Q: How do we get from this?
To this?
A: This.
Partnering for Your Success:
Oregon’s State School Fund

Michael Elliott
State School Fund Coordinator
Oregon Department of Education
502-947-5627
Michael.S.Elliott@state.or.us
Objectives

• A Year in the Life of the State School Fund
• Total Revenue
• ADMw
• State School Fund Formula
• Sub Grants
State School Fund Timeline
Timeline: 2015-16

Estimate of Membership and Revenue for 2015-16 due December 2014
Timeline: December 2014

Estimate of Membership and Revenue

<table>
<thead>
<tr>
<th>Local Revenue Estimates</th>
<th>ADMr Estimates</th>
<th>ADMw Estimates</th>
<th>Transportation Estimates</th>
</tr>
</thead>
</table>

1. **Estimate of Selected Revenue Sources**

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Current Year 2014-15</th>
<th>Projected Year 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax (current, prior, penalty, interest)</td>
<td>679000</td>
<td>6052500</td>
</tr>
<tr>
<td>Federal Forest Fees</td>
<td>21962</td>
<td>21962</td>
</tr>
<tr>
<td>County School Fund</td>
<td>52000</td>
<td>20000</td>
</tr>
<tr>
<td>State Managed Timber (Ch.530)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Monies Received in Lieu of Property Taxes (net offsets) (EWED, Coos Bay Wagon Rd., etc.)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Excess ESD Revenue</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Local Option Taxes</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

2. **Estimate of Student Membership**

A. **Total District Resident Average Daily Membership (ADM), Including Alternative and Attending in Another District.**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Projected Year 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten</td>
<td>485</td>
</tr>
<tr>
<td>Grades 1-8</td>
<td>3710</td>
</tr>
<tr>
<td>Grades 9-12</td>
<td>1615</td>
</tr>
</tbody>
</table>

Subtotal A : 5810.0

B. **Participation in Selected Programs**

- Number of students eligible for special education as a child with disability under ORS 343.035 (December count): 760
- ADM of pregnant and parenting students under ORS 336.640 and OAR 581-23-100(3): 23
- ADM of students enrolled in an ESL program under ORS 336.070 and OAR 581-23-100(4): 2200

Subtotal B : 2888.0

3. **Estimate of Net Transportation Cost**

<table>
<thead>
<tr>
<th>Current Year 2014-15</th>
<th>Projected Year 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>239000</td>
<td>280000</td>
</tr>
</tbody>
</table>

4. **2014-15 Estimate of High Cost Disability Claims**

<table>
<thead>
<tr>
<th>Number of High Cost Students for 2014-15</th>
<th>Additional Spent by District</th>
<th>Total Spent for High Cost Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>$30000</td>
<td>$127000</td>
</tr>
</tbody>
</table>

Submit | Reset
Timeline: First Monday in March

• First estimate for 2015-16 published
• Legislative Changes
• Additional estimates
Timeline: Payments 2015-16

• Payments start with double payment in July 2015
• Monthly payment made every month through May
• Payments based on estimated data
Timeline: Updates

- State School Fund Update = Rebalance of Formula
- Fall Update based on district changes
- Spring Updates include:
  - Shifting to second period ADM
  - Correcting local revenue
  - Updating weighting factors
  - Actual updates usually January, March May
Timeline: Reconciliation

- Occurs in May 2017
- Estimated payments v. Actual data
- Ensures accurate distribution of funds
Basic State School Fund Formula

\[(State\ Revenue + Local\ Revenue) - (Disbursements) \div (Total\ Weights) = Equity\]
Total Revenue
Total Revenue

<table>
<thead>
<tr>
<th>Date</th>
<th>7/6/2016</th>
<th>To: District Business Managers</th>
<th>Re: 2015-16 State School Fund Estimates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carve Outs</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2015-16</th>
<th>2016-17</th>
<th>2015-17 Biennium*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Revenue</td>
<td>Revenue</td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$3,628,130,346</td>
<td>$3,736,200,092</td>
</tr>
<tr>
<td>State Revenue</td>
<td>$1,571,075,718</td>
<td>$1,619,028,022</td>
</tr>
<tr>
<td>Local Revenue</td>
<td>$2,057,054,638</td>
<td>$2,117,172,070</td>
</tr>
</tbody>
</table>

- **Total Revenue:** $3,628,130,346
- **State Revenue:** $1,571,075,718
- **Local Revenue:** $2,057,054,638
- **Carve Outs:** $1,619,028,022

**Notes:**
- This State School Fund Estimate is based on the $7.4 billion legislatively approved budget. It includes the original $7.255 billion split to OSPI over the biennium with additional revenue from Mary's Fund and end of session bill added into 2016-17. The anticipated Common School Fund increase is included and split evenly over the biennium.

