



OREGON SCHOOL CAPITAL IMPROVEMENT MATCHING (OSCIM) PROGRAM FREQUENTLY ASKED QUESTIONS (FAQs)

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Overview

1. What is the source of funding for the OSCIM Program? How much funding is available?
 - a. The program is funded by state-issues GO bonds. The legislature approves the amount of bonding authority for the program each biennium.
2. What is a General Obligation (GO) bond?
 - a. Municipal Securities Rulemaking Board's Explanation of a General Obligation Bond: "Typically refers to a bond issued by a state or local government that is payable from general funds of the issuer, although the precise source and priority of payment for general obligation bonds may vary considerably from issuer to issuer depending on applicable state or local law. Most general obligation bonds are said to entail the full faith and credit (and in many cases the taxing power) of the issuer, depending on applicable state or local law. General obligation bonds issued by local units of government often are payable from (and in some cases solely from) the issuer's ad valorem taxes, while general obligation bonds issued by states often are payable from appropriations made by the state legislature."
3. Are charter schools eligible to receive the match?
 - a. No. Charter schools do not have the authority to issue GO bonds so they are not eligible to participate in the OSCIM Program.
4. What funds can a district use to match the state funds?
 - a. A district can only use GO bond funds to match the OSCIM Program.
 - b. The OSCIM Program will match the lesser of total proceeds from the sale of the local GO bond, exclusive of underwriter's discount, and other costs of issuance, or the original amount requested by the district in its application.
 - i. Example A: A district receives an initial commitment for \$2 million and the district sells the bonds at a premium for \$2.2 million. The OSCIM Program will only match the \$2 million initial commitment.
 - ii. Example B: A district receives an initial commitment of \$2 million. District sells bonds for \$1.9 million, but has a premium of \$200,000 for a total sale of \$2.1 million, after costs of issuance. The OSCIM program will match up to the \$2 million initial commitment.
5. Can a district use a bond that is strictly intended to refinance current general obligation debt as a basis for an OSCIM Program application?
 - a. No.

6. Can districts use OSCIM Program funds to match a bond that also includes the reimbursement of previously incurred capital costs?
 - a. Possibly. For example, a district purchased land a year ago in anticipation of building a new school, and used short term financing to purchase the land. Subject to Department approval, the OSCIM Program will match a bond that includes the reimbursement of the land purchase as a use of the bond proceeds. The Department approval is to ensure that the Department is complying with its constitutional and statutory requirements. However, if a bond is a combination of new capital construction and refinancing old debt, then only the new capital construction can be matched by the OSCIM Program.
7. If a district receives voter approval for an amount of bonds that they anticipate selling in series over a few years, can that district apply more than once for matching funds?
 - a. No. Districts may only apply for matching funds one time per bond election.
8. Can a district use a successful election as a basis for future OSCIM Program funds?
 - a. No. The goal of the program is to provide incentives to local voters to invest in their school facilities. To create equity across time, the OSCIM Program needs to ensure that funds are available for each election in a biennium. If a district were permitted to use a successful election earlier in the biennium as a basis for future applications, then that would disadvantage the districts that waited to apply for the OSCIM Program later in the biennium.
9. What are the matching limits should a district receive a commitment?
 - a. The OSCIM Program will match a school district's local GO bond one-to-one up to \$6 million of local GO bond, or the amount approved in the local bond sale, whichever is less. After that, the OSCIM Program will match district's local GO bonds between \$6 million and \$12 million depending on the Funding Formula. The Funding Formula and Priority List are available on the [OSCIM Program webpage](#).
10. How will the funding be distributed?
 - a. As described in Senate Bill 447, and later amended by Senate Bill 285 the funding will be split into two different funding pools. The first pool will contain 66% of the net bond proceeds and will be awarded to districts that pass a local GO bond based on the Priority List established by the Office of School Facilities. The second pool will contain 34% of the net proceeds and will be awarded to districts that pass a local GO bond based on a First in Time (FIT) program.
11. Can a district apply for both the Priority List funding and First in Time funding?
 - a. Yes. Districts will provide one application in which the criteria for both the Priority List and First in Time funding will be applied. A district may be awarded funds from one source of funding, the other, or a combination of the two.

