

OREGON DEPARTMENT OF EDUCATION

DIVISION 27

School Construction Matching Program

581-027-0005

Definitions

The following definitions and abbreviations apply to rules within OAR 581, Div 27:

- (1) “Adjusted Assessed Property Value Per ADM” means the value calculated per OAR 581-027-0010 to determine the ranking of Districts on the Priority List for Funding.
- (2) “ADM” means Average Daily Membership.
- (3) “ADM_r” or “Resident Average Daily Membership” means average daily membership as calculated under OAR 581-023-0006(6)–(7).
- (4) “Assessed Value” means the total assessed value of all tangible property within the boundaries of the District as published by the Oregon Department of Revenue.
- (5) “Average Daily Membership” means the number of students in a District as calculated under ORS 327.061 and includes all weights, and extended Average Daily Membership weighted, as calculated under ORS 327.013(1)(c).
- (6) “Certified Contractor” means an entity or person who has gone through the process established by the Department that will certify the entity or person is qualified to perform the work.
- (7) “Closing” means the date on which a District receives some or all of the proceeds of its Local GO Bonds.
- (8) “Date Stamp” means electronic or mechanical means of imprinting documents with date and time the document is received by the Department.
- (9) “Department” means the Oregon Department of Education.
- (10) “District” or “Districts” means school districts, as defined in ORS 328.001(3), that are eligible to apply for a State Matching Grant.
- (11) “Facility Assessment” means an assessment conducted by a Certified Contractor that evaluates one or more facilities in a school district according to the requirements set forth in OAR 581-027-0035.

- (12) “First in Time” means that portion of the Oregon School Capital Improvement Matching Account that is to be awarded to Districts based on the order in which the Department receives the applications.
- (13) “Funding Cycle” means the period of time, as determined by the Department under OAR 581-027-0020(2)(b), before and after a May or a November general election during which the Department will accept applications and issue commitments for State Matching Grants under the OSCIM Program.
- (14) “Gross Square Footage” means the total square footage of the building as measured by the outside wall of the building.
- (15) “Guaranteed Tax Base Amount” or “GTBA” means a theoretical tax base of \$1,000,000 per ADM.
- (16) “Guaranteed Tax Rate Amount” means \$1,000 which is the GTBA multiplied by .001 for \$1 of tax per \$1,000 of Assessed Value.
- (17) “Local GO Bonds” means general obligation bonds approved by voters for the benefit of a District during the Funding Cycle for which the District applied for a State Matching Grant.
- (18) “Long-Range Facility Plan” means a plan conducted by a Certified Contractor that determines the long-range needs and goals of a district according to the requirements set forth in OAR 581-027-0040
- (19) “Oregon School Capital Improvement Matching Account” means an interest bearing account established in the State Treasury, separate and distinct from the General Fund, that consists of net proceeds from Article XI-P bonds issued under Article XI-P (School District Capital Costs) of the Oregon Constitution.
- (20) “Oregon School Capital Improvement Matching Program” or “OSCIM Program” means the program created by Article XI-P of the Oregon Constitution and ORS 286A.769 to 286A.806.
- (21) “Priority List” means the list created by the Department each biennium pursuant to ORS 286A.801 and the formula outlined in OAR 581-027-0010.
- (22) “Seismic Assessment” means an assessment conducted by a contractor that evaluates one more facilities in a School District according to the requirements set forth in OAR 581-027-0050.
- (23) “State Matching Grant” means the grant funds provided by the State through the OSCIM Program to match the proceeds of a District’s Local GO Bonds.
- (24) “Students in Poverty” means the number of children, age 5 to 17, in families in poverty as described by the Small Area Income Poverty Estimate published by the U.S. Census Bureau.

(25) “Technical Assistance Grant” means a grant provided by the Department to a School District such that a school district can conduct a Facility Assessment, Long-Range Facility Plan, or Seismic Assessment.

(26) “Waiting List” means the list of Districts not initially awarded a State Matching Grant, based on either the District’s position on the Priority List or the District’s First in Time status, during any Funding Cycle.

Stat. Auth.: Sec. 2 & 5, Ch.783, OL 2015 (Enrolled SB 447).

