



# Corvallis

SCHOOL DISTRICT

## NOTICE

**NOTICE IS HEREBY GIVEN** of a meeting of the Corvallis School District Board of Directors.

<b>Date &amp; Time</b>	<b>Meeting Type</b>	<b>Location</b>	<b>Agenda</b>
Monday, January 5, 2015 6:30 PM	Regular	District Office Board Room, 1555 SW 35th Street, Corvallis, OR 97333	See attached.

**Accessibility:** *To request accommodations for board meetings, please contact Kim Nelson at 541-757-5841 or [kim.nelson@corvallis.k12.or.us](mailto:kim.nelson@corvallis.k12.or.us) at least 48 hours before the meeting.*

**If you would like to watch live-streaming of the School Board meeting, please navigate to the District's YouTube channel: <https://www.youtube.com/channel/UC9Jtpte5dmilZl9kySBjVQ?> A recording of the meeting will also be posted to that channel.**

**POSTED:** Corvallis School District Administration Building  
Hans Boyle, Education Editor, Gazette Times (Via Email)

**For more information, please contact Kim Nelson at 541-757-5841 or at [kimberly.nelson@corvallis.k12.or.us](mailto:kimberly.nelson@corvallis.k12.or.us)**



# Corvallis

SCHOOL DISTRICT

Monday, January 5, 2015  
6:30 PM

**AGENDA**  
Regular Meeting of the  
**BOARD OF DIRECTORS**  
Corvallis School District 509J

Meeting Details: Monday, January 5, 2015, 6:30 PM in the District Office Board Room,  
1555 SW 35th Street, Corvallis, OR 97333.

*If you would like to watch live-streaming of the School Board meeting, please navigate to the District's YouTube channel: <https://www.youtube.com/channel/UC9Jtpte5dmilZI9kySBjVQ?> A recording of the meeting will also be posted to that channel.*

- I. CALL TO ORDER AND ROLL CALL
- II. PLEDGE OF ALLEGIANCE
- III. COMMITTEE/BOARD MEMBER ITEMS
  - III.A. OSBA Convention Takeaways
- IV. STUDENT REPRESENTATIVE REPORTS
- V. SUPERINTENDENT'S REPORT
- VI. STAFF AND PUBLIC TESTIMONY - (20 minutes)  
*Please note: To indicate your desire to testify, complete a request card at the meeting and turn it in to the Board Secretary before the meeting begins. See attached guidelines for providing input to the School Board.*

# Corvallis School District 509J

## How to Provide Input to the School Board

*Effective 10-08-14*

The Corvallis School Board values the opinions and input of community patrons. As such, the purpose of this document is to provide general guidelines about how to make the most of your time when communicating with the School Board. The public may offer public testimony during certain School Board meetings or correspond in writing via email or U.S. mail, as outlined below.

### I. Public Testimony

Members of the public have the opportunity to share their ideas and opinions with the Board during the agenda item labeled *Public Testimony*. These opportunities are offered only at certain School Board meetings.

#### **To request the opportunity to offer public testimony**

- A. Complete a *Request to Address the Board* card, which can be found on a table at or outside the entrance of the meeting room.
- B. Complete all requested information. The Board Secretary will notify you if any information has been omitted or is unclear.
- C. Be specific regarding the topic about which you wish to speak. The Board Secretary will contact you if the topic is unclear or too general.
- D. Give the completed Request to Address the Board card to the Board Secretary at the head table **before** the meeting begins.
- E. Failing to fully and clearly complete the card and/or to submit it to the Board Secretary before the meeting begins may affect your opportunity to testify at the meeting.

#### **Rules for Public Testimony**

1. If you're called to testify:
  - Proceed to the podium in front of the Board.
  - Only one person at a time will be allowed at the podium, with exceptions at the board chair's discretion.
  - State your name and address, and the topic you will address before you begin.
    - These are a matter of public record and will not count against your time.
    - Exception: Current students may omit their address but should state the school they attend.
2. Direct your comments to the Board. The Board Chair will refer any questions or requests for action to the proper person for a response at a later date.
3. Keep your comments to the specified time allotted.
  - You will be signaled when you have 30 seconds remaining.
  - You will be signaled when your time is up.
4. If others have testified before you about the same issue, please state that fact and either decline to testify or limit your comments to points not already stated.

# Corvallis School District

## How to Provide Input to the School Board

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5. If a group wishes to speak:
  - Please designate one spokesperson for the group; that person will stand at the podium.
  - In order to maintain the meeting schedule, repetitious comments will not be permitted.
  
6. Speakers may offer objective criticism of district operations and programs but the Board will not hear complaints concerning individual district personnel.
  - Any such complaints must be handled following the steps outlined in policy KL and administrative regulation KL-AR, copies of which are available during meetings at which public testimony is allowed, or online at <http://policy.osba.org/corvall/KL/index.asp>.
  - Complaints regarding budget, programs, or other district issues also should be handled by first following the steps outlined in policy KL.
  
7. Undue interruption or other interference with the orderly conduct of Board business cannot be allowed.
  - Defamatory or abusive remarks are always out of order.
  - The board chair may terminate the speaker's privilege of address if, after being called to order, the speaker persists in improper conduct or remarks.

### **Important information**

- A. The board secretary will sort the *Request to Address the Board* cards, which are complete and were received before the meeting begins, into sets by topic, then will shuffle each set and place them face down at her place.
  
- B. When it is time for public testimony, the board secretary will draw one card from each set, in turn, and announce the name of the person who will be called up to testify.
  
- C. If you are called upon to testify, you will be allowed only a small amount of time to do so; usually three minutes are granted, but it could be less at the discretion of the board chair.
  
- D. If more testimony requests are submitted than can be accommodated during the allotted time on the board's agenda, you might not be called upon to provide your testimony. In that case, please refer to section II – Written Correspondence, should you wish to provide your comments in written form.
  
- E. When you testify, your name, address and testimony are matters of public record, except for student addresses.
  
- F. Although it is not required, you may wish to prepare a written outline for your comments or to write out your testimony in its entirety.

# Corvallis School District

## How to Provide Input to the School Board

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- G. Although providing a written copy of your testimony is not required, should you wish to provide it:
- Please include your name, address and telephone number on the document.
  - You may either provide the board secretary with one copy of your written testimony to distribute at a later date, or you may bring 13 copies to the meeting for the board secretary to distribute to those at the head table.
    - One copy will be filed as part of the official board record.
  - The same holds true for any handouts you wish the board to receive.
- H. If you wish to submit a letter or any form of written comments:
- Copies will be provided to all board members and key staff members.
  - The document will be kept in the district office as part of the official board record.
  - Letters, emails and other written materials are considered public record.

## II. Written Correspondence

Letters, emails and other written materials submitted to the Board are considered public record. In lieu of public testimony, you may send a letter via U.S. mail to: Corvallis School Board, Attn: Julie Catala, P.O. Box 3509J, Corvallis, OR 97339. Also, you may send an email to: [schoolboard@corvallis.k12.or.us](mailto:schoolboard@corvallis.k12.or.us). This will send your e-mail to all board members at one time. Others who will receive emails sent to this address: superintendent, assistant superintendent/student services director, human resources director, finance and operations director, and executive assistant to the superintendent and board of directors.

## III. Telephone Communication

Citizens also may contact board members by telephone:

Vincent Adams	541-738-4324 or 541-240-4055
Judy Ball	541-758-1671 or 240-997-1222
Beth Heaney	541-738-0918
Bill Kemper	541-754-0943 or 541-740-0728
Felicia Reid-Metoyer	541-250-0352
Chris Rochester	541-224-1880
Tom Sauret	541-758-2244



# Corvallis

SCHOOL DISTRICT

## VII. SPECIAL REPORTS

### VII.A. Boys & Girls Club Teen Center

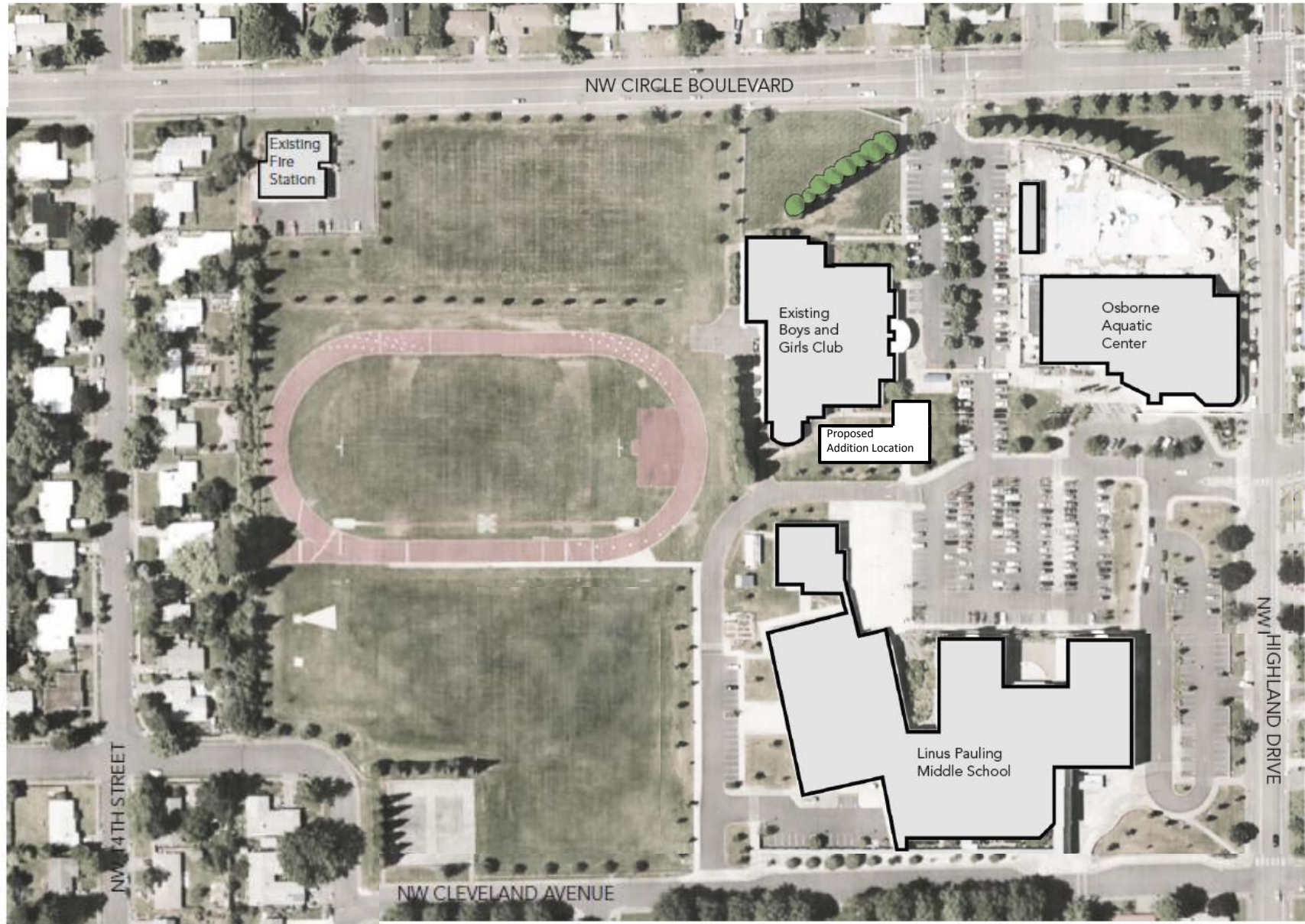
# Boys & Girls Club of Corvallis Teen Center Expansion

Corvallis School Board Meeting  
January 5, 2015

# Timeline to Date

- January 13, 2014 Board Meeting – BGCC presented a request to extend their existing lease line.
- March 10, 2014 Board Meeting/Executive Session – Discuss Real Estate - Lease Line
- March 25, 2014 Meeting – BGCC met with Chris Rochester, Tom Sauret, Steve Nielsen and Kim Patten to discuss details of the expansion request
- May 5, 2014 Board Meeting/Executive Session – Discuss Real Estate - Lease Line
- May 12, 2014 Letter – Corvallis School District writes letter supporting BGCC's request for extension on modular building (granted by city)
- May 17, 2014 Meeting – BGCC met with City of Corvallis
- October 31, 2014 Meeting – BGCC Construction Committee Meeting
- November 3, 2014 Board Meeting – BGCC presented Transportation Impact Study
- November 12, 2014 Meeting – BGCC Construction Committee Meeting
- December 5, 2014 Meeting – BGCC Construction Committee Meeting
- December 16, 2014 Telephone Meeting – Steve Nielsen and Kim Patten consult with legal counsel
- December 17, 2014 Meeting – BGCC met with Chris Rochester, Tom Sauret, Erin Prince, Eric Beasley, Steve Nielsen and Kim Patten to discuss details of the expansion request

