

**OREGON DEPARTMENT OF EDUCATION
2025-27 Ways & Means Presentation Reference Documents**

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April 11, 2024

Charlene Williams, Director
Department of Education
255 Capitol Street NE
Salem, OR 97310

Dear Director Williams:

We have completed audit work of a selected federal program at the Department of Education (department) for the year ended June 30, 2023.

<u>Assistance Listing Number</u>	<u>Program Name</u>	<u>Audit Amount</u>
84.425	Education Stabilization Fund	\$ 407,075,173

This audit work was not a comprehensive audit of your federal program. We performed this federal compliance audit as part of our annual Statewide Single Audit. The Single Audit is a very specific and discrete set of tests to determine compliance with federal funding requirements, and does not conclude on general efficiency, effectiveness, or state-specific compliance. The Office of Management and Budget (OMB) Compliance Supplement identifies internal control and compliance requirements for federal programs. Auditors review and test internal controls over compliance for all federal programs selected for audit and perform specific audit procedures only for those compliance requirements that could have a direct and material effect on the federal program under audit.

We are required to be independent of the department and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. Our audit does not provide a legal determination of the department's compliance with the compliance requirements referred to in Appendix A.

For the year ended June 30, 2023, we determined whether the department substantially complied with the compliance requirements listed in Appendix A as relevant to the federal program under audit.

Responsibilities of Management for Compliance

Department management is responsible for compliance with the requirements referred to in Appendix A, and for the design, implementation, and maintenance of effective internal control over

compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the federal program referred to above.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to in Appendix A occurred, whether due to fraud or error, and express an opinion on the department's compliance based on our audit work. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirement referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgement made by a reasonable user of the report on compliance about the department's compliance with the federal program.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the department's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the department's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of department's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Noncompliance

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and are described below. Our opinion on the federal program is not modified with respect to these matters.

Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant

deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described below to be material weaknesses and significant deficiencies, as indicated.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Audit Findings and Recommendations

State did not meet maintenance of effort requirement

Federal Awarding Agency:	U.S. Department of Education
Assistance Listing Number and Name:	84.425U Education Stabilization Fund
Federal Award Numbers and Years:	S425U210049; 2021
Compliance Requirement:	Maintenance of Effort
Type of Finding:	Material Weakness; Noncompliance
Prior Year Finding:	2022-065
Questioned Costs:	N/A

Criteria: Section 2004(a)(1) of the American Rescue Plan (ARP) ACT; 2 CFR 200.303

The ARP ACT require the State to maintain support for both elementary and secondary education and for higher education in fiscal year 2023 at least at the proportional level of the state's support for elementary and secondary education and for higher education relative to the state's overall spending, averaged over fiscal years 2017, 2018 and 2019.

The Department of Education (department) did not meet the maintenance of effort provisions for fiscal year 2023 for elementary and secondary education. Although the state's overall funding increased for education, its proportional level relative to Oregon's overall spending declined. The department is reliant on the legislative budget process. On July 31, 2023, the federal agency approved the State's request for a waiver for maintenance of effort for fiscal year 2022 but did not approve waiver request for fiscal year 2023. The department submitted a new waiver request to the U.S. Department of Education dated March 14, 2024.

According to department management, budget changes and obtaining a clearer understanding of the State's Other Fund amount delayed the calculation for maintenance of effort.

The total federal expenditures for the Education Stabilization Fund program for the fiscal year ended June 30, 2023 were \$407 million. If the waiver is not approved, the department may be asked to return some of the funds.

We recommend department management continue to actively track whether it will meet the maintenance of effort requirement and communicate with the federal awarding agency.

Improve FFATA reporting controls

Federal Awarding Agency:	U.S. Department of Education
Assistance Listing Number and Name:	84.425C, 84.425D, 84.425R, 84.425U 84.425V & 84.425W Education Stabilization Fund
Federal Award Numbers and Years:	S425C200048; 2020, S425C210048; 2021, S425D200049; 2020, S425D210049; 2021, S425R210047; 2021,S425U210049; 2021, S425V210047; 2021, S425W210038; 2021
Compliance Requirement:	Reporting
Type of Finding:	Significant Deficiency; Noncompliance
Prior Year Finding:	2021-025
Questioned Costs:	N/A

Criteria: 2 CFR 170; 2 CFR 200.303

The Education Stabilization Fund programs are subject to subaward reporting under the Federal Funding Accountability and Transparency Act (FFATA). Federal regulations require recipients of federal awards to report certain subaward information in the FFATA Subaward Reporting System (FSRS) for subawards meeting the criteria for reporting. must be submitted no later than the end of the month following the month in which the obligation was made. Federal regulations also require recipients of federal awards establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

The department maintains written procedures that document the steps for completing the monthly FFATA reporting. Our audit procedures included the testing of 45 Education Stabilization Fund subawards/subaward modifications totaling \$6.3 million in obligations. During our testing we noted the following:

- For nine subawards obligated in January 2023 totaling more than \$1.8 million were not reported in the FFATA system until May 2023. According to the department, the query tool did not pull in all the information.
- For one subaward modification, the sub awardee name is incorrect. According to the department, the unique entity identifier information was incorrect for the sub awardee and therefore incorrectly reported in the FFATA report.
- For one subaward modification, the amount of the subaward is incorrect. The FFATA shows zero while the obligation is \$143,286. According to the department, the data was not filtered correctly when pulling the information for the FFATA report.

We recommend department management implement controls to ensure the monthly FFATA reports are independently reviewed to ensure accurate and complete reporting of required subaward information.

Retain support for pre-approval of equipment purchases

Federal Awarding Agency: U.S. Department of Education
Assistance Listing Number and Name: 84.425C, 84.425D 84.425U & 84.425W Education Stabilization Fund
Federal Award Numbers and Years: S425C210048; 2021, S425D210049; 2021, S425U210049; 2021, S425W210038; 2021
Compliance Requirement: Equipment
Type of Finding: Significant Deficiency: Noncompliance
Prior Year Finding: N/A
Questioned Costs: N/A

Criteria: 2 CFR 200.439; 2 CFR 200.303

Capital expenditures for general and special purpose equipment purchases are subject to prior approval by the state agency. Federal regulations also require recipients of federal awards establish and maintain internal controls designed to reasonably ensure compliance with federal laws, regulations, and program compliance requirements.

Education Stabilization Funds can be used to purchase equipment that meets the overall purpose of the Education Stabilization Fund, which is to prevent, prepare for, and respond to the COVID-19 pandemic. Department procedure is for subrecipients to submit a capital request forms to the department for approval. Education will email an approval to the subrecipient. We tested 61 equipment purchases made during fiscal year 2023 and found that for one an approval could not be located. As no approval could be found, we were unable to determine if prior approval was made for the equipment.

According to department management, documentation could not be located. If documentation is not retained, there is a risk that funds expended are not in compliance with federal requirements.

We recommend the department retain documentation regarding every equipment approval.

Prior Year Findings

In the prior fiscal year, we reported noncompliance and internal control findings in the Statewide Single Audit Report related to Education Stabilization Fund. For the fiscal year-ended June 30, 2022; see Secretary of State audit report number 2023-21 and for the fiscal year-ended June 30, 2021; see Secretary of State audit report number 2022-18.

During fiscal year 2023, the department made progress on addressing the findings. The uncorrected findings will be reported in the Statewide Single Audit Report for the fiscal year-ended June 30, 2023 with a status of partial corrective action taken.

Prior Year Finding No.	Finding Title	Status
2022-065	State did not meet maintenance of effort requirement	Partial corrective action taken
2022-066	Improve subrecipient monitoring procedures	Partial corrective action taken
2022-067	Ensure accuracy of federal reporting	Corrective action taken
2021-024	Implement controls to ensure accuracy of federal reporting	Corrective action taken
2021-025	Improve Subaward Reporting Under the Federal Funding Accountability and Transparency Act	Partial corrective action taken

Response to Current Year Findings

The audit findings and recommendations above, along with your responses, will be included in our Statewide Single Audit Report for the fiscal year ended June 30, 2023. Including your responses satisfies the federal requirement that management prepare a Corrective Action Plan covering all reported audit findings. Satisfying the federal requirement in this manner, however, can only be accomplished if the response to each significant deficiency and material weakness includes the information specified by the federal requirement, and only if the responses are received in time to be included in the audit report. The following information is required for each response:

1. Your agreement or disagreement with the finding. If you do not agree with an audit finding or believe corrective action is not required, include in your response an explanation and specific reasons for your position.
2. The corrective action planned for each audit finding.
3. The anticipated completion date.
4. The contact person(s) responsible for corrective action.

Please provide a response to Kelly Olson by Friday April 19, 2024, and provide Rob Hamilton, State Controller, a copy of your Corrective Action Plan.

The purpose of this communication is solely for the information and use of management and others within the organization to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this communication is not suitable for any other purpose.

We appreciate your staff's assistance and cooperation during this audit. Should you have any questions, please contact Michelle Rock or Kelly Olson at michelle.l.rock@sos.oregon.gov or kelly.l.olson@sos.oregon.gov.

