Application for Initial Funding under the State Fiscal Stabilization Fund Program

CFDA Numbers: 84.394 (Education Stabilization Fund) and 84.397 (Government Services Fund)

U.S. Department of Education
Washington, D.C. 20202

OMB Number: 1810-0690
Expiration Date: 9/30/2009

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0690. The time required to complete this information collection is estimated to average 17 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: State Fiscal Stabilization Fund Program, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Ave., S.W., Room 3E108, Washington, D.C. 20202-3118

STATE FISCAL STABILIZATION FUND APPLICATION

PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)

Legal Name of Applicant (Office of the Governor):	Applicant's Mailing Address:
State of Oregon Governor's Office **Theodore R. Kulongoski, Governor**	**254 State Capitol** **900 Court Street NE** **Salem, OR 97301**
State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: **Kate Cooper Richardson** Position and Office: **Program Manager** **Economic Recovery Executive Team** **Office of the Governor** Contact's Mailing Address: **1225 Ferry Street NE** **Salem, OR 97301-4281** Telephone: **503/378-5522** Fax: **503/378-5253** E-mail address: **Kate.Richardson@state.or.us**	State Contact for the Government Services Fund (CFDA No. 84.397) *(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)* Name: **Same** Position and Office: Contact's Mailing Address: Telephone: Fax: E-mail address:

To the best of my knowledge and belief, all of the information and data in this application are true and correct.

Governor or Authorized Representative of the Governor (Printed Name):	Telephone:
Theodore R. Kulongoski **GOVERNOR, STATE OF OREGON**	**503/378-3111**
Signature of Governor or Authorized Representative of the Governor:	Date: **April 21, 2009**

Recommended Statement of Support from the Chief State School Officer *(Optional)*:

The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.

Chief State School Officer (Printed Name):	Telephone:
Susan Castillo **SUPERINTENDENT OF PUBLIC INSTRUCTION, STATE OF OREGON**	**503/947-4750**
Signature of the Chief State School Officer:	Date: **April 21, 2009**

Form Approved OMB Number: 1810-0690; Expiration Date: 9/30/2009

PART 2: EDUCATION REFORM ASSURANCES

The Governor or his/her authorized representative assures the following:

(1) The State will take actions to improve teacher effectiveness and comply with section 1111(b)(8)(C) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) (20 U.S.C. 6311(b)(8)(C)) in order to address inequities in the distribution of highly qualified teachers between high- and low-poverty schools, and to ensure that low-income and minority children are not taught at higher rates than other children by inexperienced, unqualified, or out-of-field teachers. (*Achieving Equity in Teacher Distribution Assurance*)

(2) The State will establish a longitudinal data system that includes the elements described in section 6401(e)(2)(D) of the America COMPETES Act (20 U.S.C. 9871(e)(2)(D)). (*Improving Collection and Use of Data Assurance*)

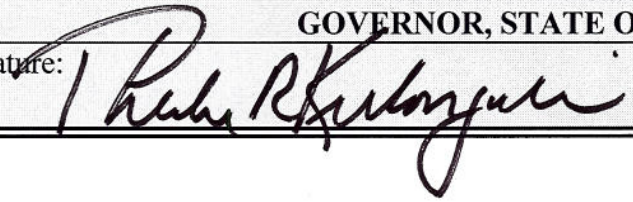
(3) The State will –

(3.1) Enhance the quality of the academic assessments it administers pursuant to section 1111(b)(3) of the ESEA (20 U.S.C. 6311(b)(3)) through activities such as those described in section 6112(a) of the ESEA (20 U.S.C. 7301a(a)); (*Improving Assessments Assurance*)

(3.2) Comply with the requirements of paragraphs (3)(C)(ix) and (6) of section 1111(b) of the ESEA (20 U.S.C. 6311(b)) and section 612(a)(16) of the Individuals with Disabilities Education Act (IDEA) (20 U.S.C. 1412(a)(16)) related to the inclusion of children with disabilities and limited English proficient students in State assessments, the development of valid and reliable assessments for those students, and the provision of accommodations that enable their participation in State assessments; (*Inclusion Assurance*) and

