

SB 5513 BUDGET REPORT and MEASURE SUMMARY

Joint Committee On Ways and Means

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**Department of Education
2021-23**

PRELIMINARY

Budget Summary*

	2019-21	2021 - 23	2021-23	Committee Change from 2019-21	
	Legislatively Approved Budget ⁽¹⁾	Current Service Level	Committee Recommendation	Committee Change from 2019-21 Leg. Approved	
				\$ Change	% Change
General Fund	\$ 857,416,440	\$ 918,062,278	\$ 931,933,657	\$ 74,517,217	8.7%
General Fund Debt Service	\$ 31,114,252	\$ 48,238,961	\$ 48,238,961	\$ 17,124,709	55.0%
Lottery Funds	\$ -	\$ -	\$ -	\$ -	0.0%
Lottery Funds Debt Service	\$ 692,870	\$ -	\$ -	\$ (692,870)	(100.0%)
Other Funds Limited	\$ 1,266,825,515	\$ 2,103,600,777	\$ 2,386,255,011	\$ 1,119,429,496	88.4%
Other Funds Debt Service	\$ 28,846	\$ -	\$ -	\$ (28,846)	(100.0%)
Other Funds Nonlimited	\$ 120,364,721	\$ 137,133,538	\$ 137,133,538	\$ 16,768,817	13.9%
Federal Funds Limited	\$ 1,598,229,442	\$ 1,154,261,199	\$ 2,943,883,223	\$ 1,345,653,781	84.2%
Federal Funds Nonlimited	\$ 407,115,946	\$ 435,672,830	\$ 435,672,830	\$ 28,556,884	7.0%
Total	\$ 4,281,788,032	\$ 4,796,969,583	\$ 6,883,117,220	\$ 2,601,329,188	60.8%

Position Summary

Authorized Positions	695	676	751	56
Full-time Equivalent (FTE) positions	650.48	663.43	735.56	85.08

⁽¹⁾ Includes adjustments through January 2021

* Excludes Capital Construction expenditures

Summary of Revenue Changes

The 2021-23 budget for the Oregon Department of Education (not including the State School Fund) relies primarily on Federal Funds, which provides roughly 49% of the budget. General Fund supports about 14% and Other Funds revenue supports 37% of the budget. Other Funds revenues include revenue transferred from the Department of Revenue from Corporate Activities Taxes approved in HB 3427 (2019) to support programs under the Student Success Act (SSA), indirect cost recovery from federal programs, fees, transfers from the State School Fund (SSF) and other intra-fund transfers, revenues from other agencies for specific purposes, Common School Fund pass-through funding for school districts, and other miscellaneous sources. Federal Funds revenues include funding for compensatory education, child nutrition, education for students with disabilities, early learning and childcare programs through the Child Care Development Block Grant, and youth development programs.

This 2021-23 budget includes a significant increase in Federal Funds, which recognizes the three COVID-19 related federal assistance packages. This increase is largely attributable to amounts the agency estimates will be spent during the 2021-23 biennium, based on what is available after the spending during 2019-21. Most of the funding is from the Elementary and Secondary Special Emergency Relief program (ESSER), but

also includes funds from the Governor’s Education Emergency Relief program (GEER). Based in part on the number of federal Title I students, 90% of the ESSER funds received by the state are allocated to school districts. School districts must request reimbursement to receive their allocation of ESSER funds.

Summary of Education Subcommittee Action

SB 5513 provides the budget expenditure authority for programs administered by the Oregon Department of Education (ODE). This bill excludes direct funding for SSF, which was addressed in House Bill 5514 (2021).

Through SB 5513, the Subcommittee recommended a total funding level of \$6,883,117,220 for the Department, which is a 60.8% increase from the 2019-21 legislatively approved budget as of January 2021, and an increase of 56 positions (85.08 FTE). The growth is in large part, due to two factors -- the roll-up to a full 24 months of the funding under the SSA and the federal ESSER funding mentioned under the revenue section.

Capital Bonding – School Facilities

This budget unit includes bond proceeds from the Oregon School Capital Improvement Matching Program. This program provides matching grants to school districts for capital costs, including construction, improvement, remodeling, equipment purchase, and maintenance and repair of facilities. It also allows for assessments, long-range planning of district facilities, and for hardship grants. Grants are capped at \$8 million and districts must match the state grants with funds from local voter approved bonds. The grants are funded with Article XI-P general obligation bonds. The Subcommittee recommended a budget of \$150,000,000 total funds.

The Subcommittee recommended the following packages:

Package 105, Ensuring High Quality, Safe & Effective Schools. This package provides \$150 million Other Funds expenditure limitation for proceeds from bonds issued in previous biennia. Since many of these projects extend beyond one biennium, continued limitation is required so the Department may reimburse school districts for their project costs. The expenditure limitation for any bonds authorized during this legislative session will be included in a bill at the end of the session.

Department Operations

The Department Operations Unit includes most of the staff in the agency who are responsible for the administration of educational programs. The Subcommittee recommended a budget of \$369,493,433 total funds, including \$107,368,314 General Fund, \$101,442,067 Other Funds expenditure limitation, \$156,608,600 Federal Funds expenditure limitation, \$4,074,452 Other Funds Nonlimited, and 669 positions (659.54 FTE).

The Subcommittee recommended the following packages:

Package 087, August 2020 Special Session. This package increases Other Fund expenditure limitation by \$1,071,282 and Federal Funds expenditure limitation by \$1,524,082 for the roll-up of changes made in the August 2020 special session. This package establishes one position (1.00 FTE) for the Early Warning System, two positions (2.00 FTE) for the Educator Advancement Council Professional Development, and two positions (2.00 FTE) for Early Learning Professional Development, all of which are funded with SSA funding. It also continues five positions (5.00 FTE) established in the special session for Early Learning, funded with Federal Funds.

Package 103, Statewide Education Initiative Account. This \$3.2 million Other Funds package is funded with Fund for Student Success resources as Other Funds. Five positions (4.92 FTE) are established, including three limited duration positions originally proposed in 2019-21, to assist school districts with fiscal transparency and accountability. These positions are continued as limited duration. Another position, which was limited duration for 2019-21, continues as permanent for overall SSA coordination. A position is established to develop, implement, and provide technical assistance relating to the LGBTQ education student success plan. There is \$2.0 million in the Grant-in-Aid budget unit for the implementation of this plan. There is also a \$1.2 million investment funded through the Fund for Student Success to purchase and roll-out a new Electronic Grant Management System for the agency. This project was authorized for 2019-21, however was delayed in part because of the pandemic.

Package 105, Ensuring High Quality, Safe & Effective Schools. This package includes funding for three positions (2.92 FTE). Two of the positions are responsible for the federal Grants to States for School Emergency Management program. These positions are funded with federal funding at a cost of \$474,356 Federal Funds. The other position is to coordinate the proposed statewide contract for school building assessments to provide the state with a comprehensive picture of conditions and needs of school facilities. This funding is from the redirection of part of the current State School Fund carve-out for school facilities grants. Most of the funding from this proposed \$3.5 million Other Funds carve-out will go to hire contractors and others who have experience in assessing facilities. The facility assessment component of this package assumes passage of the language included in SB 55 (2021).

Package 107, Distance Learning & Teaching Innovations. This package continues a current limited duration Digital Learning Manager as a permanent position (1.00 FTE), recognizing the importance of digital learning especially during the pandemic. This position will be funded with ESSER funds for the 2021-23 biennium but will need to be partially funded with General Fund beginning in 2023-25, as the availability of ESSER funding will no longer be possible. The package also adds a one-time Other Funds expenditure limitation, due to carryforward funding for the Oregon Digital Learning program. This package includes \$998,056 Other Funds and \$398,675 Federal Funds expenditure limitation.

