



School Funding in Oregon

Report to Citizens' Bond Oversight Committee

March 21, 2019

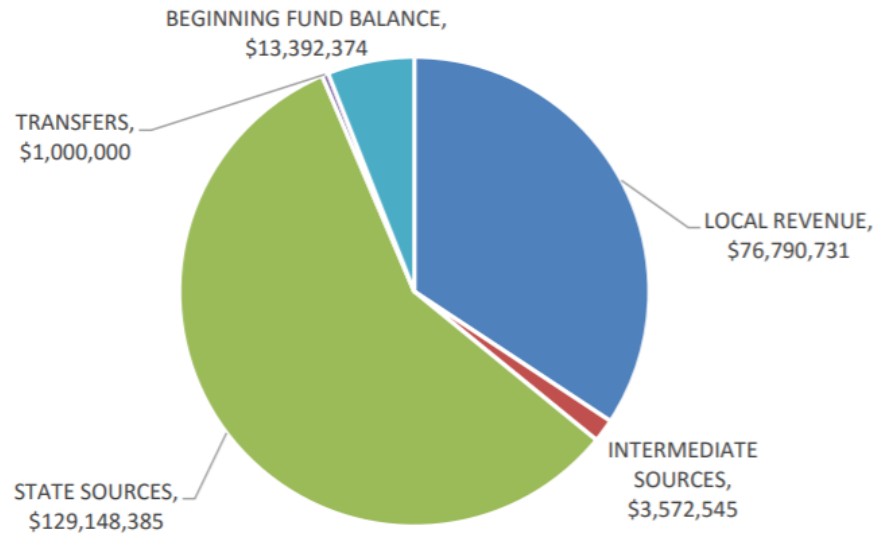
HILLSBORO SCHOOL DISTRICT BUDGET: FACTS & FIGURES

Budget is broken down by Fund:

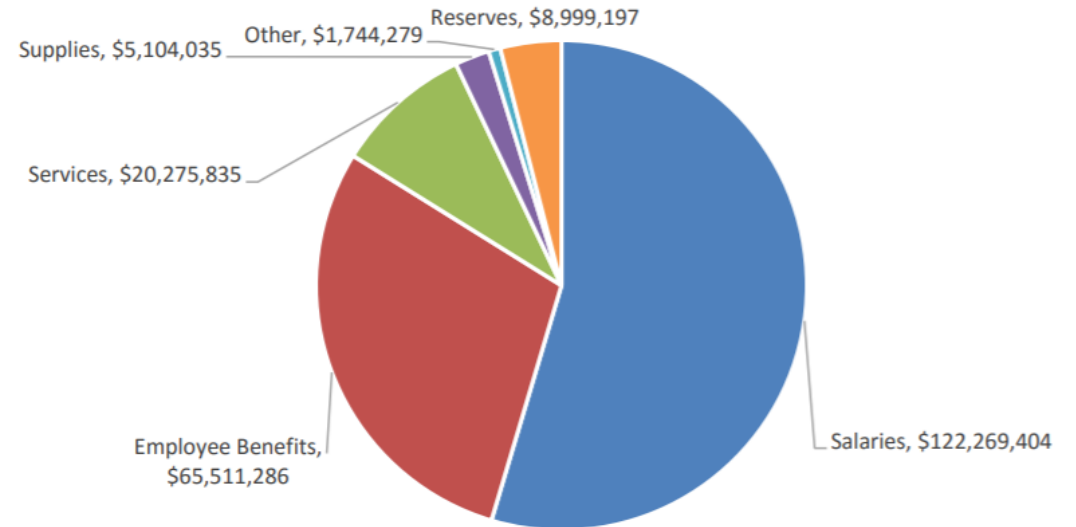
- **General Fund**

- Used to account for all transactions related to the District's operations, except those required to be accounted for in other funds.

2018-19 General Fund Revenue



2018-19 General Fund Expenditures by Object



HILLSBORO SCHOOL DISTRICT BUDGET: FACTS & FIGURES

Other Funds:

- **Special Revenue Funds**

- Used to account for proceeds of specific revenues from federal, state, and local sources that are legally restricted to expenditures for specified purposes. Examples include Title I, Title II, IDEIA, School Nutrition Program and other grant-funded or donation programs.

- **Debt Service Fund**

- Designated for repayment of long- or short-term debt from the sale of bonds used to finance capital construction. For HSD, this includes both general obligation bonds and pension obligation bonds' principal and interest.

- **Capital Construction Fund**

- Used to account for construction projects associated with the 2017 bond issue.