(3.3) Take steps to improve State academic content standards and student academic achievement standards consistent with section 6401(e)(1)(A)(ii) of the America COMPETES Act. (*Improving Standards Assurance*)

(4) The State will ensure compliance with the requirements of section 1116(b)(7)(C)(iv) and section 1116(b)(8)(B) of the ESEA with respect to schools identified under these sections. (*Supporting Struggling Schools Assurance*)

Governor or Authorized Representative of the Governor (Printed Name): **Theodore R. Kulongoski** **GOVERNOR, STATE OF OREGON**	
Signature: 	Date: **April 21, 2009**

PART 3: INITIAL BASELINE DATA FOR EDUCATION REFORM ASSURANCES

SPECIAL NOTES:

- In completing this portion of the application, please refer to Appendix B – Instructions for Part 3: Initial Baseline Data for Education Reform Assurances.
- The data described in Appendix B for two of the education reform assurances in Part 2 of the application – the Improving Assessments Assurance and the Improving Standards Assurance – are the most current available baseline data for these areas. Thus, the Department is not inviting States to submit additional information with respect to these two assurances.
- The Governor or his/her authorized representative should confirm whether the initial baseline data sources described in Appendix B for the four assurances referenced below – Achieving Equity in Teacher Distribution; Improving Collection and Use of Data; Improving State Academic Content and Student Achievement Standards; and Supporting Struggling Schools – reflect the State's current status with respect to these assurances. A State that confirms the use of these initial baseline data sources does not have to submit additional baseline data with this application. If a State elects not to use the identified data sources for one or more of these four assurances, it must submit other initial baseline data for that assurance.

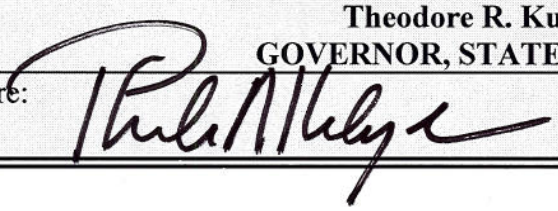
The Governor or his/her authorized representative confirms that the data sources that are currently available to the Department and described in Appendix B are a reasonable reflection of the current status of the State with respect to the following education reform assurances that he/she provided in Part 2 of the Application *(check only those assurances for which the State accepts the data described in Appendix B)*:

__X__ Achieving Equity in Teacher Distribution Assurance.

__X__ Improving Collection and Use of Data Assurance.

__X__ Improving Standards Assurance.

__X__ Supporting Struggling Schools Assurance.

Governor or Authorized Representative of the Governor (Printed Name): **Theodore R. Kulongoski** **GOVERNOR, STATE OF OREGON**	
Signature: 	Date: **April 21, 2009**

PART 4, SECTION A: MAINTENANCE-OF-EFFORT (MOE) ASSURANCE

SPECIAL NOTES:

- In completing Part 4 of the application, please refer to Appendix C – Instructions for Part 4: Maintenance of Effort.
- The Governor or his/her authorized representative should check only those MOE requirements that he or she anticipates the State will meet. If the Governor or his/her authorized representative anticipates that the State will be unable to meet one or more of the requirements, he or she must sign the additional waiver assurance in Part 4, Section B.
- For the purpose of determining MOE, State support for public institutions of higher education (IHEs) must not include support for capital projects or for research and development or tuition and fees paid by students.

The Governor or his/her authorized representative assures the following *(check appropriate assurances that apply)*:

__X__ In FY 2009, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.

__X__ In FY 2010, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.

__X__ In FY 2011, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.

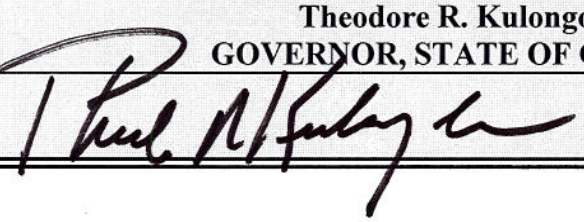
__X__ In FY 2009, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.

