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From: Center for Audit Excellence  
To: All IPA Firms  
Subject: FY15 FTE Adjustments to School Foundation  
Date: November 13, 2015

As indicated to you in our communications on July 16, 2015, August 10, 2015 and September 2, 2015, ODE previously posted the Final FTE Adjustment #1 for Fiscal Year 2015, and plans a couple more rounds of adjustments until they believe the data and resulting funding is accurate.

ODE had anticipated posting the Final FTE Adjustment #2 this month; however, we have been notified that there will be a delay. While ODE will be posting 'projected' final #2 amounts on their website for schools to get an idea of the projected impact, they are just draft numbers, and we do not feel they are a reliable enough basis for financial statement adjustments – therefore auditors should **not** propose audit adjustments for the 'projected' final #2 amounts.

As a reminder, you should continue to include the following footnote in all school audit reports (as mentioned in the July 16, 2015 communication):

**SAMPLE FOOTNOTE:**

School District Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. Effective for the 2014-2015 school year, traditional school districts must comply with minimum hours of instruction, instead of a minimum number of school days each year. The funding formula the Ohio Department of Education (ODE) is legislatively required to follow will continue to adjust as enrollment information is updated by the school district, which can extend past the fiscal year end. As of the date of this report, ODE has not finalized the impact of enrollment adjustments to the June 30, 2015 Foundation funding for the school district; therefore, the financial statement impact is not determinable at this time. ODE and management believe this will result in either a receivable to or liability of the School District.

Please contact the Center for Audit Excellence if you have any questions.