Package 108, Interim & Formative Student Assess Tools. This package establishes one alternative English Language Proficiency Assessment (ELPA) coordinator position (0.92 FTE) which is necessary to meet federal requirements. The cost of this package is \$273,515 Other Funds.

Package 110, Information Technology Modernization. This \$475,569 General Fund package continues the replacement of the information systems associated with the distribution of the State School Fund (SSF). The current system is old with a cobbled together set of data bases and spreadsheets. Some of the systems are no longer supported by the manufacturer. This system is responsible for the distribution of over \$12.0 billion of payments to school districts and Education Service Districts each biennium. Two limited-duration positions (1.84 FTE) are added in this package who will be responsible for the SSF system replacement, as well as the proposed Electronic Grants Management System. The resources to purchase the EGMS replacement software is in Package 103 and financed with Fund for Student Success resources. Both of the existing systems being replaced are legacy systems and have serious security issues.

Package 111, Supporting & Expanding Instructional Standard. This package increases the support the Department can provide to school districts to improve student outcomes around the following areas. The following permanent positions are established:

1. One position (0.92 FTE) and \$272,599 General Fund for the development of content standards for social emotional learning. After the standards are developed, the position would provide technical assistance to districts on those standards.
2. Currently, there is one position providing support for both school health issues and acting as the educational specialist on sexuality issues. This package adds one position (1.00 FTE) so there would be a position for each content area.
3. One position (0.50 FTE) and \$87,400 Other Funds to provide technical assistance and timely reimbursement for the vision screening grant program. Funding is from the Vision Health Account and will become more important with the \$1.5 million investment in vision screening provided in SB 222 (2021).
4. One position (1.00 FTE) and \$259,523 Federal Funds to continue an existing limited duration position to support the federal Every Student Succeeds Act workload for equitable services to private schools. This is a position and activity required by the federal government.

The Subcommittee recommended the following budget note:

Budget Note:

The Department of Education shall convene a group to study the State Board of Education developed media program standards. The study must evaluate the appropriateness of the standards and whether they adequately address student media needs, and methods to measure and ensure compliance with the standards. The Department should consult with organizations that represent public school educators and those who promote school libraries in selecting members of the group. The Department shall report the study's result and any recommendations by December 30,2021.

Package 112, Student Nutrition & Transportation. This package provides \$764,841 Federal Funds expenditure limitation to continue four existing limited duration positions (3.50 FTE) to support child nutrition programs and to maintain and meet federal requirements. One of the positions is part of the food distribution activities of the agency, two positions are for the federal Centers for Disease Control's Wellness grant, which is now in the third year, and one position is for the collection and analysis of data collected from the various nutrition programs.

Package 113, Leadership, Accountability & Customer Service. This package adds nine permanent positions (8.92 FTE) to provide additional support to the business and administrative functions of the Department. All of these positions are currently limited duration positions. Positions include fiscal analysts monitoring grants, budget analysts, Human Resources specialist, an IT Help Desk position, accounting technician, and support for the Director's office. Five of the positions will be funded with federal indirect revenues, one with Vision Health Account revenue, and three with General Fund.

Package 115, Technical Adjustments. This is a package the agency includes each biennium to make sure positions are classified correctly and have the proper revenue mix. The package transfers \$73,086 General Fund from services and supplies to personal services to maintain a net zero General Fund change. Overall, there is a net two position (1.46 FTE) decrease. There is an adjustment to the plan from what was originally proposed, replacing a position that was already eliminated with another position. The agency will eliminate position 115 in place of position 841 and move position 841 to an Executive Support Specialist 2.

Package 301, Educator Advancement Council. This \$2.5 million package includes the following two initiatives:

1. Establishes the Indigenous Education Institute to create a network for current educators, fully fund the schooling and licensure for future Indigenous educators and administrators, share best practices relating to promising racially affirming practices, advocate initiatives regarding Indigenous sovereignty, and convene state and national Indigenous educators, scholars and leaders. Three limited duration positions (2.76 FTE) are included in the operations unit of this budget to support the Institute. Of the remaining amount in this package, \$1.0 million is to be distributed to the Regional Educator Networks in addition to \$10.0 million in the Educator Advancement Council (EAC) grant-in-aid budget unit to various entities.
2. The second initiative is for an anti-racist leadership initiative based in part on the Center for Substance Abuse Prevention. Training will be provided for technical assistance, training, and support. There is one limited duration position (0.92 FTE) to support this work. The delivery relies on ESDs. This initiative includes \$1.5 million in funding provided in the grant-in-aid budget unit. The EAC will partner with the Oregon Department of Education Office of Equity, Diversity, and Inclusion (OEDI) as well as the Oregon Association of Education Service Districts (OAESD) to provide an extra layer of Anti-Racist support focused on leadership at the ESDs who are supporting the Regional Equity Networks (RENS). These partnerships and resources will elevate promising, regional practices and policies that advance the creation and support of antiracist leaders. This effort will also ensure a regional coordination of equity efforts, which are now isolated and disconnected.

It should be noted that this package is funded with one-time carry forward resources, however at least a portion of this package could be ongoing. If these initiatives continue in future biennia, a new revenue source must be identified, or other programs will need to be reduced.

Package 406, Creation of Trial Hub. This package adds one position (1.00 FTE) for facilitation and staffing resources for the new Tribal Early Learning Hub authorized by HB 2055 (2021) at a cost of \$250,113 General Fund. Another \$601,150 General Fund for start-up funding for designing, goal setting, and determining the best organization of this new Hub is in the Early Learning Grant-in-Aid budget unit. Hubs are cross sector partners that work together to create local systems for early learning. Currently, each of the existing 16 Hubs (geographic) are to work with tribal governments in their area. Tribal governments requested to have a hub centered around the nine federally recognized tribes located in the state to support their unique needs, respect their sovereignty and provide equitable services.

Package 408, ELD Technical Adjustments. This package adds one permanent Policy and Research Director (1.00 FTE) position at a cost of \$307,292 General Fund. This has been a limited duration position previously funded using federal Race to the Top and other grant resources. This funding is no longer available; however, the need for the position continues, due to the growth of the early learning system.

Package 801, LFO Analyst Adjustments. This package includes a number of adjustments that have come to light since the Governor's budget was developed. These are:

1. The federal Every Student Succeeds Act (ESSA) requires two positions that are currently limited duration positions that are not included in the current service level budget. These two positions (1.76 FTE) will be permanent positions since they are ongoing functions of the Department and required by ESSA. The first is a Migrant Education liaison where the workload is increasing. The second position is a Foster Care Coordinator who is responsible for making sure students who are foster children are in the proper education settings and getting the educational services they need. The cost of these two positions total \$455,884 Federal Funds.
2. SB 155 (2019) required the Department to investigate allegations of suspected sexual misconduct that involve a student and an individual who is a school employee, contractor, agent, or volunteer who is not licensed with the Teacher Standards and Practices Commission (TSPC). The Department must also provide verification information to education providers when they are hiring an individual as a school employee or bringing on a contractor, agent, or volunteer to provide services in schools. Education providers are required to verify with the Department whether it has an ongoing investigation or a substantiated report of sexual misconduct for an applicant who is not licensed with TSPC before hiring that individual as a school employee. Finally, the Department is to provide notification to education providers when it receives notification from the Department of Human Services that a report of abuse involving a child and a person who is a school employee, contractor, agent or volunteer has been made. When the Department estimated the staffing needs in 2019, it had incomplete information on the number of reports or incidents that would be generated. Some of the cases date back to the mid-1970s and still must be investigated. There are also deadlines on how quick investigations must

take place. Cases are starting to increase, and the current staffing cannot keep pace. The Department scaled this back to seven positions (6.21 FTE) from the original request. Total cost of the positions, after factoring the transfer of existing resources designated for contract services, is \$944,675 General Fund. The Department has found that contracting services out for this function was not effective given the deadlines to complete work and the availability of experienced contractors.