__X__ In FY 2010, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.

__X__ In FY 2011, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.

---OR---

_____ To the best of his/her knowledge and based on the best available data, the State will be unable to meet any of the above-referenced maintenance-of-effort requirements.

Governor or Authorized Representative of the Governor (Printed Name): **Theodore R. Kulongoski** **GOVERNOR, STATE OF OREGON**	
Signature: 	Date: **April 21, 2009**

PART 4, SECTION C. MAINTENANCE-OF-EFFORT WAIVER ASSURANCE

SPECIAL NOTES:

- If a State anticipates that it will be unable to comply with one or more of the Stabilization program MOE requirements referenced in Part 4, Section A of the application, the State must provide the assurance below.
- States that anticipate meeting all of the Stabilization program MOE requirements should not complete the waiver assurance in this section of the application. *See* Appendix C – Instructions for Part 4: Maintenance of Effort. The criterion for a waiver of the MOE requirements is provided in Appendix C.
- The Department will be providing additional guidance to States regarding the process for applying for waivers of the Stabilization program MOE requirements.

The Governor or his/her authorized representative assures the following:

To the best of his/her knowledge and based on the best available data, the State meets or will meet the eligibility criterion for a MOE waiver for each of the Stabilization program MOE requirements that the Governor or his/her authorized representative anticipates the State will be unable to meet.

NOT APPLICABLE

Governor or Authorized Representative of the Governor (Printed Name):	
Signature:	Date:

PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

SPECIAL NOTES:

- A State has some flexibility in determining the "levels of State support" for MOE purposes. For example, for the purpose of the elementary and secondary education MOE requirements, a State may use the level of support that the State provides through its primary elementary and secondary funding formulae, or it may use other relevant data. *See* Appendix C – Instructions for Part 4: Maintenance of Effort.

1. **Levels of State support for elementary and secondary education** *(the amounts may reflect the levels of State support on either an aggregate basis or a per-student basis):*

FY 2006	**$ 2,566,584,519**	
FY 2009*	**$ 2,921,274,528**	***estimated***
FY 2010*	**$ 2,566,584,519**	***estimated*** [§]
FY 2011*	**$ 2,566,584,519**	***estimated*** [§]

(* Provide data to the extent that data are currently available.)
[§] **The State Legislature has not yet passed a budget for either FY 2010 or FY 2011. These amounts represent the minimum amount of funding to be provided.**

2. **Levels of State support for public institutions of higher education** *(enter amounts for each year)*:

FY 2006	**$ 554,534,240**	
FY 2009*	**$ 584,622,225**	***estimated***
FY 2010*	**$ 554,534,240**	***estimated*** [§]
FY 2011*	**$ 554,534,240**	***estimated*** [§]

(* Provide data to the extent that data are currently available.)
[§] **The State Legislature has not yet passed a budget for either FY 2010 or FY 2011. These amounts represent the minimum amount of funding to be provided.**

3. **Additional Submission Requirements**: In an attachment to the application –

(a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; - and -

SEE ATTACHMENT A

(b) Identify and describe the data sources used in determining the levels of State support for public IHEs.

SEE ATTACHMENT A

PART 5, SECTION A: STATE USES OF THE EDUCATION STABILIZATION FUND

SPECIAL NOTES:

- Section A of Part 5 requests data on the Education Stabilization Fund (CFDA No. 84.394). In completing this portion of the application, please refer to Appendix D – Instructions for Part 5: State Uses of Funds.
- At a later date, the Department will collect data on the levels of State support for elementary, secondary, and postsecondary education in FY 2011.
- These data may differ from the data in the levels of support for maintenance-of-effort purposes. *See* instructions in Appendix D.
- The term "postsecondary education" refers to public IHEs.