Sincerely,

Office of the Secretary of State, Audits Division

cc: Kai Turner, Assistant Superintendent of Finance and Information Technology
Kristie Miller, Accounting Director
Michael Wiltfong, Director, School Finance
Cynthia Stinson, Senior Manager of Federal Investments & Pandemic Renewal Effort
Guadalupe Martinez Zapata, State Board of Education Chair
Berri Leslie, Director and Chief Operating Officer, Department of Administrative Services
Rob Hamilton, State Controller, Department of Administrative Services

<p style="text-align: center;">Compliance Requirement</p>	<p style="text-align: center;">General Summary of Audit Procedures Performed</p>
<p>Equipment and Real Property Management</p>	<p>Determined whether the department maintained proper records, adequately safeguarded and maintained equipment purchased with federal awards, and properly accounted for the disposition of the equipment or real property.</p>
<p>Level of Effort, Earmarking</p>	<p>Determined whether the minimum amount or percentage of contributions or matching funds was provided, the specified service or expenditure levels were maintained, and the minimum or maximum limits for specified purposes or types of participants were met.</p>
<p>Reporting</p>	<p>Verified the department submitted financial and performance reports to the federal government in accordance with the grant agreement and that those financial reports were supported by the accounting records.</p>
<p>Subrecipient Monitoring</p>	<p>Determined whether the state agency monitored subrecipient activities to provide reasonable assurance that the subrecipient administered federal awards in compliance with federal requirements.</p>
<p>Special Tests and Provisions</p>	<p>Determined whether the department complied with the additional federal requirements identified in the OMB Compliance Supplement.</p>

January 8, 2024

Charlene Williams, Director
Department of Education
255 Capitol St. Ne. 4th Floor
Salem, OR 97310

Dear Charlene Williams:

We have completed audit work of selected financial accounts at your department for the year ended June 30, 2023. This audit work was not a comprehensive financial audit of the department, but was performed as part of our annual audit of the State of Oregon's financial statements. We audited accounts that we determined to be material to the State of Oregon's financial statements.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements of the State of Oregon as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, we considered the department's internal control over financial reporting as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements of the State of Oregon, but not for the purpose of expressing an opinion on the effectiveness of the department's internal control. Accordingly, we do not express an opinion on the effectiveness of the department's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit the attention of those charged with governance.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

The purpose of this letter is solely to describe the scope of our testing of internal control and the results of that testing, and not to provide an opinion on the effectiveness of the department's internal control. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the department's internal control. Accordingly, this letter is not suitable for any other purpose.

We appreciate your staff's assistance and cooperation during this audit. Should you have any questions, please contact Kelly Olson, Audit Manager or Michelle Rock, Lead Auditor at kelly.l.olson@sos.oregon.gov or michelle.l.rock@sos.oregon.gov.

Sincerely,

Office of the Secretary of State, Audits Division

cc: Kai Turner, Assistant Superintendent of Finance and Information Technology
Kristie Miller, Financial Service Director
Lisa Durden, Chief Audit Executive
Guadalupe Martinez Zapata, State Board of Education
Berri Leslie, Director, Department of Administrative Services

High School Graduation and College and Career Readiness Fund

Biennial Financial Report

For Biennium Ended June 30, 2023



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Independent Auditor's Report

The Honorable Tina Kotek
Governor of Oregon

Oregon State Board of Education

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the High School Graduation and College and Career Readiness Fund, a special revenue fund of the State of Oregon, Department of Education, as of and for the biennium year ended June 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the High School Graduation and College and Career Readiness Fund, a special revenue fund of the State of Oregon, Department of Education, as of June 30, 2023, and the changes in its financial position for the biennium then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the State of Oregon, Department of Education, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the High School Graduation and College and Career Readiness Fund and do not purport to, and do not, present fairly the financial position of the State of Oregon or the Department of Education, as of June 30, 2023, or the changes in its financial position for the biennium then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design,

implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and the disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Oregon Department of Education’s internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 5, 2024, on our consideration of the Oregon Department of Education’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Oregon Department of Education’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Oregon Department of Education’s internal control over financial reporting and compliance.

Office of the Secretary of State, Audits Division

State of Oregon

June 5, 2024

Oregon Department of Education
High School Graduation and College and Career Readiness Fund
Balance Sheet
June 30, 2023

ASSETS

Cash and Cash Equivalents	56,917,095
Due from Other Funds	16,180,685

TOTAL ASSETS	<u><u>\$73,097,780</u></u>
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LIABILITIES AND FUND BALANCE

Liabilities:

Accounts and Interest Payable	40,919,403
Total Liabilities	<u>40,919,403</u>

Fund Balance:

Restricted by:	
Enabling Legislation	32,178,377
Total Fund Balances	<u>32,178,377</u>

TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$73,097,780</u></u>
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The notes to the financial statements are an integral part of this statement.

Oregon Department of Education
High School Graduation and College and Career Readiness Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
For the Biennium Ended June 30, 2023

REVENUES

Other	95,111
Total Revenues	<u>\$ 95,111</u>

EXPENDITURES

Current:

Salaries and Wages	2,784,218
Services and Supplies	228,206
Distribution to Local School Districts	309,705,817
Distribution to Non-Governments	13,224,502
Total Expenditures	<u>\$ 325,942,744</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(325,847,632)

OTHER FINANCING SOURCES (USES)

Transfers from General Fund	174,618,343
Transfers from Other Funds	136,682,685
Total Other Financing Sources (Uses)	<u>311,301,028</u>
Net Change in Fund Balances	<u>(14,546,604)</u>

Fund Balances - Beginning	46,724,981
Fund Balances - Ending	<u>\$ 32,178,377</u>

The notes to the financial statements are an integral part of this statement.

Notes to the Basic Financial Statements – Governmental Funds

June 30, 2023

Note 1 – Summary of Significant Accounting Policies

The accompanying financial statements of the Oregon Department of Education’s High School Graduation and College and Career Readiness Fund (Fund) have been prepared in conformity with generally accepted accounting principles for governments as prescribed by Governmental Accounting Standards Board (GASB).

A. Reporting Entity

The High School Graduation and College and Career Readiness Fund was initiated by ballot Measure 98 entitled High School Success in November 2016 with the measure passing with 65% voter support. The Fund was established pursuant to House Bill 2246 (2017). The purpose of the Fund is to improve the graduation rates and college and career readiness of all high school students in Oregon.

The High School Graduation and College and Career Readiness Fund program is administered by the Oregon Department of Education (ODE). The Fund consists of several activities to establish or expand programs in three specific areas: Dropout Prevention, Career and Technical Education and College Level Education Opportunities. The intent is to improve student progress toward graduation beginning with grade 9, increase the graduation rates of high schools and improve high school graduates’ readiness for college and career.

B. Basis of Presentation

ODE programs and accounts are organized by funds, each of which is a separate accounting entity. The funds utilize a separate set of self-balancing accounts to record the assets, liabilities, fund balance, revenues and expenses of their program activities. ODE’s High School Graduation and College and Career Readiness Fund program is classified as a governmental fund.

Governmental funds focus on how cash and other financial resources that can be readily converted to cash flow in and out and the balances remaining at year-end that are available to spend. Thus, the governmental fund statements provide a detailed short-term view that helps to determine whether there are more or less financial resources that can be spent in the near future to finance ODE’s programs.

C. Measurement Focus and Basis of Accounting

The basic financial statements for the Fund are presented as a governmental fund. As such, the Fund is accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered available when they are collectible within the current year or soon enough thereafter to pay liabilities existing at the end of the year. For this purpose, ODE considers revenues as available, if they are collected within 90 days of the end of the current fiscal year. Expenditures generally are recognized when a liability is incurred, as under accrual accounting.

D. Budgetary Process

The Oregon Legislature approves ODE’s budget on a biennial basis. The High School Graduation and College and Career Readiness Fund program expenditures are monitored against approved budgets, quarterly allotments and cash balances. Limitations lapse at the end of the biennium. The Emergency Board of the Legislature approves any necessary increases in budgets when the Legislature is not in session. The Fund has continuous spending authority under ORS 327.856.

E. Cash and Cash Equivalents

All monies of the Fund are deposited with the State Treasury, which is responsible for maintaining these deposits in accordance with Oregon law. The Fund considers all such deposits to be cash and cash equivalents. The Fund has no other cash deposits or investments.

F. Fund Equity

The difference between assets and liabilities is labeled “Fund Balance” on the governmental fund financial statements. Fund balance is reported as Restricted which are the result of constraints imposed by law through constitutional provisions or enabling legislation or by parties outside the State, such as creditors, grantors, contributors or laws or regulations of other governments. Enabling legislation authorizes the State to levy, assess, charge, or otherwise mandate payment from external resource providers and includes a legally enforceable requirement that those resources be used only for specific purposes stipulated by the legislation.

Note 2 – Cash and Cash Equivalents

On June 30, 2023, the book balance of cash and cash equivalents was \$56,917,095 and the bank balance was \$61,454,655. All cash in the Fund is deposited in demand accounts with the State Treasurer in the Oregon Short-Term Fund (OSTF), a cash and investment pool for use by all state agencies.

The custodial credit risk for deposits is the risk that, in the event of a bank failure, the State Treasurer will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. ODE does not have a policy regarding custodial

credit risk for deposits; however, the insurance and collateral requirements for deposits in the OSTF are established by banking regulations and Oregon law.

A separate financial report for the OSTF is prepared by the Treasurer. Copies of the report may be obtained by writing to the Oregon State Treasury, 867 Hawthorne Avenue SE, Salem, Oregon 97301, or from the [Treasury's website](#).

Note 3 – Commitments

As of June 30, 2023, the Fund has active grant agreements in the amount of \$369,609,484 obligated during the 2021-23 biennium and has disbursed a total of \$326,375,055 to districts and charter schools that serve students in grade 9 through grade 12. The amount of undisbursed grant commitments is \$43,234,428.

Note 4 – Interfund Transactions

Transfers are used to move (1) revenues collected by one fund to the fund authorized by statute or the State's budget to expend them, and (2) unrestricted revenues collected by the General Fund for various programs accounted for in other funds according to State budget requirements.

In the 2021 legislative sessions, Senate Bill 5513 was passed, appropriating \$174,618,343 from the General Fund to the Fund during the 2021-23 biennium.

In the 2021 legislative session, Senate Bill 5513 was passed requiring \$136,682,685 to be transferred from the Fund for Student Success to the Fund during the 2021-23 biennium.

Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

The Honorable Tina Kotek
Governor of Oregon

Oregon State Board of Education

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the High School Graduation and College and Career Readiness Fund, a special revenue fund of the State of Oregon, Department of Education, as of and for the biennium ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the High School Graduation and College and Career Readiness Fund’s basic financial statements, and have issued our report thereon dated June 5, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Oregon Department of Education’s (department) internal control over financial reporting (internal control) related to the High School Graduation and College and Career Readiness Fund as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the department’s internal control. Accordingly, we do not express an opinion on the effectiveness of the department’s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the department's financial statements of the High School Graduation and College and Career Readiness Fund are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the department's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the department's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Office of the Secretary of State, Audits Division

State of Oregon

June 5, 2024



PROPOSED SUPERVISORY SPAN OF CONTROL REPORT

In accordance with the requirements of ORS 291.227, (Oregon Department of Education) presents this report to the Joint Ways and Means Committee regarding the agency's Proposed Maximum Supervisory Ratio for the 2023-2025 biennium.

Supervisory Ratio for the last quarter of 2021-2023 biennium

The agency actual supervisory ratio as of 07/01/2023 is 1: 9.82
 (Date) (Enter ratio from last Published DAS CHRO Supervisory Ratio)

The Agency actual supervisory ratio is calculated using the following calculation;

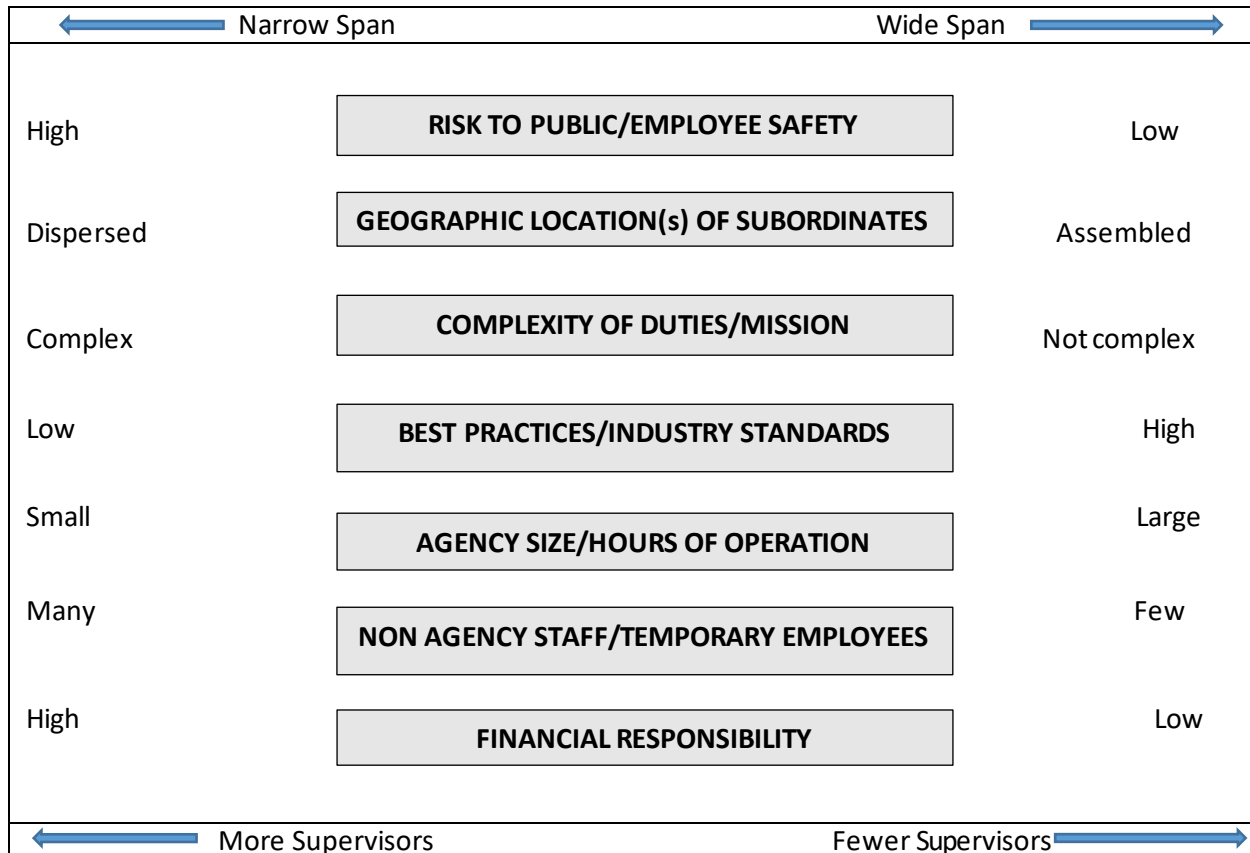
$$\frac{65}{\text{(Total supervisors)}} = \frac{60}{\text{(Employee in a supervisory role)}} + \frac{5}{\text{(Vacancies that if filled would perform a supervisory role)}}$$

$$\frac{629}{\text{(Total non-supervisors)}} = \frac{550}{\text{(Employee in a non-supervisory role)}} + \frac{79}{\text{(Vacancies that if filled would perform a non-supervisory role)}}$$

The agency has a current actual supervisory ratio of-

$$1: \underline{9.68} = \frac{\underline{629}}{\text{(Total non - Supervisors)}} / \frac{\underline{65}}{\text{(Total Supervisors)}}$$

When determining an agency maximum supervisory ratio all agencies shall begin of a baseline supervisory ratio of 1:11, and based upon some or all of the following factors may adjust the ratio up or down to fit the needs of the agency.



Ratio Adjustment Factors

Is safety of the public or of State employees a factor to be considered in determining the agency maximum supervisory ratio?

Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is geographical location of the agency's employees a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Department of Education is responsible for work that is large in scope and complexity. The agency oversees the education of over 560,000 students in Oregon's public Kindergarten-12th grade (K-12) education system, and encompasses the Oregon School for the Deaf, regional programs for children with disabilities, and education programs in Oregon youth corrections facilities.

Federal and state laws, rules, and policies govern the work, and cover a wide range of complex areas such as:

Elementary and secondary education programs

- 1,200 public schools organized into 197 school districts and 19 education service districts
- Student Success Act

Equity-Related Programs

- Civil Rights, including Title IX
- English Language Learner Initiatives
- African American/Black Student Education
- American Indian/Alaska Native Education
- Migrant Education

Federal Programs

- Every Student Succeeds Act (ESSA)
- Elementary & Secondary Education Act (ESEA)
- Title I-A (Improving Basic Programs)
- Title I-C (Migrant Education)
- Title I-D (Neglected and Delinquent or At-Risk Children)
- Title II-A (Supporting Effective Instruction)
- Title III (English Learners and Immigrant Youth)
- Title IV-A (Student Support and Academic Enrichment Grant)
- Title IV-B (21st Century Community Learning Centers)
- Title IV-C (Charter Schools)
- Title V-A (Funding Flexibility)
- Title V-B (Rural Education Achievement Program)
- Title VI-A (Indian, Native Hawaiian, and Alaska Native Education)
- McKinney-Vento Act (Education of Homeless Children and Youth Program)

Student Services

- Special Education Data Collection & Compliance
- Child Nutrition
- Early Intervention & Early Childhood Special Education
- Education Programs and Secondary Transition
- Hospital Programs
- School Nurses
- Fingerprinting of all classified staff in school districts
- Regulating Pupil Transportation for all schools
- Regional Programs/Best Practices

District and School Effectiveness

- School Improvement Grants
- Continuous Improvement Planning
- System Performance Review and Improvement

Is the complexity of the agency's duties a factor to be considered in determining the agency maximum supervisory ratio? (***CONTINUED FROM PREVIOUS PAGE***)

Standards and Instructional Support

- Academic Content Standards

Student Assessment

- Statewide Assessments
- Essential Skills
- Test Administration

Career and Technical Education (CTE)

- Carl D. Perkins IV Federal Grant
- CTE Revitalization Grant
- CTE Civil Rights

Youth Development Division

- Student Supports and Graduation Readiness
- Reengaging Dropout Youth
- Youth Workforce & Training
- Juvenile Justice
- Youth Gang Prevention & Intervention

School Facilities

- Oregon School Capital Improvement Matching Program (OSCIM)
- Oregon School Safety and Emergency Management (GSEM)
- Technical Assistance Program
- School Facilities Database

The agency must have supervisors with the technical and educational knowledge required in each of these areas to effectively supervise and collaborate with educational professionals as they carry out the work. A narrower span of control would allow a tighter focus on highly complex education programs, and effective relationships with a wide variety of interested parties.

Are there industry best practices and standards that should be a factor when determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is size and hours of operation of the agency a factor to be considered in determining the agency maximum supervisory ratio? Y/N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Department of Education operates the Oregon School for the Deaf (OSD), which provides an educational program for Oregon students who are Deaf or Hard of Hearing, and whose educational needs can appropriately be met in this setting. OSD offers a full range of classes and extra-curricular activities for students in kindergarten through grade 21.

The programs and departments of OSD include Administration, Clerical, Education, Dormitory/Recreation, Adult Transition Program, Athletics, Student Guidance, Maintenance/Custodial, Student Health Services, Student Nutrition Services, Evaluation/Support Services, and Library Media Center.

Residential services are available to students who live beyond a distance feasible for daily transportation or for students who's Individual Education Plan (IEP) requires additional time or alternative settings resulting in OSD providing 24-hour service, care, and education for students.

OSD's 24-hour operations require a narrower supervisory ratio in order to provide sufficient oversight for employees on all shifts who are educating and ensuring the safety and well-being of students.