3. The Summer Learning Initiative passed as part of House Bill 5042 earlier in session will continue through the next few months. The Department estimates it will need \$675,386 General Fund to cover the staffing cost of temporary employees and related services and supplies for processing reimbursements and to close out the program at the end of the summer.
4. Two Compliance Specialist positions (2.00 FTE) in the Early Learning Division are eliminated saving \$354,296 General Fund and \$118,490 Federal Funds.
5. The reclass of the deputy director position of the Youth Development Division downward to an Operations and Policy Analyst 4 saves \$97,656 General Fund.
6. An increase of \$388,338 General Fund for the estimated increase in costs that the Department will be charged for the Alt-ELPA over and above the amount in current service level.
7. A total of \$1.7 million General Fund is saved by targeted personal services and services and supplies reductions first identified in the Governor's budget.

Overall, this package reduces General Fund by \$98,540 and increases Federal Funds by \$337,394.

Package 802, Federal COVID Limitation. This package includes actions related to the federal assistance from the COVID-related federal legislation. These include:

1. A total of 23 limited duration positions (22.50 FTE) are designated to provide the business, oversight, planning and other activities related to the COVID pandemic, as well as administering the financial assistance received by the agency and distributed to schools and other entities. Positions include the COVID Response Team (three positions), a team that supports the federal Emergency Assistance for Non-Public Schools (EANS) program (four positions), K-12 grant oversight (two positions), workload increase in business services (four positions), and early learning grant activities (four positions). These positions are all currently limited duration positions for 2019-21 and continue as limited duration for 2021-23. A further six limited duration positions will be added to the Office of Teaching and Learning for increased oversight of planning and implementation of the most recent round of ESSER funding. There are significantly

more requirements related to how schools plan and spend these funds increasing the oversight role for the Department. Some or all of these positions may be required for part of the 2023-25 biennium.

2. A total of \$44.0 million Federal Funds out of a total of over \$517 million in child care and early learning funding in the federal COVID legislation will be included in the Operations budget unit for the Early Learning Division. The remainder is part of the Early Learning Grant-in-Aid budget unit. The Division will return for position authority in the interim as it determines the best way to use these funds.

Package 803, Student Success Act Changes. This package adjusts relating to the SSA and programs funded by the Fund for Student Success. For the Operations budget unit adjustments are:

1. Shifts \$283,854 Other Funds from the K-12 Grant-in-Aid budget unit to Operations to fund a Student Threat Assessment Training related position (1.00 FTE) to do training and technical assistance. There is a corresponding reduction for the same amount in Package 803 in the Grant-in-Aid budget unit.
2. Adjusts the amount of Fund for Student Success resources for the Statewide Longitudinal Data System (SLDS) to match the planned staffing resulting in a reduction of \$851,981 Other Funds from the current service level. These funds are transferred to the Higher Education Coordinating Commission for the Statewide Longitudinal Data System (SLDS) program.

Package 804, Grants and Technical Changes. This package adjusts for various technical changes and grant expenditure limitation. For the Operations budget unit the adjustments are the following:

1. Adds one position (1.00 FTE) and corresponding Federal Funds expenditure limitation of \$245,929 for the five-year Well-Rounded Courses federal grant. There is also an increase in expenditure limitation of \$4.2 million Federal Funds for this grant in services and supplies. The grant extends into the 2025-27 biennium.
2. Federal Funds expenditure limitation of \$586,635 for the SLDS/IES grant awarded in 2019-21, which extends into the 2023-24 federal fiscal year.

Educator Advancement Council

The Educator Advancement Council (EAC) was created to expand efforts to further support educators statewide through professional development and continued learning. EAC empowers, supports, and diversifies Oregon's educator workforce through local, educator-led networks, and statewide resources to provide quality teaching and learning. EAC works to establish local networks prioritizing and enhancing educators' access to professional learning and support services, combining state investment, and other leveraged resources driven by educator need. The Council supports the Oregon Teacher Scholars Program to help achieve purposes of the Educator's Equity Act, including scholarships,

mentoring, networking and other resources for racially or linguistically diverse teaching candidates. The Subcommittee recommended a budget of \$50,375,000 total funds. Funding comes from a carve-out in the SSF, as well as resources from the Fund for Student Success.

The Subcommittee recommended the following packages:

Package 301, Educator Advancement Council. The grant-in-aid component includes the following two initiatives:

1. Establishes the Indigenous Education Institute, which will create a network for current educators, fully fund the schooling and licensure for future Indigenous educators and administrators, share best practices relating to promising racially affirming practices, advocate initiatives regarding Indigenous sovereignty, and convene state and national Indigenous educators, scholars and leaders. There is \$10.0 million in grant-in-aid to various entities for this initiative.
2. The second initiative is for an anti-racist leadership initiative based in part on the Center for Substance Abuse Prevention. Training will be provided to assist in technical assistance, training, and support. This package includes \$1.5 million in grant-in-aid funding. The EAC will partner with Oregon Department of Education Department of Equity, Diversity, and Inclusion (OEDI), as well as the Oregon Association of Education Service Districts (OAESD) to provide an extra layer of Anti-Racist support focused on leadership at the Education Service Districts who are supporting the Regional Equity Networks (RENs). These partnerships and resources will elevate promising, regional practices and policies advancing the creation and support of antiracist leaders. This effort will also ensure a regional coordination of equity efforts, which are now isolated and disconnected.

It should be noted that this package is funded with one-time carry forward resources but at least a portion of this package could be ongoing. If these initiatives continue in future biennia, a new revenue source must be identified, or other programs will need to be reduced.

Package 801, LFO Analyst Adjustments. This increases the transfer from SSF to the formula grants distributed by the EAC. A large portion the EAC's budget is a carve-out from the SSF, which is tied to the growth each biennium in the SSF's budget. This change recognized the growth and transfers an increased amount to the EAC for distribution to the Regional Educator Networks or RENs.

The following table shows the final budget figures for the Educator Advancement Council:

Educator Advancement Council	Year 1	Year 2
Anti Racism Initiative	\$ 0.8	\$ 0.8
Indigenous Educator Institute	\$ 5.0	\$ 5.0
Educator Advancement Council Grants - Formula	\$ 16.0	\$ 16.0
Educator Advancement Council Grants - Capacity	\$ 2.2	\$ 2.2
Educator Advancement Council Grants - Tech Asst.	\$ 0.7	\$ 0.7
Educator Advancement Council Grants - HECC IAA	\$ 0.5	\$ 0.5
Subtotal	\$ 25.2	\$ 25.2
Total		\$ 50.4

Oregon School for the Deaf

The Department operates the Oregon School for the Deaf (OSD) located in Salem. The OSD serves approximately 115 hearing impaired students during the school year, many of whom reside at the school. The Subcommittee recommended a budget of \$21,243,590 total funds, which includes \$14,315,702 General Fund and 82 positions (76.02 FTE).

The Subcommittee recommended the following packages:

Package 804, Grants and Technical Changes. This package recognizes the increase in federal revenues through the IDEA (special education) programs that can be used on the behalf of the school’s students. The agency will use the \$201,892 Federal Funds for services and supplies related costs.

Grant-in-Aid and District Support

The Grant-in-Aid budget unit includes most of the K-12 funding, not including the SSF, distributed to school districts, ESDs and other entities. The Subcommittee recommended a budget of \$4,759,069,539 total funds, which includes \$518,999,993 General Fund.