# Current Site Plan– January 2014



# BOYS & GIRLS CLUB

CORVALLIS

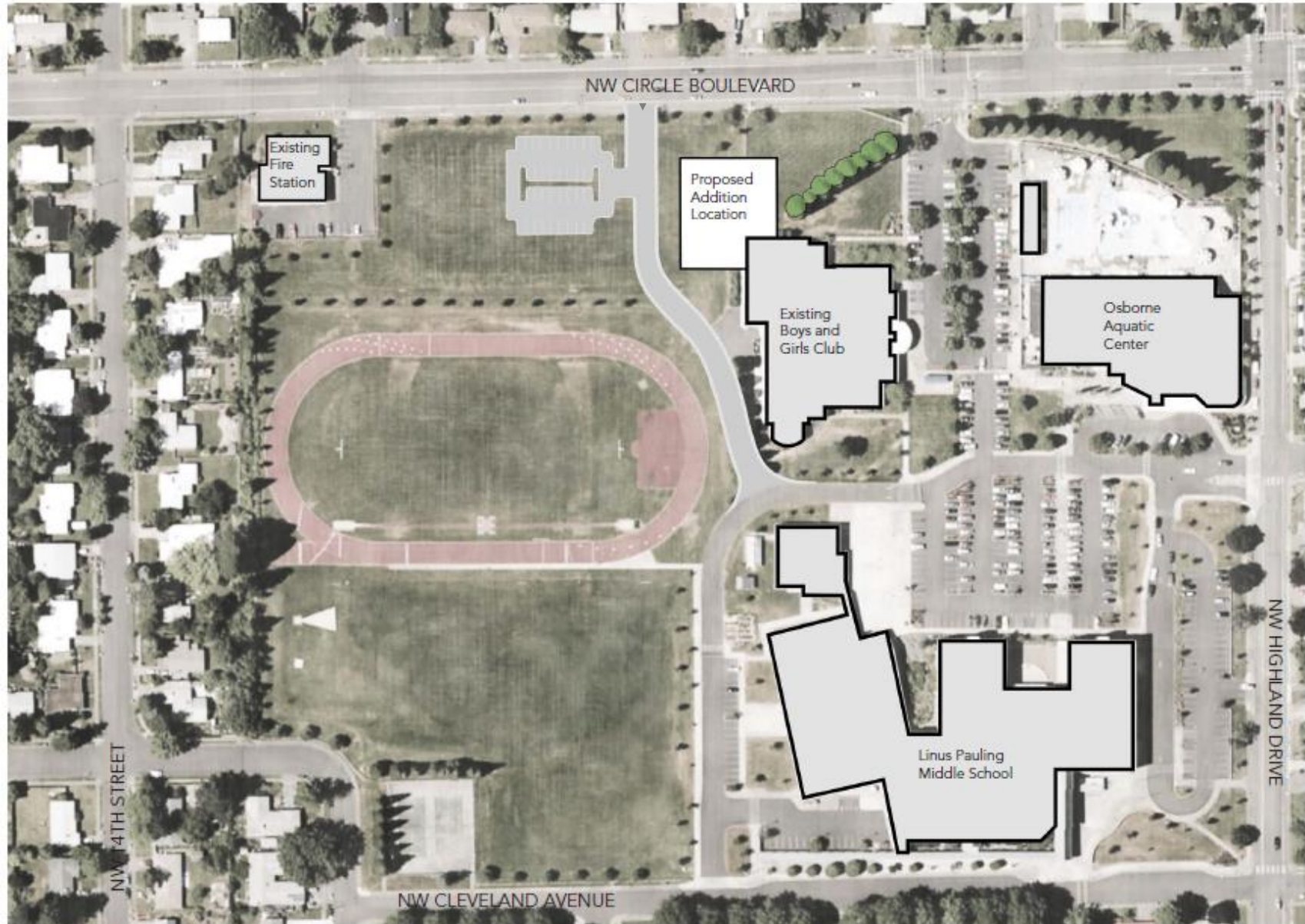
**CB Two**  
ARCHITECTS

**Traffic**  
Existing  
**SITE PLAN**  
30 OCT 2014

NOT TO SCALE

# Current Proposed Site Plan


Basis for Traffic & Parking Study



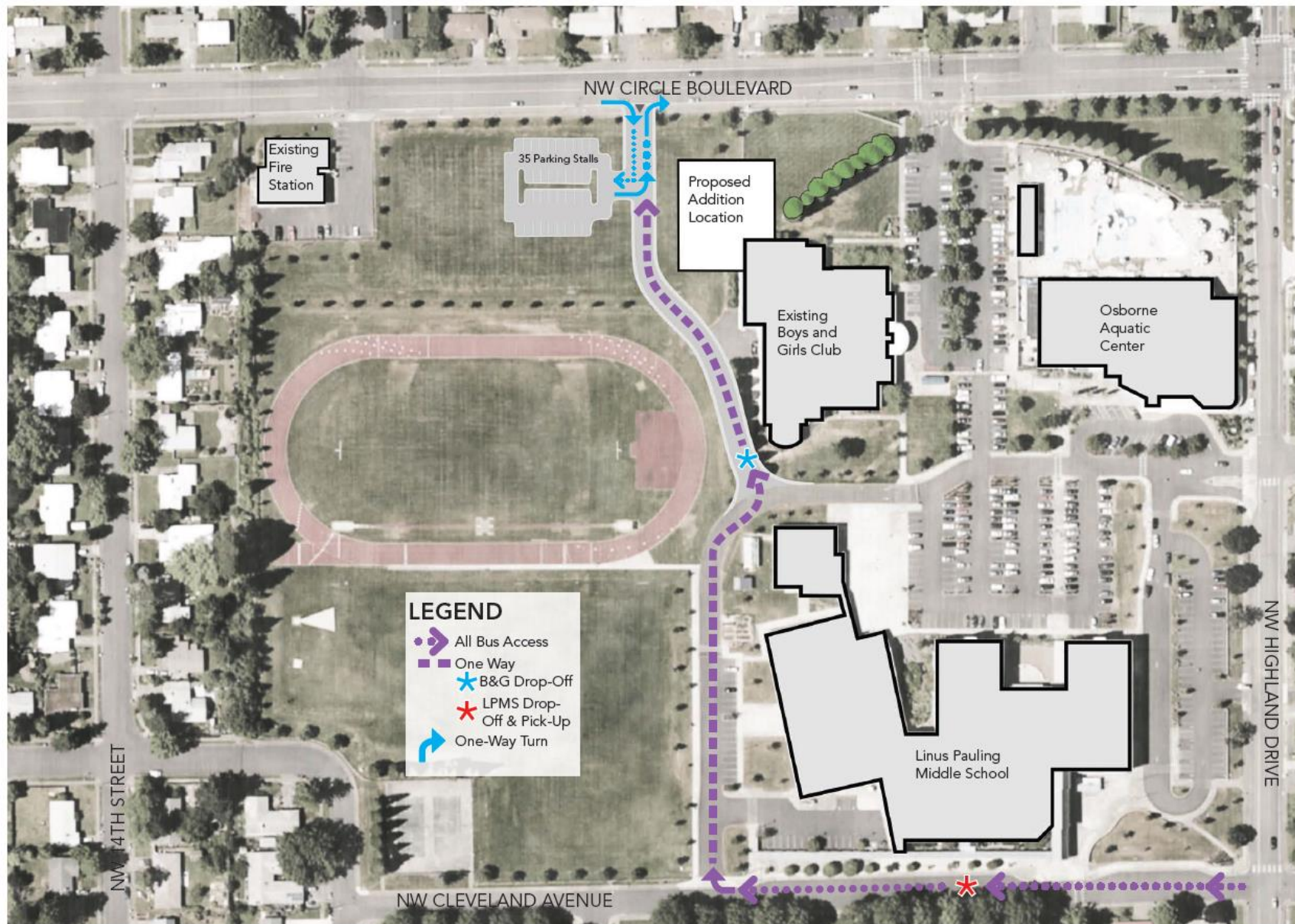
**BOYS & GIRLS CLUB**  
CORVALLIS

**CB Two**  
ARCHITECTS

Proposed  
**SITE PLAN**  
30 OCT 2014

NOT TO SCALE 

# Proposed Site – Proposed Bus Circulation



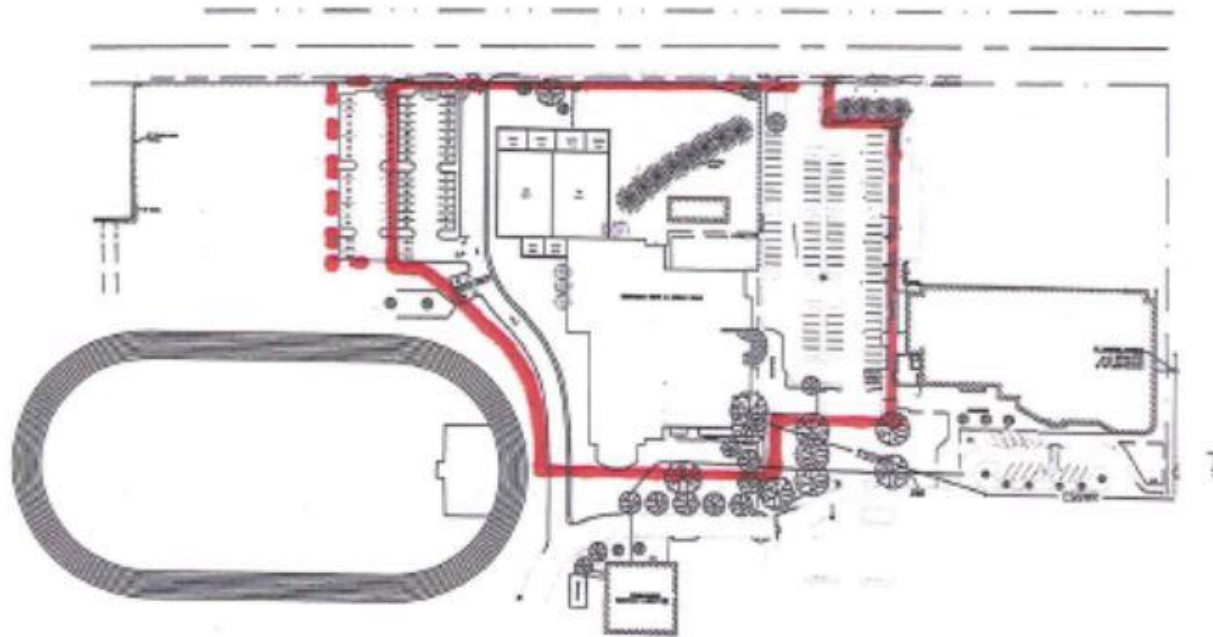
**BOYS & GIRLS CLUB**  
CORVALLIS

**CB|Two**  
ARCHITECTS  
PLANNERS • DESIGNERS • ENGINEERS

**Traffic**  
Proposed  
**SITE PLAN**  
30 OCT 2014

NOT TO SCALE

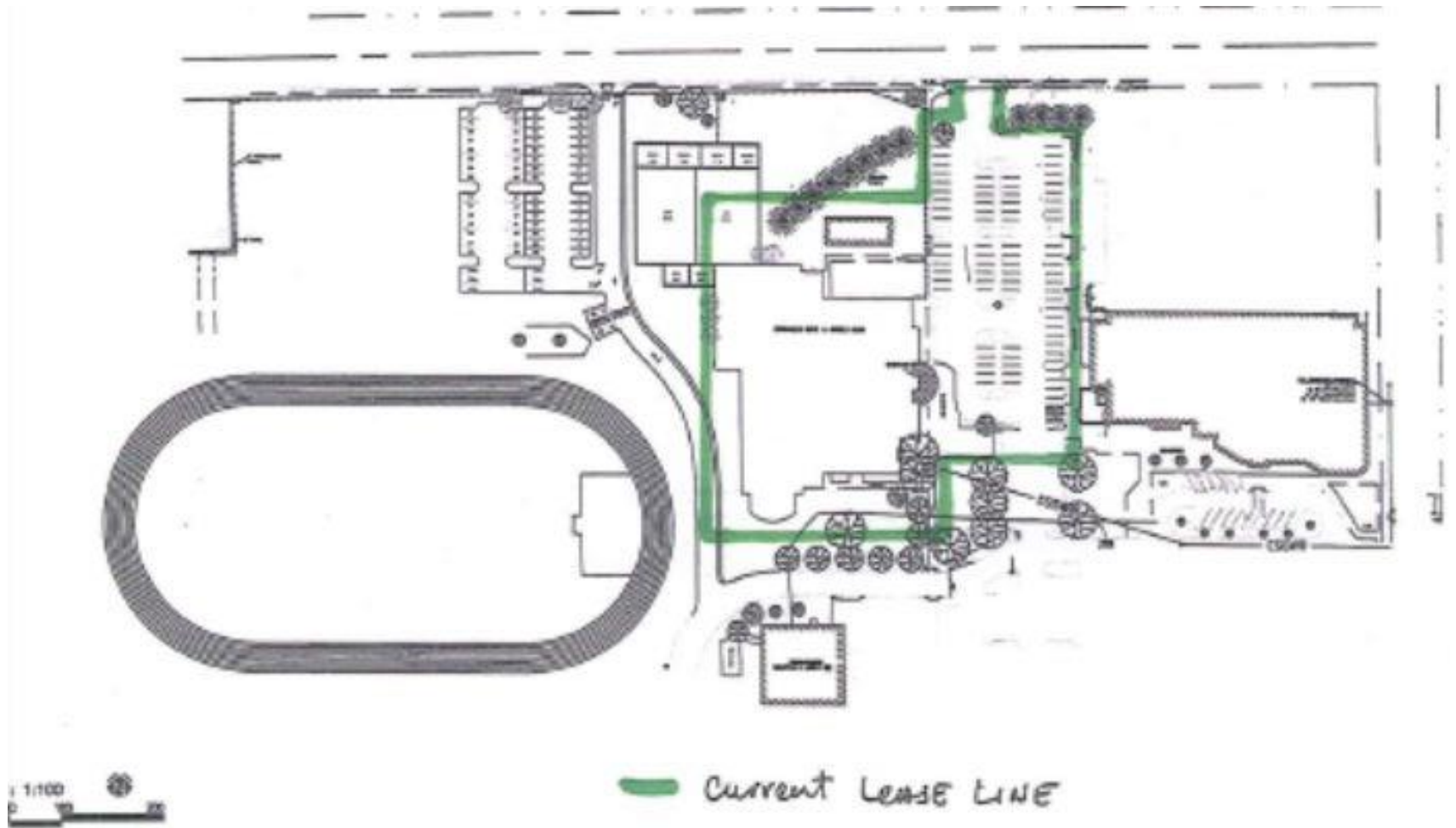
# BGCC Proposed Lease Line Extension



SCALE: 1:100

- Proposed LEASE Line
- Added if city requires more parking

# BGCC Current Lease Line



# Next Steps?

- February 2<sup>nd</sup> – Possible Board approval to support lease line extension in support of teen center expansion (subject to 509J conditions and City of Corvallis Land Use Application Process)
- Conditional Land Use Application submitted in April 2015 by BGCC



# Corvallis

SCHOOL DISTRICT

- VII.B. 2015-16 School Calendar Parameters
- VII.C. 509J By The Numbers - Part One

# 509J BY THE NUMBERS

A SUMMARY REPORT TO THE SCHOOL BOARD  
AND A GUIDE FOR OUR COMMUNITY



January 5, 2015

Corvallis School District Board Members and Community:

This document is designed to be an overview of the district's general demographics, facility utilization, and budget. The intent is to provide factual data to inform the reader about the district in one central and easily accessible location.

This document has been newly configured for 2014-15. Most notably, an appendix housing the District Report Card information from the Oregon Department of Education has replaced the district-produced section reporting student performance data. The reader should be cautioned that "like-district" indicators in the Oregon Report Card section do not include the same district comparators as used in other areas of the document.

Suggestions regarding the format and content of this report are welcomed by the Finance and Operations Department. Please contact us via phone at 541-757-3859 or via email to [jennifer.schroeder@corvallis.k12.or.us](mailto:jennifer.schroeder@corvallis.k12.or.us).

Thank you for your continued support and dedication to the students of Corvallis.

Sincerely,

A handwritten signature in black ink that reads "Steve Nielsen". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Steve Nielsen  
Finance and Operations Director

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## STUDENTS

### GENERAL DEMOGRAPHICS

#### ENROLLMENT STATISTICS & TRENDS

The Corvallis School District's overall enrollment has been declining since 1994-95, when the district had 7,769 students. Over the past ten years, total enrollment has dropped by over 4 percent. However, over the past three years, the district has seen small increases in enrollment. The table below shows actual enrollment totals by level as of October 1, 2014, as well as the previous ten years.

Table 1: District Enrollment by Level as of October 1, 2014 and previous 10-yrs, excluding Muddy Creek Charter School and YES House

	Elementary (K-5)	Middle (6-8)	High (9-12)	Total District	Total Change from Previous
2004-05	2,814	1,547	2,481	6,842	(1.3%)
2005-06	2,816	1,518	2,408	6,742	(1.5%)
2006-07	2,857	1,504	2,399	6,760	0.3%
2007-08	2,853	1,506	2,367	6,726	(0.5%)
2008-09	2,794	1,560	2,309	6,663	(0.9%)
2009-10	2,757	1,521	2,268	6,546	(1.8%)
2010-11	2,728	1,479	2,242	6,449	(1.5%)
2011-12	2,650	1,413	2,215	6,278	(2.7%)
2012-13	2,631	1,448	2,220	6,299	0.3%
2013-14	2,704	1,407	2,237	6,348	0.8%
2014-15	2,771	1,452	2,298	6,521	2.7%
<b>3-year change</b>	<b>4.6%</b>	<b>2.8%</b>	<b>3.7%</b>	<b>3.9%</b>	
<b>10-year change</b>	<b>(1.5%)</b>	<b>(6.1%)</b>	<b>(7.4%)</b>	<b>(4.7%)</b>	

In addition to district-wide enrollment by level, it can be useful to track students by grade as they move from kindergarten through 12<sup>th</sup> grade. When this information is viewed (Table 2), an increase can be observed between the 8<sup>th</sup> and 9<sup>th</sup> grades across all years. This is likely due to students entering the Corvallis school system from local private K-8 options. For 2014-15, a more dramatic increase is observed at the 12<sup>th</sup> grade level. Increased enrollments in the Running Start program are likely a factor here, as 5<sup>th</sup>-year seniors pursuing college credits are included in the counts for 12<sup>th</sup> grade students.

Similarly, in years prior to 14-15, an increase is seen between kindergarten and 1<sup>st</sup> grade. District staff believes this is due to families choosing private kindergarten options instead of district kindergarten programs, and then enrolling in 1<sup>st</sup> grade the following year. As the district transitioned to full-day kindergarten programs district wide in 2014-15, it is likely that future increases between kindergarten and 1<sup>st</sup> grade will not be as dramatic.

Table 2: Enrollment history by grade 2003-04 to 2014-15 (October 1), excluding Muddy Creek Charter School and YES House

Grade	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	13-14	14-15
K	436	449	435	446	428	442	422	418	392	420	432	462
1	496	457	482	458	483	463	459	454	460	432	486	481
2	491	498	462	477	453	476	462	458	442	450	439	485
3	463	478	502	471	496	474	475	460	454	424	454	439
4	486	466	472	523	465	483	468	475	442	462	426	461
5	484	466	463	482	528	456	471	463	460	443	467	443
6	506	503	482	488	502	530	471	478	471	482	445	486
7	536	513	504	495	500	512	526	473	476	466	489	461
8	554	531	532	521	504	518	524	528	466	500	473	505
9	643	654	614	657	636	637	661	672	645	557	564	582
10	622	603	598	573	604	587	554	587	577	590	543	522
11	612	608	590	584	572	542	520	479	507	520	564	528
12	604	616	606	585	555	543	533	504	486	553	566	666
<b>Total</b>	<b>6,933</b>	<b>6,842</b>	<b>6,742</b>	<b>6,760</b>	<b>6,726</b>	<b>6,663</b>	<b>6,546</b>	<b>6,449</b>	<b>6,278</b>	<b>6,299</b>	<b>6,348</b>	<b>6,521</b>

In addition to data for actual enrollment, the difference between projected and actual enrollment is reviewed. Allocation of instructional staff to schools is based on projected enrollment, and, as such, significant disparities between projected enrollment and actual enrollment can be problematic.

Table 3: District Enrollment by Level Compared to Projections, excluding Muddy Creek Charter School and YES House (October 1, 2014)

	Projected	Actual	Difference	Percent
Elementary (K-5)	2,737	2,771	34	1.2%
Middle (6-8)	1,421	1,452	31	2.2%
High (9-12)	2,190	2,298	108	4.9%
<b>Total</b>	<b>6,348</b>	<b>6,521</b>	<b>173</b>	<b>2.7%</b>

At the high school level, students are tracked not only by grade but also by cohort. A student is assigned a cohort group when he or she first enrolls in 9<sup>th</sup> grade. Therefore, students entering 9<sup>th</sup> grade for the first time during the 2014-15 academic year would be assigned to the 2014-15 cohort. This cohort tracking can make it easier to identify students in specialized programs (such as Running Start and WINGS) for which it is customary for graduation to take longer than four years. Enrollment in the Running Start program as of September 19, 2014 is 93 students.

Table 4: Student Population by Cohort (October 1, 2014)

Cohort	CHS	CVHS	District
2008-09	2	-	2
2009-10	11	4	15
2010-11	76	38	114
2011-12	298	254	552
2012-13	292	233	525
2013-14	299	242	541
2014-15	301	247	548
<b>Total</b>	<b>1,279</b>	<b>1,018</b>	<b>2,297</b>

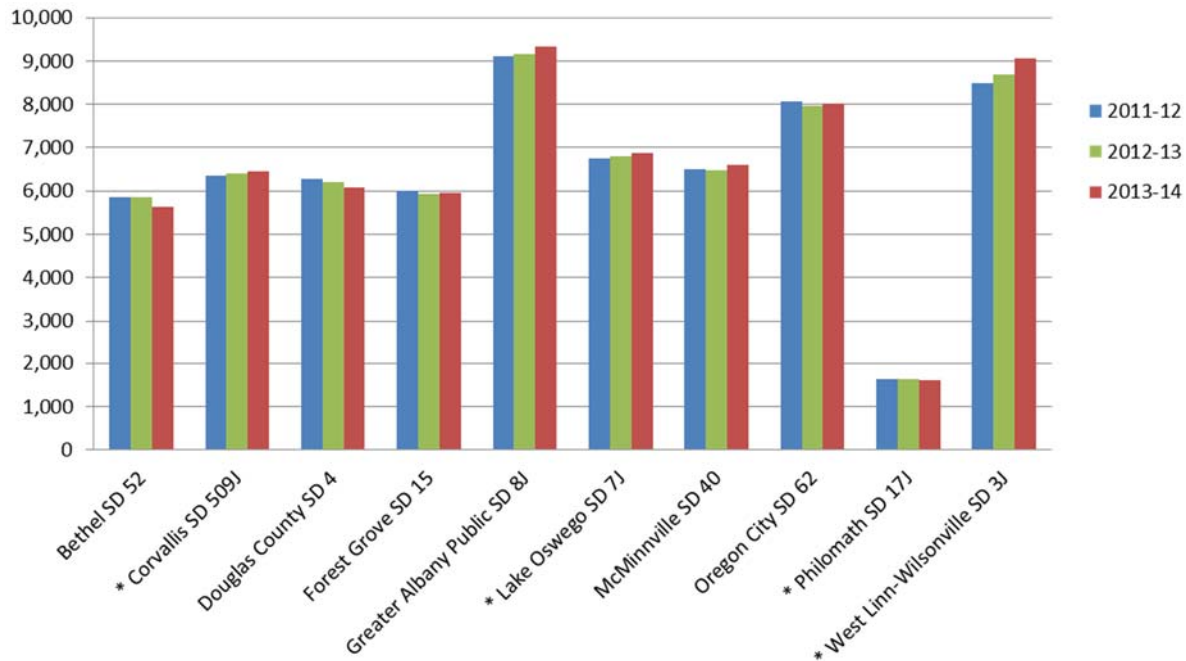
Another view of 2014-15 estimates and actuals is by school. From this vantage point, it is possible to identify individual school populations that may be increasing or decreasing more than anticipated. Enrollments by school are shown in Table 5, below. It is important to note that the 111 students participating in programs at College Hill High School are included in shown figures for Corvallis High School (74) and Crescent Valley High School (34).

Table 5: 2013-14 Projected and Actual Enrollments by School as of October 1, 2014, not including Muddy Creek Charter School and YES House

	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Projected	2014-15 Actual	3-yr Change
Adams Elementary School	363	353	380	352	378	4.1%
Garfield Elementary School	385	394	394	402	420	9.1%
Hoover Elementary School	413	395	406	401	414	0.2%
Jefferson Elementary School	313	330	329	324	339	8.3%
Lincoln Elementary School	348	361	368	403	385	10.6%
Mt. View Elementary School	313	287	298	309	322	2.9%
Wilson Elementary School	345	341	358	374	342	(0.9%)
Franklin K-8 School	343	354	355	364	356	3.8%
Cheldelin Middle School	543	563	546	548	562	3.5%
Linus Pauling Middle School	697	701	677	681	705	1.1%
Corvallis High School	1,196	1,235	1,242	1,220	1,280	7%
Crescent Valley High School	1,019	985	995	970	1,018	(0.1%)
<b>Total</b>	<b>6,278</b>	<b>6,299</b>	<b>6,348</b>	<b>6,348</b>	<b>6,521</b>	<b>3.9%</b>

This report includes comparisons to other Oregon districts to provide the reader with some perspective. These comparator districts were selected based on size and proximity.

Figure 1: District Enrollment for Comparative Districts 2011-12 to 2013-14 (\* indicates districts with Local Option Levies)



## RACE/ETHNICITY AND PRIMARY LANGUAGE

Students within the Corvallis School District are diverse. Statistical data regarding race and ethnicity is compiled based on information provided by parents during the registration process. In situations where data is not provided by parents, school staff make educated guesses in accordance with state requirements.

In comparison to state-wide percentages as reported through the 2010 US Census<sup>1</sup>, students in Corvallis are more likely to identify themselves as Hispanic, Asian, American Indian, or Black/African American than the state averages. In only the Hawaiian/Pacific Islander category was the district percentage less than what was reported state-wide.

