



OREGON
DEPARTMENT OF
EDUCATION

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Overview of the State School Fund

Mike Wiltfong

Director of School Finance and School Facilities

Michael.wiltfong@state.or.us

State School Fund

School Equalization Formula

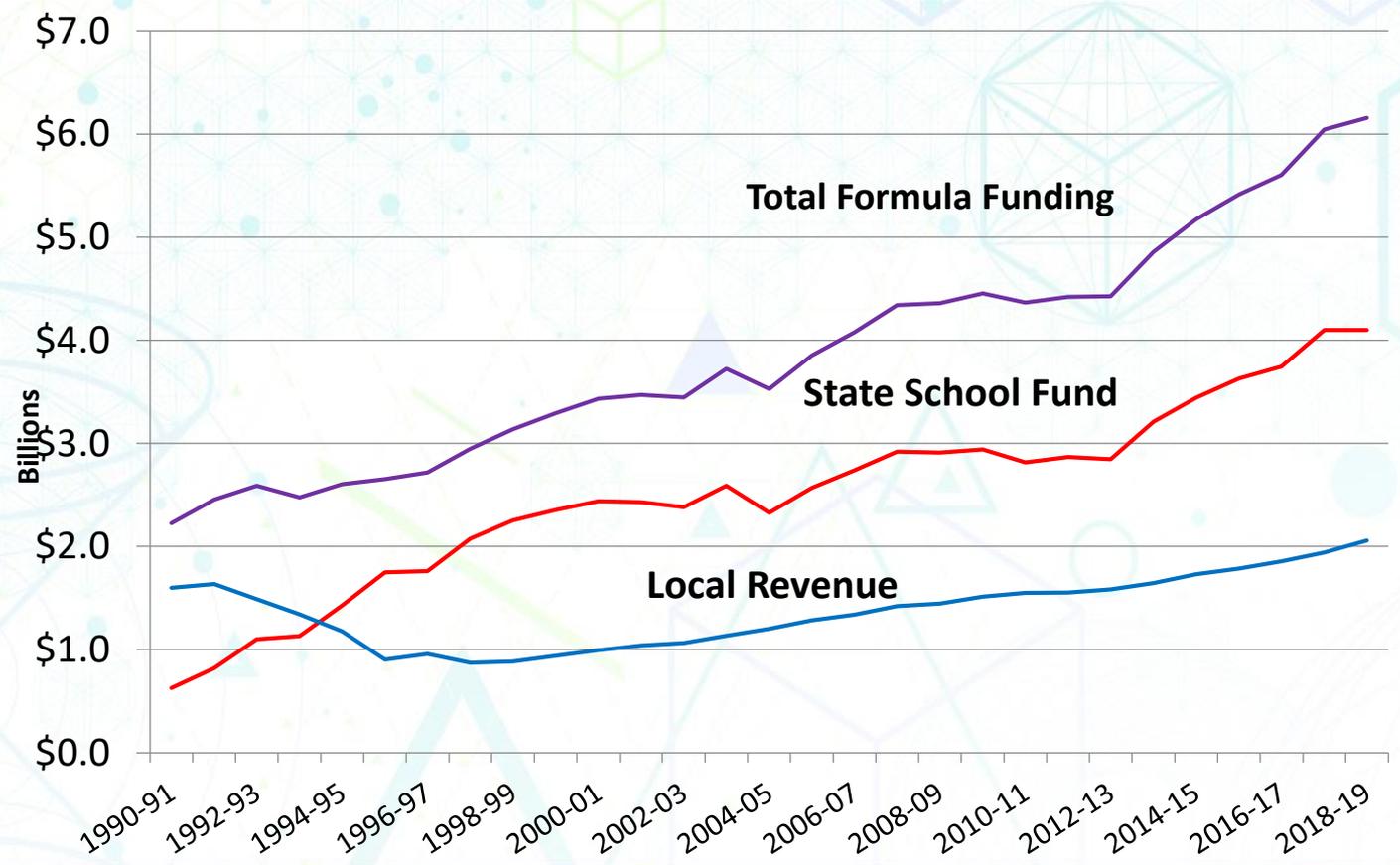
The State School Fund (SSF) Equalization Formula Basics