Are there unique personnel needs of the agency, including the agency's use of volunteers or seasonal or temporary employees, or exercise of supervisory authority by agency supervisory employees over personnel who are not agency employees a factor to be considered in determining the agency maximum supervisory ratio? N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

Is the financial scope and responsibility of the agency a factor to be considered in determining the agency maximum supervisory ratio? Y N

Explain how and why this factor impacts the agency maximum supervisory ratio upwards or downward from 1:11-

The Oregon Department of Education's total budget for 2023-25 is \$16.1 B, including the State School Fund's \$10.2 B. The State School Fund represents approximately **32% of the state's general fund budget overall**. Distribution of the State School Fund is highly complex and a critical factor in the successful operation of all Oregon school districts and education service districts.

The agency administers approximately \$357.5 M of complex bond-related programs targeted for improving school facilities, as well as the Oregon School for the Deaf.

The agency must have supervisors with the technical and educational knowledge required to administer and distribute the State School Fund, and complex bond-related programs. A narrower span of control would allow a tighter focus on these highly complex funding systems.

Based upon the described factors above the agency proposes a Maximum Supervisory Ratio of 1: 10.

Unions Requiring Notification Service Employees International Union (SEIU), State Teachers Education Association (STEA)

Date unions notified _____

Submitted by: _____ Date: _____

Signature Line *Isidoro Lopez* Date 1/4/2024

Signature Line *Amber Forster* Date 1/15/2024

Signature Line _____ Date _____

Signature Line _____ Date _____

Oregon Department of Education																						
2025-27 Biennium																			Agency Number:		58100	
Program/Division Priorities for 2025-27 Biennium																						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21		
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)			
1	1	ODE	SSF	State School Fund	5,6,7,9,10	7	9,860,133,424	625,259,443	874,049,823	-	-	-	11,359,442,690	-	-	N	Y	S, C, FM	OR Const., ORS Ch. 327 et al, IDEA, NCLB	Uniform system of common schools; basic education; special education (incl. MOE)		
2	1	ODE	CSF	Common School Fund - distributions to local districts	5,6,7,9,10	7	-	-	-	159,996,772	-	-	159,996,772	-	-	N	Y	S	OR Const., ORS Ch. 327			
3	1	ODE	OSD	OSD Classroom	5,6,7	7	9,282,645	-	1,470,269	-	479,621	-	11,232,535	37	35.74	N	N	S, FM	ORS Ch. 343 and 346, IDEA	Mandatory Placement Option, IDEA Directive		
4	2	ODE	OSD	OSD Nutrition	5,6,7	7	925,285	-	470,907	-	-	-	1,396,192	7	5.66	N	N	S, FM	ORS Ch. 343 and 346, IDEA	Mandatory Placement Option, IDEA Directive		
5	3	ODE	OSD	OSD Administration	5,6,7	7	1,580,020	-	790,446	-	36,445	-	2,406,911	6	5.83	N	N	S, FM	ORS Ch. 343 and 346, IDEA	Mandatory Placement Option, IDEA Directive		
6	4	ODE	OSD	OSD Physical Plant	5,6,7	7	1,720,133	-	2,774,729	-	-	-	4,494,862	12	11.75	N	N	S, FM	ORS Ch. 343 and 346, IDEA	Mandatory Placement Option, IDEA Directive		
7	5	ODE	OSD	OSD Medical	5,6,7	7	623,820	-	245,599	-	-	-	869,419	3	2.58	N	N	S, FM	ORS Ch. 343 and 346, IDEA	Mandatory Placement Option, IDEA Directive		
8	6	ODE	OSD	OSD Residential	5,6,7	7	3,191,877	-	467,350	-	-	-	3,659,227	17	14.87	N	N	S, FM	ORS Ch. 343 and 346, IDEA	Mandatory Placement Option, IDEA Directive		
		ODE	OSD	OSD Deferred Maintenance	5,6,7	7	-	-	1,294,071	-	-	-	1,294,071	-	-	N	N					
9	1	ODE	OPS	Office of Enhancing Student Opportunities	10	7	3,776,090	-	2,061,324	-	21,659,157	-	27,496,571	45	44.41	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting		
10	1	ODE	GIA	Youth Corrections Education Program and Juvenile Delinquency Education Program	4,5,6,7	7	8,686,112	-	16,251,510	-	2,889,883	-	27,827,505	-	-	N	N	C, FM, S	ORS Ch.327, ESSA, IDEA	Eligibility & Reporting		
11	2	ODE	GIA	Early Intervention/Early Childhood Special Education	2,3	7	250,201,917	-	115,377,824	-	43,055,477	-	408,635,218	-	-	N	N	S, FM, FO	ORS Ch. 343.475; IDEA	Mandatory Placement; Optional IDEA Directive		
12	3	ODE	GIA	Long Term Care and Treatment Program	5,6	7	22,258,538	-	21,588,217	-	1,283,630	-	45,130,385	-	-	N	N	FM	ORS Ch. 343.961, IDEA	Eligibility & Reporting		
13	4	ODE	GIA	Hospital & Pediatric Nursing Programs	5,6	7	1,607,825	-	6,589,331	-	81,973	-	8,279,129	-	-	N	N	FM	ORS Ch. 343.261; IDEA	Eligibility & Reporting		
14	5	ODE	GIA	Regional Education Programs	5,6	7	32,536,906	-	-	-	36,719,939	-	69,256,845	-	-	N	N	FM	ORS Ch. 343.236, IDEA	Eligibility & Reporting		
15	6	ODE	GIA	Blind & Visually Impaired Student Fund	4,5,6	7	4,896,386	-	1,851,798	-	-	-	6,748,184	-	-	N	N	S	2009 OL Ch 562 Sec 7			
16	7	ODE	GIA	Transition Network Facilitator Grants	4,5,6	7	1,585,432	-	-	-	-	-	1,585,432	-	-	N	N	S				
17	8	ODE	GIA	Title I - Part A - Low Income	4,5,6,7	7	-	-	-	-	312,609,352	-	312,609,352	-	-	N	N	FM	ORS 326.051, 326.111; ESSA	Eligibility & Reporting		
18	9	ODE	GIA	Title I - School Improvement	4,5,6,7	7	-	-	-	-	23,079,368	-	23,079,368	-	-	N	N	FM	ORS 326.051, 326.111; ESSA	Eligibility & Reporting		
19	10	ODE	GIA	Individuals with Disabilities Education Act	4,5,6,7	7	-	-	-	-	245,009,489	-	245,009,489	-	-	N	N	FM	ORS 326.051, 326.111; IDEA	Eligibility & Reporting		
20	11	ODE	GIA	Title I - Part C - Migrant Education	4,5,6,7	7	-	-	-	-	53,032,595	-	53,032,595	-	-	N	N	FM	ORS 326.051, 326.111; ESSA	Eligibility & Reporting		
21	12	ODE	GIA	Title III - English Language Acquisition	4,5,6,7	7	-	-	-	-	15,516,081	-	15,516,081	-	-	N	N	FM	ORS 326.051, 326.111; ESSA	Eligibility & Reporting		
25	14	ODE	GIA	Interfund Transfers from General Fund	4,5,6,7	7	56,803,385	-	-	-	-	-	56,803,385	-	-				ORS 326.051, 326.111; ESSA			
25	14	ODE	GIA	Other District Capacity Grants	4,5,6,7	7	93,154,350	-	3,506,894	-	-	-	96,661,244	-	-				ORS 326.051, 326.111; ESSA			
25	14	ODE	GIA	Academic Content Standards - OTLA Professional Svcs	4,5,6,7	7	2,344,500	-	-	-	-	-	2,344,500	-	-				ORS 326.051, 326.111; ESSA			
22	2	ODE	OPS	Office of Equity, Inclusion, and Diversity	10	7	1,608,631	-	9,927,888	-	290,488	-	11,827,007	21	21.00	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting		