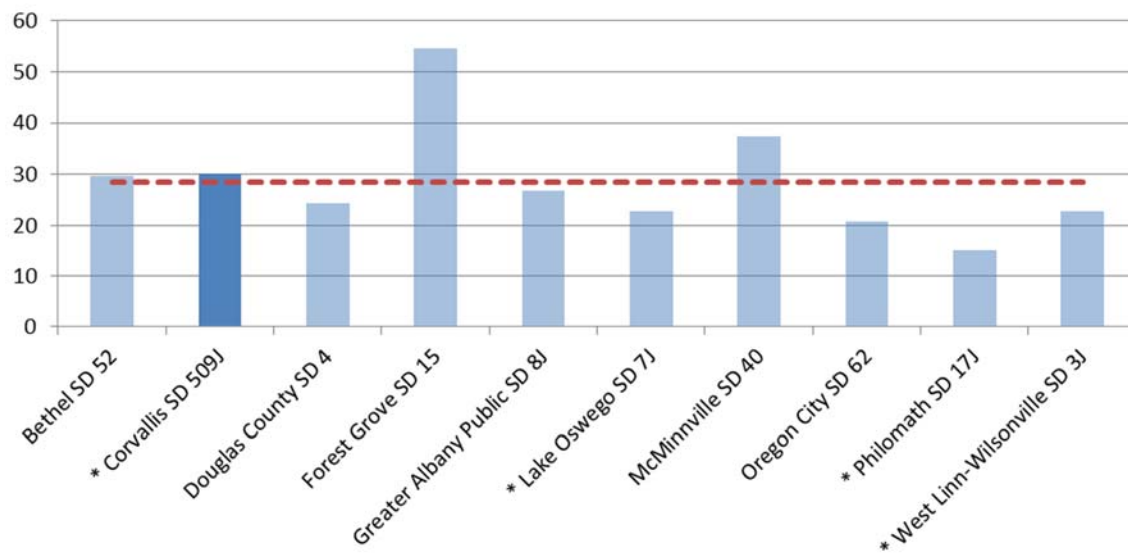
Table 6: District-Wide Student Race/Ethnicity as of October 1, 2013 and 2014 Compared to 2010 State-Wide All Ages Census Data

Race/Ethnicity as Reported	October 1, 2013		October 1, 2014		2010 State-Wide Percentage**
	District-Wide	District-Wide	District-Wide	District-Wide	
	Number*	Percentage of Total*	Number*	Percentage of Total*	
Hispanic	944	14.6%	1,030	15.5%	11.7%
Asian	660	10.2%	634	9.5%	3.7%
American Indian	636	9.8%	705	10.6%	1.4%
Black /African American	210	3.2%	226	3.4%	1.8%
Hawaiian /Pacific Islander	151	2.3%	151	2.3%	3.0%
White	5,393	83.4%	5,543	83.5%	83.6%

\*Individuals may self-report in multiple categories; number and percentage totals may exceed 100%

\*\*2010 US Census Data

Figure 2: 2013-14 Percent of Total Students Identified as Minorities for Comparator Districts (ODE Data, \* indicates districts with Local Option Levies)



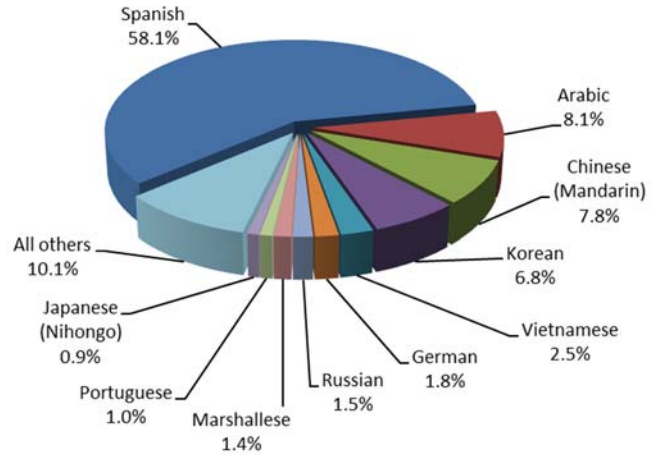
<sup>1</sup> 2010 US Census data was downloaded on Oct. 14, 2011, from <http://2010.census.gov/2010census/data/>.

Among district comparators, Corvallis ranked as the third most diverse population based on 2013-14 data compiled by the Oregon Department of Education (ODE), with a total number of students identified as minorities at just over 30 percent, slightly over the comparator group average of nearly 28.5 percent. Philomath’s minority population of just over 15 percent was the least, while Forest Grove’s population of over 54 percent was the greatest of our comparator group.

Another indicator of diversity is the self-report of families’ primary languages other than English. As of October 1, 2014, 1,035 students indicated that their primary language is one other than English, up from 970 reported in 2013, representing 15.6 percent of the total student body. Forty-eight unique languages other than English are spoken in the homes of our students.

Arabic is now the second most popular non-English language spoken by our students, after Spanish, moving up from fourth on this list in 2013.

Figure 3: Ten Most Popular Non-English Primary Languages, with All Others, as a Percentage of Total Non-English Languages Reported by Corvallis District Students (October, 2014)



The 2010 US Census reports an estimated 11.2 percent of individuals within the Corvallis, Oregon metropolitan area speak a language other than English.<sup>2</sup>

## PARTICIPATION IN SPECIALIZED LEARNING PROGRAMS

In order to meet the diverse needs of students, the district offers a variety of programs aimed at reaching each individual student. These services include those targeted specifically for Talented and Gifted (TAG) students, English Language Learners (ELL), and students on an Individualized Education Plan (IEP). TAG screening does not occur until 1<sup>st</sup> grade, which lowers the percentage of K-3 TAG students.

Table 7: Students Participating in Specialized Learning Programs by Level, as of October 2014

Academic Level	TAG		ELL		IEP	
	Number	Percent of Total by Level	Number	Percent of Total by Level	Number	Percent of Total by Level
Elementary (K-3)	5	0.3%	279	14.9%	172	9.2%
Elementary (4-5)	56	6.2%	93	10.3%	134	14.8%
Middle (6-8)	267	18.4%	53	3.7%	172	11.8%
High (9-12)	599	26.1%	35	1.5%	264	11.5%
<b>All grades (K-12)</b>	<b>927</b>	<b>14.2%</b>	<b>460</b>	<b>7.1%</b>	<b>742</b>	<b>11.4%</b>

<sup>2</sup> U.S. Census Bureau, 2010 American Community Survey as reported online at [http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_10\\_1YR\\_S1601&prodType=table](http://factfinder2.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_10_1YR_S1601&prodType=table), October 14, 2011.

The figure below shows ODE data for 2013-14, comparing Corvallis to comparator districts for overall percentages of students with disabilities.

Figure 4: Percentage of Students with Disabilities for Comparator Districts 2013-14 (ODE Data, \* indicates districts with Local Option Levies)

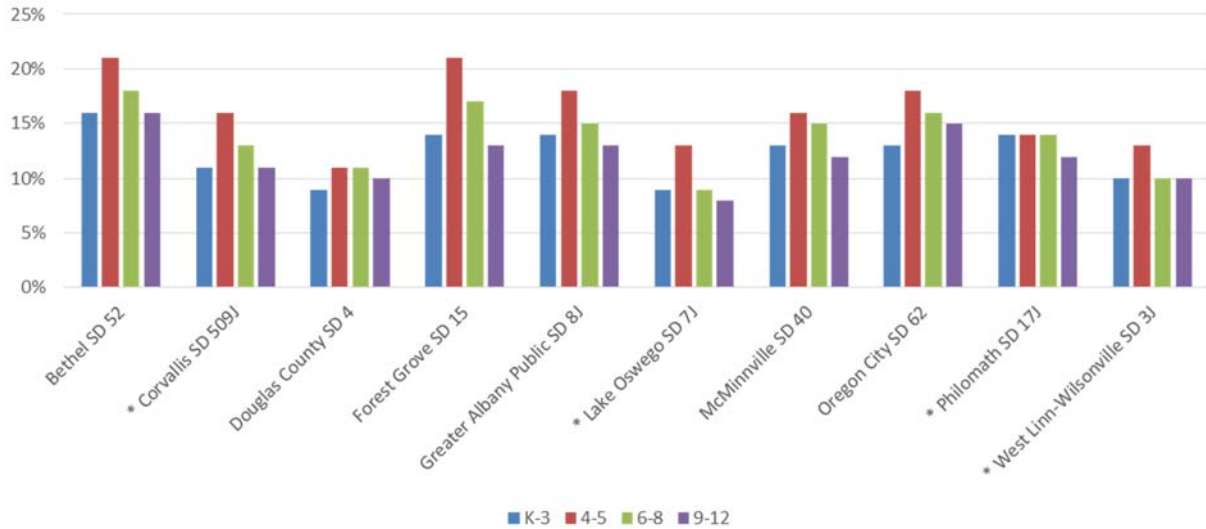
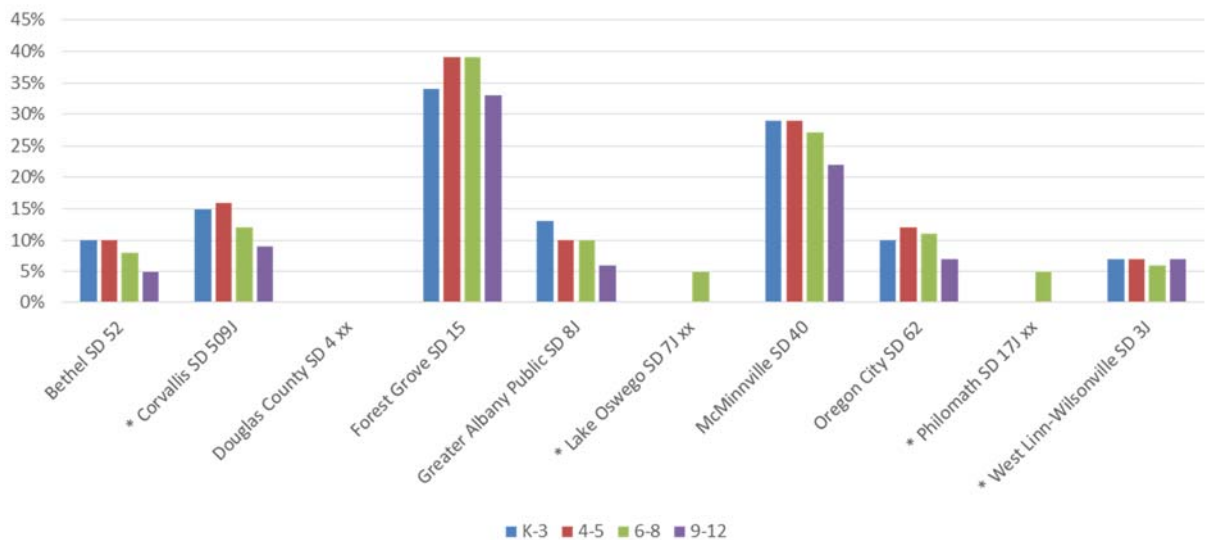


Figure 5, below, shows ODE data for 2013-14, comparing Corvallis to district-designated comparator districts for overall percentages of Ever Language Learners. For the purposes of this figure, Ever Language Learners include students identified as requiring language supports at some point in their academic career, not just those currently receiving formal English Language Learner services as shown in Table 7 on the previous page.

Figure 5: Percentage of Students identified as Ever Language Learners by grade level for Comparator Districts 2013-14 (ODE Data, \* indicates districts with Local Option Levies, "xx" indicates missing data or districts/grade levels reporting less than five percent in any grade cluster)



## FREE AND REDUCED LUNCH PROGRAMS

The Free and Reduced-Priced Meal Program is a federally-funded program to ensure children from households that meet federal income guidelines have access to nutritious meals while at school. This program is completely confidential. Children from households that receive Food Stamps or Temporary Assistance to Needy Families (TANF) benefits are eligible for free meals. Additionally, all foster children are approved for free meals.

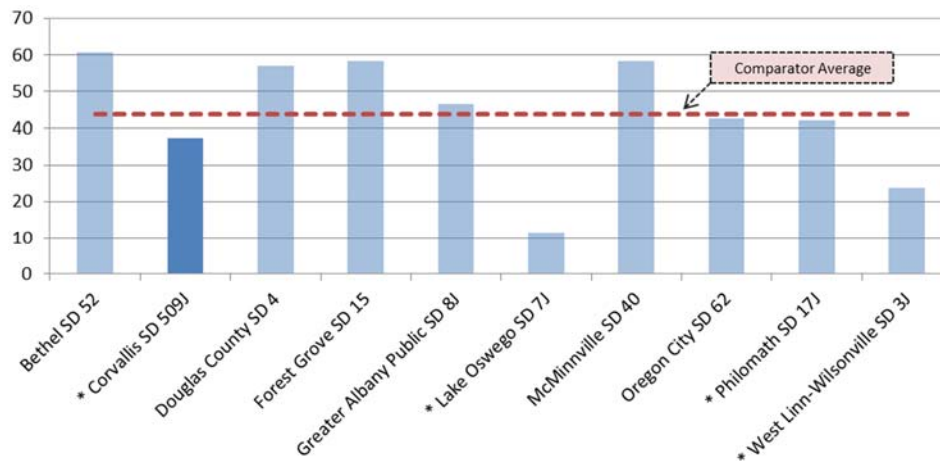
Children from households that meet federal income guidelines are determined eligible for either free or reduced-priced meals. Thanks to the Oregon State Legislature, students who qualify for reduced-priced meals can have breakfast for free. This program provides children the opportunity for a nutritious breakfast that they need to be successful in school.

Overall, participation in this program has increased in Corvallis over the past ten years from 27.2 percent in 2003-04 to 38.8 percent in 2013-14. The district's 2013-14 average, however, is still less than that of the average of our comparator districts at 43.8 percent.

Table 8: Corvallis School District (CSD) Free and Reduced Lunch Program Participation, CSD Food Service Data 2008-09 to 2013-14

School	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Adams Elementary	20.2%	19.7%	21.2%	22.6%	27.7%	24.5%
Garfield Elementary	71.1%	72.5%	75.1%	77.7%	75.6%	72.1%
Hoover Elementary	12.6%	18.8%	17.8%	18.2%	18.0%	16.5%
Jefferson Elementary	19.8%	17.6%	20.9%	25.5%	26.1%	28.0%
Lincoln Elementary	66.5%	70.8%	68.2%	69.3%	68.8%	67.4%
Mt. View Elementary	45.4%	51.9%	49.7%	53.4%	56.1%	55.3%
Wilson Elementary	45.7%	52.8%	51.8%	53.5%	56.5%	52.5%
Franklin K-8	15.7%	23.9%	23.7%	23.4%	23.3%	22.5%
Cheldelin Middle	25.2%	31.9%	31.3%	32.7%	36.5%	31.8%
Linus Pauling Middle	41.1%	43.0%	42.5%	43.3%	44.9%	47.8%
Corvallis High	28.4%	38.2%	34.9%	38.7%	38.6%	36.0%
Crescent Valley High	21.7%	26.6%	24.8%	26.7%	26.1%	27.8%
<b>District Average</b>	<b>32.6%</b>	<b>37.8%</b>	<b>36.5%</b>	<b>38.8%</b>	<b>39.7%</b>	<b>38.8%</b>

Figure 6: Comparator District Free and Reduced Lunch Participants as a Percentage of Total Enrollment (ODE Data, 2013-14)



## WHERE DO OUR STUDENTS GO TO SCHOOL?

### ELEMENTARY

The school board has consistently made lower class size a budget priority for the past fifteen years. To assist school leadership in the budgeting process, allocations have been defined since the 2011-12 budget to include three categories: basic school support, classroom teacher FTE, and discretionary.

Basic school support identifies specific roles necessary for the basic operation of an individual school. This includes a principal, for example, as well as allocated hours based on the overall school size for support services including, for example, office staff, behavior specialists, and other classified staff. School closures, consolidations and reconfigurations implemented over the past decade have helped to maintain schools at cost-effective sizes. The Quality Education Model for elementary schools uses a school size of 340 for an effective size. As of October 1, 2014, two elementary schools fall just below that size at 339 and 322 students: Jefferson and Mt. View Elementary Schools, respectively.

To allocate classroom teacher FTE, targeted class sizes were identified for each grade. These targets, the same since 2012-13, reflect the desire of the district to focus on reducing student to teacher ratios specifically at the lower grades.

Table 9: 2014-15 Adopted Budget Class Sizes used for Classroom Teacher FTE Allocation

Grade Level	2012-13 to 2014-15	
	Targeted Class Size	Maximum Class Size
Kindergarten	24	26
First - Second	26	28
Third	27	28
Fourth - Fifth	31	32

### DISTRICT-WIDE ELEMENTARY CLASS SIZES

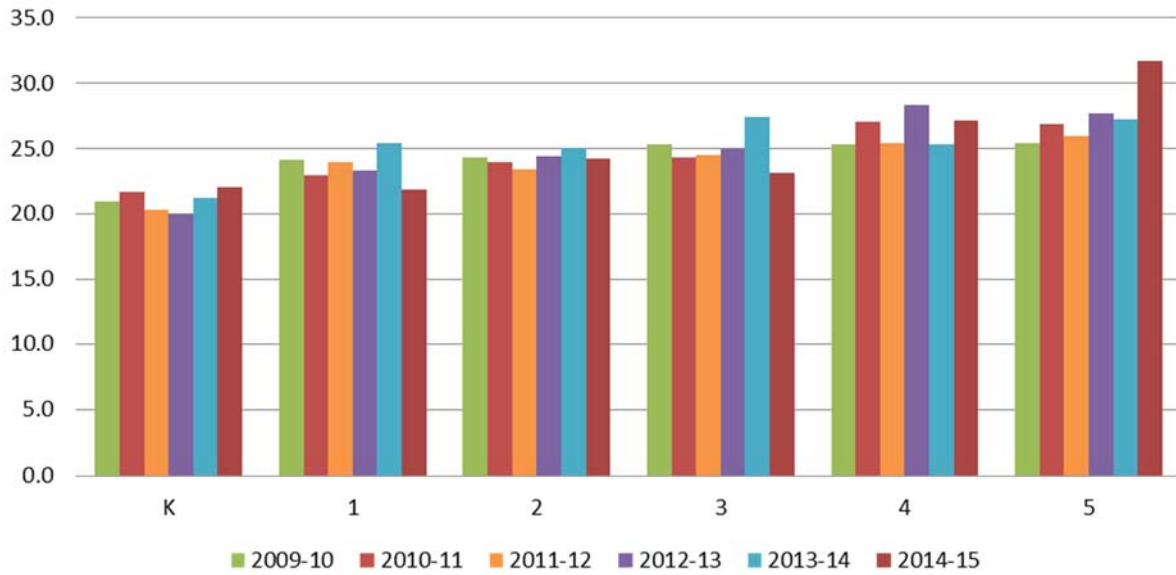
The average district-wide elementary class size is 26.1 students per classroom as of October 1, 2014. In 2013-14, the average was 25.5 students per classroom.

Average elementary class sizes for each grade are shown below from 2007-08 to 2013-14.

Table 10: District-Wide Average Class Sizes by Grade 2008-09 to 2014-15.

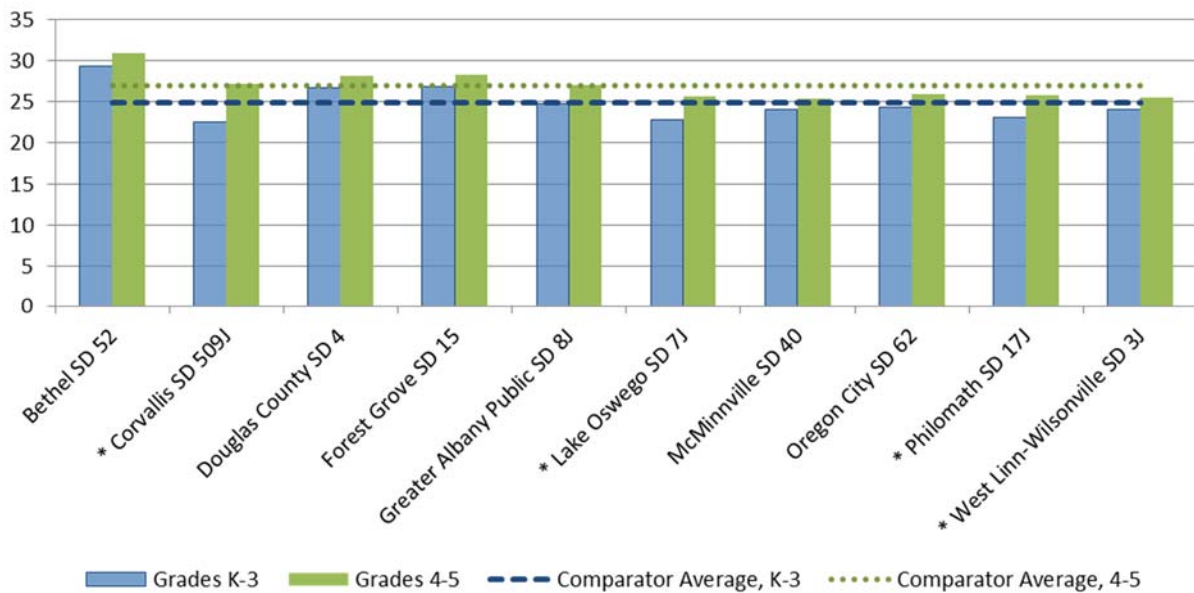
Grade	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
K	21.9	21.0	21.7	20.3	19.9	21.2	22.0
1	21.9	24.1	23.0	24.0	23.3	25.4	21.9
2	24.0	24.3	24.0	23.4	24.4	25.0	24.3
3	24.7	25.3	24.4	24.5	24.9	27.4	23.1
4	23.9	25.3	27.1	25.4	28.3	25.3	27.1
5	23.9	25.4	26.9	26.0	27.7	27.2	31.6

Figure 7: District-Wide Average Class Sizes by Grade 2009-10 to 2014-15



As of the 2012-13 school year, ODE collects information regarding class size averages at the elementary level in just two categories: grades K-3 and 4-5.

Figure 8: Elementary Class Sizes by Comparator District as Reported by ODE 2013-14 (\* indicates districts with Local Option Levies)



## ELEMENTARY SCHOOL SPECIFIC CLASS SIZE AVERAGES

The following table compares this year's class size averages at each elementary school to their 2012-13 and 2013-14 averages.