This budget unit includes spending authority for many grants received and administered by the Department. Many of these grants come from the U.S. Department of Education and the U.S. Department of Agriculture and are distributed primarily to local education programs. In addition, the state funds provide grants for specific education-related purposes with General Fund and Other Funds resources. Many of the programs in this budget unit are funded with resources from the Fund for Student Success. Programs that are primarily funded with Federal Funds include school nutrition, special education (IDEA), and federal Title I education grants.

The Subcommittee recommended the following packages:

Package 087, August 2020 Special Session. This package rolls up the reductions made during the August 2020 special session saving \$11.2 million General Fund. The package also includes an increase of \$28.5 million Federal Funds expenditure limitation associated with Federal ESSER funding. Reductions included in this package are the following:

- Reach Out to Read and the Start Making A Reader Today programs for a total of \$361,536 General Fund,
- Regional Promise program for a total of \$3.4 million General Fund,
- ESD Technical Assistance Support Grants for assisting school districts in SSA planning and other related activities for a total of \$4.2 million Other Funds,
- Various STEM and CTE related programs including Regional Network grants, Career Pathway Fund, Innovation Grants, Student Leadership program and the For Inspiration and Recognition of Science and technology or FIRST program for a total of \$2.2 million General Fund,
- The Farm to School program for a total of \$5.1 million General Fund, and
- Accelerated College Credit Instructor program for a total of \$283,547 General Fund.

The two reading programs, the Student Leadership program and the ESD reductions are restored in Package 801.

Package 103, Statewide Education Initiative Account. This \$4.0 million Other Funds package adds funding for two statewide education plans with funding from the Statewide Education initiative Account of the Fund for Student Success. First, the existing Latino/a/x state plan is increased by \$2.0 million Other Funds. Another \$2.0 million is added for this plan in Package 803. A new state student success plan is being established for the LGBTQ population with a \$2.0 million investment of funding from the Statewide Education Initiative Account. Grants will be made to organizations specifically serving this population. A position to manage grants and assist in the development of the plan is included in the Operations budget unit.

Package 109, STEM Programs for Diverse Learners. This package has three components specifically directed at diverse learners:

1. \$2.0 million General Fund for a new Mathways program including new courses for diverse learners.
2. \$2.1 million General Fund for grants to increase overall support for Regional STEM hubs emphasizing serving students who historically have access issues to STEM programs, and

3. \$0.9 million General Fund is to expand the STEM Innovation grant program.

Package 801, LFO Analyst Adjustments. This package includes a number of adjustments not included in the Governor's budget but need to be made for the ongoing operation of the agency. The adjustments include the following:

1. \$129.1 million Other Funds, which represents the amount of the Summer Learning Program Account that will be spent after June 30, 2021. This represents the amount anticipated in the Account to provide summer learning and summer enrichment programming in school districts as part of the \$250 million Summer Learning Initiative passed as part of HB 5042, earlier in the 2021 legislative session. Any funds remaining at the end of the summer will be returned to the General Fund.
2. School districts are able to spend a portion of their High School Success Funds (Ballot Measure 98) in the first few summer months of the next biennium. An estimated \$16.6 million Other Funds from the allocations made to districts, during the 2019-21 biennium, will be spent during the first few months of the 2021-23 biennium through September 2021.
3. This package reduces the Federal Funds expenditure limitation by \$7.6 million recognizing the end of the federal Charter School grant that was awarded to the agency a few years ago. There is no longer revenue to support this limitation.
4. Three programs that were reduced in Package 087, are restored. These programs had been eliminated during the August 2020 second special session and those reductions were carried forward during budget development. In this package the Reach Out to Read, Start Making a Reader Today and the Student Leadership programs are restored at a cost of \$425,651 General Fund.
5. There is an \$8.0 million General Fund investment in the Juvenile Detention Education Program (JDEP) and the Youth Corrections Education Program (YCEP). The JDEP program provides educational services to youth under the supervision of a county juvenile program and YCEP provides educational services to youth who are in an Oregon Youth Authority facility. These services are generally provided by a school district or an ESD. Even before the pandemic, the number of youths receiving these educational services was dropping. Each student receives a certain ADMw related amount from the State School Fund. Even though the participation in these programs are falling, there was a need to keep staff in place even in cases with a very small number of students in each class. This one-time investment is seen as an interim step as a more permanent funding solution for this program is identified. \$5.2 million of this amount is for the JDEP program and the remaining \$2.8 million is for the YCEP program.

The Subcommittee recommended the following budget notes related JDEP:

Budget Note:

The Department of Education shall use the following factors in distributing resources among the Juvenile Detention Education Program (JDEP) providers:

- Equity including how diverse the population that is served and the degree that those youth who are served are from historically underserved populations.
- The characteristics of the facility including the number of classrooms that must be funded.
- The number of students served by the provider.
- The percentage of students qualify for special education services.

Budget Note:

The additional General Fund provided in this bill for the Juvenile Detention Education Program (JDEP) is meant to be transitional funding until a new funding model is developed. The Department of Education shall work with JDEP providers, County Juvenile Departments, the Oregon Youth Authority, school districts, education related organizations, and other organizations in developing a long-term plan for paying for JDEP and the distribution of those resources among JDEP providers.

6. Based on the most recent forecast, there is an estimated \$153,500 available in the Master Tobacco Settlement Agreement revenues for the Physical Education grants. These revenues are the result of an agreement between states and selected tobacco companies many years ago.
7. Funding was approved in the Fall of 2020 to assist school districts and ESDs that had damage that resulted from the serious fires. Not all of the assistance that districts will need are to be spent by the end of the 2019-21 biennium. A total of just over \$3.0 million in one-time Other Funds is estimated to be required for 2021-23. The districts and their estimated amounts of future needs are:

Bethel SD	\$ 3,653
Colton SD	\$ 435,000
Marcola SD	\$ 2,750
McKenzie SD	\$ 460,000
Santiam Canyon SD	\$ 100,000
Southern Oregon ESD	\$2,000,000

Package 802, Federal COVID Limitation. This package increases Federal Funds limitation for Grant-in-Aid accounting for the almost \$1.6 billion received through the three COVID-19 related federal assistance packages. The amount in this package represents the amount the agency estimates will be spent during the 2021-23 biennium, based on what is available after the spending during 2019-21. Most of the funding is from ESSER, but also includes funds from GEER. Ninety percent of the ESSER funds received by the state are allocated to school districts based in part on their number of federal Title I students. Districts request reimbursement for costs they incur related to the pandemic and eligible

under the federal legislation. The agency estimates that over \$1.2 billion Federal Funds will be spent in K-12 Grant-in-Aid in ESSER, GEER and other pandemic spending.

Package 803, Student Success Act Changes. This package includes adjustments in the program funding from the Fund for Student Success. The increases in investments in this package include:

1. \$1,176,000 Other Funds for the Breakfast After the Bell program. This program is to distribute funds to school districts for the purchase of insulated carts and other equipment so that breakfasts are available to students in the classroom. This was to be a one-time program in the second year of 2019-21, however the pandemic delayed its implementation as schools were closed for much of the school year.
2. \$2.0 million Other Funds are for an additional investment in the Latino/a/x student success plan bringing the amount of funding for grants to over \$6.0 million for 2021-23.
3. \$2.0 million Other Funds is for an increase in the ongoing Summer Learning program for Title I schools across the state. This brings the amount of funding for this program to over \$8.0 million Other Funds.
4. Grant related funding is reduced by \$283,854 Other Funds to provide the resources required for a position for the Student Threat Assessment Training program. This a revenue neutral adjustment, as there is a corresponding increase in the Operations budget unit in the establishment of this position.
5. A reduction in the amount for the Expanded School Nutrition program by \$32.2 million Other Funds from CSL is made to reflect the agency's estimated need for 2021-23. For the second year of 2019-21, there was over \$40 million allocated for this program and placed in a specific fund for this program. Since the federal government allowed waivers during the pandemic to use all federal funds for school nutrition program and the fact that most schools were not open for much this school year, nearly all of the funds allocated for this program remain in the fund. This federal waiver continues for the first year of the 2021-23 biennium. The combination of the federal waiver and the fund's beginning balance requires less new funds for 2021-23.
6. An \$82.0 million increase over and above the 50% share it is to receive the amount distributed among the Fund for Student Success's three accounts is provided for the Student Investment Grants distributed to school districts. It should be noted that the adjustment to CSL still is a negative amount only because the CSL amount was calculated without considering the amount available for distribution among the three accounts.
7. \$4.2 million Other Funds is restored from reductions made in package 087 to the ESD Technical Assistance grants.