1. In dollars, the SSF is the largest of the Department of Education's programs, and the State's largest investment;
2. With local formula revenues, the SSF provides about 80% of general operating dollars to school districts and education services districts (ESDs);
3. Allocated through a statutorily required equalization formula adopted in 1991 and largely unchanged since then;
4. Goals of the formula are to:
 - Equalize district and ESD funding;
 - Compensate districts for certain student and district characteristics through "weights;" and
 - Maintain local control.
5. Districts control spending decisions unless the Legislature directs otherwise.

5 THINGS
YOU
NEED
TO
KNOW

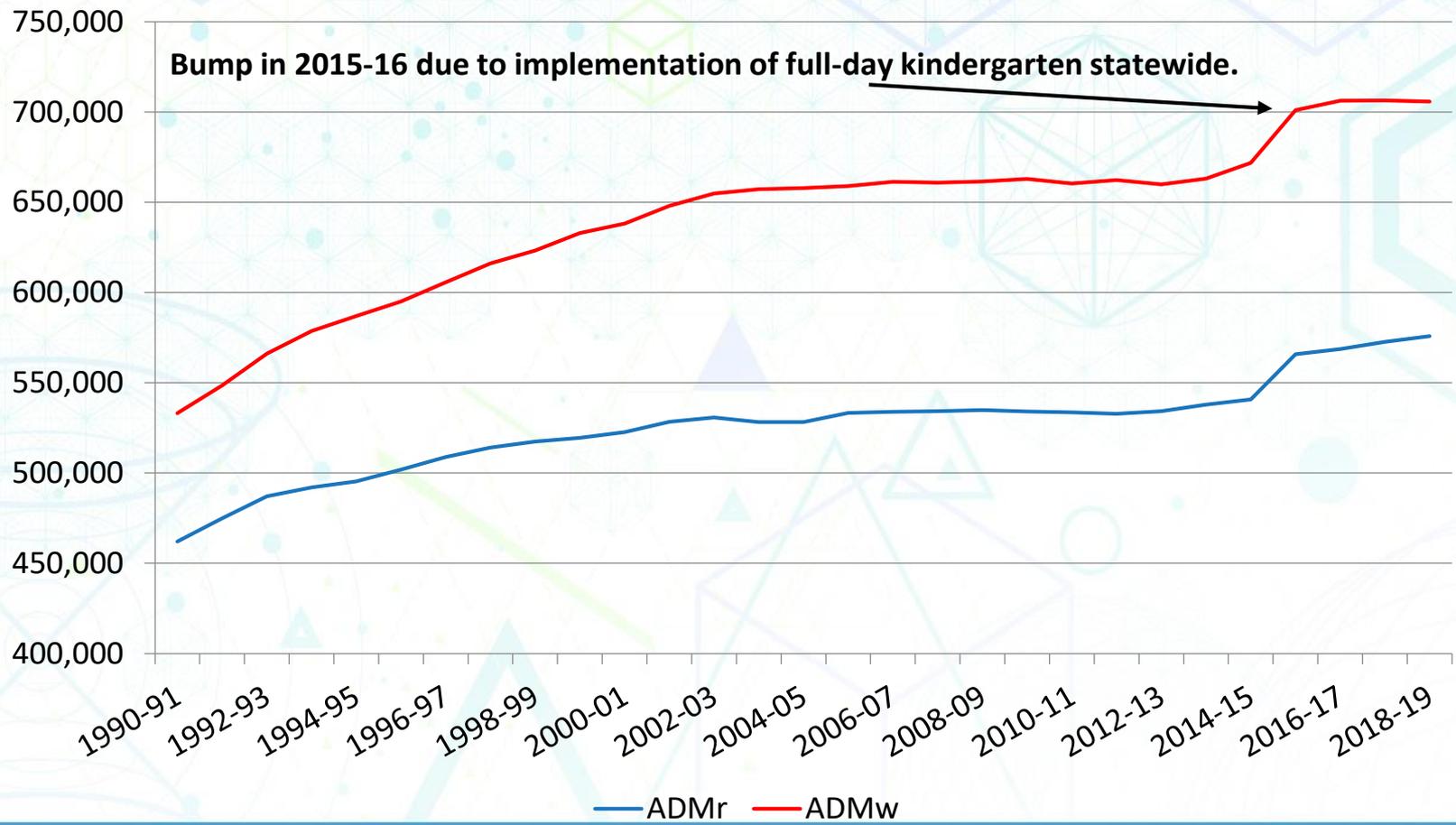
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History of Formula Revenue