Table 11: Elementary School Average Class Sizes Current and Previous Two Years Comparison

School	2012-13	2013-14	2014-15	3-yr Difference
Adams Elementary	27.2	27.1	25.2	(2.0)
Franklin (K-5 only)	28.3	28.5	28.5	0.2
Garfield Elementary	23.2	23.2	23.3	0.1
Hoover Elementary	23.2	27.1	25.9	2.7
Jefferson Elementary	26.7	27.3	26.1	(0.6)
Lincoln Elementary	22.4	23.0	22.6	0.2
Mt. View Elementary	23.9	24.8	24.8	0.9
Wilson Elementary	24.4	25.6	24.4	-

Class size averages, while helpful in identifying district-wide trends over time, do not necessarily reflect the overall classroom experience of individual students. Blended grade level classes, classes integrated with Life Skills students, and creative use of differentiated learning groups can all impact these experiences.

To better assist the reader in understanding the individual experience of district students, the following classroom configuration tables are published below. Class averages greater than the maximum are shown in red; less than four students smaller than the target are shown in yellow.

Table 12: Elementary School Average Class Sizes by Grade, Non-Dual Language Schools, October 1, 2014, part I

ADAMS				FRANKLIN K-5				HOOVER			
Grade	Actual Students	Adjusted FTE	Student Teacher Ratio	Grade	Actual Students	Adjusted FTE	Student Teacher Ratio	Grade	Actual Students	Adjusted FTE	Student Teacher Ratio
K	62	3	20.7	K	24	1	24.0	K	60	3	20.0
1	49	2	24.5	1	28	1	28.0	1	53	2	26.5
1-2	25	1	25.0	1-2	-	-	-	1-2	26	1	26.0
2	53	2	26.5	2	28	1	28.0	2	49	2	24.5
2-3	-	-	-	2-3	-	-	-	2-3	-	-	-
3	47	2	23.5	3	30	1	30.0	3	78	3	26.0
3-4	26	1	26.0	3-4	-	-	-	3-4	-	-	-
4	56	2	28.0	4	31	1	31.0	4	61	2	30.5
4-5	-	-	-	4-5	-	-	-	4-5	26	1	26.0
5	60	2	30.0	5	30	1	30.0	5	61	2	30.5
Total	378	15	25.2	Total	171	6	28.5	Total	414	16	25.9

Table 13: Elementary School Average Class Sizes by Grade, Non-Dual Language Schools, October 1, 2014, part II

JEFFERSON				MOUNTAIN VIEW				WILSON			
Grade	Actual Students	Adjusted FTE	Student Teacher Ratio	Grade	Actual Students	Adjusted FTE	Student Teacher Ratio	Grade	Actual Students	Adjusted FTE	Student Teacher Ratio
K	41	2	20.5	K	74	3	24.7	K	45	2	22.5
1	60	3	20.0	1	57	3	19.0	1	62	3	20.7
1-2	-	-	-	1-2	-	-	-	1-2	-	-	-
2	54	2	27.0	2	49	2	24.5	2	73	3	24.3
2-3	-	-	-	2-3	-	-	-	2-3	-	-	-
3	63	2	31.5	3	53	2	26.5	3	55	2	27.5
3-4	-	-	-	3-4	-	-	-	3-4	-	-	-
4	60	2	30.0	4	-	-	-	4	54	2	27.0
4-5	-	-	-	4-5	89	3	29.7	4-5	-	-	-
5	61	2	30.5	5	-	-	-	5	53	2	26.5
Total	339	13	26.1	Total	322	13	24.8	Total	342	14	24.4

Table 14: Elementary School Average Class Sizes by Grade, Dual Language Schools, October 1, 2014

GARFIELD				LINCOLN			
Grade	Actual Students	Adjusted FTE	Student Teacher Ratio	Grade	Actual Students	Adjusted FTE	Student Teacher Ratio
K (DLI)	90	4	22.5	K (DLI)	66	3	22.0
1 (DLI)	73	3	24.3	1 (DLI)	71	3	23.7
1-2 (DLI)	-	-	-	1-2 (DLI)	-	-	-
2 (DLI)	81	3	27.0	2 (DLI)	75	3	25.0
2-3 (DLI)	-	-	-	2-3 (DLI)	-	-	-
3 (DLI)	51	3	17.0	3 (DLI)	34	2	17.0
3-4 (DLI)	-	-	-	3-4 (DLI)	-	-	-
4 (DLI)	55	2	27.5	4 (DLI)	42	2	21.0
4-5 (DLI)	-	-	-	4-5 (DLI)	-	-	-
5 (DLI)	41	2	20.5	5 (DLI)	37	2	18.5
3 (EO)	-	-	-	3 (EO)	-	-	-
3-4 (EO)	-	-	-	3-4 (EO)	28	1	28.0
4 (EO)	-	-	-	4 (EO)	-	-	-
4-5 (EO)	29	1	29.0	4-5 (EO)	32	1	32.0
5 (EO)	-	-	-	5 (EO)	-	-	-
Total	420	18	23.3	Total	385	17	22.6

## SECONDARY

Student-Teacher ratios at the secondary school level have traditionally been examined by core subject: language arts, mathematics, science, social studies, foreign languages and health-related activities. As with elementary class size, there is no specific board policy regarding student-teacher ratios at the secondary level. The targeted size used to allocate FTE in 2014-15 continues to be 32 students per classroom teacher, up from 29 used in 2011-12. Schools can and do supplement the allocated classroom FTE with vocational education and discretionary budgets.

Table 15: Secondary School Student-Classroom Teacher Ratios, 2014-15

School	Actual Students	Adjusted FTE	Student-Teacher Ratio
Franklin 6-8	185	6.00	30.8
Cheldelin Middle School	562	20.33	27.6
Linus Pauling Middle School	705	24.97	28.2
Corvallis High School	1,280	43.72	29.3
Crescent Valley High School	1,018	34.27	29.7

## PRIVATE SCHOOL, HOME SCHOOL, AND TRANSFER STUDENTS

Some students residing in the district choose alternatives to enrollment in their boundary area school, including enrolling in local private schools, the Linn-Benton-Lincoln Educational Service District (LBL ESD) home school program, and students requesting inter- and in-district transfers.

### PRIVATE SCHOOLS

Each fall, district staff collects two types of data regarding private school enrollment: 1) the number of students enrolled in private schools located within the Corvallis School District boundary area, and 2) the number of students who live within the Corvallis School District boundary area but attend a private school either within or outside of the boundary area.

Data is requested from and provided by individual school locations and accuracy, therefore, cannot be guaranteed. Based on these voluntary reports from the private schools, overall enrollment has continued to decrease for the second year, this year more rapidly than last due to the closure of the Good Samaritan School effective this fall. A reporting anomaly may have also occurred in regards to the 2013-14 enrollment reported by the Corvallis Montessori school, further exaggerating the reduction in reported private school enrollments from 2013-14 to 2014-15. Prior to this year, private school students as a percentage of 509J total enrollment has held relatively steady at around 10 percent over the past five years.

Table 16: Private School Enrollment 2010-11 to 2014-15 as Reported by Schools

School	Corvallis	Corvallis	Corvallis	Corvallis	Corvallis
	Residents	Residents	Residents	Residents	Residents
	2010-11	2011-12	2012-13	2013-14	2014-15
Ashbrook Independent School (K-8, Corvallis)	132	119	158	121	143
Central Valley Christian School (K-8, Tangent)	11	12	11	11	10
Corvallis Montessori (K-6, Corvallis)	50	45	33	88	33
Corvallis Waldorf School (K-8, Corvallis)	110	110	116	125	113
Good Samaritan School (K-5, Corvallis)	30	39	40	43	n/a
Marist High School (9-12, Eugene)	4	3	3	3	-
OSU Beaver Beginnings (K, Corvallis)	17	15	18	11	9
Philomath Montessori (K-1, Philomath)	2	6	2	5	4
Santiam Christian School (K-12, Adair Village)	220	191	186	147	153
St. Mary's School (K-8, Albany)	9	9	9	n/a	n/a
Standard Christian School (K-12, Albany)	-	-	-	2	-
Stepping Stones Preschool (K, Corvallis)	5	-	n/a	n/a	n/a
Sundborn Children's House (K, Albany)	2	3	3	-	-
Zion Lutheran School (K-8, Corvallis)	99	100	100	84	86
<b>Total</b>	<b>691</b>	<b>652</b>	<b>679</b>	<b>640</b>	<b>551</b>
Percent change over previous year	1.9%	(5.6%)	4.1%	(5.7%)	(13.9%)
Corvallis School District 509J Total	6,588	6,387	6,299	6,348	6,521
Private as a percentage of 509J Total	10.5%	10.2%	10.8%	10.1%	8.4%

"n/a" indicates closed, no response or no information available

## HOME SCHOOL STUDENTS

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Home school students must register with LBL ESD. Enrollment is reported to the district quarterly. Students registered as home school students may also attend some classes at Corvallis District schools. These students are not counted in the overall enrollment numbers reported in this document, but do count towards the district's overall Average Daily Membership Weighted (ADMw) through their hours of attendance.

Table 17: Corvallis Students Registered as Home School 2010-11 to 2014-15, per LBL ESD (each October 1)

	2010-11	2011-12	2012-13	2013-14	2014-15
Count of Registered Home School Students	197	195	190	182	185
Percent Change from Prior Year	2.6%	(1%)	(2.6%)	(4.2%)	1.6%

## CHARTER SCHOOLS AND VIRTUAL ACADEMY STUDENTS

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State law does not require children to apply for an inter-district transfer to attend public charter schools (both online/virtual and physical), regardless of their residency address.

Students attending charter schools outside of the district are not included in the transfers out tally in Table 18, shown on the next page. Additionally, students from other districts attending Muddy Creek Charter School (23 as of October 1, 2014) are not included in Table 18 as transfers into the district.

As of October 1, 2014, there were 103 children enrolled at MCCS. Of these 103, 80 were residents of the Corvallis School District. The remaining 23 students attending were residents of Philomath (15), Monroe (5), and Greater Albany (3) school districts.

Virtual schools and charter programs continue to be popular with families. These schools are required to keep resident districts informed of enrollment in their programs by resident students. As of October 1, 2014, 77 Corvallis resident students were identified as attending a virtual charter school. This is an increase of 29 students over the total of 48 registered with online programs in October, 2013. The most popular program continues to be the Oregon Connections Academy sponsored by the Scio School District, with 35 Corvallis residents enrolled.

Virtual public charter schools not sponsored by a particular district may enroll up to 3 percent of the students who reside in that district without restriction. After three percent, the resident district may refuse to approve enrollment in the virtual school. Over 195 Corvallis area students would need to enroll in any one online option prior to triggering this rule.

## STUDENTS ON INTER- AND IN-DISTRICT TRANSFERS

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The Corvallis School District, in accordance with state law, district policy, and district administrative regulations, regularly allows students to transfer to and from the district as well as between schools within the district upon request by parents to the extent as is allowed by enrollment capacities at individual schools.

Transfer requests are made for grades K-12 through an online process. The online process for the following school year opens March 1 and closes March 31. Kindergartners requesting transfers are required to register at their neighborhood school by March 31. If the number of students seeking transfers exceeds the number of spaces available, an equitable lottery process is used and a waiting list is created.

After March 31, the district reviews requests using the online process for transfer at the end of the grading period for elementary school or at the end of the first semester for secondary school students. The impact on school budgets, staffing, and programs is considered as these requests are processed. These are evaluated on a case-by-case basis and must be approved by the Assistant Superintendent. Transfer requests must be made at least ten days prior to the end of the grading period/semester.

Transfers are limited based on anticipated enrollment. District administrative regulation requires that secondary schools, in particular, maintain enrollments within seven percent of the average of both schools. When this is exceeded, the school with the greater enrollment is considered to be “closed to transfers.” When the number of requests is greater than the number of seats available, a lottery is conducted and a wait list is started. For new transfers effective 2014-15, Linus Pauling Middle School and Corvallis High School continued to be closed to transfers.

#### INTER-DISTRICT TRANSFERS

Admission of nonresident students is contingent upon written consent of the affected school boards. Once offered a seat by the Corvallis School District, parents of students from outside the 509J district boundary area must also receive consent from their resident school district. Once approved by their local school district, the inter-district transfer request is reviewed by the appropriate 509J principal before being submitted to the assistant superintendent’s office for final review and processing. (See also Board Policy JECB—Admission of Nonresident Students.)

The majority of inter-district transfers each year involve residents of the Greater Albany School District (GAPS) and Philomath School District boundary areas. This year, 128 resident students from GAPS and 75 resident students from Philomath School District were enrolled in Corvallis schools. Due to changes in legislation surrounding student transfers, figures regarding the total number of Corvallis residents attending public schools in neighboring districts was unavailable at press time.

Table 18: Number of Inter-District Transfers In/Out as of October each year, excluding YES House and Muddy Creek Charter School

	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
Transfers Into Corvallis	168	164	203	204	274
Transfers Out of Corvallis	150	157	139	147	N/A
<u>Enrollment Gain (Loss)</u>	<u>18</u>	<u>7</u>	<u>64</u>	<u>57</u>	<u>TBD</u>

## IN-DISTRICT TRANSFERS

In-district (within 509J) transfers are often impacted by school boundary changes, school program offerings, and population shifts due to families moving, because students who are attending a school frequently wish to continue attending the same school despite being in a new boundary area.

Table 19: Number of In-District (within 509J) Transfers by School, October 1 each year

School	2012-13			2013-14			2014-15		
	In	Out	Net	In	Out	Net	In	Out	Net
Adams Elementary	55	65	(10)	49	68	(19)	64	60	4
Garfield Elementary	117	74	43	122	107	15	151	121	30
Hoover Elementary	70	45	25	77	33	44	77	37	40
Jefferson Elementary	57	54	3	66	38	28	90	41	49
Lincoln Elementary	37	82	(45)	38	83	(45)	28	92	(64)
Mt View Elementary	9	86	(77)	10	90	(80)	17	134	(117)
Wilson Elementary	46	152	(106)	55	164	(109)	75	176	(101)
Franklin K-8*	340	-	340	343	-	343	339	-	339
<i>Franklin K-5</i>	167	-	167	167	-	167	174	-	174
<i>Franklin 6-8</i>	173	-	173	176	-	176	165	-	165
Cheldelin Middle	19	79	(60)	14	107	(93)	20	112	(92)
Linus Pauling Middle**	13	126	(113)	39	122	(83)	42	105	(63)
Corvallis High***	161	43	118	139	34	105	116	43	73
Crescent Valley High	43	161	(118)	34	139	(105)	43	116	(73)

Figures represent actual number of students living in the 509J boundary attending a school other than their boundary-area school as captured by district student information system (SIS) October 1 each year. These totals include magnet program assignments (Life Skills and ELL).

\*there is no boundary for Franklin K-8, therefore no transfers out are assigned

\*\*Linus Pauling closed to new transfers 2011-12 through 2014-15

\*\*\*Corvallis High closed to new transfers 2013-14 to 2014-15

A comparison of all enrolled Corvallis residents to those attending their boundary area schools (below) indicates that over 16 percent of Corvallis residents attend a school other than their boundary area school.

Table 20: Comparison of Resident Student Counts to Residents Attending Boundary Schools as of October 1, 2014

School	Known School	Residents Attending	
	Residents	Boundary School	Difference
Adams Elementary	371	311	(60)
Garfield Elementary	377	256	(121)
Hoover Elementary	370	333	(37)
Jefferson Elementary	284	243	(41)
Lincoln Elementary	427	335	(92)
Mt View Elementary	412	278	(134)
Wilson Elementary	431	255	(176)
Cheldelin Middle	613	501	(112)
Linus Pauling Middle	762	657	(105)
Corvallis High	1,178	1,135	(43)
Crescent Valley High	1,017	901	(116)
<b>District Wide</b>	<b>6,242</b>	<b>5,205</b>	<b>(1,037)</b>

\*Excludes Inter-District Transfers (IDT)

## FACILITIES

### BUILDINGS AND PROPERTIES

The Corvallis School District operates 13 school locations: seven elementary schools, one K-8 school, two middle schools, two high schools, and one alternative program site. Administrative, facilities, and food service functions are housed at the District Office. Together with the Western View Center that houses a district computer lab and meeting space, these 15 locations comprise nearly 1.2 million square feet.

Original construction dates for district buildings range from 1923 (Harding Center) to 2005 (Corvallis High School). Average school building ages as of 2014 are shown below.

Table 21: Average Ages of District Schools as of 2014

<u>Category</u>	<u>Average Age in Years</u>	<u>Maximum Age</u>	<u>Minimum Age</u>
Elementary Schools*	57	67	46
Middle Schools*	29	67	10
High Schools	26	43	9

\*Franklin is averaged in both the Elementary and Middle School Categories

Other facilities owned by the district include: Dixie and Inavale schools, which are both rented to other educational entities, and Osborn Aquatic Center, operated by the City of Corvallis. Dixie Elementary School is utilized by Head Start as well as LBL ESD. Muddy Creek Charter School is operating at the Inavale location.

Another property, Fairplay Elementary, was leased to the Corvallis Waldorf School for several years. The district finalized its 2011 sale of the Fairplay property to Waldorf School in August, 2013. The Pleasant View Fruit Farm, an undeveloped 11 acre parcel south of Country Club Drive in Corvallis, was also sold by the district in 2014.

### CLASSROOM UTILIZATION

Utilization is defined as the percentage of available classroom seats used by current students. This measurement was developed by the Program Resources and Review (PR2) Committee in 2005, and is calculated as a percentage of planning capacity and actual enrollment. Planning capacity is calculated per building based on the number of physical classroom spaces available multiplied by the number of students planned per classroom (set at 25 for K-5 and 28 for grades 6-12) multiplied by 85 percent to account for specialized instruction and prep periods.

For the purposes of this section, the students-planned-per-classroom has not been increased to reflect the higher targeted class sizes. The Long Range Facilities Master Planning Committee may address this issue as it updates plans for the district's facilities.

Table 22: 2014-15 School Building Utilization

Schools	Classrooms	Modular Classrooms	Planning Capacity	10/1/2014 Enrollment	Utilization
<b>Elementary</b>					
Adams	20	3	489	378	77.3%
Garfield	17	3	425	420	98.8%
Hoover	14	5	404	414	102.5%
Jefferson	15	2	361	339	93.8%
Lincoln	19	4	489	385	78.8%
Mt. View	17	4	446	322	72.2%
Wilson	20	-	425	342	80.5%
<b>Total Elementary</b>	<b>122</b>	<b>21</b>	<b>3,039</b>	<b>2,600</b>	<b>85.6%</b>
<b>K-8 School</b>					
<b>Franklin K-8 School</b>	<b>17</b>	<b>-</b>	<b>379</b>	<b>356</b>	<b>93.9%</b>
<b>Middle School</b>					
Cheldelin	34	-	809	562	69.5%
Linus Pauling	34	-	809	705	87.1%
<b>Total Middle Schools</b>	<b>68</b>	<b>-</b>	<b>1,618</b>	<b>1,267</b>	<b>78.3%</b>
<b>High School</b>					
CHS	72	-	1,714	1,280	74.7%
CVHS	65	-	1,547	1,018	65.8%
<b>Total High Schools</b>	<b>137</b>	<b>-</b>	<b>3,261</b>	<b>2,298</b>	<b>70.5%</b>
<b>Total District Capacity</b>	<b>344</b>	<b>21</b>	<b>8,297</b>	<b>6,521</b>	<b>78.6%</b>

## OVERHEAD COSTS

The cost of maintenance overhead is measured by the custodial costs and utilities at each site on a per student basis. The following table shows the site administration and custodial/utility costs per student. Employee costs are based on actual salary and benefits, instead of average. Therefore, discrepancies are seen in the costs.