Stats. Implemented: Sec. 2, 4 & 5, Ch. 783, OL 2015 (Enrolled SB 447).

Hist.: ODE 30-2016, f. & cert. ef. 4-28-16; ODE 41-2016, f. & cert. ef. 7-20-16

581-027-0010

Calculations for Oregon School Capital Improvement Matching Program Priority List

(1) For each Funding Cycle, the Department shall provide State Matching Grants to Districts from designated resources in the Oregon School Capital Improvement Matching Account. The Department shall determine and apportion the amount of available resources among the Funding Cycles in each biennium. The total amount of State Matching Grant funds available and awarded by the Department may vary during each Funding Cycle.

(2) Sixty percent (60%) of designated grant resources in the Oregon School Capital Improvement Matching Account shall be awarded based on the Priority List.

(3) The Priority List shall be based on a District’s Assessed Value, percentage of Students in Poverty, and Average Daily Membership.

(4) The Department shall update the Priority List at the beginning of each biennium. To update the list, the Department will use the data from the most recent year for which all three sources have reported actual data.

(5) The Priority List shall be calculated as follows:

(a) The District’s Students in Poverty shall be multiplied by 20 to determine the Weighted Number of Students in Poverty.

(b) The District’s Weighted Number of Students in Poverty shall be divided by the District’s ADM to arrive at the District’s Percentage of Students in Poverty.

(c) The District’s Assessed Value shall be divided by the District’s ADM to determine the District’s Assessed Property Value per ADM.

(d) The District’s Assessed Property Value per ADM shall then be divided by 1 plus the Percentage of Students in Poverty to determine the District’s Adjusted Assessed Value per ADM.

(e) The Districts will be ranked from the smallest Adjusted Assessed Property Value per ADM to the highest. This ranking will ensure Districts with the highest rate of students in poverty and lowest assessed property wealth per ADM are provided the greatest chance for a State Matching Grant.

Stat. Auth.: Sec. 2 & 5, Ch.783, OL 2015 (Enrolled SB 447)
Stats. Implemented: Sec. 2, 4 & 5, Ch. 783, OL 2015 (Enrolled SB 447)
Hist.: ODE 30-2016, f. & cert. ef. 4-28-16

581-027-0015

Calculations for Oregon School Capital Improvement Matching Program Funding Formula

- (1) The Department shall provide State Matching Grants to Districts from available resources in the Oregon School Capital Improvement Matching Account.
- (2) Sixty percent (60%) of the available resources in the Oregon School Capital Improvement Matching Account for a biennium shall be awarded based on the Priority List.
- (3) Forty percent (40%) of the available resources in the Oregon School Capital Improvement Matching Account for a biennium shall be awarded based on the order in which applications are received during the application period established by the Department for the Funding Cycle.
- (4) The Department shall use a funding formula to determine the amount of State Matching Grant funds each District is eligible to receive from the Oregon School Capital Improvement Matching Account. This funding formula will be used to determine eligibility for State Matching Grants awarded through both the Priority List and First in Time application process.
- (5) Districts whose voters pass \$4,000,000 or less in Local GO Bonds for District facility projects shall be eligible for a one-to-one match from State Matching Grant funds.
- (6) Districts whose voters pass more than \$4,000,000 in Local GO Bonds for District facility projects, shall be eligible for at least \$4,000,000 and no more than \$8,000,000 based on the following formula:
 - (a) The District's Adjusted Assessed Property Value per ADM as determined by OAR 581-027-0010 shall be multiplied by the assumed tax rate of .001 (\$1 per \$1000 of assessed property value) to calculate the District's Estimated Local Bond Revenue per ADM.
 - (b) The Estimated Local Bond Revenue per ADM shall be subtracted from the Guaranteed Tax Rate Amount to determine the amount of eligible State Matching Grant funds per ADM.
 - (c) The eligible State Matching Grant funds per ADM shall be multiplied by the District's ADM to determine the maximum amount of State Matching Grant funds for which a District is eligible.

(7) In no case will the amount of a State Matching Grant exceed the lesser of the proceeds of the District's Local GO Bonds or the principal amount of the District's Local GO Bonds.

