I. Budgeting
   1. Revenue Forecasting
      i. Sources
         1. Local ≈ 30%, primarily from property taxes
         2. State ≈ 60%, primarily from income tax
         3. Federal ≈ 10%
      ii. 2017-19, §8.2B; Split 50/50 (not 49/51)
      iii. Other Disbursements
         1. Talented and Gifted- $175,000; ORS § 327.008(15)
         2. Speech Pathology- $75,000; ORS § 327.008(16)
         3. Network of Quality Teaching and Learning- $16,500,000; ORS § 327.008(12)
         4. Skilled Nursing- $1,300,000
         5. Long-term Care- $10,500,000
         6. Oregon School for the Deaf- $1,500,000; ORS § 327.023(1)
         7. Small High School Grant- $2,500,000; ORS § 327.008(17)
         8. High Cost Disability Grant- $35,000,000; ORS 327.008(11)
         9. Facilities Grant- ≤ $9,000,000; ORS § 327.008(8)
        10. Office of School Facilities- ≤ $6,000,000; ORS § 327.008(9)
        11. Pediatric Nursing Facility Account; ORS § 327.008(10)
        12. Statewide English Language Learner Program- $6,250,000; ORS § 327.008(13)
        13. Assessment (ORS § 329.488)- $550,000; ORS § 327.008(14)
        14. High School Graduation and College and Career Readiness Fund (Measure 98)- $170,000,000; SB 5516 (2017)
        15. Outdoor School (Measure 99)- $24,000,000; SB 5524 (2017)
   iv. ADM
      1. ADM- Average Daily Membership, ORS § 327.006
      2. ADMw – Weighted Average Daily Membership = ADM + additional weights, ORS § 327.013(c)(A)
v. Total Formula Review

| General Purpose Grant | Transportation Grant | Facilities Grant | Other Grants + | Total Formula Review |

1. General Purpose Grant, ORS § 327.013(1)
   - General Purpose Grant
   - Funding Percentage
   - Target Grant
   - District Extended ADM

   State Calculates,
   June 2017 = \(1.706764943758\)

   \[ = ¥4500 + $25 \left( \frac{\text{District Teacher Experience}}{\text{State Teacher Experience}} \right) \]

2. Transportation Grant
   - 70% - 90% of Eligible Transportation Costs
   - Based on Transportation Cost per ADM
   - ORS § 327.013(3)

3. Facilities Grant
   - Up to 8% of New Building Cost
   - Not for Capital Construction
   - Funds Available in Year First Used
   - ORS § 327.013(4), OAR 581-023-0230

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vi. How Much Are We Allocated?
   1. Total Formula Review – Local Funds
      a. Local Funds
         i. Property Taxes
         ii. Common School Fund
         iii. State Timber
         iv. Federal Forest
         v. ORS § 327.011, see the top of your District Estimate to see how much you receive and where it comes from

vii. Information on ODE’s website
   1. www.ode.state.or.us
      a. Under Schools & Districts, click on Grants and School Funding Resources
      b. Select State School Fund: School District and ESD payment statements
      c. Under Estimates select District Estimates [date] or ADMw Breakouts [date]
viii. Charter Schools
   1. Paid from District Where Located (even if state-sponsored)
   2. Based on Charter Agreement
      a. District-sponsored
         i. At Least 80% of Funding per ADMw for K-8 students
         ii. At Least 95% of Funding per ADMw for High School Students
      b. State-sponsored
         i. At Least 90% of Funding per ADMw for K-8 students
         ii. At Least 95% of Funding per ADMw for High School Students
   3. ORS § 338.155
ix. Education Service Districts (ESD)
   1. 4.5% of Component Districts of $1,000,000 (whichever is larger)
   2. ORS § 327.019(4)
2. Expenditure Planning
   i. Budget Committee
      1. Board Members + Equal Number of Community
         a. Look at Proposed Budget
         b. Meet as a Committee
         c. Hear Public Comment
         d. Budget Committee Approves
         e. Board Meets on Budget
         f. Budget Hearing
         g. Board Adopts
      2. Budget Committee DOES NOT
         a. Determine Salaries, Benefits or Contracts
         b. Determine Staffing levels
         c. Adopt Policy
         d. Add or Delete Programs

3. Budget Committee Handbook
   a. Free PDF Download for OSBA members
      i. www.osba.org
         1. Under My OSBA, click on Member Resources
         2. Login
         3. Half-way down the page, select Budget Committee Handbook

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II. Accounting

1. Reports
   i. Board’s Role: Be Informed and Ask Good Questions
      1. Revenues and Expenditures
      2. Actual vs. Budgeted
      3. Cash Flow
      4. Student Enrollment Numbers
      5. State School Fund

2. Internal Controls
   i. Board’s Role: Be Aware of What You Have In Place
      1. Cell Phones, Policy EGACA
      2. Credit Cards, Policy DJFA
      3. Travel Expenses
      4. Reimbursements, Policies BHD, DLC
      5. Inventory, Policy DID
      6. Cash
      7. Time Falsifications
   ii. Policies, Section D, Fiscal Management

III. Auditing

1. Internal
   i. Board’s Role: Be Aware, Receive Reports

2. External Auditing
   i. Board’s Role: Receive Audit Report
   ii. Policy DIE

Spencer Lewis, OSBA Member Services Attorney
slewis@osba.org, 800-578-6722

NOTES

Nothing in this handout is intended as legal advice. If you need legal advice, please contact legal counsel.