**Sources for 2015-16 Estimates:**
- ADM: Estimated
- Property Taxes: Estimated
- Common School Fund: Estimated
- Federal Forest Fees: Estimated
- Other Local Revenue: Estimated
- Teacher Experience: 2013-14
- 11% Cap Waiver State: 2013-14
- Poverty Rate: 2015-16
- School District Funding Ratio: 1.5475705118300
- Transportation Grant: Estimated at $21,722,064
- Estimated ADM: 520,000
  - Estimated ADM: 600,000
  - District ACF: $142
  - EIS ACF: $15
  - YCEP/USD amount per ADM: $1,004

If you have questions, please contact Michael Elliott at Michael.5.Elliott@state.or.us
Local Revenue

This part of the estimate
## Local Revenue: Estimates

### 1. Estimate of Selected Revenue Sources

<table>
<thead>
<tr>
<th>Revenue Source</th>
<th>Current Year 2014-15</th>
<th>Projected Year 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax (current, prior, penalty, interest) but exclude debt service fund</td>
<td>675,000</td>
<td>605,250</td>
</tr>
<tr>
<td>Federal Forest Fees</td>
<td>21,962</td>
<td>21,962</td>
</tr>
<tr>
<td>County School Fund</td>
<td>52,000</td>
<td>20,000</td>
</tr>
<tr>
<td>State Managed Timber (Ch.530)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Monies Received in Lieu of Property Taxes (not offsets) (EWEB, Coos Bay Wagon Rd., etc.)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Excess ESD Revenue</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Local Option Taxes</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### 2. Estimate of Student Membership

#### A. Total District Resident Average Daily Membership (ADM), Including Alternative and Attending in Another District

<table>
<thead>
<tr>
<th>Grade</th>
<th>Current Year 2014-15</th>
<th>Projected Year 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grades 1-8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grades 9-12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subtotal A</td>
<td>5810.0</td>
<td></td>
</tr>
</tbody>
</table>

#### B. Participation in Selected Programs

1. Number of students eligible for special education as a child with disability under ORS 343.035 (December count)
   - 766
2. ADM of pregnant and parenting students under ORS 336.640 and OAR 581-23-100(3)
   - 23
3. ADM of students enrolled in an ESL program under ORS 336.079 and OAR 581-23-100(4)
   - 2200

Subtotal B: 2986.0

### 3. Estimate of Net Transportation Cost

including bus/garage allowable depreciation and net of transportation receipts and non-reimbursable mileage

<table>
<thead>
<tr>
<th>Current Year 2014-15</th>
<th>Projected Year 2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>230,000</td>
<td></td>
</tr>
</tbody>
</table>

### 4. 2014-15 Estimate of High Cost Disability Claims

<table>
<thead>
<tr>
<th>Number of High Cost Students for 2014-15</th>
<th>Additional Spent by District</th>
<th>Total Spent for High Cost Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>$30,000</td>
<td>$197,000</td>
</tr>
</tbody>
</table>
State Revenue

- Appropriated by the Legislature in 2015
- $7.37B in actual revenue for 2015-17 biennium
ADM
ADM

- ADM = Average Daily Membership
- ADMr = resident Average Daily Membership
- ADMw = Average Daily Membership weighted
Calculating ADMr: Full Time

- $1+1+1 = 1$
- Open Enrollment v Inter-district Transfer v Tuition Agreement
- 10-day rule
- Program Type Code 01
Calculating ADMr: Part Time

Two Types

• Part time at a full-time program
  • Home School
  • Less than full school day
• Full time in a program that will not meet minimum hours of instruction
  • Alternative Ed

\[ x = \frac{-b \pm \sqrt{b^2 - 4ac}}{2a} \]
Calculating ADM: Coding

- Program Type Codes: 1-12 (not 2 and 3)
- Tuition Type Codes (S not P and F)
ADM: Contacts

• Region 1 or 3
  • Karen Brown Smith
  • 800-706-4447x3124 or 541-966-3124 (locally)
  • Karen.brown@imesd.k12.or.us

• Region 2
  • MJ Chain
  • 877-373-3684 or 541-440-4756 (locally)
  • Mj.chain@douglasesd.k12.or.us

• Region 1 or 3
  • Peter Campbell
  • 800-706-4447x3203
  • Peter.campbell@imesd.k12.or.us
ADM: Weights weights weights

- ADMw drives equity in state
- 1 weight = 1 weight
- Basis of district funding
ADMw: Types of Weights

- ADMr = 1.0 weights
- IEP = 1.0 weight up to 11% ADMr
  - Cap Waiver = variable
- ESL = 0.5 weights
  - Pregnant and Parenting = 1.0 weights
- Poverty = 0.25 weights
  - Foster Care & Neglected and Delinquent Programs = 0.25 weights
  - Remote Small Elementary School Correction = variable
  - Small High School Correction = variable
ADMw: Data Sources

ADM, ESL, IEP, and Pregnant and Parenting:

• District provided data

Estimates:

<table>
<thead>
<tr>
<th>A. Total District Resident Average Daily Membership (ADM), including Alternative and Attending in Another District.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kindergarten</td>
</tr>
<tr>
<td>Grades 1-8</td>
</tr>
<tr>
<td>Grades 9-12</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>B. Participation in Selected Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Number of students eligible for special education as a child with disability under ORS 343.035 (December count)</td>
</tr>
<tr>
<td>(2) ADM of pregnant and parenting students under ORS 336.540 and OAR 581-23-100(3)</td>
</tr>
<tr>
<td>(3) ADM of students enrolled in an ESL program under ORS 336.079 and OAR 581-23-100(4)</td>
</tr>
</tbody>
</table>

Actual Data:

• ADM, ESL and Pregnant and Parenting – Annual ADM
  • Program Codes 01, 02, 03
• IEP: SECC December Child Count
ADMw: Data Sources

IEP Cap Waiver
- Districts provide IEP Count and Maintenance of Effort (MOE) data
- ODE calculates sources
- Districts ranked
- Higher ranking districts receive more proportionate weights
ADMw: Hints & Tips

- Each ADMw for 2014-15 worth $6,850
- District provides almost all ADMw data
- Important to get this right
- Properly Record annual ADMw
- Double check estimates
ADMw: Extended

- Greater of current year or previous year’s ADMw
- Funding based on extended ADMw
State School Fund Sub Grants
Sub Grants

Two Types
- Carve-outs
- Distributions to districts
Sub Grants

Carve-Outs

• Money reduces formula dollars
• Include:
  • TAG Support
  • Speech Pathology Program
  • State Schools
  • Network of Quality Teaching and Learning (NQTL)
Sub Grants

District Distributions:
• Small High School Grant
• Facility Grant
• High Cost Disability Grant
• Transportation Grant
Sub Grants: Small High School

- $2.5 million
- Small Districts
- Small High Schools
- No spending restrictions
Sub Grants: Facilities

• $12.5 million per biennium
• Up to 8% of eligible construction costs
• Prorated over biennium
Sub Grants: High Cost Disability

- $35 million per year
- Reimburses districts for students eligible for special education who have over $30,000 in eligible expenses in a given year.
- Estimated amounts paid
- Reconciled when actual amounts are provided
Sub Grants: Transportation

Transportation Grant

- No maximum
- Reimburses eligible expenses
- Reimburse rates of 70%, 80%, and 90%
- Rates based on costs/ADMr
- Estimated at $201 million for 2015-16
Sub Grants: Key Points

• Variable
• Reduce overall funding
• For specific purposes
State School Fund Formula
State School Fund Formula

District’s share of State School Fund = (District ADMw * (Basic Funding + ($25 * Teacher Experience)) * Funding Ratio) – Local Revenue
Formula: Basic Grant

\[(\text{District ADMw} \times (\textbf{Basic Funding} + (\$25 \times \text{Teacher Experience}))) \times \text{Funding Ratio}) - \text{Local Revenue}\]

- Basic Grant $4,500
- Target Grant
- Amount is target not guarantee
Formula: Teacher Experience

$\left( \text{District ADMw} \times (\text{Basic Funding} + ($25 \times \text{Teacher Experience})) \times \text{Funding Ratio} \right) - \text{Local Revenue Experience Formula}$

\[
\frac{\text{District Years of Teaching}}{\text{District FTE}} - \frac{\text{State Years of Teaching}}{\text{State FTE}}
\]

- Can be positive or negative
- Includes in and out-of-state experience
- Teacher experience from Staff Position Collection
- Codes 05, 08, 22, and 23
Formula: Ratio

(District ADMw * (Basic Funding + ($25 * Teacher Experience)) \* \textbf{Funding Ratio}) – Local Revenue

- Ensures equity across state
- Distributes all formula funds
- Increase in ratio = Increase in district funding
- Funding ratio \approx \frac{\text{Formula Revenue}}{\text{Statewide Weights}}
Formula

• District’s share of State School Fund = (District ADMw * (Basic Funding + Teacher Experience) * Funding Ratio) – Local Revenue
  • Know ADMw
  • Know Basic Funding ($4,500)
  • Know Teacher Experience
  • Know Funding Ratio
  • Know Local Revenue
Formula: Estimate

2015-2016 General Purpose Grant
(Extended ADMw x [ $4500 + ( $25 x Experience Adjustment) ] ) x Funding Ratio
(52,077.51 x [$4500 + ($25 x 0.17)]) x 1.547457011830 = $362,302,216

2015-2016 Total Formula Revenue
General Purpose Grant + Transportation Grant
= $362,302,216 + $12,379,100 = $374,681,316

State School Fund Grant = Total Revenue - Local Revenue
= $374,681,316 - $77,002,671 = $297,678,645

General Purpose Grant = Basic Formula

Total Revenue = General Purpose Grant + Transportation Grant

State School Fund Grant = Total Revenue - State Revenue

General Purpose Grant per Extended ADMw = $6,957
Total Formula Revenue per Extended ADMw = $7,195
Charter Schools Rate (ORS 338.155) = $6,958
Homework

1. Top 3 List
2. Network with other Business Managers
3. Make sure you know how to contact me
4. Have Fun!
Questions?
Thank you!

Michael Elliott
State School Fund Coordinator
503-947-5627
Michael.s.elliott@state.or.us