(8) Local GO Bonds used by a District to qualify for the OSCIM Program must be Closed within six months of the date of the election at which the Local GO Bonds were approved.

Stat. Auth.: Sec. 2 & 5, Ch.783, OL 2015 (Enrolled SB 447)

Stats. Implemented: Sec. 2, 4 & 5, Ch. 783, OL 2015 (Enrolled SB 447)

Hist.: ODE 30-2016, f. & cert. ef. 4-28-16

581-027-0020

Oregon School Capital Improvement Matching Program Application

(1) The Department shall create one application for Districts to apply for State Matching Grants from the Oregon School Capital Improvement Matching Account.

(2) The Department shall post the following on the Department's web page:

(a) The application prior to when each Funding Cycle begins;

(b) The beginning and end dates of each Funding Cycle for the next two Funding Cycles;

(c) The first date of the Funding Cycle on which the Department shall accept applications. No applications will be accepted prior to this date for a Funding Cycle; and

(d) The last date of the Funding Cycle on which the Department will accept applications.

(3) Applicants may either submit their application to the Department electronically through secure file transfer protocol or by delivering in person. Districts may submit applications only for an open and current Funding Cycle. The Department will not accept applications for later Funding Cycles.

(4) The Department shall:

(a) Date stamp all applications based on the time they are received by the Department; and

(b) Reject all incomplete applications.

(c) A District may not re-submit in the same Funding Cycle a revised or corrected application after the District has determined the original application was incomplete or otherwise not accepted for a funding commitment.

(5) The Department shall:

(a) Rank complete applications from Districts for each Funding Cycle according to the Priority List formula;

(b) Make funding commitments to Districts with the highest ranking on the priority list until sixty percent of the available resources for that Funding Cycle are used.

(c) Make funding commitments to the remaining Districts in accordance to the First in Time process for that Funding Cycle and based on the order in which the Department receives applications.

(6)(a) In order to promote equity across the state, the Department shall deem all applications received within a specified period of time for each Funding Cycle as being received at the same time. The Department shall establish multiple periods as necessary for the reception of applications as follows:

(A) Those applications received within the first time period shall be deemed to be the first in time for purposes of award commitments.

(B) Those applications received in subsequent time periods will be deemed to be received in order of the established time periods.

(b) The Department shall commit First in Time funding to Districts based on which time period the District is deemed to have submitted their application.

(c) If the First in Time funding is insufficient to provide a commitment to all Districts within a given time period for that Funding Cycle, the Department shall randomly select the Districts by a lottery process to determine which Districts will receive an award commitment.

(d) The lottery process shall be determined by the Department.

(e) All lottery results are final.

(7) The Department shall notify Districts that receive a funding commitment from the Oregon School Capital Improvement Matching Account within two weeks of the close of the application period. for a Funding Cycle

(8) The Department shall post the eligibility and ranking of all Districts that applied during that Funding Cycle on the Department's website. Districts that applied but did not receive a commitment will be notified of where they fall on the Waiting List.

(9) All funding commitments are contingent upon the District subsequently Closing the required Local GO Bonds within 6 months of that Funding Cycle's bond election.

(10) Any Districts on the Waiting List may choose to move forward seeking voter approval for Local GO Bonds in that Funding Cycle with the understanding that State Matching Grant funds

may become available for that Funding Cycle if a District that has received a commitment is unsuccessful in passing their Local GO Bonds.

(11) All funding commitments to Districts that successfully pass their Local GO Bonds in the Funding Cycle will be officially awarded a State Matching Grant upon the execution of a grant agreement prescribed by the Department.

(12) All funding commitments to Districts that are not successful in passing their Local GO Bonds may be recommitted to Districts that have successfully passed Local GO Bonds and are on the Waiting List for that Funding Cycle.

(13) Funding commitments will not carry over from one Funding Cycle to the next. Funding commitments for future Funding Cycles will only be made to Districts that reapply during the designated application period for that Funding Cycle.

(14) All decisions of the Department regarding the completeness of the application or ranking under either the Priority List or First in Time process are final.

(15) Any funding remaining after all awards have been made for a Funding Cycle shall be moved forward to the next Cycle.