Table 23: Overhead Costs by Level and School

School	Enrollment 10/1/14	Site Administration*	Site Admin Cost per Student	Difference to Average by Level	Site Custodial and Utilities**	Custodial and Utilities per Student	Difference to Average by Level
<b>Elementary &amp; K-8 Schools</b>							
Adams	378	\$ 415,570	\$ 1,099	(5.3%)	\$ 178,276	\$ 472	19.3%
Franklin	356	474,809	1,334	14.9%	133,712	376	(5%)
Garfield	420	421,561	1,004	(13.5%)	135,527	323	(18.4%)
Hoover	414	431,863	1,043	(10.1%)	143,839	347	(12.1%)
Jefferson	339	414,422	1,222	5.3%	151,746	448	13.2%
Lincoln	385	424,819	1,103	(4.9%)	148,208	385	(2.6%)
Mt View	322	420,366	1,305	12.5%	139,296	433	9.4%
Wilson	342	427,914	1,251	7.8%	138,231	404	2.2%
<b>Elementary &amp; K-8 Total</b>	<b>2,956</b>	<b>\$ 3,431,324</b>	<b>\$ 1,161</b>		<b>\$ 1,168,835</b>	<b>\$ 395</b>	
<b>Middle Schools</b>							
Cheldelin	562	\$ 802,254	\$ 1,427	0.1%	\$ 268,997	\$ 479	7.2%
Linus Pauling	705	1,004,606	1,425	(0.1%)	296,566	421	(5.8%)
<b>Middle School Total</b>	<b>1,267</b>	<b>\$ 1,806,860</b>	<b>\$ 1,426</b>		<b>\$ 565,563</b>	<b>\$ 446</b>	
<b>High Schools</b>							
CHS	1,280	\$ 1,438,205	\$ 1,124	(6.7%)	\$ 591,554	\$ 462	(9%)
CVHS	1,018	1,328,921	1,305	8.4%	575,204	565	11%
<b>High School Total</b>	<b>2,298</b>	<b>\$ 2,767,126</b>	<b>\$ 1,204</b>		<b>\$ 1,166,758</b>	<b>\$ 508</b>	

\*Site Administration is the sum of the principal(s), head secretary, and centrally-funded building staff, excluding department staff.

\*\*Site Custodial and Utilities is the sum of all custodial staff plus utilities for the site. Utilities are actuals from 2013-14.

## FINANCIAL MATTERS

### 509J'S BUDGET

In June of each year, the school board adopts a budget for the upcoming fiscal year. A budget is proposed by the superintendent and district staff based on feedback from staff, parents and community members. The budget committee, comprised of the school board and seven community members, reviews the proposed budget and hears public testimony from our local community. After review and possible revisions, the budget committee forwards an approved budget to the school board. The school board adopts the budget for the coming school year.

### TOTAL BUDGET RESOURCES (GENERAL AND GRANT FUNDS)

The district receives most of its operating revenue from sources that are budgeted in the General Fund and in the Grants Funds. The largest source comes from the State School Fund Formula (SSF), which includes property taxes, state timber receipts, and distributions from the state. The SSF is 92 percent of General Fund current resources without the beginning fund balance. The largest grants that the district receives are from the federal government for Title IA (supporting programs that serve economically disadvantaged students) and IDEA (funding for education of students with disabilities).

Figure 9: 2014-15 Selected Adopted Budget Resources

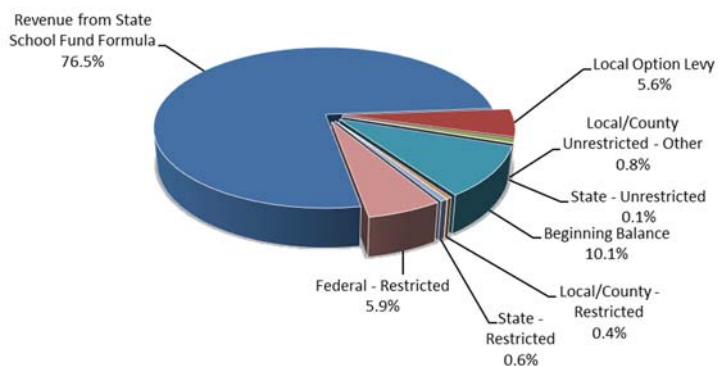


Table 24: 2014-15 Selected Adopted Budget Resources

Source	Description	Amount
Revenue from State School Fund Formula	Revenues that fall under the State School Fund formula including general property taxes, common school fund, county school funds, federal forest fees, and state allocations.	\$ 51,663,206
Local Option Levy	Local Option Tax Levy, 5 years beginning 2012-13, ending 2016-17	3,756,650
Local/County Unrestricted - Other	Unrestricted local and county revenues, including interest on investments, tuition received, reimbursements for indirect charges made to grants, rental income, and other miscellaneous revenues.	544,000
State - Unrestricted	Unrestricted state revenue	50,000
Beginning Balance	Committed, Nonspendable and Assigned beginning balance	6,830,973
Local/County - Restricted	Revenues received from local sources that may only be used for specific purposes such as ESD money to support developmentally disabled students and from grants.	260,000
State - Restricted	Restricted grants that must be used for specified purpose only.	400,000
Federal - Restricted	Restricted grants that must be used for specified purpose only.	4,010,000
<b>Grand Total</b>		<b>\$ 67,514,829</b>

## LOCAL OPTION LEVY

In November, 2010, Corvallis voters renewed a Local Option Levy originally approved in 2006 to support academic achievement, K-5 music skills and appreciation, and the health and physical fitness of all students.

Over the life of the levy, the additional revenue has been targeted to enhance reading and math instruction for kindergarten through fifth grade, to strengthen middle and high school academic instruction in literature, math, science, and social studies, to improve vocational and technical education, to promote wellness and physical fitness for all students, to enhance music instruction for elementary students, and to sustain current classroom academic programs. The renewal authorized the district to levy up to \$1.50 per \$1,000 assessed value each year beginning July 1, 2012 for five consecutive years. An adopted levy rate of \$1.50 is estimated to provide \$3,756,650 in resources, estimated to provide the 2014-15 services below in full-time equivalents (FTE) and dollars.

Due to the recent recession and the effects of tax compression, the district has been experiencing a significant decrease in Local Option Levy revenue. To illustrate the decline, the district received \$5.6 million in 2009-10, but expects to receive less than \$3.8 million in 2014-15 – a 33 percent decrease over five years. For a larger description of the tax ramifications of compression, see p. A-22 of the 2014-15 Adopted Budget document.

Table 25: 2013-14 and 2014-15 Adopted Budget Local Option Levy Expenditure Plan

Description	2013-14 Adopted Budget	2014-15 Adopted Budget	2013-14 Adopted FTE	2014-15 Adopted FTE
<b>Use of Current Resources</b>				
<u>Continues lower class sizes in core subjects</u>				
Additional teachers at the middle schools: 2 FTE in each of science, math, humanities and .33 FTE for math at Franklin	\$ 527,670	\$ 526,051	6.33	6.33
Additional teachers at the high schools: 2 FTE for each of language arts, humanities, math and science, prorated by student population	666,870	664,835	8.00	8.00
<u>Continues lower class sizes</u>				
Additional teachers for elementary grades 3-5	666,870	664,835	8.00	8.00
<u>Continues focus on literacy</u>				
Literacy instruction, grades K - 5: 2.0 FTE Literacy Coaches at elementary schools, plus supplies and staff development	166,720	193,244	2.00	2.00
<u>Continues additional elementary PE &amp; Music</u>				
Music & Physical Education, grades K - 6	463,480	491,978	5.56	5.92
<u>Continues focus on Vocational Education</u>				
Vocational Education/Service Learning teachers at high school level (\$125,000 per high school)	250,000	250,000	-	-
<u>Continues additional support</u>				
Activities and athletics at the high schools (\$157,500 at each)	315,000	315,000	-	-
<u>Lower class sizes district wide</u>				
Lower class sizes with additional revenue (Various 1000-level Functions)	833,590	650,707	10.00	7.83
<b>Total Use of Current Resources</b>	<b>\$3,890,200</b>	<b>\$3,756,650</b>	<b>39.89</b>	<b>38.08</b>

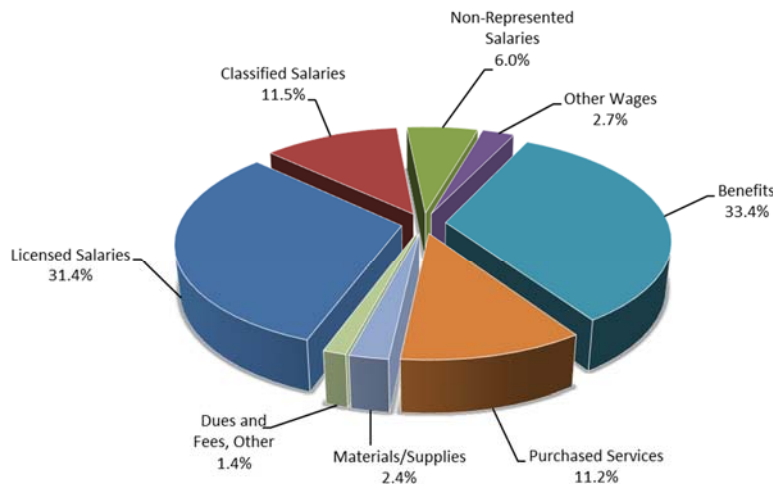
## GENERAL FUND

The General Fund is the district’s main operating budget. This fund pays for instructional programs, daily operations of schools, and general functions of the district. The 2014-15 Adopted Budget allocates a total of \$56,735,419 in expenditures from the General Fund in the categories described in the table below.

Table 26: 2014-15 Adopted Budget - General Fund Expenditures by Category

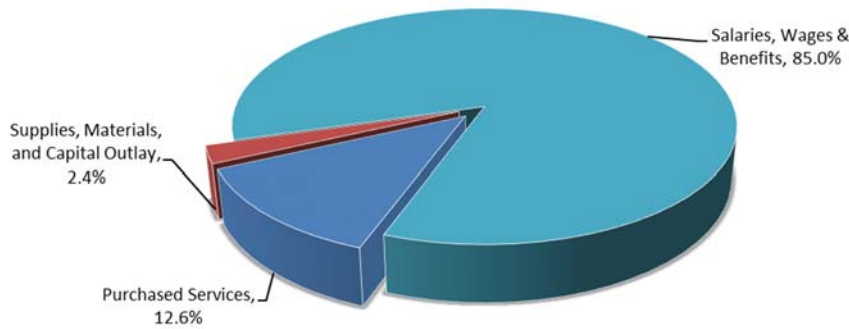
Category	Description	Amount	FTE
Licensed Salaries	Salaries for licensed teachers, counselors and specialists.	\$ 17,810,754	318.76
Classified Salaries	Salaries for classified staff including classroom assistants, custodians, secretaries and other related costs.	6,530,163	223.89
Non-Represented Salaries	Salaries for all other staff including principals, administrators, supervisors, and other professionals.	3,418,733	39.38
Other Wages	Wages for timecard and substitutes, including extra duty stipends for coaching.	1,526,971	
Benefits	Benefits for all staff including PERS, social security, health insurance, worker's compensation coverage and related costs.	18,956,604	
Purchased Services	Includes utilities, legal services, transportation, contracted work, and other services the district does not provide and must purchase from outside agencies.	6,328,909	
Materials/Supplies	Materials and supplies including equipment and instructional materials.	1,361,238	
Dues and Fees, Other	Includes dues and fees, cash donations made to other agencies, and insurance.	802,047	
<b>Grand Total</b>		<b>\$ 56,735,419</b>	<b>582.03</b>

Figure 10: 2014-15 Adopted Budget - General Fund Expenditures by Category



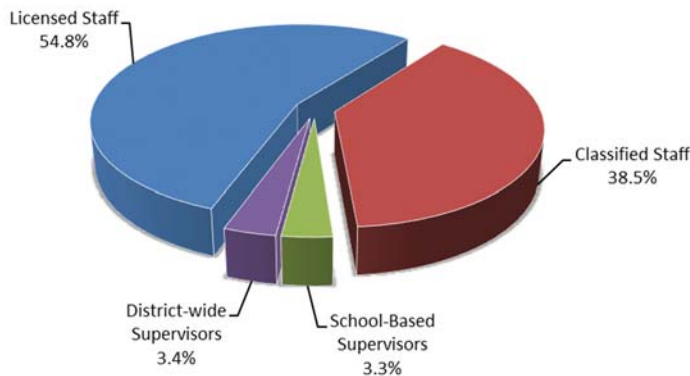
Another, more simplified, version of expenditures expected from the General Fund can be reviewed by collapsing the multiple categories shown above into three main groups: purchased services; supplies, materials, and capital outlay; and labor costs.

Figure 11: 2014-15 Adopted Budget General Fund Expenditures - Simplified



As noted above, the largest portion of anticipated 2014-15 General Fund expenditures is related to labor costs, including salaries, wages and benefits. In line with the district’s focus on class size, the majority of the district’s FTE is allocated to licensed staff and classified staff in direct contact with students.

Figure 12: 2014-15 General Fund Staffing by Category in FTE and Percent of Total



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## AVERAGE ANNUAL COSTS PER SCHOOL AND STUDENT

The actual annual costs associated with the operation of an individual school vary based on a variety of factors – educational/instructional level, building age, number of students enrolled, etc. See Table 23: Overhead Costs by Level and School earlier in this document for specific information regarding site administration and custodial/utility costs.

Another way of looking at the cost of operating schools is to calculate the typical annual cost for a school at each academic level - elementary, middle, and high - to include General Fund expenses in the five categories used by the Open Books Project, more fully described in the next section of this document.




## THE OPEN BOOKS PROJECT

The Open Books Project provides Oregonians with comparative data for a variety of information regarding the state's K-12 districts. Open Books is funded by the Chalkboard Project, a non-partisan, non-profit initiative of Foundations For A Better Oregon. Citizens are encouraged to view this material online at [www.openbooksproject.org](http://www.openbooksproject.org).

One of the ways the Open Books Project reviews the cost of operating schools is to break down annual costs into five categories: 1) teaching and student resources, 2) buses, buildings and food, 3) principal's office, 4) central administration, and 5) business services and technology.

*Teaching and Student Resources* includes direct instruction, special education, alternative education, health services, library media, and athletics and activities costs. The *Buses, Buildings, and Food* category includes those expenses related to student transportation, facilities, and food services. The *Principal's Office* category includes administration at the school level, while *Central Administration* details costs associated with the school board and Superintendent's Office. The last category, *Business Services and Technology* includes activities related to accounting services, payroll, technology, human resources, insurance and judgments.

Figure 13: Average Costs for Corvallis School District Schools by Level and Open Books Project Category (2014-15 Adopted Budget Data)

Elementary School		<b>Average Annual Cost for an Elementary School = \$3,292,411</b>	
		74.3%	Teaching & Student Resources \$2,444,642
		13.7%	Buses, Buildings & Food \$452,555
		7.1%	Principal's Office \$233,771
		0.9%	Central Administration \$28,844
		4.0%	Business Services & Technology \$132,599
		<b>Average annual cost per student = \$9,670</b>	
Middle School		<b>Average Annual Cost for a Middle School = \$4,858,185</b>	
		70.7%	Teaching & Student Resources \$3,434,822
		15.6%	Buses, Buildings & Food \$759,817
		8.1%	Principal's Office \$392,490
		1.0%	Central Administration \$48,427
		4.6%	Business Services & Technology \$222,628
		<b>Average annual cost per student = \$8,498</b>	
High School		<b>Average Annual Cost for a High School = \$9,917,120</b>	
		71.2%	Teaching & Student Resources \$7,056,221
		15.4%	Buses, Buildings & Food \$1,527,202
		8.0%	Principal's Office \$788,888
		1.0%	Central Administration \$97,337
		4.5%	Business Services & Technology \$447,472
		<b>Average annual cost per student = \$8,631</b>	

\*Franklin K-8 is pro-rated by number of students in Elementary and in Middle School grades.

**STUDENT PERFORMANCE: ODE REPORT CARD**

**FROM THE DISTRICT SUPERINTENDENT**

Dear Parents and Community Members,

During the 2013/14 school year, we experienced strong achievement and even greater areas of growth for students in reading and mathematics. Our overall achievement was rated at or above average at all three levels (elementary, middle, and high school) for all students, including students who are economically disadvantaged. Remarkably, our middle and high school students easily exceeded achievement growth targets for nearly all rated sub-groups.

However, there still remains an opportunity gap for students of poverty, students with disabilities, students of color, and students where English is their second language. Additionally, a 72% graduation rate, whether it is a 4-year cohort or a 5-year completion rate, is not acceptable. The graduation rate for our subgroups is even more discouraging.

We will continue our focus on initiatives including digital learning, response to intervention programs, Common Core Standards/Proficiency, and high school expanded diploma options. While we see movement in the right direction, we still have work to do for all students.

With your support we must stay the course:

- Every student shows growth
- Close the opportunity gap
- Every student a graduate

Thank you,

Superintendent | Erin Prince

**DISTRICT PROFILE**

ENROLLMENT	Total enrollment 2013-14	Enrollment change from previous year	Students attending 90% or more of enrolled days
Grades K - 3	1,886	+5.2%	88.6%
Grades 4 - 5	926	-0.1%	90.1%
Grades 6 - 8	1,428	-0.4%	84.3%
Grades 9 - 12	2,207	+1.9%	76.5%

STUDENT MOBILITY	2013-14	Previous three year average
Students transferring:		
Into district	4.2%	3.6%
Out of district	4.2%	5.3%

**2013-14**

SELECT DEMOGRAPHICS	Grades K - 3	Grades 4 - 5	Grades 6 - 8	Grades 9 - 12
English Learners	15%	16%	12%	9%
Economically disadvantaged	41%	37%	35%	28%
Students with disabilities	11%	16%	13%	11%
Number of different languages spoken	30	23	25	28

Note: a \*\* is displayed when the data must be suppressed to protect student confidentiality.

**STUDENT WELLNESS POLICY**

The school district will engage students, parents, staff, food service professionals, health professionals, the school board, school administrators, and community members in developing, implementing, monitoring, periodically reviewing, and updating district nutrition and physical activity policies.

**CLASS SIZE**

	Average class size 2012-13
Grades K - 3	22.5
Grades 4 - 5	27.2

**TEACHER PROFICIENCY**

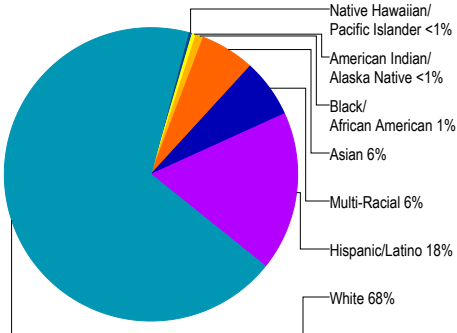
	2013-14
Percentage of highly qualified teachers (as defined by the federal government)	100%

**RACIAL EQUITY IN HIRING**

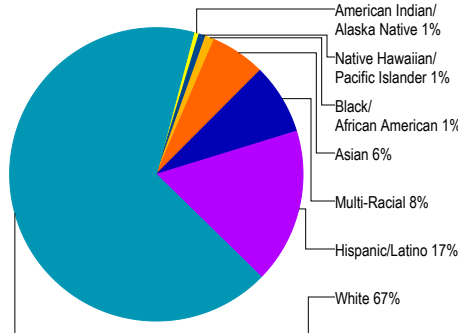
The school district values the diversity and worth of all individuals and groups and is an equal opportunity educator and employer. The district shall promote a climate of civility and inclusiveness and an environment free of discrimination. The district also strives to remove discrimination in employment, assignment and promotion of personnel.