The following table shows the final budget figures for Grant in Aid Programs:

K-12 GRANT IN AID PROGRAMS (\$ millions)					
Program	General Fund	Total Funds	Program	General Fund	Total Funds
<u>Student Success Grant Programs</u>			<u>Nutritional Programs</u>		
Start Making A Reader Today (SMART)	\$ 0.3	\$ 0.3	Federal Reimbursement Programs	\$ -	\$ 435.7
Reach Out to Read Program	\$ 0.1	\$ 0.1	After School Meal/Snack Program	\$ 0.5	\$ 0.5
Supporting Accelerated Learning Opportunities	\$ 2.9	\$ 2.9	Breakfast & Summer Lunch Programs	\$ 1.1	\$ 1.1
Physical Education Grants	\$ 1.5	\$ 4.6	Breakfast After the Bell Program	\$ -	\$ 1.2
Chronic Absenteeism Grants	\$ 6.7	\$ 6.7	Hunger Free Schools Program Grants	\$ -	\$ 52.1
High School Success Grants (Measure 98)	\$ -	\$ 323.9	Free Lunch Grant Program (SSF Transfer)	\$ -	\$ 2.9
Student Investment Program - Formula Grants	\$ -	\$ 892.3	Farm to School - Transfer to Agriculture	\$ 0.2	\$ 0.2
Student Investment Intensive Program: High Need	\$ -	\$ 25.0	Farm to School Programs	\$ 10.0	\$ 10.0
Interfund Transfers from General Fund	\$ 174.6	\$ 174.6	SUBTOTAL	\$ 11.8	\$ 503.7
Emergency Use Federal Funds (CRF, GEER, ESEER, etc.)	\$ -	\$ 1,231.3	<u>Closing the Achievement Gap</u>		
Other Federal/Other Funds Grants	\$ -	\$ 164.6	African American Education Plan Grants	\$ 6.5	\$ 14.4
SUBTOTAL	\$ 186.1	\$ 2,826.3	Latino State Plan	\$ -	\$ 6.1
<u>STEM and CTE Related Programs</u>			LGBTQ State Plan	\$ -	\$ 2.0
STEM/CTE Regional Network Grants	\$ 6.7	\$ 6.7	Native American Education Plan Grants	\$ -	\$ 6.7
CTE Revitalization Grants	\$ 7.3	\$ 7.3	Tribal Attendance Grants	\$ 1.7	\$ 1.7
Mathways	\$ 2.0	\$ 2.0	English Language Learners Grants	\$ -	\$ 10.0
STEM/CTE Career Pathway Fund	\$ 8.1	\$ 8.1	Summer School Grants	\$ -	\$ 8.3
STEM/CTE Innovation Grants	\$ 5.3	\$ 5.3	Low Income: Title I, Part A	\$ -	\$ 313.0
Student Leadership Centers	\$ 0.8	\$ 0.8	School Improvement Grants	\$ -	\$ 21.2
Future Farmers of America Association	\$ 1.5	\$ 1.5	Migrant Education (Title I, Part C) Grants	\$ -	\$ 40.0
Agricultural Summer Program Grants	\$ 0.6	\$ 0.6	English Language Acquisition (Title III) Grants	\$ -	\$ 14.0
CTE Vocational Education Grant: Perkins Grant	\$ -	\$ 34.7	Title IV-A Student Enrichment Grants (new 2018-19)	\$ -	\$ 20.9
SUBTOTAL	\$ 32.3	\$ 67.0	Title IV-B 21st Century Community Learning Centers	\$ -	\$ 19.7
<u>District Capacity and Technical Assistance Grant Programs</u>			SUBTOTAL	\$ 8.2	\$ 478.0
ESD Technical Assistance Support Grants	\$ -	\$ 41.1	<u>Specialized Student Service Grant Programs</u>		
Healthy & Safe School Plan Grants	\$ -	\$ 2.1	Vision Screenings Reimbursements	\$ -	\$ 1.9
Statewide School Safety & Prevention Systems	\$ -	\$ 3.3	Youth Corrections/Detention (YCEP/JDEP)	\$ 8.0	\$ 25.4
Early Warning System Grants	\$ -	\$ 3.6	Transition Network Facilitator Grants (TNFs)	\$ 1.4	\$ 1.4
Electronic Warning System Technical Assistance Grants	\$ -	\$ 1.8	Early Intervention/Early Childhood Educ (EI/ECSE)	\$ 216.1	\$ 328.9
Foster Care Transportation Grants	\$ -	\$ 2.1	Regional Programs	\$ 30.0	\$ 65.2
SUBTOTAL	\$ -	\$ 54.0	Hospital Programs	\$ 1.5	\$ 7.9
<u>Educator Effectiveness & Professional Development</u>			Long Term Care and Treatment	\$ 20.5	\$ 43.5
Educator Professional Development Grants	\$ -	\$ 30.7	Blind & Visually Impaired	\$ -	\$ 1.7
Title IIA Teacher and Principal Grant	\$ -	\$ 39.3	Individuals with Disabilities Act (IDEA) Grants	\$ -	\$ 280.9
SUBTOTAL	\$ -	\$ 70.0	Interfund Transfers from General Fund (BVIS/VS)	\$ 3.2	\$ 3.2
			SUBTOTAL	\$ 280.7	\$ 760.0

Common School Fund

The Common School Fund receives funds from the earnings of state lands controlled by the State Land Board and is considered a local revenue resource for purposes of the SSF distribution formula. ODE receives the funds from the Department of State Lands. These are counted as local revenues for the school funding formula and ODE factors this amount for each participating district's local contribution. The Subcommittee recommended an Other Funds Nonlimited budget of \$133,059,086. There is no change from the 2021-23 current service level budget.

Early Learning Grant-in-Aid

This set of programs fund services to children ages zero to six, in preschool programs (Preschool Promise), Head Start collaboration (OR Prekindergarten), and Relief Nurseries. Other Funds resources are primarily from the Fund for Student Success. A significant share of the non-COVID Federal Funds expenditure limitation is transferred to the Department of Human Services to support the Employment Related Day Care program. The funding mechanism is generally grants to providers and other entities. The Subcommittee recommended the following budget note:

Budget Note:

The Department of Education's Early Learning Division shall report to the Interim Committee on Joint Ways and Means on the ongoing cashflow for the Child Care Development Fund (CCDF). The report must include information regarding to actual and estimated expenditures and what the expenditures are for; a projection of the cashflow of the CCDF for 2021-23 and 2023-25 including ending balances; a plan for how any undesignated expenditures will be used; and if there are potential cashflow issues in the future, alternatives to close any gaps between estimated expenditures and CCDF resources.

The Subcommittee recommended a budget of \$1,321,000,147 total funds, including \$276,542,480 General Fund and includes the following packages:

Package 087, August 2020 Special Session. This package rolls up the adjustments made during the August 2020 special session. Included in this package is an increase of \$4.4 million Federal Funds for the federal Preschool Development (Birth to 5) grant received by the Early Learning Division, as well as a \$732,854 Other Funds reduction to provider coaching and professional learning funded under the Early Learning Account of the Fund for Student Success.