Oregon Department of Education																				
2025-27 Biennium																			Agency Number: 58100	
Program/Division Priorities for 2025-27 Biennium																				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description	Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	
23	13	ODE	GIA	African American Education Plan	4,5,6,7	7	7,052,910	-	13,513,554	-	-	-	20,566,464	-	-	N	N	S	ORS 329.841	
24	3	ODE	OPS	Office of Indian Education	10	7	918,072	-	3,306,581	-	17,203	-	4,241,856	6	6.00	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting
25	14	ODE	GIA	Tribal Attendance Program	4,5,6,7	7	1,822,754	-	-	-	-	-	1,822,754	-	-	N	N	S	ORS 342.950	
26	15	ODE	GIA	American Indian/Alaskan Native Student Success Plan	4,5,6,7	7	-	-	5,593,139	-	-	-	5,593,139	-	-	Y	N	S	ORS 327.254 (e)	
27	16	ODE	GIA	Latinx Student Success Plan	4,5,6,7	7	-	-	6,607,960	-	-	-	6,607,960	-	-	Y	N	S	ORS 327.254 (e)	
		ODE	GIA	LGBTQ State Plan	4,5,6,7	7	-	-	4,343,056	-	-	-	4,343,056	-	-	Y	N	S		
28	17	ODE	GIA	English Language Learners	4,5,6,7	7	-	-	10,420,000	-	-	-	10,420,000	-	-	N	N	S	ORS 327.344	
42	5	ODE	OPS	Youth Development Division	10	7	3,288,737	-	1,463,433	-	308,828	-	5,060,998	13	13.00	N	Y	S, FM	ORS 417.852, JJDP Act	Reporting
43	1	ODE	YDD	Youth Reengagement Program	5,6,7	7	-	-	9,059,615	-	-	-	9,059,615	-	-	N	N	S	ORS 327.254 (c)	
44	2	ODE	YDD	Gang Prevention & Intervention Grants	5,6,7	7	2,605,000	-	597,356	-	-	-	3,202,356	-	-	N	Y	S	SB5518 (2013)	
45	3	ODE	YDD	Youth and Community Grants	5,6,7	7	4,327,840	-	5,995,129	-	-	-	10,322,969	-	-	N	N	S	SB5518 (2013)	
46	4	ODE	YDD	Youth and Innovation Grants	5,6,7	7	3,727,682	-	-	-	-	-	3,727,682	-	-	N	N	S	SB5518 (2013)	
47	5	ODE	YDD	Juvenile Crime Prevention	5,6,7	7	6,914,501	-	-	-	1,362,829	-	8,277,330	-	-	N	Y	FM	42 U.S.C. 5601 and ORS 417.855	Reporting
48	6	ODE	YDD	Community Schools	5,6,7	7	116,876	-	-	-	-	-	116,876	-	-	N	Y	S	SB5518 (2013)	
49	7	ODE	YDD	Other Small Grants	5,6,7	7	881,614	-	281,615	-	-	-	1,163,229	-	-	N	Y	S	SB5518 (2013)	
50	6	ODE	OPS	Child Nutrition, Fingerprinting & Transportation	10	7	2,710,753	-	2,566,250	4,074,452	11,433,844	-	20,785,299	46	44.50	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting
50	8	ODE	OPS	Office of Teaching, Learning, and Assessment	10	7	10,419,961	-	7,522,670	-	20,094,873	-	38,037,504	66	65.50	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting
50	6	ODE	OPS	Research Assessment Data Accountability & Reporting	10	7	22,491,363	-	322,618	-	15,562,221	-	38,376,202	31	31.00	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting
51	18	ODE	GIA	Nutritional Programs	4,5,6,7	7	2,397,641	-	4,751,244	-	-	540,463,419	547,612,304	-	-	N	Y	FM	USDA	Eligibility & Reporting
52	19	ODE	GIA	Hunger Free Oregon Account	4,5,6,7	7	-	-	127,345,728	-	-	-	127,345,728	-	-	Y	N	S	ORS 327.254 (b); ORS 327.548, and SB 5015 (2019)	
53	20	ODE	GIA	Summer School Grants for Title I	4,5,6,7	7	-	-	8,966,239	-	-	-	8,966,239	-	-	Y	N	S	ORS 327.254 (f)	
54	21	ODE	GIA	Statewide School Safety and Prevention System	4,5,6,7	7	-	-	6,725,029	-	-	-	6,725,029	-	-	Y	N	S	ORS 327.254 (d)	
55	7	ODE	OPS	Office of Education Innovation and Improvement	10	7	5,925,381	-	32,427,744	-	5,572,071	-	43,925,196	73	73.00	Y	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting
56	22	ODE	GIA	Student Investment Grants	4,5,6,7	7	-	-	1,137,927,821	-	-	-	1,137,927,821	-	-	Y	Y	S	ORS 327.180	
57	23	ODE	GIA	Student Success Teams Grants	4,5,6,7	7	-	-	131,378,844	-	-	-	131,378,844	-	-	Y	N	S	ORS 327.254 (k) (B); ORS 327.222	
58	24	ODE	GIA	ESD Technical Assistance Grants	4,5,6,7	7	-	-	44,606,659	-	-	-	44,606,659	-	-	Y		S	ORS 327.254 (L)	
59	25	ODE	GIA	STEM and CTE Related Programs	6,7	7	35,070,497	-	-	-	37,666,080	-	72,736,577	-	-	N	Y	S, FM	Ch. 344, & Ch 327	Eligibility & Reporting

Oregon Department of Education																			Agency Number: 58100			
2025-27 Biennium																						
Program/Division Priorities for 2025-27 Biennium																						
1	2	3	4	5		6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description			Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	
61	9	ODE	OPS	Office of Director			10	7	24,675,314	-	3,855,883	-	-	28,531,197	74	73.21	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting	
62	10	ODE	OPS	Office of Finance and Information Technology (non-IT)			10	7	23,976,033	-	34,662,436	-	6,508,899	65,147,368	97	96.50	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting	
62	10	ODE	OPS	Office of Finance and Information Technology (IT Systems)			10	7	16,010,696	-	3,252,378	-	74,964	19,338,038	48	47.63	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting	
63	13	ODE	OPS	General Facility/Operating Expense (Includes Rent)			10	7	1,937,919	-	2,491,963	-	40,256	4,470,138	-	-	-	-	-	-	-	-
64	26	ODE	GIA	Phys Ed Grants			4,5,6,7	7	1,601,955	-	3,307,928	-	-	4,909,883	-	-	N	Y	S	OL 2007 Sec 10 Ch 839		
65	27	ODE	GIA	High School Success Grants (Measure 98)			4,5,6,7	7	-	-	361,817,360	-	-	361,817,360	-	-	N	Y	S	ORS 327.856; ORS 327.254 (a)		
66	28	ODE	GIA	Chronic Absenteeism Grants			4,5,6,7	7	7,331,242	-	-	-	-	7,331,242	-	-	N	Y	S	SB 5516 (2017)		
67	11	ODE	OPS	Educator Advancement Council			10	7	-	-	8,749,778	-	-	8,749,778	16	16.00	Y	Y	S	ORS 342.940, ESSA, IDEA, Student Success Act	Reporting	
68	1	ODE	EAC	Educator Advancement Council Grants - Formula			4,5,6,7	7	-	-	33,267,132	-	-	33,267,132	-	-	Y	Y	S	ORS 342.940, ESSA, IDEA, Student Success Act		
69	2	ODE	EAC	Educator Advancement Council Grants - Capacity			4,5,6,7	7	-	-	1,677,916	-	-	1,677,916	-	-	Y	Y	S	ORS 342.940, ESSA, IDEA, Student Success Act		
70	3	ODE	EAC	Educator Advancement Council Grants - Tech Asst.			4,5,6,7	7	-	-	-	-	-	-	-	-	Y	Y	S	ORS 342.940, ESSA, IDEA, Student Success Act		
71	4	ODE	EAC	Educator Advancement Council Grants - HECC IAA			4,5,6,7	7	-	-	10,836,800	-	-	10,836,800	-	-	Y	Y	S	ORS 342.940, ESSA, IDEA, Student Success Act		
		ODE	GIA	Public Charter School Equity & Recovery School HB2767			4,5,6,7	7	-	-	17,075,356	-	-	17,075,356	-	-	Y	N	S			
72	29	ODE	GIA	Educator Professional Development			4,5,6,7	7	-	-	7,303,361	-	-	7,303,361	-	-	Y	N	S	ORS 327.254 (h)		
73	30	ODE	GIA	Title II - Teacher and Principal Grants			4,5,6,7	7	-	-	-	-	42,655,740	42,655,740	-	-	N	N	FM	ORS 326.051, 326.111; ESSA	Eligibility & Reporting	
75	32	ODE	GIA	Vision Screening Reimbursement			4,5,6,7	7	-	-	1,500,000	-	-	1,500,000	-	-	N	Y	S	SB 187 (2017)		
76	33	ODE	GIA	Foster Care Transportation Grants			4,5,6,7	7	-	-	2,264,904	-	-	2,264,904	-	-	N	Y	S	SB 5516 (2017)		
77	34	ODE	GIA	Title IV - Community Learning Center Grants			4,5,6,7	7	-	-	-	-	23,439,281	23,439,281	-	-	N	N	FM	ORS 326.051, 326.111; ESSA	Eligibility & Reporting	
78	35	ODE	GIA	Title IVA - Student Enrichment			4,5,6,7	7	-	-	-	-	24,395,988	24,395,988	-	-	N	N	S, FM	Various budget bills	Eligibility & Reporting	
79	36	ODE	GIA	Healthy and Safe Schools Plan Grants			4,5,6,7	7	-	-	2,171,528	-	-	2,171,528	-	-	N	N	S	SB 5516 (2017)		
80	12	ODE	OPS	Office of School Facilities Technical Assistance Grants			10	7	-	-	2,690,595	-	-	2,690,595	-	-	N	Y	S	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting	

Oregon Department of Education																					
2025-27 Biennium																			Agency Number: 58100		
Program/Division Priorities for 2025-27 Biennium																					
1	2	3	4	5		6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Priority (ranked with highest priority first)	Agency Initials	Program or Activity Initials	Program Unit/Activity Description		Identify Key Performance Measure(s)	Primary Purpose Program-Activity Code	GF	LF	OF	NL-OF	FF	NL-FF	TOTAL FUNDS	Pos.	FTE	New or Enhanced Program (Y/N)	Included as Reduction Option (Y/N)	Legal Req. Code (C, D, FM, FO, S)	Legal Citation	Explain What is Mandatory (for C, FM, and FO Only)	
82	2	ODE	CBF	OSCIM Program		None	7	-	-	339,000,000	-	-	-	339,000,000	-	-	N	Y	S	OL 2015 Ch 783 Sec 2,4,5 OL 2017 Ch 570 Sec 1 (5)	
		ODE	CBF	Connecting Oregon Schools (E-Rate) Program		None	7	-	-	15,000,000	-	-	-	15,000,000	-	-					
		ODE	CBF	CO - OSD Capital Improvement Projects		None	7	-	-	3,500,000	-	-	-	3,500,000	-	-					
84	38	ODE	GIA	Early Warning Systems/Technical Assistance		4,5,6,7	7	-	-	5,946,927	-	-	-	5,946,927	-	-	Y	Y	S	ORS 327.254 (g)	
85	39	ODE	GIA	Farm to School Program		4,5,6,7	7	10,848,617	-	-	-	-	-	10,848,617	-	-	N	Y	S	ORS 336.431	
86	40	ODE	GIA	Accelerated Learning Grants		6,7	7	3,105,274	-	-	-	-	-	3,105,274	-	-	N	Y	S	SB 5518 (2013) & 2011 OL Ch 639 Sec 1-10	
87	41	ODE	GIA	Other General/Other/Federal Grants		4,5,6,7	7	6,308,420	-	-	93,924,116	-	-	140,886,200	-	-	N	Y	S	HB 5015 (2019)	
88	42	ODE	GIA	Reach Out to Read Program		4	7	84,933	-	-	-	-	-	84,933	-	-	N	Y	S	SB 5518 (2013)	
89	43	ODE	GIA	Start Making a Reader Today (SMART)		4	7	307,283	-	-	-	-	-	307,283	-	-	N	Y	S	SB 5518 (2013)	
90	43	ODE	DELC	Department of Early Learning & Care		N/A	7	-	-	458,847,524	-	-	-	458,847,524	-	-					
N/A	N/A	ODE	DS	Debt Service on General Obligation (OSCIM Program, OSD Capital Needs) - NOT SUBJECT TO RANKING		N/A	7	78,578,573	-	-	-	-	-	78,578,573	-	-	N	N	D		
N/A	N/A	ODE	DS	Debt Service on Lottery-backed Bonds - NOT SUBJECT TO RANKING		N/A	7	-	8,693,643	-	-	-	-	8,693,643	-	-					
N/A	N/A	ODE	OPS	State Government Service Charges		10	7	17,526,832	-	-	2,390,023	-	-	19,916,855	-	-	N	Y	S, FM	ORS Chapters 326-346, ESSA, IDEA, Student Success Act	Reporting
							10,659,881,949	633,953,086	3,986,703,720	164,071,224	1,038,800,691	540,463,419	\$ 17,023,874,089	618	608.18						