12. Will districts be partially funded if there are not enough funds to meet the demand?
 - a. Yes. The goal of the initial commitment is to provide a full match. However, if there are not enough funds to provide a full match, then the last district in line will receive a partial commitment.
 - b. If there are funds available because a district did not have a successful election, then the funds will be distributed as follows:
 - i. Districts with a partial commitment and a successful election will be made whole;
 - ii. Districts will be provided funds if they had a successful election in the order they appear on the waitlist.
13. How often can districts apply?
 - a. A district that receives a commitment, passes a bond, and meets all other program requirements may not apply for another commitment for the next six years.

Priority List and Funding Formula

1. What is the Priority List?
 - a. The Priority List ranks each district in terms of funding priority based on the district's total assessed value, number of students in poverty, and extended weighted Average Daily Membership (ADMw), as prescribed in Senate Bill 447. It also shows the amount of funds that could be awarded to each district, as determined by the Funding Formula.
2. What is the purpose of the Priority List?
 - a. The purpose is to give school districts that have low total assessed value and high poverty a better chance of receiving a matching grant when they go for a local GO bond.
3. How are the Priority List and Funding Formula calculated?
 - a. The Priority List and Funding Formula Explanation can be found on the [OSCIM Program webpage](#).
4. How will I know where my school district is on the Priority List?
 - a. The Priority List can be found on the [OSCIM Program webpage](#).
5. When and how often will the Priority List be updated?
 - a. The Priority List will be updated once a biennium to ensure that all districts are using the same list for each bond election. The list will be updated once all outside variables, including total assessed value and poverty information, have been updated from their respective sources. The updates will be done using the same year's information for all sources of information. The update will occur by June 1 for the next biennium.

6. What sources of data are used in the Funding Formula?
 - a. The U.S. Census Bureau provides the poverty numbers and the Oregon Department of Revenue provides the total assessed values. All ADMw information is provided by the Oregon Department of Education.
7. Can I appeal my district's placement on the Priority List?
 - a. No, all determinations using the Priority List and Funding Formula are final and based on state law.
8. Is there a chance that a district will qualify for the program, but not receive an award?
 - a. Yes. It is fully anticipated that there will not be enough OSCIM Program funds to match all districts that apply in a given funding cycle. When that happens, the districts that applied but did not get a match will be placed on a waiting list.

First in Time (FIT) Program

1. How will the Office of School Facilities (OSF) define First in Time?
 - a. The OSF will define First in Time using a lottery process. The OSF will designate specific periods of time such that all applications received within a given period of time will be considered to have been submitted at the same time. This will increase equity.
 - b. Applications submitted between 8:00 AM and 12:30 PM will be considered submitted first.
 - c. Applications submitted between 12:31 PM and 5:00 PM will be considered submitted second.
2. How will the Office of School Facilities (OSF) make commitments to districts under the First in Time Program?
 - a. The OSF will consider all completed applications received within a given time period as received at the same time. If there is enough funding to cover all of the applications, then all districts will receive a commitment. If there is not enough funding to cover all the applications in a given time period, then the OSF will determine which districts will receive commitments based on a lottery.

Application

1. Where can I find the application for the OSCIM Program?
 - a. The application can be found on the [OSCIM Program webpage](#).
2. Do I use the same application for the First in Time and Priority List portions of the funds?
 - a. Yes.