1. Levels of State Support for Elementary, Secondary, and Postsecondary Education

Provide the following data on the levels of State support for elementary, secondary, and postsecondary education:

(a) Level of State support for elementary and secondary education in FY 2008 provided through the State's primary elementary and secondary education funding formulae	**$ 3,044,050,582**
Prior-enacted amount of State funds that the State provided or will provide through its primary elementary and secondary education funding formulae in FY 2009	***$ 3,203,696,608***
(b) Level of State support for public IHEs in FY 2008	**$ 653,252,106**
Prior-enacted amount of State support for public IHEs in FY 2009	***$ 692,349,228***
(c) Level of State support for elementary and secondary education in FY 2009 provided through the State's primary elementary and secondary education funding formulae	**$ 2,921,274,528**
(d) Level of State support for public IHEs in FY 2009	**$ 584,622,225**
(e) Level of State support for elementary and secondary education in FY 2010 provided through the State's primary elementary and secondary education funding formulae	**$ 2,566,584,519**
(f) Level of State support for public IHEs in FY 2010	**$ 554,534,240**

Additional Information: Did the State, prior to October 1, 2008, approve formula increases to support elementary and secondary education in FY 2010 or 2011, or to phase in State equity and adequacy adjustments?*

☐ Yes **X** No

* *See* Appendix D Worksheets for further guidance on how such increases affect a State's "use of funds" calculations.

2. State's Primary Education Funding Formulae

Additional Submission Requirement: In an attachment to the application, identify and describe each of the State's primary elementary and secondary education funding formulae that were used in determining the calculations provided above for the levels of State support for elementary and secondary education.

SEE ATTACHMENT B

3. Data on State Support for Postsecondary Education

Additional Submission Requirement: In an attachment to the application, identify and describe the specific State data sources that were used in determining the calculations provided above for the levels of State support for public IHEs.

SEE ATTACHMENT C

4. Restoration Amounts

Based on the Worksheets included in Appendix D, calculate and provide the amount of Education Stabilization funds that the State will use to restore the levels of State support for elementary, secondary, and postsecondary education in FYs 2009 and 2010. As explained in the Instructions in Appendix D, a State must determine the amount of funds needed to restore fully the levels of State support for elementary, secondary, and postsecondary education in FY 2009 before determining the amount of funds available to restore the levels of such support in FY 2010.

SPECIAL NOTES:

- At a later date, the Department will collect data on the amount of funds, if any, that remain available to (1) restore the levels of State support for elementary, secondary, and postsecondary education in FY 2011, and (2) award subgrants to local educational agencies (LEAs) based on their proportionate shares of funding under Part A of Title I of the ESEA.
- The calculations for these data must be based on the State's total Education Stabilization Fund allocation as reflected in Appendix A and not on the State's initial Education Stabilization Fund award.
- Although the State must follow the Instructions in Appendix D, in order to determine the amount of funds that LEAs and IHEs will receive under the program (i.e., the "restoration amounts"), the Governor has discretion in determining when to release these funds to LEAs and IHEs.

(a) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2009	**$ 282,422,080**
(b) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2009	**$ 107,727,003**

Restoration Amounts (continued)

(c) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2010	**$ 62,740,851**
(d) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2010	**$ 13,571,599**
(e) Amount of funds, if any, remaining after restoring State support for elementary, secondary, and postsecondary education in FY 2009 and FY 2010	**$ - 0 -**

5. Process for Awarding Funds to Public IHEs

Additional Submission Requirement: In an attachment to the application, describe the process that the State will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore the levels of State support for these institutions.

SEE ATTACHMENT D

PART 5, SECTION B: STATE USES OF THE GOVERNMENT SERVICES FUND

SPECIAL NOTES:

- Section B of Part 5 requests data on the Government Services Fund (CFDA No. 84.397).
- In this section, provide preliminary estimates of the percentage of the Government Services Fund that the State intends to spend under various broad categories (to the extent such estimates are available). The total percentages in the chart should equal 100 percent.
- To the extent such estimates are available, the estimated percentages must be based on the State's total Government Services Fund allocation and not on the State's initial Government Services Fund award.