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History of ADMr and ADMw



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Student Weights Used in Formula

Category	Additional Weight
IEP (Special Education with 11% ADMr cap)	1.0
ELL (English Language Learner)	0.5
Pregnant and Parenting	1.0
Poverty	0.25
Foster Care	0.25
Neglected/Delinquent Students	0.25
Small School Correction	1.0

State School Fund Grant

By the numbers

Current data:

- 19 education service districts
- 197 school districts
- ~1,400 schools
- ~31,000 teachers
- ~582,000 students
- ~573,000 Average Daily Membership (ADM = Full-time equivalency)
- ~709,000 Weighted ADM (ADMw is used in funding formula)
- Local and State resources for the current biennium total ~\$13.304 billion

State School Fund Grant

By the numbers

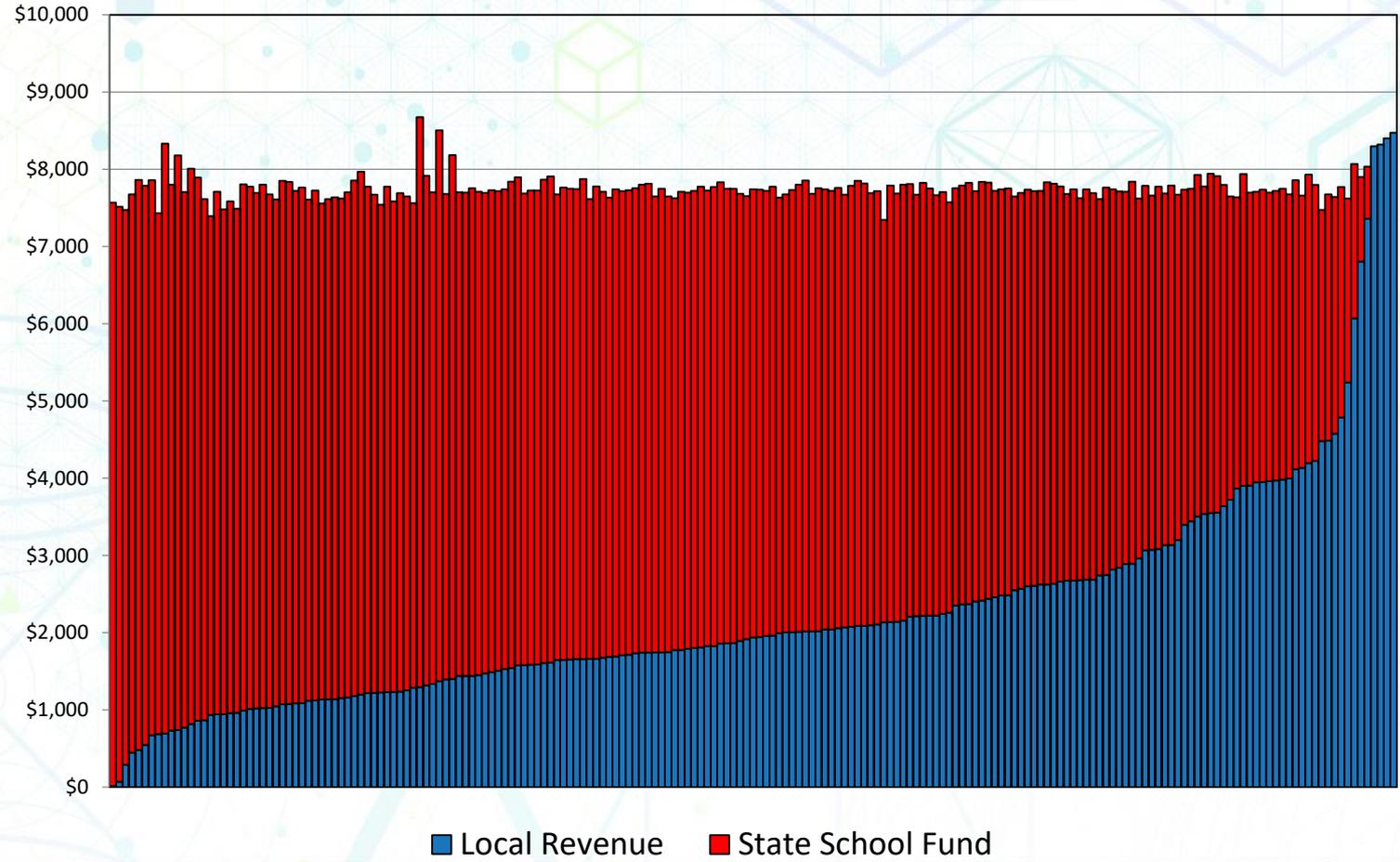
2020-21 State School Fund Estimates as of February 2021			
	2019-20	2020-21	2019-21 Biennium
	\$ 4,410,000,000	\$ 4,590,000,000	\$ 9,000,000,000
2020-21 Budget Appropriation for school districts & ESDs:			\$ 4,590,000,000
Reserve:			(\$20,000,000)
Transfers:			(\$35,602,667)
State Revenue for Formula:			\$ 4,534,397,333
District Local Revenue:			\$ 2,044,673,146
ESD Local Revenue:			\$ 139,432,480
Local Rev. for Formula (District + ESD):			\$ 2,184,105,627
Total Revenue For Formula:			\$ 6,718,502,960
District Share at 95.50%:			\$ 6,416,170,326
ESD Share at 4.50%:			\$ 302,332,633
District Transfers and Grants:			(\$66,875,000)
Transportation Grant:			(\$234,929,278)
District Formula Revenue:			\$ 6,114,366,048
ESD Transfers:			(\$8,859,000)
ESD Formula Revenue:			\$ 293,473,633
Estimated ADMw:			709,200.00
SD Rate per ADMw:			\$ 8,621
SD Funding Ratio:			1.916