Package 402, Preschool Promise. This package adds \$68 million Other Funds for expanding early learning programs funded with resources from the Fund for Student Success’s Early Learning Account. The funds are to be distributed as follows:

- Preschool Promise Program 2,516 slots \$43,921,812
- Oregon Prekindergarten 1,400 slots \$17,418,800
- Oregon Prekindergarten to age 3 265 slots \$5,830,000
- Healthy Family Oregon 100 slots \$829,388

The Department of Administrative Services is requested to unschedule \$38 million of this expenditure limitation until the Division reports back to the Interim Joint Committee on Ways and Means or during the February 2022 legislative session, on the roll-out of this expansion, the supply of qualified providers, the number of children in the slots already occupied, and the distribution of the actual and planned slots across the state.

Package 406, Creation of Tribal Hub. This package adds \$601,150 General Fund for the establishment of a Tribal Early Learning Hub authorized by HB 2055 (2021). Hubs are cross sector partners that work together to create local systems for early learning. Currently, each of the existing 16 Hubs (geographic) are to work with tribal governments in their area. Tribal governments requested to have a hub centered around the nine tribes located in the state to support their unique needs, respect their sovereignty and provide equitable services. This package in the Early Learning Grant-in-Aid budget unit is for start-up funding for designing, goal setting, and determining the best organization of this new Hub. Funding is included for facilitation and staffing resources for the Hub in the Operations budget unit.

Package 801, LFO Analyst Adjustments. This package provides the estimated funding and expenditure limitation representing the spending for the Summer Learning initiative after June 30, 2021. This overall \$250 million initiative was passed as part of HB 5042 earlier in the 2021 legislative session. The \$9.0 million in General Fund in this package is for various preschool programming provided during Summer 2021, while the federal funding of \$15.9 million is for the Employment Related Day Care (ERDC) program services offered during the summer months.

Package 802, Federal COVID Limitation. This package increases Federal Funds limitation accounting for the almost \$500 million in child care specific funding received through the three COVID-19 related federal assistance packages. The amount in this package represents the amount the Early Learning Division estimates will be spent during the 2021-23 biennium based on what is available after the spending during 2019-21. Some of these funds will be used to continue the emergency child care assistance the Division has provided since last Spring. A large portion will be used for a proposed ERDC co-pay policy, replacing the zero co-pay policy allowable under federal law during the pandemic. There is also \$44.0 million of these Federal Funds in the Operations budget unit.

Package 803, Student Success Act Changes. This package includes adjustments in the early learning related program funding from the Fund for Student Success. The increases in investments in this package include the following:

1. \$2.0 million Other Funds in increased spending for Relief Nurseries bringing their total funding from the Early Learning Account to \$7.8 million Other Funds.
2. \$2.0 million Other Funds for Parenting Education resources distributed to the Hubs bringing the total amount of funding from the Early Learning Account to \$4.1 million Other Funds.
3. \$1.4 million Other Funds for the remodel and renovation of the North Baker School property into a full-service Early Learning Center offering a parent resource center, child care, indoor and outdoor play area and play equipment. A portion of this funding will be for the installation of an HVAC system.
4. \$3.0 million Other Funds for the Early Learning Equity Fund bringing the total to \$23.8 million.

Package 804, Grants and Technical Changes. Federal Funds expenditure limitation of \$12.7 million is provided for the ongoing federal Preschool Development (Birth to 5) grant received by the Early Learning Division. This is over and above of the amount included in package 087.

The following table shows the final budget figures for the Early Learning Division:

EARLY LEARNING DIVISION	GENERAL FUND	TOTAL FUNDS
Oregon Prekindergarten (OPK 3-5)	\$ 163.1	\$ 273.2
Early Head Start (OPK PN-3)	\$ 1.8	\$ 54.2
Preschool Promise (PSP)	\$ 38.3	\$ 146.8
Healthy Families (HFO)	\$ 26.8	\$ 36.9
Office of Child Care	\$ 1.9	\$ 46.5
DHS - ERDC	\$ -	\$ 121.3
DHS - Inclusive Child Care	\$ -	\$ 1.2
Baby Promise	\$ -	\$ 9.1
COVID Emergency CCDF Funding	\$ -	\$ 473.8
Preschool Development Grant (Birth to 5)	\$ -	\$ 20.3
Early Childhood Equity Fund (ECEP)	\$ -	\$ 23.9
Coaching / Professional Learning	\$ -	\$ 27.2
Parenting Education	\$ -	\$ 4.1
Relief Nurseries	\$ 9.8	\$ 19.7
KPI	\$ 9.1	\$ 9.1
Early Learning HUBs	\$ 16.3	\$ 22.9
Baker Early Learning Center (Baker SD 5J)	\$ -	\$ 1.4
Other EL Grants	\$ 9.4	\$ 29.3
TOTAL EARLY LEARNING DIVISION	\$ 276.5	\$ 1,321.0

Youth Development Grant-in-Aid

The Subcommittee recommended a budget of \$30,637,464 total funds, including \$14,707,168 General Fund for the Youth Development programs. This set of programs provides services to youth through the age of 24. The programs support academic success and are designed to reduce involvement in the criminal justice system. The funding mechanism is generally grants to other entities.

The Subcommittee recommended the following packages:

Package 804, Grants and Technical Changes. This package recognized \$782,178 in additional federal revenue from the Juvenile Justice Title II programs available for 2023. These funds will be used to augment existing Youth Development programs.

The following table shows the final budget figures for the Youth Development Division:

YOUTH DEVELOPMENT DIVISION	GENERAL FUND	TOTAL FUNDS
Juvenile Crime Prevention	\$ 6.4	\$ 6.8
Gang Prevention & Intervention Grants	\$ 0.8	\$ 1.6
Youth Reengagement (HB 5047)	\$ -	\$ 8.3
Youth & Community	\$ 4.0	\$ 10.1
Youth & Innovation	\$ 3.4	\$ 3.4
Community Schools	\$ 0.1	\$ 0.1
Other Small Grants/Empty Limitation	\$ -	\$ 0.3
TOTAL EARLY LEARNING DIVISION	\$ 14.7	\$ 30.6

Debt Related Costs

The Subcommittee recommended a budget of \$48,238,961 General Fund for existing debt service. Most of this debt service is for paying for the Article XI-P bonds issued for the Oregon School Capital Improvement Matching Program. There is no change from the 2021-23 current service level budget.

Summary of Performance Measure Action

See attached Legislatively Adopted 2021-23 Key Performance Measures form.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