25-27 ODE Proposed Info Technology and Capital Construction Projects:

- 1) **State School Fund Mod \$2.1m GF** – This will allow for the modernization and replacement of ODE’s current State School Fund System which is operating off of outdated and unsupported technology. This system supports one of the largest allocations in state.

- 2) **Grant Management Replacement System \$4m GF** – This will allow ODE to replace its current grant management system as well as the Child Nutrition Web application. This will update outdated technology, expand its functionality and centralize all department grant processes.

- 3) **Oregon School for the Deaf (OSD) Capital Construction Project \$100.9 million OF** – These funds will allow for the replacement of the OSD new residential halls

Oregon Department of Education (ODE)

2025-27 Biennium

Detail of Reductions to 2025-27 Current Service Level Budget

1	2	3	4	5	6	8	12	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	OF-SSA	TOTAL FUNDS	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div								
ODE	GIA	58100	050	One-time reduction to Intensive Coaching.		(18,510,246)	\$ (18,510,246)	Yes	One-time reduction to the Intensive Coaching Grant-In-Aid Programs, unused in prior biennium. Will reduce services to students due to cost increases realized at school & district level.
ODE	GIA	58100	050	One-time reduction to ESD Technical Assistance Support Grants		(7,500,000)	\$ (7,500,000)	Yes	One-time reduction to the ESD Tech Assistance Support Grants Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	GIA	58100	050	One-time reduction to High School Success Grants		(18,311,868)	\$ (18,311,868)	Yes	One-time reduction to the High School Success Grants Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	DELC	58100	060	Reduction related to SSA GIA through reduction of 3% of all other SSA grants		(5,657,098)	\$ (5,657,098)	Yes	Reduction of 3% for transfer to DELC SSA Grant-In-Aid Programs.
ODE	GIA	58100	050	Reduction related to SSA GIA through reduction of transfers to DELC		(17,113,236)	\$ (17,113,236)	Yes	Reduction of 3% for transfer to DELC SSA Grant-In-Aid Programs.
ODE	GIA	58100	050	Reduction related to SSA GIA through reduction of 3% of all other SSA grants, and 5% GF GIA	(29,409,429)	(46,838,023)	\$ (76,247,452)	No	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	Dept Op	58100	010	Reduction of 5% for transfer to HECC		(108,823)	\$ (108,823)	No	Reduction of 3% for transfer to HECC SSA Grant-In-Aid Programs.
ODE	YDO	58100	040	Reduction related to SSA GIA through reduction of 3% of all other SSA grants, and 5% GF GIA	(1,122,718)	(271,788)	\$ (1,394,506)	No	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.

Oregon Department of Education (ODE)

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Detail of Reductions to 2025-27 Current Service Level Budget

1	2	3	4	5	6	8	12	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	OF-SSA	TOTAL FUNDS	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div								
ODE	Dept Op	58100	010	Reduction of S&S Professional Services for unused funds in prior biennium		(5,766,264)	\$ (5,766,264)	Yes	One-time reduction to the S&S Professional Services for unused funds in prior biennium. Will reduce services to students due to cost increases realized at school & district level.
ODE	EAC	58100	030	Reduction related to SSA GIA through reduction of 3% of all other SSA grants Professional Development Grants		(219,101)	\$ (219,101)	Yes	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	Dept Op	58100	010	Reduction related to Operations S&S through reduction of 5% all services and supplies, excluding Rent and State Government Service Charges.	(2,478,077)		\$ (2,478,077)	Yes	Reduction related to Operations through elimination of inflationary increases for all services and supplies, excluding Rent and State Government Service Charges. The impact will be reduced levels in agency customer service and efficiency.
ODE	OSD	58100	020	Reduce S&S 5% to OSD	(7,141)		\$ (7,141)	Yes	5% reduction to the general Fund appropriation to OSD. This will result in approximately 2.40 FTE staff reduction and reduce the school's ability to effectively serve students.
ODE	Dept Op	58100	010	Vacancy Savings 3%	(1,729,061)		\$ (1,729,061)	Yes	Reduction to Operations related to increased vacancy factor achieved through holding positions vacant or not filling positions. Will have significant impact to supporting school districts and administering programs.
ODE	OSD	58100	020	Vacancy Savings 3%	(338,834)		\$ (338,834)	Yes	Reduction to Operations related to increased vacancy factor achieved through holding positions vacant or not filling positions. Will have significant impact to supporting school districts and administering programs.
				Target	(35,085,260)	(120,296,447)	\$ (155,381,707)		

Oregon Department of Education (ODE)
2025-27 Biennium

Detail of Reductions to 2025-27 Current Service Level Budget

1	2	3	4	5	6	8	12	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	OF-SSA	TOTAL FUNDS	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div								
5% TOTAL				(35,085,260)	(120,296,447)	(155,381,707)			
ODE	DELC	58100	060	Reduction related to SSA GIA through additional reduction of 6.5% of all other SSA grants		(24,825,742)	\$ (24,825,742)	No	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	YDO	58100	040	Additional reduction related to SSA GIA of all other SSA grants, and GF GIA to get to 10%	(1,525,082)	(634,174)	\$ (2,159,256)	No	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	Dept Op	58100	010	Reduction of S&S Professional Services for unused funds in prior biennium		(3,392,245)	\$ (3,392,245)	Yes	One-time reduction to the S&S Professional Services for unused funds in prior biennium. Will reduce services to students due to cost increases realized at school & district level.
ODE	GIA	58100	050	Additional reductions related to SSA GIA through to get to 10%	(32,136,609)	(90,679,133)	\$ (122,815,742)	No	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	EAC	58100	030	Additional reductions related to SSA GIA through reduction of Professional Development Grants		(511,235)	\$ (511,235)	No	Reduction to the inflationary growth for all Grant-In-Aid Programs. Will reduce services to students due to cost increases realized at school & district level.
ODE	Dept Op	58100	010	Additional reduction for transfer to HECC to get to 10%		(253,919)	\$ (253,919)	No	Reduction of 3% for transfer to HECC SSA Grant-In-Aid Programs. Will reduce services to students.
ODE	Dept Op	58100	010	Reduction related to Operations S&S through reduction of 5% all services and supplies, excluding Rent and State Government Service Charges.	(584,561)		\$ (584,561)	No	Reduction related to Operations through elimination of inflationary increases for all services and supplies, excluding Rent and State Government Service Charges. The impact will be reduced levels in agency customer service and efficiency.

Oregon Department of Education (ODE)

2025-27 Biennium

Detail of Reductions to 2025-27 Current Service Level Budget

1	2	3	4	5	6	8	12	15	16
Priority (ranked most to least preferred)	Agency	SCR or Activity Initials	Program Unit/Activity Description	GF	OF-SSA	TOTAL FUNDS	Used in Gov. Budget Yes / No	Impact of Reduction on Services and Outcomes	
Dept	Prgm/ Div								
ODE	OSD	58100	020	Additional reductions to OSD S&S to get to 10%	(7,144)		\$ (7,144)	No	5% reduction to the general Fund appropriation to OSD. This will result in approximately 2.40 FTE staff reduction and reduce the school's ability to effectively serve students.
ODE	Dept Op	58100	010	Additional reductions to Dept Ops vacancy savings to get to 10%	(831,864)		\$ (831,864)	No	Reduction to Operations related to increased vacancy factor achieved through holding positions vacant or not filling positions. Will have significant impact to supporting school districts and administering programs.
10% TOTAL				(70,170,520)	(240,592,895)	(310,763,415)			
				(70,170,520)	(240,592,895)	(310,763,415)			
				-	-	-			