Uses of the Government Services Fund

Category	**Estimated Percentage of Funds to Be Used**
Public Safety	
Elementary and secondary education (excluding modernization, renovation, or repair of public school facilities)	
Public IHEs (excluding modernization, renovation, or repair of IHEs)	
Modernization, renovation, or repair of public school facilities	
Modernization, renovation, or repair of IHEs	
Medicaid	
Public assistance	
Transportation	
Other (please describe)	
Undetermined	**100%**
TOTAL	100%

PART 6: ACCOUNTABILITY, TRANSPARENCY, AND REPORTING ASSURANCES

The Governor or his/her authorized representative assures that the State will comply with all of the accountability, transparency, and reporting requirements that apply to the Stabilization program, including the following:

- For each year of the program, the State will submit a report to the Secretary, at such time and in such manner as the Secretary may require, that describes:
    - the uses of funds within the State;
    - how the State distributed the funds it received;
    - the number of jobs that the Governor estimates were saved or created with the funds;
    - tax increases that the Governor estimates were averted because of the funds;
    - the State's progress in reducing inequities in the distribution of highly qualified teachers, implementing a State longitudinal data system, and developing and implementing valid and reliable assessments for limited English proficient students and children with disabilities;
    - the tuition and fee increases for in-State students imposed by public IHEs and a description of any actions taken by the State to limit the increases;
    - the extent to which public IHEs maintained, increased, or decreased enrollment of in-State students, including those students eligible for Pell Grants or other need-based financial aid; and
    - a description of each modernization, renovation or repair project funded, including the amounts awarded and project costs. (ARRA Division A, Section 14008)

- The State will cooperate with any Comptroller General evaluation of the uses of funds and the impact of funding on the progress made toward closing achievement gaps. (ARRA Division A, Section 14009)

- If the State uses funds for any infrastructure investment, the State will certify that the investment received the full review and vetting required by law and that the chief executive accepts responsibility that the investment is an appropriate use of taxpayer funds. This certification will include a description of the investment, the estimated total cost, and the amount of covered funds to be used. The certification will be posted on the State's website and linked to www.Recovery.gov. A State or local agency may not use funds under the ARRA for infrastructure investment funding unless this certification is made and posted. (ARRA Division A, Section 1511)

- The State will submit reports, within 10 days after the end of each calendar quarter, that contain the information required under section 1512(c) of the ARRA in accordance with any guidance issued by Office of Management and Budget or the Department. (ARRA Division A, Section 1512(c))

- The State will cooperate with any Inspector General examination of records under the program. (ARRA Division A, Section 1515)

Governor or Authorized Representative of the Governor (Printed Name): **Theodore R. Kulongoski** **GOVERNOR, STATE OF OREGON**	
Signature:	Date: **April 21, 2009**

PART 7: OTHER ASSURANCES AND CERTIFICATIONS

The Governor or his/her authorized representative assures or certifies the following:

- The State will comply with all applicable assurances in OMB Standard Forms 424B and D (Assurances for Non-Construction and Construction Programs), including the assurances relating to the legal authority to apply for assistance; access to records; conflict of interest; merit systems; nondiscrimination; Hatch Act provisions; labor standards; flood hazards; historic preservation; protection of human subjects; animal welfare; lead-based paint; Single Audit Act; and the general agreement to comply with all applicable Federal laws, executive orders and regulations.

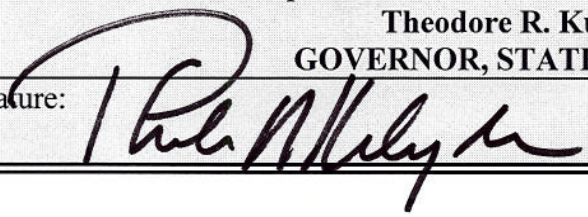
- With respect to the certification regarding lobbying in Department Form 80-0013, no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making or renewal of Federal grants under this program; the State will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," when required (34 C.F.R. Part 82, Appendix B); and the State will require the full certification, as set forth in 34 C.F.R. Part 82, Appendix A, in the award documents for all subawards at all tiers.