Department of Education
Dustin Ball -- 971-720-0987

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
2019-21 Legislatively Approved Budget at Jan. 2021*	\$ 888,530,692	\$ 692,870	\$ 1,266,854,361	\$ 120,364,721	\$ 1,598,229,442	\$ 407,115,946	\$ 4,281,788,032	695	650.48
2021-23 Current Service Level (CSL)*	\$ 966,301,239	\$ -	\$ 2,103,600,777	\$ 137,133,538	\$ 1,154,261,199	\$ 435,672,830	\$ 4,796,969,583	676	663.43
SUBCOMMITTEE ADJUSTMENTS (from CSL)									
SCR 089 - Capital Bonding - School Facilities									
Package 105: Ensuring High Quality, Safe & Effective Schools									
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ 150,000,000	\$ -	\$ -	\$ -	\$ 150,000,000		
SCR 100 - Department Operations									
Package 087: August 2020 Special Session									
Personal Services	\$ -	\$ -	\$ 1,096,025	\$ -	\$ 1,076,570	\$ -	\$ 2,172,595	10	10.00
Services and Supplies	\$ -	\$ -	\$ (24,743)	\$ -	\$ 447,512	\$ -	\$ 422,769		
Package 103: Statewide Education Initiative Account									
Personal Services	\$ -	\$ -	\$ 1,137,673	\$ -	\$ -	\$ -	\$ 1,137,673	5	4.92
Services and Supplies	\$ -	\$ -	\$ 821,777	\$ -	\$ -	\$ -	\$ 821,777		
Capital Outlay	\$ -	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -	\$ 1,200,000		
Package 105: Ensuring High Quality, Safe & Effective Schools									
Personal Services	\$ -	\$ -	\$ 186,949	\$ -	\$ 396,507	\$ -	\$ 583,456	3	2.92
Services and Supplies	\$ -	\$ -	\$ 3,313,051	\$ -	\$ 77,849	\$ -	\$ 3,390,900		
Package 107: Distance Learning & Teaching Innovations									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 312,750	\$ -	\$ 312,750	1	1.00
Services and Supplies	\$ -	\$ -	\$ 998,056	\$ -	\$ 85,925	\$ -	\$ 1,083,981		
Package 108: Interim & Formative Student Assess Tools									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 218,840	\$ -	\$ 218,840	1	0.92
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 54,675	\$ -	\$ 54,675		
Package 110: Information Technology Modernization									
Personal Services	\$ 402,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 402,869	2	1.84
Services and Supplies	\$ 72,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,700		
Package 111: Supporting & Expanding Instructional Standard									
Personal Services	\$ 457,574	\$ -	\$ 66,940	\$ -	\$ 201,848	\$ -	\$ 726,362	4	3.42
Services and Supplies	\$ 98,709	\$ -	\$ 20,460	\$ -	\$ 57,675	\$ -	\$ 176,844		
Package 112: Student Nutrition & Transportation									
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ 609,141	\$ -	\$ 609,141	4	3.50
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ 155,700	\$ -	\$ 155,700		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE	
			LIMITED	NONLIMITED	LIMITED	NONLIMITED				
Package 113: Leadership, Accountability & Customer Service										
Personal Services	\$ 503,187	\$ -	\$ -	\$ 1,076,466	\$ -	\$ -	\$ -	1,579,653	9	8.92
Services and Supplies	\$ 116,482	\$ -	\$ -	\$ 239,346	\$ -	\$ -	\$ -	355,828		
Package 115: Technical Adjustments										
Personal Services	\$ 73,086	\$ -	\$ -	\$ (3,076)	\$ -	\$ 327	\$ -	70,337	(2)	(1.46)
Services and Supplies	\$ (73,086)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	(73,086)		
Package 301: Educator Advancement Council										
Personal Services	\$ -	\$ -	\$ -	\$ 856,101	\$ -	\$ -	\$ -	856,101	4	3.68
Services and Supplies	\$ -	\$ -	\$ -	\$ 1,635,219	\$ -	\$ -	\$ -	1,635,219		
Package 406: Creation of Tribal Hub										
Personal Services	\$ 211,188	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	211,188	1	1.00
Services and Supplies	\$ 38,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	38,925		
Package 408: ELD Technical Adjustments										
Personal Services	\$ 268,367	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	268,367	1	1.00
Services and Supplies	\$ 38,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	38,925		
Package 801: LFO Analyst Adjustments										
Personal Services	\$ 361,404	\$ -	\$ -	\$ -	\$ -	\$ 238,162	\$ -	599,566	7	5.97
Services and Supplies	\$ (459,944)	\$ -	\$ -	\$ -	\$ -	\$ 99,232	\$ -	(360,712)		
Package 802: Federal COVID Limitation										
Personal Services	\$ -	\$ -	\$ -	\$ 834,892	\$ -	\$ 4,373,117	\$ -	5,208,009	23	22.50
Services and Supplies	\$ -	\$ -	\$ -	\$ 151,700	\$ -	\$ 44,800,475	\$ -	44,952,175		
Package 803: Student Success Act Changes										
Personal Services	\$ -	\$ -	\$ -	\$ 245,929	\$ -	\$ -	\$ -	245,929	1	1.00
Services and Supplies	\$ -	\$ -	\$ -	\$ 37,925	\$ -	\$ -	\$ -	37,925		
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ -	\$ (851,981)	\$ -	\$ -	\$ -	(851,981)		
Package 804: Grants and Technical Changes										
Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 245,929	\$ -	245,929	1	1.00
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,742,458	\$ -	4,742,458		
SCR 125 - Educator Advancement Council										
Package 301: Educator Advancement Council										
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ -	\$ 11,500,000	\$ -	\$ -	\$ -	11,500,000		
Package 801: LFO Analyst Adjustments										
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ -	\$ 1,545,378	\$ -	\$ -	\$ -	1,545,378		
SCR 200 - OSD										
Package 804: Grants and Technical Changes										
Services and Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 201,892	\$ -	201,892		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 300 - Grant-In-Aid and District Supports									
Package 087: August 2020 Special Session									
Special Payments-6020 Distrib to Local School Dist	\$ (11,231,688)	\$ -	\$ (5,002,523)	\$ -	\$ 28,508,489	\$ -	\$ 12,274,278		
Package 103: Statewide Education Initiative Account									
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ 4,000,000	\$ -	\$ -	\$ -	\$ 4,000,000		
Package 109: STEM Programs for Diverse Learners									
Special Payments-6020 Distrib to Local School Dist	\$ 5,000,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000		
Package 801: LFO Analyst Adjustments									
Special Payments-6020 Distrib to Local School Dist	\$ 8,391,531	\$ -	\$ 148,838,323	\$ -	\$ (7,583,781)	\$ -	\$ 149,646,073		
Package 802: Federal COVID Limitation									
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ -	\$ -	\$ 1,202,777,506	\$ -	\$ 1,202,777,506		
Package 803: Student Success Act Changes									
Special Payments-6020 Distrib to Local School Dist	\$ -	\$ -	\$ (116,964,799)	\$ -	\$ -	\$ -	\$ (116,964,799)		
SCR 500 - Early Learning Division									
Package 087: August 2020 Special Session									
Special Payments-6085 Other Special Payments	\$ -	\$ -	\$ (732,854)	\$ -	\$ 4,411,973	\$ -	\$ 3,679,119		
Package 402: Preschool Promise									
Special Payments-6085 Other Special Payments	\$ -	\$ -	\$ 68,000,000	\$ -	\$ -	\$ -	\$ 68,000,000		
Package 406: Creation of Tribal Hub									
Special Payments-6085 Other Special Payments	\$ 601,150	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 601,150		
Package 801: LFO Analyst Adjustments									
Special Payments-6085 Other Special Payments	\$ 9,000,000	\$ -	\$ -	\$ -	\$ 15,905,418	\$ -	\$ 24,905,418		
Package 802: Federal COVID Limitation									
Special Payments-6085 Other Special Payments	\$ -	\$ -	\$ -	\$ -	\$ 473,755,776	\$ -	\$ 473,755,776		
Package 803: Student Success Act Changes									
Special Payments-6085 Other Special Payments	\$ -	\$ -	\$ 8,432,000	\$ -	\$ -	\$ -	\$ 8,432,000		
Package 804: Grants and Technical Changes									
Special Payments-6085 Other Special Payments	\$ -	\$ -	\$ -	\$ -	\$ 12,667,881	\$ -	\$ 12,667,881		