Stat. Auth.: Sec. 2 & 5, Ch.783, OL 2015 (Enrolled SB 447)

Stats. Implemented: Sec. 2, 4 & 5, Ch. 783, OL 2015 (Enrolled SB 447)

Hist.: ODE 30-2016, f. & cert. ef. 4-28-16

581-027-0025

Oregon School Capital Improvement Matching Program Grant Restrictions

(1) A District that receives a State Matching Grant will be ineligible for additional State Matching Grant funds for the next three Funding Cycles after the Funding Cycle in which the District was awarded the State Matching Grant.

(2) A District may not use State Matching Grant funds to refinance general obligation bonds issued by the District.

(3) A District must use State Matching Grant funds for capital costs as defined in ORS 286A.796(3).

(4) A District may use State Matching Grant funds to reimburse the District for capital costs incurred by the District prior to the Funding Cycle in which the District was awarded a grant only if:

(a) the Department approves the use of State Matching Grant funds for such purpose; and

(b) The District complies with all requirements of the OSCIM Program.

(c) The Department's approval or disapproval of the use of State Matching Grant funds is final. A District may not submit a revised request for use of funds.

(5) State Matching Grant funds shall be used only to match the proceeds of Local GO Bonds authorized by an election in the same Funding Cycle in which the District applied for State Matching Grant funds.

(6) If there are State Matching Grant funds available for disbursement after all the awards for all the Funding Cycles in a biennium have been made, the Department may award those uncommitted funds by lottery to Districts that have applied for State Matching Grant funds during the biennium and have Local GO Bond proceeds available to use as a basis for a match so long as the Local GO Bonds from which the proceeds are derived were approved by the voters during the biennium.

Stat. Auth.: Sec. 2 & 5, Ch.783, OL 2015 (Enrolled SB 447)

Stats. Implemented: Sec. 2, 4 & 5, Ch. 783, OL 2015 (Enrolled SB 447)

Hist.: ODE 30-2016, f. & cert. ef. 4-28-16

Technical Assistance Grant Program Procedures

581-027-0030

Technical Assistance Grant Program Procedures

(1) The Department shall establish timelines for when Districts may submit an application for a Technical Assistance Grant.

(2) The Department shall establish a separate application for the Facility Assessment, Long-Range Facility Plan, and Seismic Assessment.

(3) Each District may submit one application for each type of assessment.

(4) All districts are eligible for each type of assessment.

(5) All applications are due by the date established by the Department. No late applications will be accepted.

(6) The Department shall evaluate each completed application by awarding preference points as established by this rule.

(7) An application will receive 1 point for preference that the application meets.

(8) An application will receive a final score that is the total of the application's points.

(9) Applications will be funded from highest to lowest score.

(10) If there is not enough funding to provide a Technical Assistance Grant to all applications that have equal scores, then the Department shall create a lottery to determine which applications will receive a Technical Assistance Grant.

(11) The preference points for the Facility Assessment are:

(a) District has 25% or more of its ADMr identified as Students in Poverty. The number of Students in Poverty shall be same as used in OAR 581-027-0010;

(b) District has under 2,500 ADMr according to the annual reports for the same school year as used to calculate the Priority List under OAR 581-027-0010 ;

(c) District has not conducted a Facility Assessment in the last 10 years;

(d) District has not passed a general obligation bond in the last 15 years; and

(e) District's ADMr has changed by 10% or more over the last 5 years based on the latest annual reports submitted to the Department.

(12) The preference points for the Long-Range Facility Plan are:

(a) District has 25% or more of its ADMr identified as Students in Poverty. The number of Students in Poverty shall be same as used in OAR 581-027-0010;

(b) District has under 2,500 ADMr according to the annual reports for the same school year as used to calculate the Priority List under OAR 581-027-0010;

(c) District has not conducted a Long-Range Facility Plan in the last 10 years;

(d) District has not passed a general obligation bond in the last 15 years; and

(e) District's ADMr has changed by 10% or more over the last 5 years based on the latest annual reports submitted to the Department.