3. When are the applications due?
 - a. The due dates for the applications are as follows:

Application Requirement	November Elections	May Elections
Facilities Assessment and Long-Range Plan	July 1	December 1
OSCIM Program Application	July 15	December 15

4. What time on the due date are the applications due?
 - a. Applications must be submitted **no earlier** than 8:00 AM and **no later** than 5:00 PM on the due date.
5. What if one of these dates falls on a weekend or holiday?
 - a. If one of these dates falls on a weekend or holiday, the applications will be due on the preceding Friday.
6. Are districts required to submit a Facilities Assessment and Long-Range Facility Plan as part of the OSCIM Program?
 - a. Yes. Senate Bill 447 requires that districts submit these documents as part of the program.
7. What must these documents contain?
 - a. The Facilities Assessment must meet all requirements listed in [OAR 581-027-0023\(8\)](#), which includes the requirements in [OAR 581-027-0035](#).
 - b. The Long-Range Facility Plan must meet all requirements listed in [OAR 581-027-0023\(7\)](#), which includes the requirements in [OAR 581-027-0040](#).
8. Why are the Facilities Assessment and Long-Range Facility Plan due before the OSCIM Program application?
 - a. The due date provides the Office of School Facilities time to ensure that the documents meet all requirements and also gives the school districts some time to correct any deficiencies in their submission.
9. If a district does not submit a Facilities Assessment and Long-Range Facility Plan can they still apply for an OSCIM Program grant?
 - a. No. These documents are required for the OSCIM Program and an application that does not have these documents will not be considered.
10. May a school district receive assistance in filling out its application?
 - a. Yes. The Office of School Facilities will answer questions about the application up until the application due date. For OSCIM Program application assistance, please contact the

OSCIM Program Administrator, Leanna Heiman via email at ODE.SchoolFacilities@oregon.gov or at 971-208-0336.

11. How can districts submit their applications?
 - a. Districts must submit their applications via e-mail to the [Office of School Facilities](#).
12. What happens at the application due date?
 - a. At the application due date, the Office of School Facilities will no longer provide assistance to school districts for the application process. Applications will be recorded when they are received by the time stamp on the e-mail.
13. What will the school districts have to do in order to receive the match?
 - a. In addition to passing a local GO bond, the school district must also comply with all of the provisions of the Grant Agreement and any applicable rules and statutes.
14. Where can I get assistance in marketing and drafting my GO bond measure text?
 - a. A bond counsel firm will be able to assist with the drafting of the ballot title. Campaign and communications consultants can assist with marketing needs. Additionally, the Oregon School Boards Association (OSBA) retains a listing of districts that have been successful in the past and are also a good resource.

Contingencies

1. What happens when a school district that was awarded an OSCIM Program matching grant fails to pass a bond?
 - a. Districts will not receive actual funds until voters approve a local GO bond measure and the district signs a grant agreement. Thus, if the OSCIM Program commits to a district and the district does not pass its local GO bond, then those funds will not be distributed to that district. Instead, the funds will be awarded to the next district on the waitlist that passed a bond.
2. Why will the funds be awarded to the next district in line instead of rolled forward to the next funding cycle?
 - a. There are three reasons for this:
 - i. First is that if funds keep being rolled forward to the next election, then at the end of the biennium, it is possible that the OSCIM Program will have leftover funds because not enough districts passed a bond. It would be difficult to sort back through the elections to determine which districts that passed a bond should receive the matching grant.
 - ii. Second is that while the primary goal is to encourage districts to pass bonds, the secondary goal is to provide state funding to help address the significant deferred maintenance backlog in Oregon schools. By providing the funds to the

next district in line that passed a bond, the OSCIM Program is achieving that objective.

- iii. Finally, districts will know where they stand on the waiting list prior to the bond measure text deadline, and those that rank high may be able to use that information to assist voters in making an informed decision.
3. If a district does not receive a commitment in one grant period, does the district have any additional priority in the second grant period?
 - a. No. Each grant period is a self-contained list. Thus, a district that did not receive funds in one grant period would have to reapply in the next grant period and be considered with all other applications in the next grant period.
 4. How will a district know when is the best time to go for a GO bond?
 - a. That is a decision left to the district's school board. The OSCIM Program will provide as much information as possible in terms of the application ahead of the bond measure text deadline.