DESCRIPTION	GENERAL FUND	LOTTERY FUNDS	OTHER FUNDS		FEDERAL FUNDS		TOTAL ALL FUNDS	POS	FTE
			LIMITED	NONLIMITED	LIMITED	NONLIMITED			
SCR 550 - Youth Development Division									
Package 804: Grants and Technical Changes									
Special Payments-6085 Other Special Payments	\$ -	\$ -	\$ -	\$ -	\$ 782,178	\$ -	\$ 782,178		
TOTAL ADJUSTMENTS	\$ 13,871,379	\$ -	\$ 282,654,234	\$ -	\$ 1,789,622,024	\$ -	\$ 2,086,147,637	75	72.13
SUBCOMMITTEE RECOMMENDATION *	\$ 980,172,618	\$ -	\$ 2,386,255,011	\$ 137,133,538	\$ 2,943,883,223	\$ 435,672,830	\$ 6,883,117,220	751	735.56
% Change from 2019-21 Leg Approved Budget	10.3%	-100.0%	88.4%	13.9%	84.2%	7.0%	60.8%	8.1%	13.1%
% Change from 2021-23 Current Service Level	1.4%	0.0%	13.4%	0.0%	155.0%	0.0%	43.5%	11.1%	10.9%

*Excludes Capital Construction Expenditures

PRELIMINARY

Legislatively Approved 2021 - 2023 Key Performance Measures

Published: 6/21/2021 11:38:50 AM

Agency: Education, Department of

Mission Statement:

Increase Achievement for All Students

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
1. Protecting the Health & Safety of Children in Child Care - Percentage of citations for a serious valid finding that received a timely follow-up visit to confirm compliance		Approved		86%	86%
2. Access to Early Care and Education: Infants & Toddlers - Percentage of infants/toddlers (birth-2 years) with access to a regulated child care slot.		Approved		15.40%	15.40%
3. Access to Early Care and Education: Preschool Age - Percentage of preschool age children (3-4 years) with access to a regulated child care slot. Regulated child care slots include Certified Centers, Certified Family, and Registered Family Providers.		Approved		35.65%	35.65%
4. Early Learning Workforce Retention (all) - Percentage of early learning providers who have remained in the workforce.		Approved		65.05%	65.05%
4. EARLY LITERACY - Percentage of students meeting or exceeding statewide academic achievement standards in 3rd grade reading	a) All Students	Approved	47.20%	68%	68%
	b) Students of Color		28.50%	60%	60%
	c) Special Ed Students		24.70%	54%	54%
5. STUDENTS ON TRACK TO GRADUATE - Percentage of 9th grade students on track to graduate.	a) All Students	Approved	85.60%	90%	90%
	b) Students of Color		80.60%	88%	88%
	c) Special Ed Students		75.50%	83%	83%
5. Early Learning Workforce Retention (by race and ethnicity) - Percentage of early learning providers who have remained in the workforce disaggregated by race and ethnicity.	a) American Indian/Alaskan Native	Approved		66.15%	66.15%
	b) Asian			68.25%	68.25%
	c) Black/African American			69.30%	69.30%
	d) Hispanic/Latino/Spanish			74.55%	74.55%
	e) Native Hawaiian/Pacific Islander			64.05%	64.05%
	f) White			70.35%	70.35%
	g) Multiracial			71.40%	71.40%
6. HIGH SCHOOL COMPLETION - Percentage of students who complete high school within four years	All students	Approved	80%	85%	86%
	Students of color		75.20%	81%	84%
	Special Education students		63.40%	78%	82%
7. COLLEGE GOING - College-going rate of Oregon residents into post-secondary institutions		Approved	61.80%	74%	76%
8. CHRONIC ABSENTEEISM - Percentage of students who are absent more than 10% of days of the school year	All students	Approved	20.40%	15%	15%

Legislatively Approved KPMs	Metrics	Agency Request	Last Reported Result	Target 2022	Target 2023
	Students of color		24.50%	18%	18%
	Students with disabilities		27.50%	21%	21%
9. CUSTOMER SERVICE - Percentage of customers rating the agency's customer service as "good" or "excellent"	Overall	Approved	80%	85%	85%
	Expertise		79%	85%	85%
	Helpfulness		82%	85%	85%
	Timeliness		73%	85%	85%
	Accuracy		78%	85%	85%
	Availability of Information		75%	85%	85%
1. QUALITY LEARNING ENVIRONMENTS - Increase the percentage of early learning and development programs participating in the statewide Quality Rating and Improvement System		Legislatively Deleted	42%	55%	
2. QUALITY LEARNING ENVIRONMENTS - Increase the percentage of high quality early learning and development programs as measured by the statewide Quality Rating and Improvement System (rated as 3, 4, or 5 star)		Legislatively Deleted	47%	55%	
3. KINDERGARTEN ASSESSMENT - Increase performance of entering kindergarten children on the Kindergarten Assessment	Percent of students entering kindergarten who can identify 18 uppercase English letters	Legislatively Deleted	46.40%	75%	
	Percent of students entering kindergarten who can identify 15 lowercase English letters		41.70%	75%	
	Percent of students entering kindergarten who can identify at least 3 letter sounds		50.90%	75%	
	percent of students entering kindergarten who can respond correctly to 8 math questions		83.60%	90%	
	percent of students entering kindergarten who fall into either the Approaching or Demonstrating & Above benchmark levels in Self-Regulation		76.60%	95%	
	percent of students entering kindergarten who fall into either the Approaching or Demonstrating & Above benchmark levels in Interpersonal Skills		85.60%	95%	

LFO Recommendation:

LFO recommends the targets outlined above. They are based on recent trends of the information that have been collected as well as with input from the agency. It should be noted that the COVID-19 pandemic has significantly affected some, if not all, these measure during the last and this school year.

The three early learning measures are proposed to be deleted dealing with:

- Increase the percentage of early learning and development programs participating in the statewide Quality Rating and Improvement System (#1),
- Increase the percentage of high quality early learning and development programs as measured by the statewide Quality Rating and Improvement System (rated as 3, 4, or 5 star) (#2), and
- Increase performance of entering kindergarten children on the Kindergarten Assessment (#3).

These are replaced with five new early learning measures:

New #1 -- This relates to protecting health and safety for children in child care by measuring whether serious valid findings are followed up within 10 business days when the violation was not corrected during the visit and within 30 days when the violation was corrected during the visit. For this measure the time period is 33 days. Serious findings are defined in rule. This data has just recently become available through a system change. For a period of almost two months earlier this year, this KPM was met 81% of the cases.

New #2 -- This relates to access to child care and education for infants and toddlers (birth to age 2). This measures the percentage of infants and toddlers which have access to a regulated child care slot including centers.

centers, certified family, and registered family providers. In 2018, data shows that 12% of this age group had access and in 2020 14%.

New #3 -- This proposed KPM is similar to #2 above but for children that are 3 or 4 years old. This measures the percentage of this age group which have access to a regulated child care slot including certified centers, certified family, and registered family providers. In 2018, data shows that 29% of this age group had access and in 2020 31%.

New #4 -- This proposed KPM measure child care workforce retention by measuring the percentage of the early learning workforce who remain in the workforce. in 2014-15, 66% remained and by 2018-19 the number had dropped to 61%.

New #5 -- This proposed KPM divides #4 above by race and ethnicity. It should be noted that the sample size for #5 is much smaller than #4.

LFO recommends the replacement of the three deleted measures with the five proposed measures.

DPM #8 dealing with chronic absenteeism is proposed to have its wording changed replacing "more than 10% of days of the school year" with "for 10% or more of their enrolled days in the school year" . LFO recommends this change in wording.

It should be noted that two years ago then subcommittee members felt that the agency should look at KPMs that measure actions that the agency has direct control over. The changes in the early learning KPMs address that some but in the K-12 related KPMs there were no changes. Also, there was the suggestion that at least one measure be established for the Educator Advance Council as well as for the Youth Development programs. The agency did not suggest any for those programs for this next biennium.

SubCommittee Action:

Approve the LFO recommendation.

PRELIMINARY