(13) The preference points for the Seismic Assessment are:

(a) District has 25% or more of its ADMr identified as Students in Poverty. The number of Students in Poverty shall be same as used in OAR 581-027-0010;

(b) District has under 2,500 ADMr according to the annual reports for the same school year as used to calculate the Priority List under OAR 581-027-0010;

(c) District has not conducted an assessment for an Oregon Infrastructure Finance Authority Seismic Rehabilitation Grant;

(d) District identifies a number of schools it intends to assess and at least 50% are listed as “High” or “Very High” for collapse potential in the Rapid Visual Survey created by the Department of Geology and Mineral Industries;

(e) District’s Mapped Spectral Acceleration for 1-second period (S_s) is greater than 0.6 as calculated by the United State Geological Survey and published on the USGS website for the district’s central office.

(14) A District may use an assessment performed before the start of the application period as a basis for an application, during the 2015-17 biennium, for a Technical Assistance Grant so long as:

(a) The District conducts the assessment according to the standards set forth in these rules;

(b) The District signed the contract for the work after July 1, 2015;

(c) The District used a Certified Contractor to conduct the assessment; and

(d) The District provides the Department with an electronic copy of the assessment in the format established by the Department.

(15) For the first application period of the 2015-17 biennium, the Department will waive requirements 14(c).

(16) Each District that submits an application that receives a Technical Assistance Grant will be required to enter into a grant agreement with the Department prior to issuance of funds.

(17) A District must reapply each time a new grant application is announced if a District did not receive a grant in a grant application period.

(18) Each District that receives a Technical Assistance Grant must submit an electronic copy of the finished report in form to be established by the Department.

Stat. Auth.: Sec. 2 and 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Stats. Implemented: Sec. 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Hist.: ODE 41-2016, f. & cert. ef. 7-20-16

581-027-0035

Facility Assessment Requirements

(1) Each Facility Assessment shall contain the following information:

(a) Building Information

(A) Name of building;

(B) Building ID Number;

(C) Physical Address;

(D) Gross Square Footage;

(E) Original Construction Date;

(F) Original Construction Type;

(G) Additions:

(i) Construction Date;

(ii) Construction Type;

(iii) Construction Square footage;

(iv) Construction Usage;

(H) Renovations:

(i) Construction Date;

(ii) Construction Type;

(iii) Construction Square footage; and

(iv) Renovation Construction Usage.

(b) Infrastructure Assessment

(A) UNIFORMAT II Assessment: An assessment of each applicable building element as listed in the American Society for Testing and Materials (ASTM) UNIFORMAT II Classification (October 1999) of Building Elements Level 3 that provides the following:

(i) ASTM Number;

(ii) System Name;

(iii) Description of System;

(iv) Number of systems or square footage of system in need of repair or want of replacement;

(v) Level of repair/replacement needed as follows. The percent of the building affected should be noted to assist in cost estimating:

(I) None: The system or finish shows signs of wear, but no capital action necessary;

(II) Minor: The system or finish has a symptom that has not yet appreciably affected performance but will if left unmitigated;

(III) Moderate: The system or finish is showing signs of fatigue and performance is observably deteriorated;

(IV) Major: The system functions sporadically, requiring replacement or upgrade of components to the system to extend the life of the system. Finishes are not categorized as Major, but advance to Replace;

(V) Replace: The integral components of the system or finish are in complete failure and no longer function.

(VI) Notes as to what specifically needs to be done to repair or replace the system.

(B) Additional items

(i) A safety and security analysis of the facility that determines if the facility meets current best practices for providing a safe and secure environment;

(ii) An ADA assessment and listing of deficiencies;

(iii) Assessment of technology infrastructure in the facility including bandwidth, presence of wireless networks, and other means of providing access to information technology;

(iv) Assessment of indoor air quality; and

(v) Presence of harmful substances such as lead or asbestos in the facility based on district reports.

(c) Value Assessment

(A) The current replacement value of the building using cost per square foot standards as determined by the Department and updated annually.

(B) The Facilities Condition Index of the building as calculated by dividing the total estimated construction costs to completely repair the building by the current replacement value of the building.

(2) The Department shall establish a template for Districts and their Certified Contractors to use to collect the information required in (1).