State School Fund

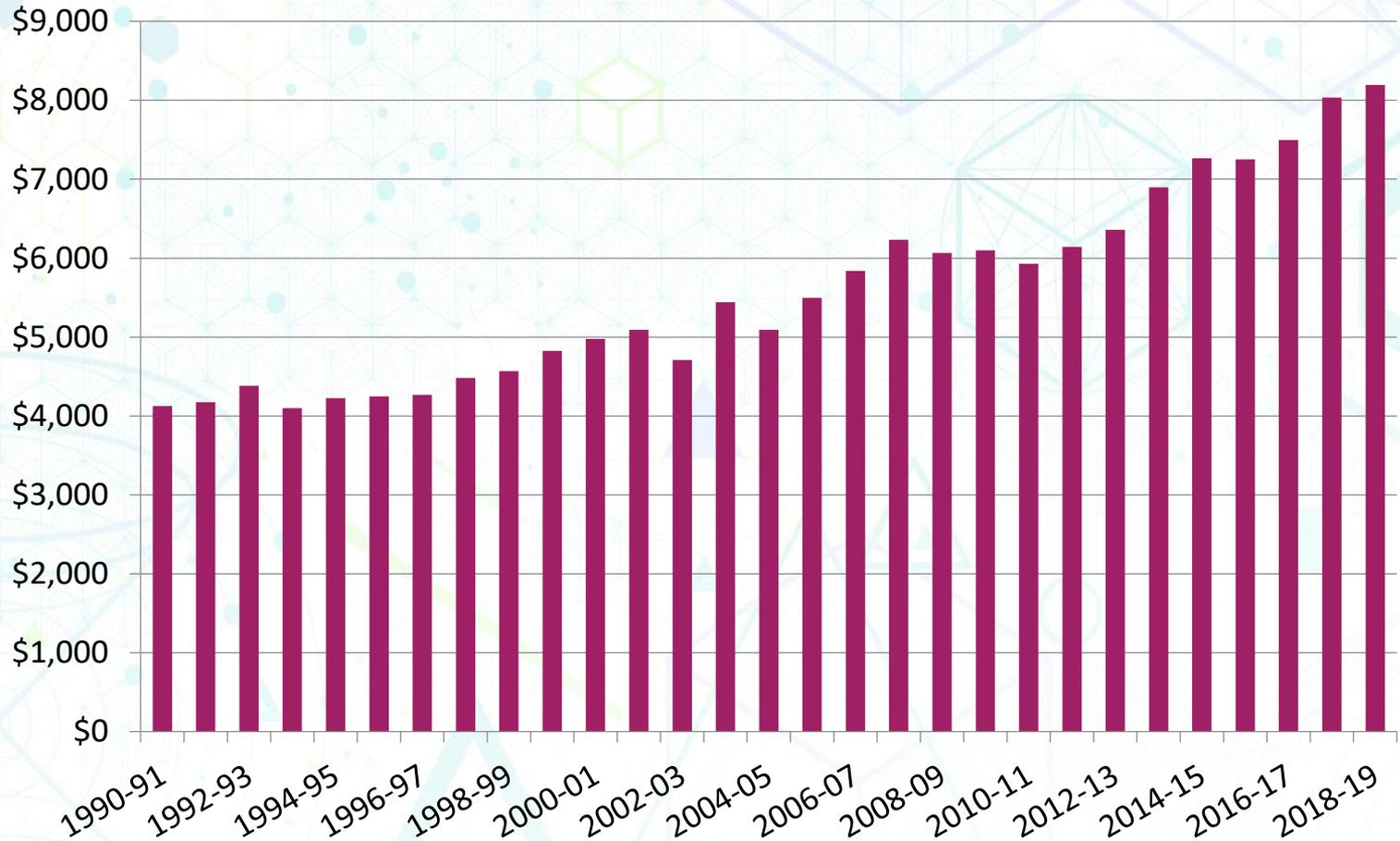
General Purpose Grant Per Weighted Student (2018-19)

