payment is provided for in Section 3317.20 of the Revised Code as the greater of the following two amounts:

(1) (The formula amount for fiscal year 2005 X the cost-of-doing-business factor for the child's school district for fiscal year 2005) + (state share percentage for fiscal year 2005 X formula amount for fiscal year 2005 X the applicable weight);

(2) (The current formula amount times the current cost-of-doing-business factor for the child's school district) + (state share percentage X current formula amount X the applicable weight).

The applicable weight is the category weight in which the pupil is classified as specified in ORC 3313.013 (A-F) multiplied by .9 for FY07. These formulas and weights and the data for the calculation of the total amount due to the MRDD are shown on the MRDD Payment Report.

This total calculated amount is compared to a guarantee amount based on the FY98 school-aged amount received by the MRDD through unit funding. The current year payment is the larger of the calculated amount or the guarantee amount. The guaranteed amount is calculated as follows:

$$\text{Guarantee} = \frac{\text{FY98 amount received for school aged classroom and related service units}}{\text{Number of pupils receiving services in the FY98 classroom and related service units}} \times \text{Number of pupils receiving payment in the current year total calculated amount}$$

This guarantee amount is shown on the MRDD Payment Report. Also, on this report is a column labeled "ADM DIFF" which indicates the difference between the number of pupils sent by each district to the MRDD in FY98 versus the current fiscal year. If the number in this column is negative or zero, no deduction is made from the district and the total amount calculated comes from the state. This form of state aid amounted to \$38.4 million in FY06.

If this number is positive, then the portion of the total amount is shown on the MRDD District Reduction report. Note that deductions are shown by special education category with the lowest category being deducted first. For example, suppose the district had five pupils at the MRDD in FY98 and eight pupils in the current year with one of these eight in category 2, five in category 5 and one in category 6. The deduction would be calculated by using the pupil in category 2 and two pupils in category 5 leaving the remaining three in category 5 and the one pupil in category 6 to be funded by the state. The amount of the deduction is calculated using the same formulas described above for the state payment.

3) Transportation of School Age Pupils:

ODE provides oversight and funding of transportation of school age children provided by MRDD agencies in addition to services provided by public schools.

Procedures and Safety oversight: Any agency transporting school age children to and from education programs is subject to the operation and safety rules administered through the authority of Ohio Revised Code 4511.76. This includes services provided by MRDD agencies. While MRDDs also provide services for adults, any time they are transporting school age students, even when co-mingled with adult clients, the ODE operation and safety rules must be observed.

Funding: Transportation funding support for MRDD agencies is authorized when transporting school age students to and from MRDD classroom units that have been approved by ODE. (Ref ORC 3317.024 M) The funding source is line 200-502 of the state budget, and is included in the general amount that ODE distributes for special education transportation.

The calculation for the MRDD funding is done as part of the general calculation for all special education student transportation-as such, the funding formula is the same for MRDDs as it is for public schools. This funding is based upon data that is collected and reported by all transporting agencies through the Transportation reporting system, specifically the T-1 and T-2 reports.

The formula for this distribution is based upon Ohio Administrative Code 3301-83-01 (D). The calculation is as follows:

Reimbursement for actual costs of special transportation may be made for up to six dollars per day per child and one-half the actual cost in excess of six dollars per day. This amount may be further adjusted by factors included in the budget bill, or to remain within the budgeted allocation for special education transportation. In FY06, ODE paid out \$7.8 million to MRDDs for transportation services.

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