

Summary: In order to create a clear financial picture for school districts on their likely allocations of Student Investment Account funds the State Board must (1) define one category of student definitions and (2) identify which data collection will be used to determine charter and school district student populations. These rules are necessary to determine charter school eligibility and will impact ODE calculations and administration of the Student Investment Account.

581-014-0001

Definitions for Student Investment Account

The following definitions apply to OAR 581-014-0001 to 581-014-0004:

(1) “ADMw” means the extended weighted average daily membership computed as provided in ORS 327.013(1)(c).

(2) “Eligible Applicant” means an applicant as defined in Section 10(1), Chapter 122, Oregon Laws 2019.

(3) “Spring Membership” means the data report that represents students attending public schools and programs on the first school day in May, as derived from the 3rd period cumulative average daily membership collection. Rules governing the Spring Membership report are contained in the most recent edition of the Oregon Student Membership Manual, published by the Oregon Department of Education.

(4) “Students from Racial or Ethnic Groups that Have Historically Experienced Academic Disparities” means American Indian and Alaska Native students, Black and African American students, Hispanic and Latino students, and Native Hawaiian and Pacific Islander students.

(5) “Student Investment Account” means the account as established in Section 8(1), Chapter 122, Oregon Laws 2019.

(6) “Students with Disabilities” means a child with a disability as defined in ORS 343.035(1).

(7) “Students who are homeless” has the same meaning as in section 725 of the McKinney-Vento Act, 42 USC § 11434a (2).

Statutory/Other Authority: Sec. 8, 9 & 10, Ch. 122, OL 2019

Statutes/Other Implemented: Sec. 8, 9 & 10, Ch. 122, OL 2019

History:

ODE 149-2019, temporary adopt filed 10/24/2019, effective 10/24/2019 through 04/20/2020

Summary: To ensure districts have the information and clarity they need to plan for the use of funds without delay, **the State Board must clarify the process for calculating and distributing Student Investment Account funds across eligible applicants.**

581-014-0004

Fund Administration for Student Investment Account

(1) For each biennium, the Oregon Department of Education will determine:

(a) The amount of grant funds from the Student Investment Account to be apportioned among eligible applicants for each year of the biennium; and

(b) The amount of reserve fund to be held in the Student Investment Account. The reserve fund shall be based on prudent fiscal standards that mitigate the risk of revenue fluctuations.

(2) For purposes of establishing the amount of grant funds apportioned to eligible applicants, the Oregon Department of Education will use the most current finalized ADMw from the State School Fund from the prior year.

(3) If a school district has an ADMw of 50 or less, it will receive an allocation based on an ADMw of 50.

(4) If an eligible applicant does not apply for a grant from the Student Investment Account by the close of the application period, the amount of their grant funds will revert to the Student Investment Account and be reallocated within the grant award cycle. An eligible applicant that does not apply for a grant will be eligible in the next application process for the Student Investment Account.

(5) Following approval of the grant agreement, an eligible recipient will receive payments of at least 25 percent on a quarterly basis per annual allocation. If adjustments to installment payments are required, a lower percentage may be used.

(6)(a) Any allocated funds that are not used by a grant recipient by June 30 of an odd numbered year will be returned to the Student Investment Account for distribution in the next biennium.

(b) Notwithstanding subsection (a), a grant recipient may request an extension to **expend** funds until September 30 of an odd numbered year. A request must be made to the Department of Education. The Department of Education may approve the request if the spending aligns to the recipient's grant agreement.

(7) Funds received by a grant recipient under this section must be separately accounted for and must be used in accordance with the recipient's grant agreement for the Student Investment Account. **A grant recipient may use funds for indirect costs directly related to allowed expenditures as provided in the grant agreement. Indirect costs are limited to five**

percent of the total expenditures or \$500,000 annually, whichever is less. Any indirect costs incurred by a participating charter school must be accounted for within the sponsoring school district's overall limit of five percent or \$500,000, whichever is less.

(8) The Deputy Superintendent of Public Instruction shall resolve any issues arising from the administration of the Student Investment Account grants not specifically addressed by this rule. The Deputy Superintendent of Public Instruction's determination shall be final.

Statutory/Other Authority: Sec. 10, 11, 13, & 14, Ch. 122, OL 2019

Statutes/Other Implemented: Sec. 10, 11, 13, & 14, Ch. 122, OL 2019

History:

ODE 149-2019, temporary adopt filed 10/24/2019, effective 10/24/2019 through 04/20/2020

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581-014-0007

Charter School Eligibility for Student Investment Account

Before each application cycle, the Department of Education will publish a list of public charter schools that meet the eligibility requirements of Section 10, Chapter 122, Oregon Laws 2019. The Department will make the determination of eligibility based on the most recent finalized Spring Membership report.

Statutory/Other Authority: Sec. 10, Ch. 122, OL 2019

Statutes/Other Implemented: Sec. 10, Ch. 122, OL 2019

History:

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