Districts Get Roughly the Same Amount for Each Weighted Student



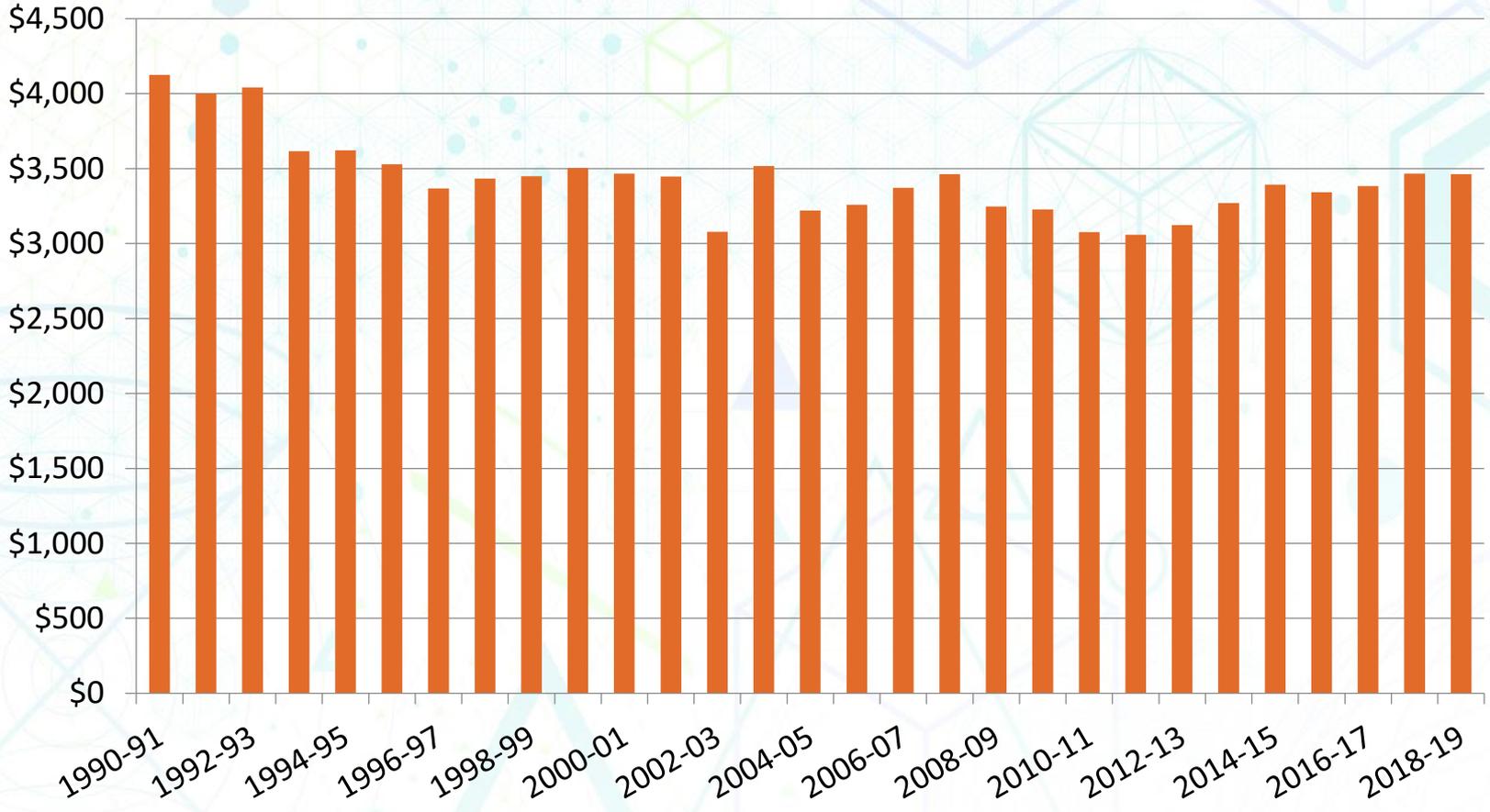
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Formula Funding Per ADMw



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Formula Funding Per ADMw Adjusted for Inflation



State School Fund Grant

What it is and isn't

- **It is** a revenue formula, which takes into account local needs and resources, and state needs and resources, and allocates funding statewide based on an equalization formula.
- Oregon's equity of resources is identified in the SSF weighting
- **It is not** a reimbursement grant, it is not a block grant, nor is it an outcomes-based grant
- The funding received from the SSF Grant is intended for General Operations and it is at the local school district and community levels to decide how to use their resources.
- The SSF Grant is comprised primarily of four grants:
 - General Purpose Grant: \$6.109 billion (95.4%)
 - Facility Grant: \$3.5 million (0.1%)
 - Transportation Grant: \$235 million (3.7%)
 - High Cost Disability Grant: \$55 million (0.9%)

State School Fund Grant

What it is and isn't

The equalization formula for the **General Purpose Grant (GPG)**:

- Multiply the Teacher Experience Adjustment by the school district's adjustment factor and then add \$4,500. Then multiply this result by the Extended ADMw of the school district and then by the funding ratio, and this is the **GPG** for the school district.
- The **State School Fund Grant** for a school district equals the GPG plus their Transportation Grant, which becomes Total Formula Revenue (TFR) for the school district. Then you subtract the school district's Local Revenue from TFR and the balance becomes the school district's State School Fund Grant – the State's contribution.
- **(GPG) plus Transportation Grant = TFR**
- **TFR minus Local Revenues = State School Fund Grant**

State School Fund

**Thank you for the opportunity to present today
I'm always happy to help with understanding**

Are there any question?

Helpful primer for the State School Fund from the Legislative Revenue Office:

https://www.oregonlegislature.gov/lro/Documents/K-12%20and%20ESD%20Finance%20RR%204_20%20Final.pdf