

Am. Sub. HB 1 changed the method of funding gifted students in school districts effective July 17, 2009. The previous methodology of awarding units for gifted intervention specialists and gifted coordinators has been replaced with a formula through the new Evidence-Based Model (EBM) that determines state levels of funding in four areas for gifted education support:

- Gifted Identification Factor
- Gifted Coordinator Factor
- Gifted Intervention Specialist Factor
- Gifted Intervention Specialist Professional Development Factor

The following represents a number of questions the Department has received regarding this new method of funding for school districts as well as questions about the gifted funding provided to educational service centers. **Please keep in mind that FY10-11 is a transition period. ODE's understanding of the legislative intent of the gifted funding methodology in HB 1 for FY10-11 is to protect gifted services through this transition period at the funding level that the state supported gifted education in FY09 and that required spending be used for certified gifted staff. The intent was to give districts time during this transition period to plan for future EBM funding levels. The EBM, once fully phased in, will provide significantly higher levels of funding for services to identified gifted students.**

Q1. When will my district know how much we will receive for the four gifted education funding factors through the new Evidence-Based Model (EBM)?

A1. ODE is in the process of programming the new EBM funding formula. The Department's goal is to begin actually paying on the new EBM in October through the new PASS form, which will replace the SF-3. Until then, funding simulations for districts are currently available on the ODE web-site by clicking [here](#). Once EBM payments begin, subsequent payments in FY10 will be adjusted so that total funding by the end of FY10 will equal EBM annual allocations for FY10.

Q2. Does my district have to spend the funds on gifted education at the level provided through the Evidence-Based Model (EBM)?

A2. Districts must spend for services to identified gifted students from their EBM funding at least at the same amount of state funding that they received in FY09 through unit funding. In addition, districts that in FY09 received gifted student services from an ESC - and the ESC received gifted unit funding in FY09 - must either (a) obtain gifted student services from an ESC that are comparable to the gifted student services provided to the district with gifted unit funding in FY09 by an ESC or (b) spend for services to identified gifted students from the funds received through the EBM an amount not less than the amount of gifted unit funding expended by an ESC in FY09 for the district's students.

Districts are encouraged to maintain in FY10-11 at least FY09 levels of gifted services provided through all funding sources as districts transition from gifted unit funding to the gifted education support provided under the EBM. (See the answer to question Q4 regarding the requirements outlined in HB 1 for developing gifted spending rules that will be effective starting in FY12.)

Q3. Do the gifted operating standards still apply in FY10-11?

A3. Yes. HB 1 clearly specifies that in FY10-11 districts must spend for services to identified gifted students from their EBM funding at least at the same amount of state funding that they received in FY09 through unit funding (see answer to previous question Q2). Such spending must be in accordance with the gifted operating standards (O.A.C 3301-51-15). Only division (F) of O.A.C. 3301-51-15 will need to be revised or replaced with new spending rules since it addresses unit funding, which is no longer the methodology for gifted funding.

- Q4. How does the gifted education support provided under the Evidence-Based Model (EBM) have to be used? (Examples of questions received include: Is my district required to spend our gifted coordinator factor and gifted intervention specialist factor on qualified gifted education staff? If my district has 1.5 organizational units, do we have to hire 1.5 FTE gifted intervention specialists? If we have extra dollars from our gifted coordinator factor, can we spend the rest on our gifted intervention specialist?)**
- A4. Again, in FY10-11 districts must spend for services to identified gifted students from their EBM funding at least at the same amount of state funding that they received in FY09 through unit funding (see answer to previous question Q2). The required use of each gifted funding factor generated through the EBM will be established by spending rules that must be developed in FY10-11 and will be effective beginning in FY12. Once effective, HB 1 specifies that, "Those rules shall require that such funds be spent only for the employment of staff to serve students identified as gifted, in accordance with Chapter 3324. of the Revised Code, or for other services to such students. The rules shall be aligned with the operating standards for identifying and serving gifted students prescribed in rules adopted by the state board of education."
For this biennium, the required spending must be used in accordance with the gifted operating rules developed for identifying and serving gifted students (O.A.C. 3301-51-15). Districts must continue to identify gifted students and develop written education plans as they have in the past. See divisions (D) and (E) of O.A.C. 3301-51-15 that outline requirements for personnel and services.
- Q5. What level of staff FTE are districts required to employ under the gifted coordinator factor and gifted intervention specialist factor?**
- A5. For FY10-11 there is not a specified FTE that must be employed by a district with the gifted spending that is required (see answer to previous question Q2 for school districts). However, districts must use this required minimum level of spending for appropriate services to identified gifted students as outlined in the gifted operating rules (O.A.C. 3301-51-15). See divisions (D) and (E) of O.A.C. 3301-51-15 that outline requirements for personnel and services.
- Q6. What consequences are there for my district if we do not maintain at least the level of spending from FY09's gifted education units?**
- A6. All districts are subject to financial audits by the Auditor of State in which they are expected to be compliant with the spending requirements outlined in the Ohio Revised Code. The Auditor's Office may decide that the funds are not being used for their designated purposes and may take action against the district. This spending requirement will also be enforced through gifted education audits.
- Q7. If my district does not use all of our gifted coordinator factor or gifted intervention specialist factor funding do we have to return the remainder of the dollars?**
- A7. Generally the answer to this question is "no" but, to the extent that overall gifted education support provided through the EBM exceeds levels of state funding provided through units in FY09, districts are encouraged to use such additional funding for services to identified gifted students that comply with the gifted operating standards (O.A.C. 3301-51-15). The use of this additional funding for gifted services will be more important as districts draw closer to having to be compliant with new gifted spending rules for each gifted education support funding factor provided through the EBM. (See the answer to question Q4 regarding the requirements outlined in HB 1 for developing gifted spending rules that will be effective starting in FY12.)
- Q8. Will funding for identifying gifted students continue to be provided in FY10-11?**
- A8. Yes. However, rather than it being provided outside of the primary funding formula as a separate state grant, it will now be part of the EBM. Statute still requires districts to identify gifted students as in the past and districts are expected to use the funding provided to them through the gifted identification factor within the EBM to meet this mandate.
- Q9. How much will my ESC receive this year for gifted education?**
- A9. Each ESC will receive the same level of funding as received through unit funding in FY09.

Q10. How do ESCs have to use the gifted funding received in FY10-11?

A10. The funding must be used for services to identified gifted students in accordance with the gifted operating rules (O.A.C. 3301-51-15). See divisions (D) and (E) of O.A.C. 3301-51-15 that outline requirements for personnel and services.

Q11. Is my ESC required to employ, at a minimum, the same number of gifted staff FTE that we employed in FY09 through gifted unit funding?

A11. The process of awarding units is no longer the funding methodology which means for FY10-11 there is not a specified FTE that must be hired with the gifted funding provided to ESCs. ESCs, however, must spend their funding for services to identified gifted students in accordance with the gifted operating rules (O.A.C. 3301-51-15). See divisions (D) and (E) of O.A.C. 3301-51-15 that outline requirements for personnel and services.

THE BOTTOM LINE: Districts and ESCs must spend in FY10 and FY11 the same amount on services for students identified as gifted as what they received from the state in FY09 through gifted unit funding, and the spending must comply with the gifted operating standards (O.A.C. 3301-51-15). ODE strongly encourages districts to use this biennium to plan for the spending requirements that will begin in FY12 for the gifted education support funding factors and for increased levels of support for these factors to be phased in through the Evidence-Based Model in the future.