- The State will comply with all of the operational and administrative provisions in Title XV and XIV of the ARRA, including Buy American Requirements (ARRA Division A, Section 1605), Wage Rate Requirements (ARRA Division A, Section 1606), and any applicable environmental impact requirements of the National Environmental Policy Act of 1970 (NEPA), as amended, (42 U.S.C. 4371 et seq.) (ARRA Division A, Section 1609). In using ARRA funds for infrastructure investment recipients will comply with the requirement regarding Preferences for Quick Start Activities (ARRA Division A, Section 1602).

- Any LEA receiving funding under this program will have on file with the State a set of assurances that meets the requirements of section 442 of the General Education Provisions Act (GEPA) (20 U.S.C. 1232e).

- To the extent applicable, an LEA will include in its local application a description of how the LEA will comply with the requirements of section 427 of GEPA (20 U.S.C. 1228a). The description must include information on the steps the LEA proposes to take to permit students, teachers, and other program beneficiaries to overcome barriers (including barriers based on gender, race, color, national origin, disability, and age) that impede access to, or participation in, the program.

- The State and other entities will comply with the following provisions of Education Department General Administrative Regulations (EDGAR), as applicable: 34 CFR Part 74 -- Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; 34 CFR Part 76 -- State-Administered Programs, including the construction requirements in section 75.600 through 75.617 that are incorporated by reference in section 76.600; 34 CFR Part 77 -- Definitions that Apply to Department Regulations; 34 CFR Part 80 -- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, including the procurement provisions; 34 CFR Part 81 -- General Education Provisions Act—Enforcement; 34 CFR Part 82 -- New Restrictions on Lobbying; 34 CFR Part 85 -- Governmentwide Debarment and Suspension (Nonprocurement).

Governor or Authorized Representative of the Governor (Printed Name): **Theodore R. Kulongoski** **GOVERNOR, STATE OF OREGON**	
Signature: 	Date: **April 21, 2009**

ATTACHMENT A

Part 4, Section C: Maintenance-of-Effort Baseline Data

3(a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education:

Oregon will comply with the elementary and secondary education MOE requirements on an aggregate basis using the amount of funds provided to LEAs through the State's primary funding formulae, the State School Fund and the School Improvement Fund.

For FY 2006, this amount of funding is described in 2005 Senate Bill 5510 sec. 4(1).
For FY 2008, this amount of funding is described in 2007 House Bill 5020 sec. 4(1), plus the portion of 2007 House Bill 5021 that was expended during FY 2008, plus the funds described in 2008 Senate Bill 5556 sec. 24.
For FY 2009 "prior-enacted", this amount of funding is described in 2007 House Bill 5020 sec. 4(2), plus the portion of 2007 House Bill 5021 that was expended during FY 2009.
For FY 2009, this amount of funding is described in 2007 House Bill 5020 sec. 4(2), plus the portion of 2007 House Bill 5021 that was expended during FY 2009, plus 2009 Senate Bill 5552 sec. 1(4) for State School Fund and School Improvement Fund.
For FY 2010 and FY 2011, the amount of funding is a *preliminary estimate* (based on maintenance of effort) of Legislatively Approved appropriations for the State School Fund and School Improvement Fund.

3(b) Identify and describe the data sources used in determining the levels of State support for public IHEs:

Unlike primary and secondary education, State support for institutions of higher education is approved on a biennial basis. The following identifies legal authority for State support for IHEs and the additional records that were consulted to identify annual expenditure of authorized funds. State support appropriated to post-secondary education agencies that are not expended on IHEs are excluded for the calculations in this application. Only General Fund and Lottery Funds appropriations are included.

For FY 2006:

- Biennial budgets were established by the following legislative actions:
  - Department of Higher Education: 2005 House Bill 5153 sections 01-01, 01-02, 01-04, 03; 2005 House Bill 5176, section 4; January 2006 Emergency Board action, and June 2006 Emergency Board minutes.
  - Department of Community Colleges and Workforce Development: 2005 Senate Bill 5617 sections 01-02 and 01-04; 2005 House Bill 5617, section 01-04; January 2006 Emergency Board minutes, and June 2006 Emergency Board minutes.
  - Oregon Health and Sciences University: 2005 House Bill 5134, section 01-01, 01-02, and 01-03.

