

Priority List Rule

- (1) The following definitions and abbreviations apply to this rule:
 - a) “ADM” means Average Daily Membership;
 - b) “Assessed Value” means the total assessed value of all tangible property within the boundaries of the school district as published by the Oregon Department of Revenue;
 - c) “Average Daily Membership” means the number of students in a school 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);
 - d) “Guaranteed Tax Base Amount” or “GTBA” means a theoretical tax base of \$1,000,000 per ADM;
 - e) “Guaranteed Tax Rate Amount” means \$1,000 which is the GTBA multiplied by .001 for \$1 of tax per \$1,000 of AV
 - f) “Oregon School Capital Improvement Match 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.
 - g) “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.
- (2) The Department of Education (“ODE” or “Department”) shall provide matching grants to school districts from designated resources in the Oregon School Capital Improvement Matching Account.
- (3) Sixty percent (60%) of designated grant resources in the Oregon School Capital Improvement Matching Account shall be awarded based on a priority list established by the Department.
- (4) The priority list established by the Department shall be based on a district’s Assessed Value, percentage of Students in Poverty, and Average Daily Membership.
- (5) The Department shall obtain the latest actual data available for each of these variables from their sources. The Department shall update the priority list at the beginning of each biennium. The update will use the data from the most recent year for which all three sources have reported actual data.
- (6) The priority list shall be calculated as follows:
 - a) The district’s Students in Poverty shall be multiplied by 2 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 are provided the greatest chance for matching grant.

Funding Formula Rule

- (1) The following definitions and abbreviations apply to this rule:
 - a) “ADM” means Average Daily Membership;
 - b) “Assessed Value” means the total assessed value of all tangible property within the boundaries of the school district as published by the Oregon Department of Revenue;
 - c) “Adjusted Assessed Property Value Per ADM” means the value calculated per[Priority List OAR] to determine the ranking of school districts on the Priority List for Funding;
 - d) “Average Daily Membership” means the number of students in a school 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);
 - e) “Guaranteed Tax Base Amount” or “GTBA” means a theoretical tax base of \$1,000,000 per ADM;
 - f) “Guaranteed Tax Rate Amount” means \$1,000 which is the GTBA multiplied by .001 for \$1 of tax per \$1,000 of AV;
 - g) “Oregon School Capital Improvement Match 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.
- (2) The Department of Education shall provide matching grants to school districts from designated grant resources in the Oregon School Capital Improvement Matching Account.
- (3) Sixty percent (60%) of designated grant resources in the Oregon School Capital Improvement Matching Account shall be awarded based on a priority list established by the Department.
- (4) Forty percent (40%) of designated grant resources in the Oregon School Capital Improvement Matching Account shall be awarded based on the order in which application are received during a pre-determined time frame established by the Department.
- (5) The Department of Education shall use a funding formula to determine the amount of state matching grant funds each school district is eligible to receive from the Oregon School Capital Improvement Matching Account. This funding formula will be used to determine state matching funds for grants awarded through both the priority list and application process.
- (6) Districts that issue and expend \$4,000,000 or less in general obligation bonds for school facility projects, shall receive a one-to-one match from the state matching funds.
- (7) Districts that issue and expend more than \$4,000,000 in general obligation bonds for school facility projects, shall receive a minimum of \$4,000,000 million in state matching funds with the possibility, based on the funding formula, of receiving a maximum of \$8,000,000.
- (8) State matching grants will be determined as follows:

- a) The district's Adjusted Assessed Property Value per ADM as determined by OAR 581-XX-XXXX 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 Match Per ADM.
- (9) The Eligible State Match per ADM shall be multiplied by the district's ADM to determine the maximum amount of matching funds that will be awarded to the district.
- (10) If a district passes a bond that is more than \$4 million but less than the amount they qualify for under the funding formula, the district will receive a maximum match equivalent to the bond amount passed.
- (11) The Department shall update the priority list at the beginning of each biennium. The update will use the data from the most recent year for which all three sources have reported actual data.

Application Rule

- (1) The following definitions and abbreviations apply to this rule:
- a) "Date Stamp" means electronic or mechanical means of imprinting documents with date and time the document is received by the Oregon Department of Education ("ODE" or "Department").
 - b) "First in Time" means that portion of the Oregon School Capital Improvement Match Account that is to be awarded to school districts based on the order in which the Department receives the applications.
 - c) "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.
 - d) "Priority List" means the list created with the formula outlined in OAR 581-XX-XXX.
- (2) The Department shall create one application for districts to apply for grants from the Oregon School Capital Improvement Matching Account.
- (3) The Department shall post the application on the website of the Office of School Facilities before the application acceptance period begins.
- (4) The first date on which the Department shall accept applications will be posted to the website of the Office of School Facilities. No applications will be accepted prior to this date.
- (5) The last date the Department will accept applications will be posted on the website of the Office of School Facilities.
- (6) All applications must be received electronically as provided in the application instructions created by the Department.
- (7) All applications will be electronically date stamped based on the time they are received by the Department according to the method as stated in the application.
- (8) All incomplete applications shall be rejected by the Department.
- (9) Complete applications from school districts will be ranked according to the Priority List formula.

- (10) Funding commitments will be made to school districts with the highest ranking on the priority list until sixty percent of the available resources are used.
- (11) Funding commitments will be made to the remaining school districts in accordance to the First in Time process and based on the electronic date stamp on file with the Department.
- (12) School districts that receive a funding commitment from the Oregon School Capital Improvement Matching Account will be notified within two weeks of the close of the application period.
- (13) All funding commitments are contingent upon the school district passing the required general obligation bonds for matching.
- (14) Any School Districts who did not receive a funding commitment may continue to move forward with issuing local bonds with the understanding that state matching funds could be available for use should a school district who has received a commitment be unsuccessful in passing their local bond.
- (15) All funding commitments to school districts that successfully pass their local bonds will be officially awarded state matching funds upon the execution of a grant agreement prescribed by the Department.
- (16) All funding commitments to school districts who are not successful in passing their local bonds may be recommitted to school districts that were successful in passing a local bond and had applied for state matching funds during the appropriate application period.
- (17) Funding commitments cannot carry over from one election to the next. Funding commitments for future elections will only be made to school districts who reapply during the designated application period.
- (18) 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.
- (19) Any funding remaining after all awards have been made shall be moved forward to the next application period, except in the last election of the biennium where a reconciliation will occur.