**DISTRICT PROFILE (CONTINUED)**

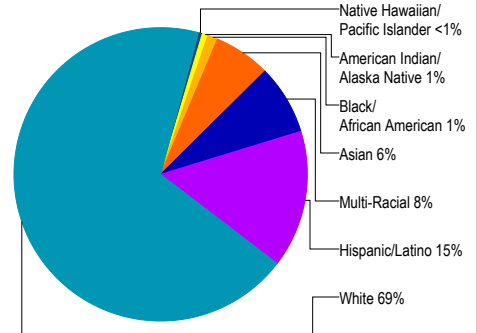
**GRADES K - 3 STUDENTS**



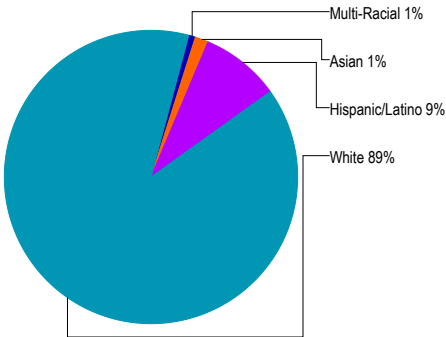
**GRADES 4 - 5 STUDENTS**



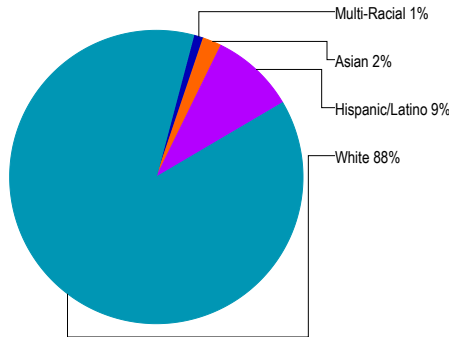
**GRADES 6 - 8 STUDENTS**



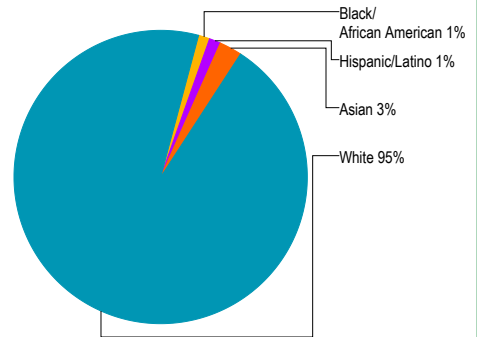
**GRADES K - 3 STAFF**



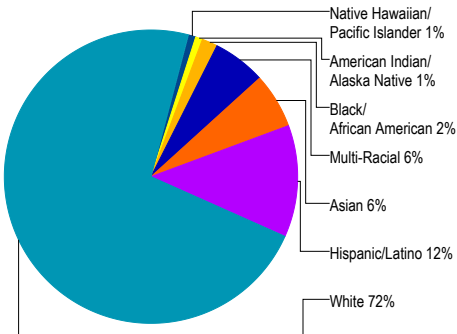
**GRADES 4 - 5 STAFF**



**GRADES 6 - 8 STAFF**



**GRADES 9 - 12 STUDENTS**



**PER PUPIL SPENDING**

	2013-14	2012-13	2011-12	2010-11	2009-10
District	\$10,048	\$9,318	\$9,738	\$9,842	\$9,360
State	\$10,256	\$9,327	\$9,366	\$9,363	\$9,275

Oregon's quality education model (QEM) suggests adequate per pupil funding should be \$12,068 in 2013-14. (Statewide average) 2013-14 data reflects budgeted not actual.

**FUNDING SOURCES**

District funding derived from the below sources

Local taxes and fees	55%
State funds	38%
Federal funds	7%

**SEISMIC SAFETY RATING**

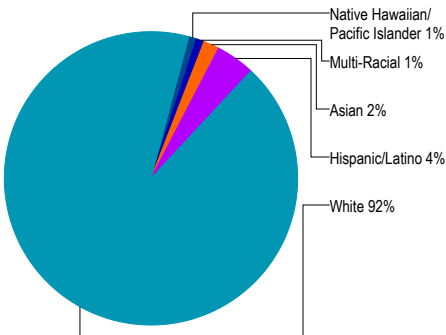
For a detailed report for each school, please visit:  
<http://www.oregongeology.org/sub/projects/rvs/activity-updates/status.html>

**EXPULSIONS & SUSPENSIONS**

	Expulsions	Suspensions
Total Students	*	246
American Indian/Alaska Native	*	*
Asian	*	*
Black/African American	*	*
Hispanic/Latino	*	36
Multi-Racial	*	16
Native Hawaiian/Pacific Islander	*	*
White	*	181

Note: a "\*" is displayed when the data must be suppressed to protect student confidentiality.

**GRADES 9 - 12 STAFF**



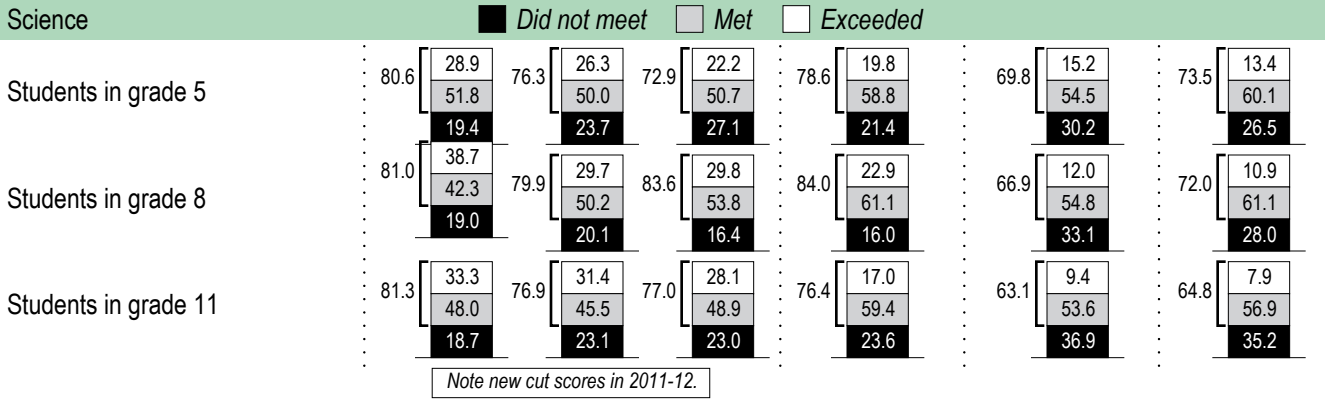
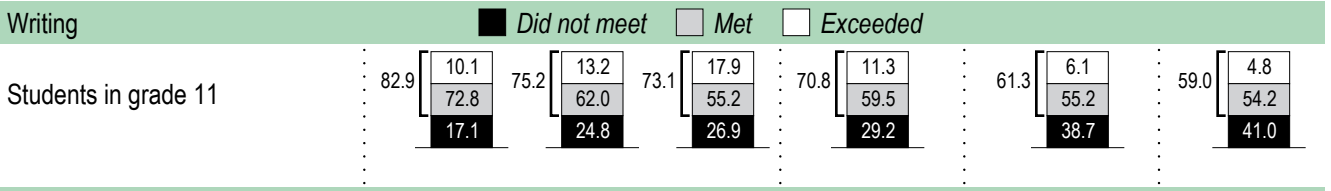
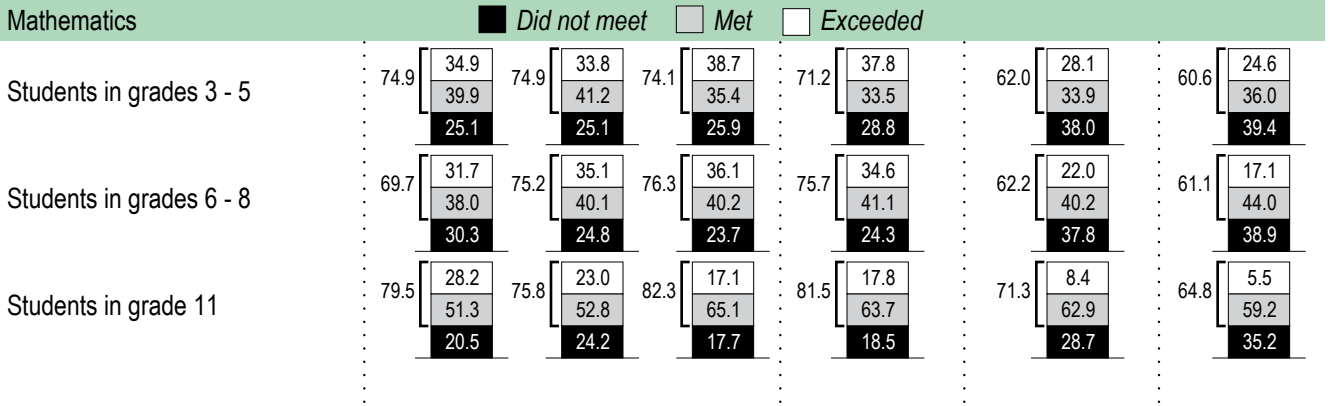
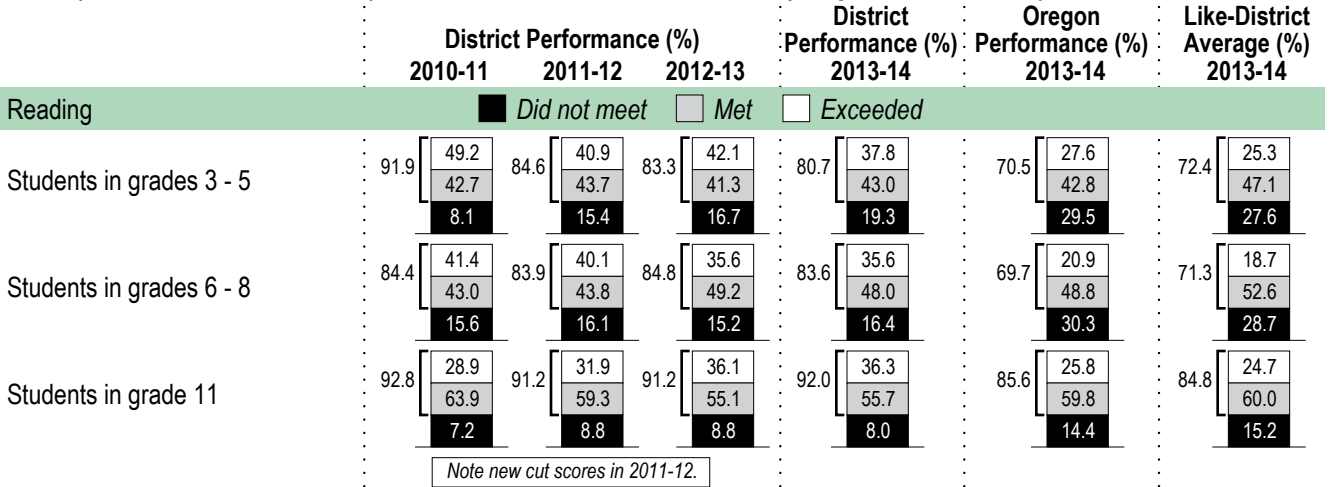
**PROGRESS** ARE STUDENTS MAKING ADEQUATE GAINS OVER TIME?

Students in the district meeting or exceeding state standards on exams

Did at least 95% of students in this district take state exams?  Yes  No

Participation rate criteria are in place to ensure schools test as many eligible students as possible

**DISTRICT PERFORMANCE**



Visit [www.ode.state.or.us/go/data](http://www.ode.state.or.us/go/data) for additional assessment results.

Note: a "\*\*" is displayed when data are unavailable or to protect student confidentiality.

**OUTCOMES** WHAT ARE STUDENTS ACHIEVING IN HIGH SCHOOL?

		District Performance (%)			District Performance (%)	Oregon Performance (%)	Like-District Average (%)
		2010-11	2011-12	2012-13	2013-14	2013-14	2013-14
<b>COLLEGE AND CAREER READINESS</b>	Students preparing for college and careers.						
	Freshmen on track to graduate within 4 years	NA	NA	NA	85.0	78.5	77.8
	Students taking SAT	67.3	66.9	60.6	54.9	33.3	34.4
		District Performance (%)			District Performance (%)	Oregon Performance (%)	Like-District Average (%)
		2009-10	2010-11	2011-12	2012-13	2012-13	2012-13
<b>GRADUATION RATE</b>	Students graduating with a regular diploma within four years of entering high school.						
	Overall graduation rate	71.7	70.2	67.5	71.9	68.7	70.9
<b>COMPLETION RATE</b>	Students receiving a regular, modified, extended, or adult high school diploma or completing a GED within five years of entering high school.						
	Overall completion rate	82.5	82.7	83.1	86.8	81.5	77.7
<b>DROPOUT RATE</b>	Students who dropped out during the school year and did not re-enroll.						
	Overall dropout rate	1.1	1.6	1.5	2.3	4.0	3.4
	<i>Note: Dropout methodology change in 2012-13.</i>						
		District Performance (%)			District Performance (%)	Oregon Performance (%)	Like-District Average (%)
		2008-09	2009-10	2010-11	2011-12	2011-12	2011-12
<b>CONTINUING EDUCATION</b>	Students continuing their education after high school.						
	Students who enrolled in a community college or four-year school within 16 months of graduation	74.7	75.4	77.3	71.9	54.7	52.8

*Note: a \*\* is displayed when the data must be suppressed to protect student confidentiality.*

**STUDENT GROUP OUTCOMES**

		District Performance (%)	Oregon Performance (%)	District Compared to OR Average	District Performance (%)	Oregon Performance (%)	District Compared to OR Average	District Performance (%)	Oregon Performance (%)	District Compared to OR Average	
		(%)	(%)		(%)	(%)		(%)	(%)		
<b>Economically Disadvantaged</b>			<b>American Indian/Alaska Native</b>			<b>Native Hawaiian/Pacific Islander</b>					
On Track	66.7	68.8	-2.1	On Track	*	61.4	*	On Track	66.7	69.7	-3.0
Graduation	53.3	60.4	-7.1	Graduation	33.3	51.6	-18.3	Graduation	50.0	63.6	-13.6
Completion	77.4	77.3	+0.1	Completion	66.7	67.9	-1.2	Completion	100.0	77.0	+23.0
Dropout	4.1	3.8	+0.3	Dropout	12.5	8.0	+4.5	Dropout	10.0	5.0	+5.0
<b>English Learners</b>			<b>Asian</b>			<b>White</b>					
On Track	70.2	70.3	-0.1	On Track	93.8	92.4	+1.4	On Track	87.4	81.1	+6.3
Graduation	45.5	58.0	-12.5	Graduation	85.7	83.8	+1.9	Graduation	75.8	71.0	+4.8
Completion	65.5	69.1	-3.6	Completion	94.4	87.8	+6.6	Completion	88.3	83.9	+4.4
Dropout	6.0	5.0	+1.0	Dropout	2.2	1.5	+0.7	Dropout	1.7	3.5	-1.8
<b>Students with Disabilities</b>			<b>Black/African American</b>			<b>Female</b>					
On Track	75.0	61.4	+13.6	On Track	66.7	67.0	-0.3	On Track	85.5	82.1	+3.4
Graduation	33.3	37.2	-3.9	Graduation	44.4	57.1	-12.7	Graduation	74.2	73.2	+1.0
Completion	75.0	64.2	+10.8	Completion	80.0	71.0	+9.0	Completion	88.7	84.4	+4.3
Dropout	3.1	6.0	-2.9	Dropout	4.9	6.2	-1.3	Dropout	1.8	3.3	-1.5
<b>Migrant</b>			<b>Hispanic/Latino</b>			<b>Male</b>					
On Track	*	68.3	*	On Track	71.9	69.9	+2.0	On Track	84.6	75.1	+9.5
Graduation	--	55.1	--	Graduation	51.5	60.8	-9.3	Graduation	69.7	64.3	+5.4
Completion	--	69.7	--	Completion	74.5	74.1	+0.4	Completion	84.7	78.9	+5.8
Dropout	0.0	4.8	-4.8	Dropout	5.0	5.2	-0.2	Dropout	2.7	4.6	-1.9
<b>Talented and Gifted</b>			<b>Multi-Racial</b>								
On Track	93.2	95.5	-2.3	On Track	83.9	79.8	+4.1				
Graduation	88.8	90.5	-1.7	Graduation	69.0	67.2	+1.8				
Completion	97.5	96.4	+1.1	Completion	84.6	82.3	+2.3				
Dropout	0.2	0.5	-0.3	Dropout	1.7	4.5	-2.8				

*On-Track data is based on the 2013-14 school year; all other data is based on the 2012-13 school year.*

*Note: a \*\* is displayed when the data must be suppressed to protect student confidentiality.*

## CURRICULUM & LEARNING ENVIRONMENT

SCHOOL READINESS	Elementary Schools	Middle Schools	High Schools
	<ul style="list-style-type: none"> <li>· Counseling and Behavior Support</li> <li>· Full Day Kindergarten at <u>all</u> elementary schools (2014-15)</li> <li>· Bullying and Harassment Prevention Program</li> <li>· Healthy Schools Initiative</li> <li>· School Breakfast and Lunch Programs</li> <li>· Gentle Start Kindergarten</li> </ul>	<ul style="list-style-type: none"> <li>· Counseling and Behavior Support</li> <li>· W.E.B. (Where Everyone Belongs) Program</li> <li>· Second Step Anti-Bullying Curriculum</li> <li>· Advisory Periods</li> <li>· Intervention Support</li> </ul>	<ul style="list-style-type: none"> <li>· Counseling and Behavior Support</li> <li>· Link Crew and Mentors</li> <li>· 8th and 9th grade Open House and Orientations</li> <li>· Impact Day for Inclusion and Diversity Awareness</li> <li>· Intervention Support</li> </ul>
ACADEMIC SUPPORT	Elementary Schools	Middle Schools	High Schools
	<ul style="list-style-type: none"> <li>· Personalized Learning Through Technology 1:World</li> <li>· Positive Behavioral and Instructional Support (PBIS)</li> <li>· Response To Intervention (RTI)</li> <li>· Talented and Gifted (TAG)</li> <li>· Spanish Dual Immersion</li> </ul>	<ul style="list-style-type: none"> <li>· Personalized Learning Through Technology 1:World</li> <li>· Positive Behavioral and Instructional Support (PBIS)</li> <li>· Response To Intervention (RTI)</li> <li>· Talented and Gifted (TAG)</li> <li>· Spanish Dual Immersion</li> </ul>	<ul style="list-style-type: none"> <li>· Personalized Learning Through Technology 1:World</li> <li>· Positive Behavioral and Instructional Support (PBIS)</li> <li>· Response To Intervention (RTI)</li> <li>· Talented and Gifted (TAG)</li> <li>· Spanish Dual Immersion</li> <li>· AVID (Structured support for first generation college)</li> <li>· STEM Pathways</li> </ul>
ACADEMIC ENRICHMENT	Elementary Schools	Middle Schools	High Schools
	<ul style="list-style-type: none"> <li>· Music and PE Specialists</li> <li>· Environmental and Community Service Experiences</li> <li>· After School Enrichment Opportunities</li> <li>· Oregon Battle of the Books</li> <li>· 1:World Access to Technology</li> <li>· Art Enrichment</li> </ul>	<p><b>WORLD LANGUAGE COURSES</b></p> <ul style="list-style-type: none"> <li>· French On-Site After School</li> <li>· Chinese On-Site After School</li> <li>· Spanish Dual Immersion</li> </ul> <p><b>SPECIAL PROGRAMS</b></p> <ul style="list-style-type: none"> <li>· Homecourt (Autism Support)</li> <li>· CLASS Program (Behavioral Support)</li> <li>· Life Skills</li> </ul>	<p><b>WORLD LANGUAGE COURSES</b></p> <ul style="list-style-type: none"> <li>· Spanish Dual Immersion</li> <li>· French and German</li> <li>· Online American Sign Language</li> </ul> <p><b>HONORS AND DUAL-ENROLLMENT COURSES</b></p> <ul style="list-style-type: none"> <li>· 20 AP/Honors Courses at Both High Schools</li> <li>· Over 30 Dual Enrollment Courses at Both High Schools</li> </ul> <p><b>SPECIAL PROGRAMS</b></p> <ul style="list-style-type: none"> <li>· Running Start (Expanded diploma option)</li> <li>· AVID (Structured support for First Generation College)</li> <li>· College Hill (Alternative Pathway for diploma)</li> </ul>

**CURRICULUM & LEARNING ENVIRONMENT CONTINUED . . .**

<b>CAREER &amp; TECHNICAL EDUCATION</b>		<b>Middle Schools</b>	<b>High Schools</b>
		CIS Program	Pre-Engineering
		Engineering Professional Volunteers	Culinary Arts
			Metals and Auto
			Oracle
			Digital Photography and Media
<b>EXTRACURRICULAR ACTIVITIES</b>		<b>Middle Schools</b>	<b>High Schools</b>
	Elementary Schools		
	Choir	Classes: jazz, art, drama, French, Chinese	Choir/Band/Orchestra
	Elementary Strings Program		Theatre
	Oregon State University Extension Programs	Student Leadership	OSAA Sports/Activities/Clubs
	Boys and Girls Club Partnership/STARS	Track and Cross Country	Robotics
		Clubs	

Data and information in the Curriculum and Learning Environment section was provided by local schools and districts and was not verified by the Oregon Department of Education.



**District:** Corvallis SD 509J

The purpose of the District Annual Measurable Objective (AMO) Details report is twofold. First, it displays district level data for four indicators (i.e., achievement, growth, graduation, and assessment participation) disaggregated by subgroup and grade level (3-5, 6-8 and 11). Second, it provides an indication of whether districts have met AMO targets for achievement, graduation, and participation by subgroup. Specifically, a “Level 4” or higher for achievement, a “Level 3” or higher for graduation, and a “Met” for participation indicate that a district has met the respective AMO.

