I. Budgeting
   1. Revenue Forecasting
      i. Sources
         1. Local ≈ 34%, primarily from property taxes
         2. State ≈ 56%, primarily from income tax
         3. Federal ≈ 8%
         4. Intermediate ≈ 2%, generally city and county
      ii. 2017-19, $8.2B; Split 50/50 (not 49/51)
      iii. Some of the 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. Oregon School for the Deaf- $1,500,000; ORS § 327.023(1)
         5. High Cost Disability Grant- $35,000,000; ORS § 327.008(11)
         6. Facilities Grant- ≤ $4,500,000; ORS § 327.008(8)
         7. Office of School Facilities- ≤ $6,000,000; ORS § 327.008(9)
         8. Pediatric Nursing Facility Account- “the amount necessary to pay the costs”; ORS § 327.008(10)
         9. Statewide English Language Learner Program- $6,250,000; ORS § 327.008(13)
         10. Assessment (ORS § 329.488)- $550,000; ORS § 327.008(14)
      iv. Other Monies
         1. High School Graduation and College and Career Readiness Fund (Measure 98)- $170,000,000 from General Fund; SB 5516 (2017)
         2. Outdoor School (Measure 99)- $24,000,000 from Administrative Services Economic Development Fund; SB 5524 (2017)
      v. ADM
         1. ADM- Average Daily Membership, ORS § 327.006
         2. ADMw – Weighted Average Daily Membership = ADM + additional weights, ORS § 327.013(c)(A)
vi. Total Formula Review

\[
\text{General Purpose Grant} \\
\text{Transportation Grant} \\
\text{Facilities Grant} \\
+ \text{ Other Grants} \\
\text{Total Formula Review}
\]

1. General Purpose Grant, ORS § 327.013(1)

\[
\text{General Purpose Grant} = \text{Funding Percentage} \times \text{Target Grant} \times \text{District Extended ADMw}
\]

State Calculates, June 2018 = 1.735958874530

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

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

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

NOTES

________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________
________________________________________________________________________________
vii. 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

viii. 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]
      d. http://www.oregon.gov/ode/schools-and-
         districts/grants/Pages/School-District-and-ESD-payment-
         Statements.aspx

NOTES

____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
____________________________________________________________________________________
ix. 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

x. Education Service Districts (ESD)
   1. 4.5% of Component Districts or $1,165,000 (whichever is greater);
      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
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.