(3) Districts and Certified Contractors shall use the template established by the Department to provide the final report to the Department in electronic format.

Stat. Auth.: Sec. 2 and 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Stats. Implemented: Sec. 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Hist.: ODE 41-2016, f. & cert. ef. 7-20-16

581-027-0040

Long-Range Facility Plan Requirements

(1) Each Long Range Facility Plan shall contain the following information:

(a) Population projections by school age group for the next ten years using U.S. Census or Census partner data.

(b) Collaboration with local government planning agencies (city and/or county):

(A) Identification of suitable school sites if needed

(B) Site acquisition schedules and programs

(c) Evidence of community involvement in determining:

(A) Educational vision of local community

(B) Proposals to fund long-range facility needs

(d) Identification of buildings on historic preservation lists including the National Historic Register, State Historical Preservation Office, and local historic building lists.

(e) Analysis of district's current facilities' ability to meet current national educational adequacy standards:

(A) Identification of facility standards used to meet district educational vision as well as national educational adequacy standards

(B) Identification of deficiencies in current facilities

(C) Identification of changes needed to bring current facilities up to standards

(D) Identification of alternatives to new construction and major renovation to meet current national educational adequacy standards

(E) Identification of current facility capacity and ability of current capacity to meet current national educational adequacy standards.

(F) A description of the plan the district will undertake to change its facility to match the projections and needs for the district for the next ten years.

(2) The Department shall establish a template for Districts and their Certified Contractors to use to collect the information required in OAR 581-027-0040 (1).

(3) Districts and Certified Contractors shall use the template established by the Department to provide the final report to the Department in electronic format.

Stat. Auth.: Sec. 2 and 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Stats. Implemented: Sec. 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Hist.: ODE 41-2016, f. & cert. ef. 7-20-16

581-027-0045

Seismic Assessment Requirements

(1) Each Seismic Assessment shall contain the following:

(a) Name of building.

(A) Gross square footage of building.

(B) Physical address.

(C) Original construction date.

(D) Original construction type.

(E) Additions:

(i) Construction Date;

(ii) Construction Type;

(iii) Construction Square footage;

(iv) Construction Usage;

(v) Procedures used to determine the building's ability to perform to the Life Safety Standard in ASCE 41-13.

(vi) Evaluation of building using either ASCE 41-13 Tier I or Tier II evaluations methods except the levels of earthquake ground motion will be not less than 75% of BSE-1N design level earthquake per ASCE 41-13 section 2.4.1.2; instead of the 20% in 50 year ground motion used in the ASCE 41-13 standard.

(I) List of deficiencies that need to be corrected to bring building up to the Life Safety Standard listed in ASCE 41-13.

(II) List of schematic rehabilitation tasks to rectify listed deficiencies in accordance with ACSE 41-13 standard.

(III) List of portions of building that pose highest life safety threat and collapse potential of those building portions.

(IV) Cost estimate provided by professional with knowledge about the type of work to be done that includes contingencies built into all budget categories.

(V) Certification of the final assessment provided by registered Structural Engineer licensed in the State of Oregon.

(2) The Department shall establish a template for Districts and their Certified Contractors to use to collect the information required in (1).

(3) Districts and Certified Contractors shall use the template established by the Department to provide the final report to the Department in electronic format.

Stat. Auth.: Sec. 2 and 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Stats. Implemented: Sec. 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Hist.: ODE 41-2016, f. & cert. ef. 7-20-16

581-027-0050

Contractor Certification Program

(1) The Department shall establish a program whereby entities or individuals can apply to become Certified Contractors for the purposes of the Technical Assistance Grants.

(2) The program shall contain a portion of instruction on the methods to be used by Certified Contractors in performing Facility Assessment and Long-Range Facility Plan work.

(3) The program shall contain a test such that those that pass will become Certified Contractors.

(4) The Department shall post on its website specific information for each time the training program is held.

(5) No entity or individual may become a Certified Contractor unless they complete the training program established by the Department.

Stat. Auth.: Sec. 2 and 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Stats. Implemented: Sec. 5, Ch. 783, OL 2015 (Enrolled Senate Bill 447).

Hist.: ODE 41-2016, f. & cert. ef. 7-20-16