The District AMO Details report contains the following:

- Reading and math achievement by subgroup
  - o elementary (grades 3-5) on p. 2
  - o middle (grades 6-8) on p. 3
  - o high (grade 11) on p. 4
- Reading and math growth by subgroup
  - o elementary (grades 3-5) on p. 5
  - o middle (grades 6-8) on p. 6
  - o high (grade 11) on p. 7
- Graduation by subgroup
  - o high on p. 8
- Reading and math assessment participation by subgroup
  - o elementary (grades 3-5) on p. 9
  - o middle (grades 6-8) on p. 10
  - o high (grade 11) on p. 11

Please visit <http://www.ode.state.or.us/search/page/?id=3881> for more details concerning the school and district report cards and AMOs.



**District:** Corvallis SD 509J  
**Level:** Elementary (Grades 3-5)

The Academic Achievement indicator rating reflects the percent of all students that meet or exceed standards on the state reading and mathematics assessments in grades 3 to 5 in the district. Only subgroups with at least 40 tests in the two most recent years will receive an Academic Achievement rating.

Achievement Level Cutoffs		
Level	Reading	Math
Level 5	87.2 & above	82.3 & above
Level 4	72.0 to 87.1	69.0 to 82.2
Level 3	58.8 to 71.9	49.2 to 68.9
Level 2	49.6 to 58.7	39.3 to 49.1
Level 1	Less than 49.6	Less than 39.3

Reading	Level	2012-13		2013-14		Combined % Met
		Tests	% Met	Tests	% Met	
All Students	Level 4	1309	83.3	1334	80.7	82.0
Economically Disadvantaged <sup>1</sup>	Level 3	478	69.9	500	63.0	66.4
English Learners <sup>1</sup>	Level 1	148	53.4	163	46.0	49.5
Students with Disabilities <sup>1</sup>	Level 2	174	58.6	210	53.8	56.0
Underserved Races/Ethnicities <sup>1</sup>	Level 3	254	64.6	257	58.0	61.3
American Indian/Alaska Native <sup>2</sup>	Not Rated	12	50.0	6	33.3	44.4
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	7	57.1	10	60.0	58.8
Black/African American <sup>2</sup>	Not Rated	11	90.9	12	83.3	87.0
Hispanic/Latino <sup>2</sup>	Level 3	224	64.3	229	57.2	60.7
Asian <sup>1</sup>	Level 5	*	>95	70	88.6	92.4
White <sup>1</sup>	Level 4	889	87.5	899	86.8	87.1
Multi-Racial <sup>1</sup>	Level 4	92	84.8	108	79.6	82.0

Math	Level	2012-13		2013-14		Combined % Met
		Tests	% Met	Tests	% Met	
All Students	Level 4	1309	74.1	1335	71.2	72.7
Economically Disadvantaged <sup>1</sup>	Level 3	478	53.1	501	49.1	51.1
English Learners <sup>1</sup>	Level 2	148	45.3	163	39.9	42.4
Students with Disabilities <sup>1</sup>	Level 2	175	48.6	211	45.5	46.9
Underserved Races/Ethnicities <sup>1</sup>	Level 2	253	50.6	257	45.9	48.2
American Indian/Alaska Native <sup>2</sup>	Not Rated	12	33.3	6	16.7	27.8
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	7	57.1	10	60.0	58.8
Black/African American <sup>2</sup>	Not Rated	11	72.7	12	66.7	69.6
Hispanic/Latino <sup>2</sup>	Level 2	223	50.2	229	45.0	47.6
Asian <sup>1</sup>	Level 5	75	93.3	71	90.1	91.8
White <sup>1</sup>	Level 4	889	79.2	899	76.8	78.0
Multi-Racial <sup>1</sup>	Level 4	92	73.9	108	73.1	73.5

1. These data are not part of the achievement rating but are included to provide additional information on subgroup performance.
2. Included in the Underserved Races/Ethnicities subgroup.

**Data notes:**

- Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.
- \* Fewer than 6 students tested in the last two years combined
- >95.0 Greater than 95 percent of students met or exceeded. Test counts are also suppressed.
- <5.0 Less than 5 percent of students met or exceeded. Test counts are also suppressed.



**District:** Corvallis SD 509J  
**Level:** Middle (Grades 6-8)

The Academic Achievement indicator rating reflects the percent of all students that meet or exceed standards on the state reading and mathematics assessments in grades 6 to 8 in the district. Only subgroups with at least 40 tests in the two most recent years will receive an Academic Achievement rating.

Achievement Level Cutoffs		
Level	Reading	Math
Level 5	87.2 & above	82.3 & above
Level 4	72.0 to 87.1	69.0 to 82.2
Level 3	58.8 to 71.9	49.2 to 68.9
Level 2	49.6 to 58.7	39.3 to 49.1
Level 1	Less than 49.6	Less than 39.3

Reading	Level	2012-13		2013-14		Combined % Met
		Tests	% Met	Tests	% Met	
All Students	Level 4	1397	84.8	1378	83.6	84.2
Economically Disadvantaged <sup>1</sup>	Level 3	460	69.8	472	69.9	69.8
English Learners <sup>1</sup>	Level 1	92	48.9	68	38.2	44.4
Students with Disabilities <sup>1</sup>	Level 1	179	49.7	177	42.9	46.3
Underserved Races/Ethnicities <sup>1</sup>	Level 3	219	63.5	239	64.0	63.8
American Indian/Alaska Native <sup>2</sup>	Not Rated	7	85.7	8	62.5	73.3
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	9	55.6	6	66.7	60.0
Black/African American <sup>2</sup>	Not Rated	17	58.8	15	73.3	65.6
Hispanic/Latino <sup>2</sup>	Level 3	186	63.4	210	63.3	63.4
Asian <sup>1</sup>	Level 5	85	87.1	78	92.3	89.6
White <sup>1</sup>	Level 5	992	88.6	954	87.2	87.9
Multi-Racial <sup>1</sup>	Level 5	101	91.1	107	88.8	89.9

Math	Level	2012-13		2013-14		Combined % Met
		Tests	% Met	Tests	% Met	
All Students	Level 4	1396	76.3	1377	75.7	76.0
Economically Disadvantaged <sup>1</sup>	Level 3	460	57.6	472	54.0	55.8
English Learners <sup>1</sup>	Level 2	92	47.8	68	39.7	44.4
Students with Disabilities <sup>1</sup>	Level 1	179	33.5	176	34.1	33.8
Underserved Races/Ethnicities <sup>1</sup>	Level 3	219	53.0	239	54.8	53.9
American Indian/Alaska Native <sup>2</sup>	Not Rated	7	42.9	8	25.0	33.3
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	9	55.6	6	66.7	60.0
Black/African American <sup>2</sup>	Not Rated	17	52.9	15	40.0	46.9
Hispanic/Latino <sup>2</sup>	Level 3	186	53.2	210	56.7	55.1
Asian <sup>1</sup>	Level 5	85	91.8	78	92.3	92.0
White <sup>1</sup>	Level 4	991	79.1	953	79.5	79.3
Multi-Racial <sup>1</sup>	Level 4	101	86.1	107	76.6	81.3

- These data are not part of the achievement rating but are included to provide additional information on subgroup performance.
- Included in the Underserved Races/Ethnicities subgroup.

**Data notes:**

- Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.
- \* Fewer than 6 students tested in the last two years combined
- >95.0 Greater than 95 percent of students met or exceeded. Test counts are also suppressed.
- <5.0 Less than 5 percent of students met or exceeded. Test counts are also suppressed.



**District:** Corvallis SD 509J  
**Level:** High (Grade 11)

The Academic Achievement indicator rating reflects the percent of all students that meet or exceed standards on the state reading and mathematics assessments in grade 11 in the district. Only subgroups with at least 40 tests in the two most recent years will receive an Academic Achievement rating.

Achievement Level Cutoffs		
Level	Reading	Math
Level 5	93.2 & above	81.5 & above
Level 4	85.0 to 93.1	70.0 to 81.4
Level 3	66.6 to 84.9	42.1 to 69.9
Level 2	56.2 to 66.5	25.3 to 42.0
Level 1	Less than 56.2	Less than 25.3

Reading	Level	2012-13		2013-14		Combined % Met
		Tests	% Met	Tests	% Met	
All Students	Level 4	499	91.2	535	92.0	91.6
Economically Disadvantaged <sup>1</sup>	Level 3	132	81.8	142	78.2	79.9
English Learners <sup>1</sup>	Not Rated	11	27.3	10	20.0	23.8
Students with Disabilities <sup>1</sup>	Level 2	38	47.4	54	66.7	58.7
Underserved Races/Ethnicities <sup>1</sup>	Level 3	71	78.9	81	77.8	78.3
American Indian/Alaska Native <sup>2</sup>	Not Rated	*	*	*	*	87.5
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	*	*	*	*	*
Black/African American <sup>2</sup>	Not Rated	8	75.0	8	87.5	81.3
Hispanic/Latino <sup>2</sup>	Level 3	58	79.3	66	77.3	78.2
Asian <sup>1</sup>	Level 4	26	88.5	33	87.9	88.1
White <sup>1</sup>	Level 5	371	94.1	394	94.7	94.4
Multi-Racial <sup>1</sup>	Level 4	31	87.1	*	>95	93.1

Math	Level	2012-13		2013-14		Combined % Met
		Tests	% Met	Tests	% Met	
All Students	Level 5	496	82.3	540	81.5	81.9
Economically Disadvantaged <sup>1</sup>	Level 3	130	63.8	144	64.6	64.2
English Learners <sup>1</sup>	Not Rated	11	45.5	10	40.0	42.9
Students with Disabilities <sup>1</sup>	Level 2	37	27.0	59	45.8	38.5
Underserved Races/Ethnicities <sup>1</sup>	Level 3	70	62.9	83	60.2	61.4
American Indian/Alaska Native <sup>2</sup>	Not Rated	*	*	6	66.7	75.0
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	*	*	*	*	*
Black/African American <sup>2</sup>	Not Rated	8	87.5	9	77.8	82.4
Hispanic/Latino <sup>2</sup>	Level 3	58	58.6	66	59.1	58.9
Asian <sup>1</sup>	Level 5	27	88.9	32	90.6	89.8
White <sup>1</sup>	Level 5	368	85.6	397	84.9	85.2
Multi-Racial <sup>1</sup>	Level 5	31	80.6	28	85.7	83.1

1. These data are not part of the achievement rating but are included to provide additional information on subgroup performance.
2. Included in the Underserved Races/Ethnicities subgroup.

**Data notes:**

- Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.
- \* Fewer than 6 students tested in the last two years combined
- >95.0 Greater than 95 percent of students met or exceeded. Test counts are also suppressed.
- <5.0 Less than 5 percent of students met or exceeded. Test counts are also suppressed.

**District:** Corvallis SD 509J  
**Level:** Elementary (Grades 3-5)

The Growth indicator measures the reading and mathematics growth of all students and historically underserved students in grades 3 to 5. To receive a Growth indicator rating, a subgroup must meet the minimum size requirement for the Academic Achievement indicator rating (i.e., 40 tests in the last two years combined) and have at least 30 students with growth percentiles (i.e., both a current and prior OAKS score).

Growth Level Cutoffs		
Level	On Track Growth	
	Yes	No
Level 5	60 & above	70 & above
Level 4	45 to 59.5	55 to 69.5
Level 3	35 to 44.5	45 to 54.5
Level 2	30 to 34.5	40 to 44.5
Level 1	Less than 30	Less than 40

Reading	Level	2012-13		2013-14		Combined Median Growth Percentile	Combined Median Growth Target	On Track Growth?
		Students	Median Growth Percentile	Students	Median Growth Percentile			
All Students	Level 4	818	53.5	808	48.0	51.0	20.0	Yes
Economically Disadvantaged	Level 3	287	50.0	285	38.0	44.5	38.0	Yes
English Learners	Level 2	76	41.0	95	38.0	41.0	52.0	No
Students with Disabilities	Level 2	89	47.0	109	42.0	43.5	48.0	No
Underserved Races/Ethnicities	Level 2	150	41.0	156	42.0	42.0	43.0	No
American Indian/Alaska Native <sup>1</sup>	Not Rated	9	11.0	*	*	28.0	62.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	*	*	*	*	25.0	46.0	NA
Black/African American <sup>1</sup>	Not Rated	*	*	8	26.0	28.0	20.0	NA
Hispanic/Latino <sup>1</sup>	Level 2	134	42.0	139	42.0	42.0	43.0	No
Asian <sup>2</sup>	Level 4	36	65.0	42	48.0	57.0	11.0	Yes
White <sup>2</sup>	Level 4	575	55.0	544	49.5	53.0	17.0	Yes
Multi-Racial <sup>2</sup>	Level 4	57	55.0	66	50.0	54.0	23.0	Yes

Math	Level	2012-13		2013-14		Combined Median Growth Percentile	Combined Median Growth Target	On Track Growth?
		Students	Median Growth Percentile	Students	Median Growth Percentile			
All Students	Level 4	822	59.5	812	54.0	57.0	30.0	Yes
Economically Disadvantaged	Level 4	290	53.5	289	47.0	51.0	51.0	Yes
English Learners	Level 3	76	51.5	94	49.0	50.5	59.5	No
Students with Disabilities	Level 3	92	47.5	114	47.5	47.5	54.5	No
Underserved Races/Ethnicities	Level 3	152	52.0	157	47.0	51.0	54.0	No
American Indian/Alaska Native <sup>1</sup>	Not Rated	9	27.0	*	*	30.0	71.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	*	*	*	*	36.0	41.0	NA
Black/African American <sup>1</sup>	Not Rated	*	*	8	35.5	35.0	30.0	NA
Hispanic/Latino <sup>1</sup>	Level 3	136	56.0	140	47.5	52.0	54.0	No
Asian <sup>2</sup>	Level 5	36	71.0	43	62.0	69.0	8.0	Yes
White <sup>2</sup>	Level 4	576	60.0	546	54.0	57.0	26.0	Yes
Multi-Racial <sup>2</sup>	Level 5	58	73.0	66	64.5	66.0	28.5	Yes

- Included in the Underserved Races/Ethnicities subgroup.
- These data are not part of the academic growth rating but are included to provide additional information on subgroup performance.

**Data notes:**

Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.

\* Fewer than 6 students tested in the last two years combined

NA Not applicable

**District:** Corvallis SD 509J  
**Level:** Middle (Grades 6-8)

The Growth indicator measures the reading and mathematics growth of all students and historically underserved students in grades 6 to 8. To receive a Growth indicator rating, a subgroup must meet the minimum size requirement for the Academic Achievement indicator rating (i.e., 40 tests in the last two years combined) and have at least 30 students with growth percentiles (i.e., both a current and prior OAKS score).

Growth Level Cutoffs		
Level	On Track Growth	
	Yes	No
Level 5	60 & above	70 & above
Level 4	45 to 59.5	55 to 69.5
Level 3	35 to 44.5	45 to 54.5
Level 2	30 to 34.5	40 to 44.5
Level 1	Less than 30	Less than 40

Reading	Level	2012-13		2013-14		Combined Median Growth Percentile	Combined Median Growth Target	On Track Growth?
		Students	Median Growth Percentile	Students	Median Growth Percentile			
All Students	Level 4	1295	59.0	1270	57.5	58.0	7.0	Yes
Economically Disadvantaged	Level 4	430	57.0	425	54.0	56.0	20.0	Yes
English Learners	Level 4	76	61.0	62	55.5	58.0	43.0	Yes
Students with Disabilities	Level 4	146	54.0	140	47.5	51.0	36.0	Yes
Underserved Races/Ethnicities	Level 4	204	58.0	218	53.0	55.5	23.0	Yes
American Indian/Alaska Native <sup>1</sup>	Not Rated	7	54.0	6	23.0	32.0	12.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	9	73.0	6	72.0	73.0	21.0	NA
Black/African American <sup>1</sup>	Not Rated	15	45.0	11	42.0	43.5	15.5	NA
Hispanic/Latino <sup>1</sup>	Level 4	173	59.0	195	53.0	56.0	23.0	Yes
Asian <sup>2</sup>	Level 5	73	60.0	74	68.5	65.0	4.0	Yes
White <sup>2</sup>	Level 4	924	58.0	878	57.0	57.5	6.0	Yes
Multi-Racial <sup>2</sup>	Level 5	94	65.0	100	63.5	64.5	6.0	Yes

Math	Level	2012-13		2013-14		Combined Median Growth Percentile	Combined Median Growth Target	On Track Growth?
		Students	Median Growth Percentile	Students	Median Growth Percentile			
All Students	Level 4	1289	56.0	1265	47.0	52.0	18.0	Yes
Economically Disadvantaged	Level 4	428	50.0	423	40.0	46.0	34.0	Yes
English Learners	Level 4	77	55.0	63	39.0	48.0	47.0	Yes
Students with Disabilities	Level 2	142	45.0	135	33.0	41.0	55.0	No
Underserved Races/Ethnicities	Level 4	203	52.0	217	44.0	47.0	36.5	Yes
American Indian/Alaska Native <sup>1</sup>	Not Rated	7	29.0	6	45.0	45.0	60.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	9	54.0	6	38.0	47.0	25.0	NA
Black/African American <sup>1</sup>	Not Rated	15	46.0	11	36.0	41.0	36.5	NA
Hispanic/Latino <sup>1</sup>	Level 4	172	52.0	194	44.0	48.0	36.0	Yes
Asian <sup>2</sup>	Level 5	74	64.0	74	55.0	61.0	4.0	Yes
White <sup>2</sup>	Level 4	918	56.0	874	47.0	52.0	16.0	Yes
Multi-Racial <sup>2</sup>	Level 4	94	56.0	100	55.0	56.0	15.0	Yes

- Included in the Underserved Races/Ethnicities subgroup.
- These data are not part of the academic growth rating but are included to provide additional information on subgroup performance.

**Data notes:**

Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.

\* Fewer than 6 students tested in the last two years combined

NA Not applicable

**District:** Corvallis SD 509J  
**Level:** High (Grade 11)

The Growth indicator measures the reading and mathematics growth of all students and historically underserved students in grade 11. To receive a Growth indicator rating, a subgroup must meet the minimum size requirement for the Academic Achievement indicator rating (i.e., 40 tests in the last two years combined) and have at least 30 students with growth percentiles (i.e., both a current and prior OAKS score).

Growth Level Cutoffs	
Level	Median Growth Percentile
Level 5	65 & above
Level 4	50 to 64.5
Level 3	40 to 49.5
Level 2	35 to 39.5
Level 1	Less than 35

Reading	Level	2012-13		2013-14		Combined Median Growth Percentile
		Students	Median Growth Percentile	Students	Median Growth Percentile	
All Students	Level 4	413	53.0	451	54.0	54.0
Economically Disadvantaged	Level 3	108	45.5	124	49.0	47.5
English Learners	Not Rated	7	28.0	*	*	28.0
Students with Disabilities	Level 3	31	33.0	48	57.5	47.0
Underserved Races/Ethnicities	Level 4	62	50.0	74	54.0	52.0
American Indian/Alaska Native <sup>1</sup>	Not Rated	*	*	*	*	67.5
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	*	*	*	*	*
Black/African American <sup>1</sup>	Not Rated	7	40.0	6	46.0	40.0
Hispanic/Latino <sup>1</sup>	Level 4	51	50.0	62	54.0	52.0
Asian <sup>2</sup>	Level 4	22	61.0	25	59.0	59.0
White <sup>2</sup>	Level 4	306	53.5	330	54.0	54.0
Multi-Racial <sup>2</sup>	Level 4	23	58.0	22	48.5	52.0

Math	Level	2012-13		2013-14		Combined Median Growth Percentile
		Students	Median Growth Percentile	Students	Median Growth Percentile	
All Students	Level 4	412	56.5	453	62.0	60.0
Economically Disadvantaged	Level 4	108	56.0	125	58.0	57.0
English Learners	Not Rated	7	61.0	*	*	79.0
Students with Disabilities	Level 4	30	42.0	51	55.0	53.0
Underserved Races/Ethnicities	Level 4	63	46.0	76	62.0	59.0
American Indian/Alaska Native <sup>1</sup>	Not Rated	*	*	*	*	85.0
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	*	*	*	*	*
Black/African American <sup>1</sup>	Not Rated	7	60.0	7	62.0	61.0
Hispanic/Latino <sup>1</sup>	Level 4	52	45.5	62	61.5	58.0
Asian <sup>2</sup>	Level 5	23	68.0	24	72.5	68.0
White <sup>2</sup>	Level 4	303	55.0	330	62.0	59.0
Multi-Racial <sup>2</sup>	Level 4	23	56.0	23	55.0	55.5

- Included in the Underserved Races/Ethnicities subgroup.
- These data are not part of the academic growth rating but are included to provide additional information on subgroup performance.