ODE									
2025-27 Biennium									
Contact Person (Name & Phone #): Margaret Thomas (503) 385-5459									
Updated Other Funds Ending Balances for the 2023-25 and 2025-27 Biennia									
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Other Fund Type	Program Area (SCR)	Treasury Fund #/Name	Category/Description	Constitutional and/or statutory reference	2023-25 Ending Balance In LAB	2023-25 Ending Balance Revised	2025-27 Ending Balance In CSL	2025-27 Ending Balance Revised	Comments
Nonlimited	58100-010-00-00-000000 Operations	0900 - Commodity Distribution	Operations	ORS 327.520, 327.525	778,727	383,494	708,747	383,494	Reimbursed cost of storage and distribution of government supplied bulk dairy products. May not exceed 3x the highest month's expenditure in the past 12 months, dedicated to the Federal Nutrition Commodities program.
Nonbudgeted- NL	58100-070-00-00-000000 State School Fund	0800 - State School Fund - NIB	Operations	ORS 327.360/327.008(9), ORS 327.294/327.297 ORS 343.243-247	0	0	0	0	Small school districts that qualify receive supplemental funding.
Limited	58100-020-00-00-000000 OSD	0961 - Special Education Fund Special Schools	Operations	ORS 343.243-247	0	0	0	0	Nightmare Factory funds are used to backfill if needed.
Limited	58100-010-00-00-000000 Operations, 58100-050-00-00-000000 Grant In Aid	0902 - Special Education Fund Hosp & LTCT	Operations/Grants	ORS 343.243-247	0	12,748,068	19,549,022	12,748,068	Administration of these funds are through a contractual arrangement with an ESD. It is difficult to project how much they will spend on this program, because funding is specifically for all blind students who need assistance. There is a \$1.1 million GF allocation in the AY 25 GRB to fund expenditures in 2023-25. This will represent a reduction in overall funding by about \$600k if the contract is fully expended. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 12 months.
Limited	58100-010-00-00-000000 Operations, 58100-020-00-00-000000 OSD, 58100-050-00-00-000000 Grant In Aid	1000 - Miscellaneous Receipts, 1010 - Other Grants and Contract-Mass Transit, 1020 - Other Grants/Contract-No Mass Transit, 1240 - LEADS Searches, 1250 - Fingerprint Searches, 3600 - Other Funds Grant In Aid- PE & Foster Care grants	Operations/Grants	ORS 327.485, ORS 326.807 (2), ORS 326.603, Agreements with external parties	1,745,034	430,761	2,290,058	0	Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 6 months. Directed funds for LEADS fees. Expenditures in these programs fluctuate based on needs through the biennium. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 8 months. Directed funds for Fingerprinting fees. Expenditures in these programs fluctuate based on needs through the biennium. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 11 months. ORS Title "Advanced Tech Ed & Training Fund" - diff than Treasury Fund title. The estimates are based on revenue and expenditure patterns.
Limited	58100-010-00-00-000000 Operations, 58100-050-00-00-000000 Grant In Aid	1011 - English Language Learner Program	Operations/Grants	HB 3499, Sec 9, 2015 Oregon Laws, ORS 327.344	0	10,034,343	3,879,203	7,234,343	Program supports administration of English Language Learners grant program, and includes funding for technical assistance to support the field. There was a delay in awards for Cohort 2 due to contracting issues. Balance represents Cohort 2 awards which began on 7/1/2023. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 22 months.
Limited	58100-020-00-00-000000 OSD	1012 - Other Funds OSD	Operations	HB 5054, HB 5014, Sec 6(4), 2023 Oregon Laws	0	656,735	0	656,735	The estimates are based on revenue/expenditure patterns and includes remainder of proceeds from the sale of OSD property, which are limited to deferred maintenance costs. Projection is based on best estimate by program fiscal staff, for estimated support about 15 months of operational cost/contingency contracts and ADA Deferred Maintenance.
Limited	58100-010-00-00-000000 Operations	1014 - OR School Capital Improvement Match Fund	Operations	SB 447, Sec 4, 2015 Oregon Laws, ORS 326, 327	7,904,344	0	10,136,063	0	Projection is based on best estimate by program fiscal staff. Balance represents about 1 month of operating expenditures. Estimated ending balance includes commitments issued in 2021-23 anticipated to be fully expended in 2023-25. Awardees have approx. 30 months to draw down funds.
Limited	58100-050-00-00-000000 Grant In Aid	1015 - Blind and Visually Impaired Student Fund	Grants	ORS 346.315	0	0	1,097,171	0	Administration of these funds are through a contractual arrangement with an ESD. Funding is specifically for all blind students who need assistance. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 6 months.
Limited	58100-010-00-00-000000 Operations, 58100-040-00-00-000000 Grant In Aid	1016 - Other Funds- Youth Development	Operations/Grants	HB 3231, Sec 6, 2013 Oregon Laws, ORS 417.854	0	540,826	263,351	540,826	Transfers from DHS for IV-82 funding. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 2 months.
Limited	58100-010-00-00-000000 Operations, 58100-050-00-00-000000 Grant In Aid	1021 - Vision Health Fund	Operations/Grants	SB 197, Sec 3, 2017 Oregon Laws, ORS 336.212	1,151,634	374,835	0	374,835	Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 4 months.
Limited	58100-010-00-00-000000 Operations, 58100-050-00-00-000000 Grant In Aid	1022 - HS Grad College & Career Readiness Fund	Operations/Grants	HB 2246, Sec 1(2)(1), Measure 98 (2016)	3,977,805	20,493,399	5,130,767	0	23-25 Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 2 months.
Limited	58100-050-00-00-000000 Grant In Aid	1024 - Connecting Oregon Schools Fund	Grants	HB 4023, Sec 3, 2018 Oregon Laws, ORS 276A.424	0	0	0	0	AY2023 and 2025 bonds. This balance represents bond revenues that will be granted to SDs and ESDs over 3-year grant periods (reimbursement basis).
Limited	58100-050-00-00-000000 Grant In Aid	1025 - Healthy School Facilities Fund	Grants	SB 1052, Sec 3 & 5(18), 2017 Oregon Laws, ORS 332.337	0	5,508,430	0	5,508,430	Revenues are State School Fund catwalk for assistance to school districts, education service districts, and public charter schools.
Limited	58100-090-00-00-000000 Capital Bonding	1108 - XI-P 2021 EGO Bond-Sch Cap Match	Grants	HB 5014, Sec 6(1), 2023 Oregon Laws	0	0	0	0	This balance represents General Obligation Bond revenues that are granted to SDs and ESDs over 3-year grant periods (reimbursement basis).
Debt Service Limited	58100-095-00-00-000000 Debt Service	1110 - XI-P 2019 Debt Service, 1124 - Article XI-Q 2022A OSD - Debt Service	Debt Service	SB 5506, Section 49, 2023 Oregon Laws	0	0	0	0	DAS calculation. To be determined for 2025-27.
Limited	58100-090-00-00-000000 Capital Bonding	1125 - Art XI-P 2023 School Dist Capital Costs	Grants	HB 5014, Sec 6(1), 2023 Oregon Laws	0	0	0	0	2023-25 Bond proceeds (OSCIM). Estimated balance represents bond revenues granted to SDs and ESDs over 3-year grant periods (reimbursement basis).
Limited	58100-010-00-00-000000 Operations	1230 - Textbook Review	Operations	ORS 337.065	403,947	246,132	0	292,826	Directed funds for Textbook Review fees. Expenditures fluctuate based on needs through the biennium. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 22 months.
Limited	58100-010-00-00-000000 Operations	1270 - Indirect Recovery	Operations	ORS 327.485 (E)	0	746,807	1,302,606	0	Indirect Federal Funds expended as Other Funds. The indirect rate is recalculated each 1-2 years and negotiated with USD OE. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 2 months.
Limited	58100-010-00-00-000000 Operations, 58100-050-00-00-000000 Grant In Aid	1288 - Youth Corrections Education Program, 1290 - Juvenile Detention Education Program	Operations/Grants	ORS 326.115/327.026/327.485, ORS 326.115/327.026/327.485	0	800,899	6,549,948	300,899	Balance needed to offset fluctuations in ADMw. YCEP enrollment at OYA facilities continues to decline, which directly affects the revenue provided by the SF. Distributions are based on ADMw. It is becoming difficult for contractors to provide the minimum level of staffing with the amount of funding to be allocated. The ending balance will help support ongoing costs, should revenues continue to decline. Because of the impact of the 2020 pandemic, youth were not detained unless absolutely necessary.
Limited	58100-010-00-00-000000 Operations, 58100-030-00-00-000000 Grant In Aid	1320 - Network Of Quality Teach & Learning/EAF	Operations/Grants	HB 2506, Sec 11 (2), 2013 Oregon Laws, ORS 342.953, HB 3233 (2013) ORS 342.953	29,147,939	29,736,310	1,554,791	29,739,310	The balance remaining in this account can be distributed through the EAC funding formula if limitation is provided. Contracting issues and limited staff capacity have delayed these programs from being implemented. This limitation is again requested in part in the 25-27 budget request. Projection is based on best estimate by program fiscal staff, for estimated ending balance of approximately 14 months.
Limited	58100-050-00-00-000000 Grant In Aid, 58100-070-00-00-000000 State School Fund	1330 - Fund For Student Success	Grants	HB 5014, Sec 10, 2023 Oregon Laws, HB 5015, Sec 04, 2023 Oregon Laws	0	0	0	0	New 2019 program using corporate activities tax passed in HB 3427 to pay for programs also passed in HB3427 (Chapter 122, Oregon Laws 2019). Funding allocated in full. Any funds remaining is allocated in next biennium distribution.
Limited	58100-050-00-00-000000 Grant In Aid	1331 - Student Investment Account	Grants	HB 5014, Sec 10, 2023 Oregon Laws	0	87,364,900	107,364,900	5,000,000	New 2019 program using corporate activities tax passed in HB 3427 to pay for programs also passed in HB3427 (Chapter 122, Oregon Laws 2019). Funding allocated in full, and will not be able to determine unspent funds until end of biennium. Any funds remaining would be allocated in next biennium distribution.
Limited	58100-010-00-00-000000 Operations, 58100-050-00-00-000000 Grant In Aid, 58100-040-00-00-000000 Grant In Aid	1332 - Statewide Education Initiatives Account	Operations/Grants	HB 5014, Sec 7(4), Sec 13(1), Sec 13(2), Sec 13(3), Sec 14(2), 2023 Oregon Laws; HB 5006, Sec 21, 2024 Oregon Laws; HB 3198, Sec 25	0	7,867,560	88,149,428	0	New 2019 program using corporate activities tax passed in HB 3427 to pay for programs also passed in HB3427 (Chapter 122, Oregon Laws 2019). Funding allocated in full, and will not be able to determine unspent funds until end of biennium. Any funds remaining would be allocated in next biennium distribution.
Limited	58100-050-00-00-000000 Grant In Aid, 58100-060-00-00-000000 DELIC Transfers	1333 - Early Learning Account	Grants	HB 5014, Sec 11 & 12, 2023 Oregon Laws	0	0	0	0	Pass thru to DELC.
Limited	58100-050-00-00-000000 Grant In Aid	1334 - Hunger Free Schools Account	Grants	HB 3427, Sec 32, ORS 327.548	0	10,588,801	10,600,800	3,000,000	
Limited	58100-050-00-00-000000 Grant In Aid	1336 - Accelerated College Credit Account	Grants	HB 2263 Sec 5, 2019 Oregon Laws, ORS 340.320, 340.330	0	0	200,000	0	Balance includes 2021-23 carryover and interest earned and projected.