- Annual expenditures were identified through the following documents:
  - Department of Higher Education 2005-06 and 2006-07 monthly allotment plans; 2005-06 and 2006-07 Department of Higher Education Budget Report Summaries.
  - Department of Community Colleges and Workforce Development 2005-06 and 2006-07 quarterly allotment plans.
  - Oregon Health and Sciences University 2005-06 and 2006-07 quarterly allotment plans.

For FY 2008 and 2009:

- Biennial budgets were established by the following legislative actions:
  - Department of Higher Education: 2007 Senate Bill 5515 sections 01-01, 01-02, 01-04, 03; 2007 Senate Bill 5549, section 24-01, 24-02, and 41-04; 2007 House Bill 3543, section 16; 2009 Senate Bill 5552, section 04-04; and June 2008 Emergency Board minutes.
  - Department of Community Colleges and Workforce Development: House Bill 5012, sections 01-02 and 01-03; Senate Bill 5549, section 24c-01 and 41-04; 2009 Senate Bill 5552, section 04-04; and June 2008 Emergency Board minutes.
  - Oregon Health and Sciences University: 2007 Senate Bill 5529, section 01-01, 01-02, and 01-03; and 2009 Senate Bill 5552, section 01-04.
- Annual expenditures were identified through the following documents:
  - Department of Higher Education 2007-08 and 2008-09 monthly allotment plans; 2007-08 and 2008-09 Department of Higher Education Budget Report Summaries.
  - Department of Community Colleges and Workforce Development 2007-08 and 2008-09 quarterly allotment plans.
  - Oregon Health and Sciences University 2007-08 and 2008-09 quarterly allotment plans.

For FY 2010 and FY 2011, the amount of funding is a *preliminary estimate* (based on maintenance of effort) of legislatively approved appropriations for institutions of higher education in the budgets of the Department of Higher Education, the Department of Community College and Workforce Development, and the Oregon Health and Science University, and a preliminary estimate of expenditures in each of the two years of the biennium.

ATTACHMENT B

Part 5, Section A: State Uses of the Education Stabilization Fund

2. State's Primary Education Funding Formulae

Identify and describe each of the State's primary elementary and secondary education funding formulae that were used in determining the calculations provided for the levels of State support for elementary and secondary education:

The State School Fund: The State School Fund is a fund established within the Oregon State Treasury. A statutory distribution formula, typically referred to as the equalization formula, directs funds from the State School Fund to school districts and education service districts. The formula distributes available revenue to each district using a measure of relative financial need. The resulting equalization grant actually is the sum of four grants: a general purpose grant, a transportation grant, a facility grant, and a high cost disability grant. Statewide, the general purpose grant is about 94% of the total equalization grant, the transportation grant is about 5%, the facility grant is 0.4%, and the high cost disability grant is 0.6%. The general purpose grant uses weighted students as the primary determinate of funding.

The School Improvement Fund: In addition to the State School Fund, the Oregon Legislature periodically distributes other state funds to school districts for operations. The School Improvement Fund is distributed to school districts and education service districts using weighted student counts. Districts are required to submit applications and tie activities funded by the grants to performance measures.

ATTACHMENT C

Part 5, Section A: State Uses of the Education Stabilization Fund

3. Data on State Support for Postsecondary Education

Identify and describe the specific State data sources that were used in determining the calculations provided for the levels of State support for public IHEs:

Unlike primary and secondary education, State support for institutions of higher education is approved on a biennial basis. The following identifies legal authority for State support for IHEs and the additional records that were consulted to identify annual expenditure of authorized funds. State support appropriated to post-secondary education agencies that are not expended on IHEs are excluded for the calculations in this application. Only General Fund and Lottery Funds appropriations are included.