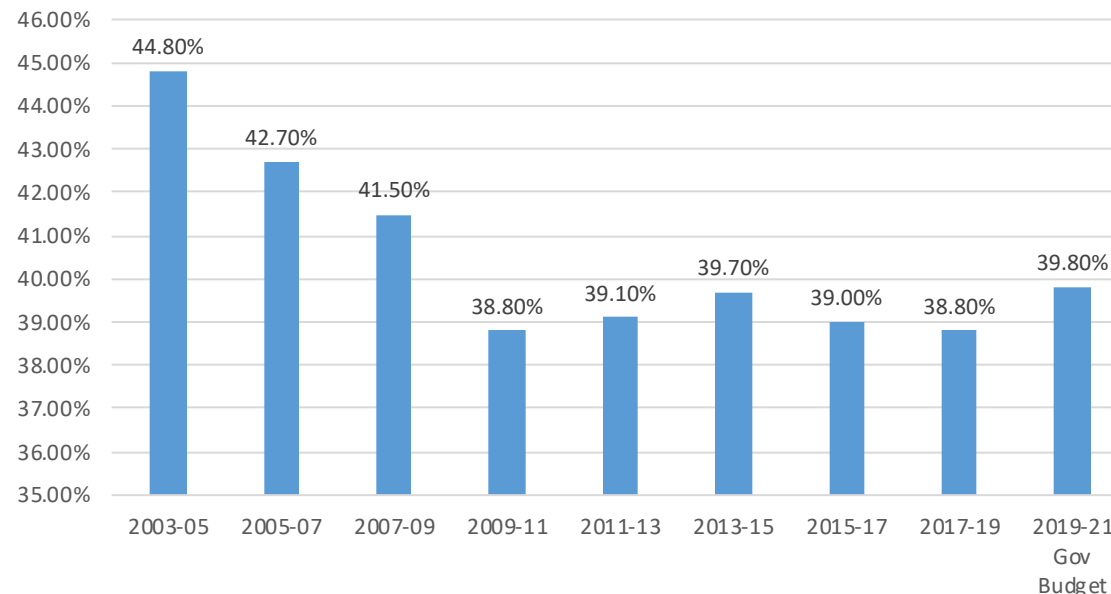
STATE SCHOOL FUND FORMULA

- Approximately 92% of total HSD General Fund revenues come from the State of Oregon through the State School Fund formula.
- The State School Fund formula establishes a total maximum amount of revenue a District can collect based on a weighted per-student calculation.
- If a District collects more in local revenue they will receive less in State School Fund revenue (and vice-versa).

STATE SCHOOL FUND FORMULA

- The Oregon legislature meets biannually to determine the amount of money allocated to the State School Fund and all other state-funded programs, including Human Services, Public Safety, Economic Development, Transportation, etc.
- For the 2017-19 biennium, the State School Fund received \$8.2 billion or approx. 38.79% of total state's general fund revenue.

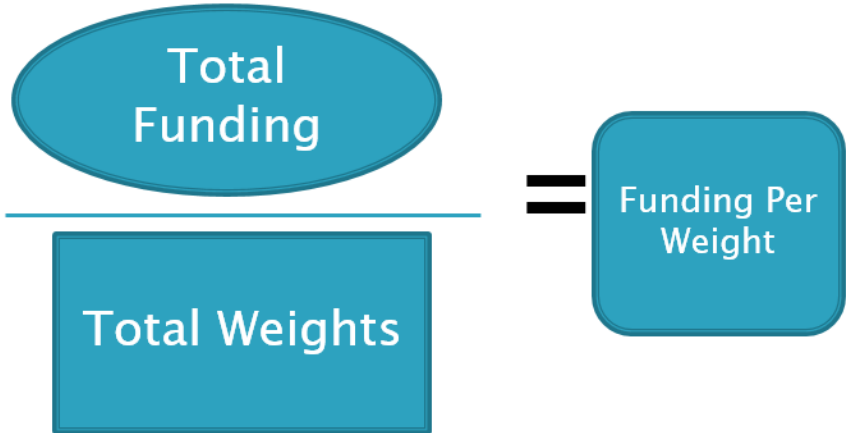
K-12 Education's Share of Oregon's State Budget



STATE SCHOOL FUND FORMULA

- Once the legislature sets the biennial allocation for the State School Fund, the funds are distributed to individual school districts through a weighted per-student formula.
- For 2018-19 school year this per student allocation currently is \$7,904 per ADM (weighted)

Formula Mechanics



Weights

Category	Additional Weight
ADMr	1.0
IEP	1.0
ESL	0.5
Pregnant and Parenting	1.0
Poverty	0.25
Foster Care	0.25
Neglected/Delinquent Students	0.25
Union High School Students	0.2
Elementary District Students	-0.1

STATE SCHOOL FUND FORMULA

Other factors included in the State School Fund Formula include:

- **Teacher experience**

- District's receive an additional \$25 per year of average teaching experience above the state average. This is a recognition that more experienced teachers are more expensive.

- **Transportation Grant**

- HSD is reimbursed for 70% of our eligible Student Transportation costs. Eligible costs includes all student transportation costs with the exception of non-educational trips (i.e., athletic contests, field trips for non-educational purposes).

Here is a copy of HSD's current [2018-19 State School Grant worksheet](#).

If all school districts receive the majority of their funding from the State, why are districts impacted differently by the State's budget?

PERS RATES

- Different school districts have different PERS rates, depending on when they refunded their Unfunded Actuarial Liability (UAL).
- For the 2019-21 biennium HSD's net PERS rate will be 27.51% of payroll, other districts range between 9% and 33%.

COLLECTIVE BARGAINING AGREEMENTS

- Each school district has their own collectively bargained employee agreements that specifies rates of pay and benefits.

LOCAL OPTION REVENUE

- Some districts have a local option levy which allows them to collect revenue outside of the Measure 5 and Measure 50 limits. HSD does not have a local option.

QUESTIONS?

For more information regarding the Hillsboro School District Budget, visit the [Budget Matters](#) section of our website.