Limited	58100-050-00-00-000000	1341 - Student Success Teams Account-Intensive Coaching	Grants	HB 5014, Sec 13(3), 2023 Oregon Laws	0	43,498,089	20,000,000	43,498,089	0	New 2019 program using corporate activities tax passed in HB 3427 to pay for programs also passed in HB3427 (Chapter 122, Oregon Laws 2019). Funding allocated in full, and will not be able to determine unspent funds until end of biennium. Any funds remaining would be allocated in next biennium distribution.
Limited	58100-050-00-00-000000	1351 - Early Literacy Success Comm Grant Fund	Grants	HB 3198, Sec 25, 2023 Oregon Laws	0	0	0	0	0	New grant program in 2023-25 Early Literacy Community and Tribal grants; is to be phased out.
Nonlimited	58100-010-00-00-000000	1400 - Public Charter School Development Fund	Operations	ORS 338.185	0	32,386	0	32,386	0	Nonlimited; revenues are used for charter school development. Projected ending balance includes interest earned and projected.
Nonbudgeted- NL	58100-070-00-00-000000	1500 - Small School District Supplement Fund	Grants	ORS 327.008(9), 327.360	0	0	0	0	0	Small school districts that qualify receive supplemental funding. Balance represents accumulation of small amounts of interest not expended.
Nonbudgeted- NL	58100-070-00-00-000000	1708 - School Improvement Fund	Grants	ORS 327.294, 327.297	0	0	0	0	0	Balance represents accumulation of small amounts of interest not expended over multiple biennia
Limited	58100-010-00-00-000000	1800 - Public/Charter Schools-State Board Operations	Operations	ORS 338.155	373,640	914,379	624,785	564,379	0	
Nonlimited	58100-010-00-00-000000	1900 - Oregon Digital Learning	Operations	ORS 329.842	2,884,604	2,363,746	152,759	2,363,746	0	Funding received through SSF transfer to support the Oregon Digital Learning program (formerly Oregon Virtual School District).
Limited	58100-050-00-00-000000	1905 - Speech-Language Pathologist Training FD	Grants	ORS 327.008 (13), 348.406	0	241,699	0	241,699	0	Funds available for grants and Stipends. Recent history shows expended between \$70-\$100,000 per biennium. Estimated ending balance includes 2021-23 carryover and interest earned and projected.
Limited	58100-090-00-00-000000	2690 - LRB 2023B Connect OR School Fund Taxable	Grants	HB 5014, Sec 6(1), 2023 Oregon Laws	0	0	0	0	0	2023-25 Lottery Bond proceeds. Balance represents bond revenues yet to be granted to SDs and ESDs over 3-year grant periods (reimbursement basis).
Nonlimited	58100-010-00-00-000000	3000 - Education Training Revolving Fund	Operations	ORS 326.340	0	0	0	0	0	Reimbursement account for conferences ODE staff attend, COSA, etc.
Limited	58100-070-00-00-000000	3700 - State School Fund-Timer/Marijuana Tax	Grants	HB 5015, Sec 3, 2023 Oregon Laws	0	0	0	0	0	
Nonlimited	58100-080-00-00-000000	3870 - State School Fund-Of Donations	Grants	HB 5014, Sec 15(1), 2023 Oregon Laws	0	0	54,152	0	0	Funds transferred from the Department of State Lands are fully allocated to districts
Nonbudgeted- NL	58100-020-00-00-000000	3900 - Common School Fund	Trust	ORS 326.115/327.465	0	0	0	0	0	Student transportation costs. Costs incurred are reimbursed from school districts or education service districts.
Nonbudgeted- NL	58100-020-00-00-000000	3910 - School for the Deaf Trust	Trust	ORS 346.055	0	0	0	0	0	Balance comprised of donated funds to be used for individual OSD students or for specific student programs.
Nonbudgeted- NL	58100-020-00-00-000000	3910 - School for the Deaf Student Funds	Trust	N/A	0	0	0	0	0	Balance comprised of donated funds to be used for individual OSD students or for specific student programs.
					48,367,674	235,576,594	279,608,551	112,480,059	0	
					48,367,674		279,608,551			OF ending balance in ORBITS
					0		0			

Objective: Provide updated Other Funds ending balance information for potential use in the development of the 2025-27 legislatively adopted budget.

Instructions:

Column (a): Select one of the following: Limited, Nonlimited, Capital Improvement, Capital Construction, Debt Service, or Debt Service Nonlimited

Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2023-25 legislatively approved budget. If this changed from previous structures, please note the change in Comments (Column j)

Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j)

Column (d): Select one of the following: Operations, Trust Fund, Grant Fund, Investment Pool, Loan Program, or Other. If "Other", please specify if "Operations". In Comments (Column j), specify the number of months the reserve covers, the methodology used to determine the reserve amount, and the minimum need for cash flow purposes

Column (e): List the Constitutional, Federal, or Statutory references that establishes or limits the use of the fund

Columns (f) and (h): Use the appropriate, audited amount from the 2023-25 legislatively approved budget and the 2025-27 current service level at Governor's Budget

Provide updated ending balances based on revised expenditure patterns or revenue trends. The revised column (i) should assume 2025-27 current service level expenditures, considering the updated 2023-25 ending balance and any updated 2025-27 revenue

Columns (g) and (j): Projects. Do not include adjustments for reduction options that have been submitted. Provide a description of revisions in Comments (Column j).

Column (i): Please note any reasons for significant changes in balances previously reported during the 2023 session.

Additional Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or \$50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast.

Updated Lottery Funds Ending Balances for the 2023-25 and 2025-27 Bienna

(a)	(b)	(c)	(d)	(e)	(f)		(g)		(i)
					2023-25 Ending Balance		2025-27 Ending Balance		
					In LAB	Revised	In CSL	Revised	
Debt Service	58100-850-00-00-00000 Debt Service	1130 - Debt Svc-LRB 2023B-Connect OR Schools	Other: Lottery Funds Debt Service	HB 5014, Chapter 449, Section 5, Subsection 00, 2023 Oregon Laws	\$ -	\$ -	\$ 77,489,416	\$ -	Estimated balance is based on payment schedule by DAS to be fully paid out. AY 27 new SCR 58100-095-00-00-00000
Education Stability Fund (ESF)	58100-400-00-00-00000 State School Fund	4501 - State School Fund - Lottery	Other: Lottery Funds State School Fun	HB 5015, Chapter 450, Section 2, Subsection 00, 2023 Oregon Laws	\$ -	\$ -	\$ -	\$ -	Based on transfer and State School Fund distribution schedule. AY 27 new SCR 58100-070-00-00-00000

Objective: Provide updated Lottery Funds ending balance information for potential use in the development of the 2025-27 legislatively adopted budget.

Instructions:

Column (a): Select one of the following: Economic Development Fund (EDF), Parks and Natural Resources (M76), Veterans' Services (M96), Education Stability Fund (ESF), Debt Service

Column (b): Select the appropriate Summary Cross Reference number and name from those included in the 2023-25 legislatively approved budget. If this changed from previous structures, please note the change in Comments (Column (j))

Column (c): Select the appropriate, statutorily established Treasury Fund name and account number where fund balance resides. If the official fund or account name is different than the commonly used reference, please include the working title of the fund or account in Column (j).

Select one of the following: Operations, Grant Fund, Loan Program, or Other. If "Other", please specify. If "Operations", in Comments (Column (j)), specify the number of months the reserve covers, the methodology used to

Column (d): determine the reserve amount, and the minimum need for cash flow purposes.

Column (e): List the Constitutional or Statutory references that establishes or limits the use of the funds.

Columns (f) and (h): Use the appropriate, audited amount from the 2023-25 legislatively approved budget and the 2025-27 current service level at Governor's Budget.

Provide updated ending balances based on revised expenditure patterns or revenue trends. The revised column (j) should assume 2025-27 current service level expenditures, considering the updated 2023-25 ending balance and any

Columns (g) and (i): updated 2025-27 revenue projections. Do not include adjustments for reduction options that have been submitted. Provide a description of revisions in Comments (Column (j)).

Column (j): Please note any reasons for significant changes in balances previously reported during the 2023 session.

Additional Materials: If the revised ending balances (Columns (g) or (i)) reflect a variance greater than 5% or \$50,000 from the amounts included in the LAB (Columns (f) or (h)), attach supporting memo or spreadsheet to detail the revised forecast