For FY 2006:

- Biennial budgets were established by the following legislative actions:
  - Department of Higher Education: 2005 House Bill 5153 sections 01-01, 01-02, 01-04, 03; 2005 House Bill 5176, section 4; January 2006 Emergency Board action, and June 2006 Emergency Board minutes.
  - Department of Community Colleges and Workforce Development: 2005 Senate Bill 5617 sections 01-02 and 01-04; 2005 House Bill 5617, section 01-04; January 2006 Emergency Board minutes, and June 2006 Emergency Board minutes.
  - Oregon Health and Sciences University: 2005 House Bill 5134, section 01-01, 01-02, and 01-03.
- Annual expenditures were identified through the following documents:
  - Department of Higher Education 2005-06 and 2006-07 monthly allotment plans; 2005-06 and 2006-07 Department of Higher Education Budget Report Summaries.
  - Department of Community Colleges and Workforce Development 2005-06 and 2006-07 quarterly allotment plans.
  - Oregon Health and Sciences University 2005-06 and 2006-07 quarterly allotment plans.

For FY 2008 and 2009:

- Biennial budgets were established by the following legislative actions:
  - Department of Higher Education: 2007 Senate Bill 5515 sections 01-01, 01-02, 01-04, 03; 2007 Senate Bill 5549, section 24-01, 24-02, and 41-04; 2007 House Bill 3543, section 16; 2009 Senate Bill 5552, section 04-04; and June 2008 Emergency Board minutes.
  - Department of Community Colleges and Workforce Development: House Bill 5012, sections 01-02 and 01-03; Senate Bill 5549, section 24c-01 and 41-04; 2009 Senate Bill 5552, section 04-04; and June 2008 Emergency Board minutes.
  - Oregon Health and Sciences University: 2007 Senate Bill 5529, section 01-01, 01-02, and 01-03; and 2009 Senate Bill 5552, section 01-04.

- Annual expenditures were identified through the following documents:
  - Department of Higher Education 2007-08 and 2008-09 monthly allotment plans; 2007-08 and 2008-09 Department of Higher Education Budget Report Summaries.
  - Department of Community Colleges and Workforce Development 2007-08 and 2008-09 quarterly allotment plans.
  - Oregon Health and Sciences University 2007-08 and 2008-09 quarterly allotment plans.

For FY 2010 and FY 2011, the amount of funding is a *preliminary estimate* (based on maintenance of effort) of legislatively approved appropriations for institutions of higher education in the budgets of the Department of Higher Education, the Department of Community College and Workforce Development, and the Oregon Health and Science University, and a preliminary estimate of expenditures in each of the two years of the biennium.

ATTACHMENT D

Part 5, Section A: State Uses of the Education Stabilization Fund

5. Process for Awarding Funds to Public IHEs

Describe the process that the State will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore the levels of State support for these institutions:

State support to public universities is distributed by the Department of Higher Education based on two mechanisms approved by the Board of Higher Education: a per-student full-time equivalent basis and a targeted basis. Funding based on enrollment is distributed through the Resource Allocation Model (RAM). Funding values are identified for 19 "cells" (12 for undergraduate students and 7 for graduate students), and campus allocations are based on the number of students in the varying cells. "Full funding" for the cells is based on median support for competitor universities and is discounted based on total state support. Targeted programs provide funding to support policy decisions; areas not reached through cell funding, or; areas in need of enhanced funding due to extraordinarily high program costs or other factors. Targeted programs are generally mission-based rather than enrollment-driven.

State support to public community colleges is distributed by the Department of Community Colleges and Workforce Development according to a distribution formula adopted by the Board of Education. The formula includes a base level of funding for all colleges to ensure a minimum level of support for the smaller schools. Almost all state support is distributed on an adjusted enrollment basis: colleges receive funding for their full-time equivalent enrollment in lower division collegiate, career and technical education, developmental education, and certain adult continuing education courses. A small amount is distributed to support distance learning programs and contracted out-of-district reimbursement. Allocations to the colleges are adjusted to equalize funds received from the State and from local property taxes on a per-student basis, with a hold-harmless calculation that will remain in place until full equalization is achieved.

State support for the Oregon Health and Science University is included in appropriations established by the Legislature. Funds are distributed by the Department of Higher Education in eight equal payments in each biennium.