**Data notes:**

- Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.
- \* Fewer than 6 students tested in the last two years combined
- NA Not applicable



District: Corvallis SD 509J

The Graduation indicator displays the graduation rates of all students and historically underserved student subgroups. The rating for the Graduation indicator is the higher of the ratings for the four-year rate and the five-year rate. A subgroup meets the annual measurable objective (AMO) for graduation if it is Level 3 or higher for either the four-year rate or the five year rate. A subgroup must have at least 40 students (combined) in the two most recent cohorts in order to receive a rating.

Graduation Level Cutoffs		
Level	Four-Year Rate	Five-Year Rate
Level 5	87.5 & above	90.1 & above
Level 4	74.0 to 87.4	78.1 to 90.0
Level 3	69.0 to 73.9	74.0 to 78.0
Level 2	60.0 to 68.9	60.0 to 73.9
Level 1	Less than 60.0	Less than 60.0

Four-Year Cohort <sup>1</sup>	Level	2008-09 Cohort		2009-10 Cohort		Combined Rate	Applied Rate <sup>3</sup>
		Adjusted Cohort	% Grad	Adjusted Cohort	% Grad		
All Students	Level 3	600	67.5	608	71.9	69.7	Current
Economically Disadvantaged	Level 1	188	45.7	225	53.3	49.9	Current
English Learners	Level 1	37	32.4	26	38.5	34.9	Current
Students with Disabilities	Level 1	54	31.5	78	33.3	32.6	Current
Underserved Races/Ethnicities	Level 1	78	53.8	94	48.9	51.2	Combined
American Indian/Alaska Native <sup>2</sup>	Not Rated	4	25.0	6	33.3	30.0	NA
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	4	100	2	50.0	83.3	NA
Black/African American <sup>2</sup>	Not Rated	11	36.4	18	44.4	41.4	NA
Hispanic/Latino <sup>2</sup>	Level 1	59	55.9	68	51.5	53.5	Combined
Asian	Level 4	28	57.1	35	85.7	73.0	Current
White	Level 4	468	70.5	450	75.8	73.1	Current
Multi-Racial	Level 3	26	65.4	29	69.0	67.3	Current

Five-Year Cohort <sup>1</sup>	Level	2007-08 Cohort		2008-09 Cohort		Combined Rate	Applied Rate <sup>3</sup>
		Adjusted Cohort	% Grad	Adjusted Cohort	% Grad		
All Students	Level 3	586	76.6	568	75.2	75.9	Combined
Economically Disadvantaged	Level 1	177	60.5	177	56.5	58.5	Combined
English Learners	Level 2	35	62.9	25	60.0	61.7	Combined
Students with Disabilities	Level 1	59	61.0	52	40.4	51.4	Combined
Underserved Races/Ethnicities	Level 2	76	61.8	72	63.9	62.8	Current
American Indian/Alaska Native <sup>2</sup>	Not Rated	3	0.0	3	33.3	16.7	NA
Native Hawaiian/Pacific Islander <sup>2</sup>	Not Rated	1	100	4	100	100	NA
Black/African American <sup>2</sup>	Not Rated	17	64.7	10	60.0	63.0	NA
Hispanic/Latino <sup>2</sup>	Level 2	55	63.6	55	63.6	63.6	Combined
Asian	Level 5	28	89.3	18	94.4	91.3	Current
White	Level 3	450	77.8	452	76.5	77.2	Combined
Multi-Racial	Level 3	32	84.4	26	69.2	77.6	Combined

1. Cohort year is the school year in which the students enrolled in high school for the first time.
2. Included in the Underserved Races/Ethnicities subgroup.
3. The Applied Rate is the graduation rate used to determine the Level. It is the higher of the combined rate and the most recent rate.

**Data notes:**

Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.

\* Fewer than 6 students tested in the last two years combined

NA Not applicable



**District:** Corvallis SD 509J  
**Level:** Elementary (Grades 3-5)

All students enrolled on the first school day in May must take a statewide assessment. The tables below display the percentage of students who took a statewide assessment by school year, subject, and subgroup for grades 3 to 5. The tables also indicate whether each subgroup met the federal participation rate target of 94.5%. Only subgroups with at least 40 participants and non-participants (combined) receive a participation rating.

**Participation Target: 94.5%**

Reading	Status	Participants		Non-Participants		Participation Rate			Applied Rate <sup>2</sup>
		2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	Combined	
All Students	Met	1358	1385	3	9	99.8	99.4	99.6	Combined
Economically Disadvantaged	Met	501	527	2	5	99.6	99.1	99.3	Combined
English Learners	Met	172	188	1	4	99.4	97.9	98.6	Combined
Students with Disabilities	Met	178	215	2	1	98.9	99.5	99.2	Current
Underserved Races/Ethnicities	Met	265	270	0	1	100.0	99.6	99.8	Combined
American Indian/Alaska Native <sup>1</sup>	Not Rated	12	7	0	0	100.0	100.0	100.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	8	10	0	0	100.0	100.0	100.0	NA
Black/African American <sup>1</sup>	Not Rated	11	12	0	0	100.0	100.0	100.0	NA
Hispanic/Latino <sup>1</sup>	Met	234	241	0	1	100.0	99.6	99.8	Combined
Asian	Met	86	82	1	2	98.9	97.6	98.2	Combined
White	Met	914	920	2	6	99.8	99.4	99.6	Combined
Multi-Racial	Met	93	113	0	0	100.0	100.0	100.0	Current

Math	Status	Participants		Non-Participants		Participation Rate			Applied Rate <sup>2</sup>
		2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	Combined	
All Students	Met	1358	1392	3	4	99.8	99.7	99.7	Current
Economically Disadvantaged	Met	501	531	2	1	99.6	99.8	99.7	Current
English Learners	Met	172	194	1	0	99.4	100.0	99.7	Current
Students with Disabilities	Met	179	216	1	0	99.4	100.0	99.7	Current
Underserved Races/Ethnicities	Met	264	271	1	0	99.6	100.0	99.8	Current
American Indian/Alaska Native <sup>1</sup>	Not Rated	12	7	0	0	100.0	100.0	100.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	8	10	0	0	100.0	100.0	100.0	NA
Black/African American <sup>1</sup>	Not Rated	11	12	0	0	100.0	100.0	100.0	NA
Hispanic/Latino <sup>1</sup>	Met	233	242	1	0	99.6	100.0	99.8	Current
Asian	Met	87	86	0	0	100.0	100.0	100.0	Current
White	Met	914	922	2	4	99.8	99.6	99.7	Combined
Multi-Racial	Met	93	113	0	0	100.0	100.0	100.0	Current

1. Included in the Underserved Races/Ethnicities subgroup.

2. The Applied rate is the rate used to determine if the participation target is met. It is the higher of the combined rate and the most recent rate.

**Data notes:**

Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.

\* Fewer than 6 students tested in the last two years combined

**District:** Corvallis SD 509J  
**Level:** Middle (Grades 6-8)

All students enrolled on the first school day in May must take a statewide assessment. The tables below display the percentage of students who took a statewide assessment by school year, subject, and subgroup for grades 6 to 8. The tables also indicate whether each subgroup met the federal participation rate target of 94.5%. Only subgroups with at least 40 participants and non-participants (combined) receive a participation rating.

**Participation Target: 94.5%**

Reading	Status	Participants		Non-Participants		Participation Rate			Applied Rate <sup>2</sup>
		2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	Combined	
All Students	Met	1437	1426	0	2	100.0	99.9	99.9	Current
Economically Disadvantaged	Met	484	497	0	2	100.0	99.6	99.8	Combined
English Learners	Met	103	86	0	1	100.0	98.9	99.5	Combined
Students with Disabilities	Met	184	180	0	1	100.0	99.4	99.7	Combined
Underserved Races/Ethnicities	Met	225	247	0	0	100.0	100.0	100.0	Current
American Indian/Alaska Native <sup>1</sup>	Not Rated	7	9	0	0	100.0	100.0	100.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	9	6	0	0	100.0	100.0	100.0	NA
Black/African American <sup>1</sup>	Not Rated	18	16	0	0	100.0	100.0	100.0	NA
Hispanic/Latino <sup>1</sup>	Met	191	216	0	0	100.0	100.0	100.0	Current
Asian	Met	94	89	0	0	100.0	100.0	100.0	Current
White	Met	1016	980	0	2	100.0	99.8	99.9	Combined
Multi-Racial	Met	102	110	0	0	100.0	100.0	100.0	Current

Math	Status	Participants		Non-Participants		Participation Rate			Applied Rate <sup>2</sup>
		2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	Combined	
All Students	Met	1434	1426	2	1	99.9	99.9	99.9	Current
Economically Disadvantaged	Met	483	499	1	0	99.8	100.0	99.9	Current
English Learners	Met	101	87	2	0	98.1	100.0	98.9	Current
Students with Disabilities	Met	184	180	0	1	100.0	99.4	99.7	Combined
Underserved Races/Ethnicities	Met	225	247	0	0	100.0	100.0	100.0	Current
American Indian/Alaska Native <sup>1</sup>	Not Rated	7	9	0	0	100.0	100.0	100.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	9	6	0	0	100.0	100.0	100.0	NA
Black/African American <sup>1</sup>	Not Rated	18	16	0	0	100.0	100.0	100.0	NA
Hispanic/Latino <sup>1</sup>	Met	191	216	0	0	100.0	100.0	100.0	Current
Asian	Met	93	89	1	0	98.9	100.0	99.5	Current
White	Met	1014	981	1	1	99.9	99.9	99.9	Current
Multi-Racial	Met	102	109	0	0	100.0	100.0	100.0	Current

1. Included in the Underserved Races/Ethnicities subgroup.

2. The Applied rate is the rate used to determine if the participation target is met. It is the higher of the combined rate and the most recent rate.

**Data notes:**

Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.

\* Fewer than 6 students tested in the last two years combined



**District:** Corvallis SD 509J  
**Level:** High (Grade 11)

All students enrolled on the first school day in May must take a statewide assessment. The tables below display the percentage of students who took a statewide assessment by school year, subject, and subgroup for grade 11. The tables also indicate whether each subgroup met the federal participation rate target of 94.5%. Only subgroups with at least 40 participants and non-participants (combined) receive a participation rating.

**Participation Target: 94.5%**

Reading	Status	Participants		Non-Participants		Participation Rate			Applied Rate <sup>2</sup>
		2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	Combined	
All Students	Met	534	559	1	7	99.8	98.8	99.3	Combined
Economically Disadvantaged	Met	151	156	1	4	99.3	97.5	98.4	Combined
English Learners	Not Rated	14	12	0	0	100.0	100.0	100.0	NA
Students with Disabilities	Met	45	58	0	3	100.0	95.1	97.2	Combined
Underserved Races/Ethnicities	Met	81	88	0	3	100.0	96.7	98.3	Combined
American Indian/Alaska Native <sup>1</sup>	Not Rated	5	6	0	0	100.0	100.0	100.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	2	2	0	0	100.0	100.0	100.0	NA
Black/African American <sup>1</sup>	Not Rated	9	9	0	0	100.0	100.0	100.0	NA
Hispanic/Latino <sup>1</sup>	Met	65	71	0	3	100.0	95.9	97.8	Combined
Asian	Met	26	33	0	0	100.0	100.0	100.0	Current
White	Met	396	411	1	4	99.7	99.0	99.4	Combined
Multi-Racial	Met	31	27	0	0	100.0	100.0	100.0	Current

Math	Status	Participants		Non-Participants		Participation Rate			Applied Rate <sup>2</sup>
		2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	Combined	
All Students	Met	528	562	1	5	99.8	99.1	99.5	Combined
Economically Disadvantaged	Met	148	156	1	4	99.3	97.5	98.4	Combined
English Learners	Not Rated	14	11	0	0	100.0	100.0	100.0	NA
Students with Disabilities	Met	44	63	0	2	100.0	96.9	98.2	Combined
Underserved Races/Ethnicities	Met	79	89	0	2	100.0	97.8	98.8	Combined
American Indian/Alaska Native <sup>1</sup>	Not Rated	4	6	0	0	100.0	100.0	100.0	NA
Native Hawaiian/Pacific Islander <sup>1</sup>	Not Rated	2	2	0	0	100.0	100.0	100.0	NA
Black/African American <sup>1</sup>	Not Rated	9	10	0	0	100.0	100.0	100.0	NA
Hispanic/Latino <sup>1</sup>	Met	64	71	0	2	100.0	97.3	98.5	Combined
Asian	Met	27	32	0	0	100.0	100.0	100.0	Current
White	Met	391	413	1	3	99.7	99.3	99.5	Combined
Multi-Racial	Met	31	28	0	0	100.0	100.0	100.0	Current

1. Included in the Underserved Races/Ethnicities subgroup.

2. The Applied rate is the rate used to determine if the participation target is met. It is the higher of the combined rate and the most recent rate.

**Data notes:**

Not Rated Subgroup did not meet minimum size requirement in order to receive a rating.

\* Fewer than 6 students tested in the last two years combined



# Corvallis

SCHOOL DISTRICT

VII.D. Linn Benton Lincoln Education Service District (LBL ESD) 2015-17  
Local Service Plan



**Linn Benton Lincoln  
Education Service District**

**Local Service Plan  
2015-2017**

**Linn Benton Lincoln Education Service District  
905 4<sup>th</sup> Avenue SE  
Albany, Oregon 97321-3199  
[www.lblesd.k12.or.us](http://www.lblesd.k12.or.us)**

**541-812-2600**

# **LBL Local Service Plan 2015-2017**

## **Administrative Services**

Superintendent: Mary McKay

Assistant Superintendent: Don Dorman

Chief Financial Officer: Angie Peterman

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## **Introduction**

Linn Benton Lincoln Education Service District (LBL) comprises 12 component school districts and approximately 33,000 students in Linn, Benton and Lincoln counties. LBL also serves students and districts elsewhere in Oregon through grants and contracts. Its governance structure includes a seven-member Board of Directors. LBL has an annual budget of approximately \$49 million and work force of approximately 215 employees.

LBL serves educational agencies, districts, and schools across the state with high-quality services, and programs that are practical, reliable and economical. LBL has a distinguished reputation for supporting educational excellence and equity, working cooperatively with educators and educational agencies, and effecting productive solutions that help schools, teachers, students and families meet Oregon's educational goals.

## **LBL Mission**

LBL ESD serves districts, schools and students by providing equitable, flexible, and effective educational services made affordable through economy of scale.

## **LBL Vision**

To be a responsive and transparent organization that supports districts in helping every child succeed.

## **LBL Values**

Success for all students.

Relationships built on trust, responsiveness and honesty.

The four "E"s of Excellence, Equity, Efficiency and Effectiveness.

Accountability

## **LBL Agency Goals**

**Goal 1** - Support success for all students by delivering excellent, equitable, efficient and cost effective services.

**Goal 2** – Foster positive relationships by strengthening communication within the agency, with component school districts, other organizations and communities.

**Goal 3** – Pursue long term financial stability.

# LBL Programs

- **Administrative Services**
  - **Superintendent Office** – Providing LBL and Regional Leadership; Supporting Districts in Meeting Educational Needs.
  - **Human Resources** – Supporting LBL Employees including Recruitment, Personnel Management, Benefit Management, and Contract Management.
  - **Business Services** - Providing a Full Range of Business Office Functions and Business Information Systems, and Medicaid Fee for Service.
- **Cascade Regional Program** - Services for Low Incidence Disabilities: Vision, Hearing, Orthopedic and Autism, in addition to Audiology and Augmentative Communication.
- **Early Intervention/Early Childhood Special Education** – Early Intervention services for children birth to two years and Early Childhood Special Education for children three to five years.
- **Information Systems** - Student Information Systems Suite, Programmers, Customer Support Representatives, Web Development, and Curriculum/Instructional Technology.
- **Long Term Care and Treatment Education Program** - Education Services for Students Placed in Residential and Day Treatment.
- **Network and Facility Services** - Wide and Local Area Networks, Data Center Services, Computer Support Technicians, Phone Systems and Facilities Management.
- **Special Education and Evaluation Services** – Education Evaluation & Consultation Center, Response to Intervention, Talented and Gifted, Interpreter/Translator, Severe Disabilities, IDEA Consortium, Traumatic Brain Injury, Youth Transition Program, Community Connections Network, Transition Network Facilitator.
- **Student and Family Support Services** - Attendance and Behavior Support for Students and Families, Home School Registration, Positive Behavior Interventions Support, School Based Medicaid Administrative Claiming.

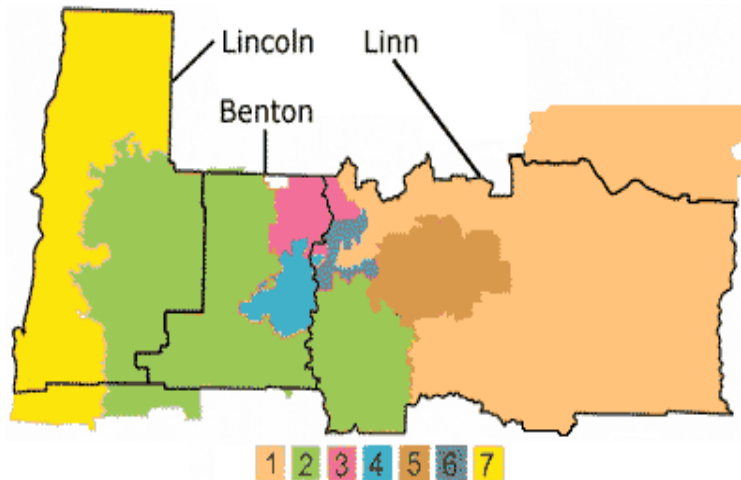
# LBL Governance

LBL Board of Directors, Superintendent and staff serve districts, schools and students by providing flexible, effective, and efficient educational services.

LBL Board of Directors		
Zone	Board Member	Term Expires
1	Heather Search	6/30/2017
2	Mylrea Estell	6/30/2017
3	Frank Bricker	6/30/2017
4	David Dowrie	6/30/2017
5	Terry Deacon	6/30/2015
6	Jan Doerfler	6/30/2015
7	David Dunsdon	6/30/2015

LBL Budget Committee			
Zone	District	Member	Term Expires
1	Sweet Home	Jason Redick	6/30/2014
2	Philomath	Don Cruise	6/30/2016
3	Albany	Lyle Utt	6/30/2016
4	Corvallis	Chris Rochester	6/30/2015
5	Lebanon	Russ McUne	6/30/2014
6	Albany	Micah Smith	6/30/2015
7	Lincoln County	Ron Beck	6/30/2014
	At Large	Dale Keene	6/30/2014

## LBL Board Zones



# LBL Component School Districts

## Valley Coast Superintendent Association (VCSA)

District	Superintendent
Alesa 7J P O Box B 301 S 3rd Alesa, OR 97324	Marc Thielman 541-487-4305
Central Linn 552C 331 East Blakely Brownsville, OR 97327	Brian Gardner 541-369-2813 ext. 3222
Corvallis 509 J 1555 SW 35 <sup>th</sup> Street Corvallis, OR 97333-1130	Erin Prince 541-757-5841
Greater Albany 8J 718 Seventh Avenue SW Albany, OR 97321-2399	Maria Delapoer 541-967-4511
Harrisburg #7 P O Box 208 865 LaSalle Street Harrisburg, OR 97446-9549	Brian Wolf 541-995-6626 ext. 1
Lebanon Community #9 485 S Fifth Street Lebanon, OR 97355	Rob Hess 541-451-8458
Lincoln County 459 SW Coast Hwy Newport, OR 97365-4931	Steve Boynton 541-265-4403
Monroe 1J 365 N 5 <sup>th</sup> Street Monroe, OR 97456	Russ Pickett 541-847-6292
Philomath 17J 535 South 19 <sup>th</sup> Street Philomath, OR 97370-9328	Dan Forbess 541-929-3169
Santiam Canyon 129J P O Box 197 150 SW Evergreen Street Mill City, OR 97360-0197	Todd Miller 503-897-2321
Scio 95 38875 NW First Avenue Scio, OR 97374-9501	Gary Tempel 503-394-3261
Sweet Home 55 1920 Long Street Sweet Home, OR 97386	Don Schrader 541-367-7126

# **LBL Local Service Plan 2015-2016 Resolution**

## **Resolution Service Allocation**

At least 90% of the annual State School Fund (SSF), Property Tax and other qualifying resources allocated to LBL will be expended on resolution services. Services will be provided on a two-tiered basis.

## **Tier 1 Resolution Services**

Tier 1 includes services that are available to all 12 districts and are determined as being essential to all districts. Approval will be a unanimous vote to sustain or add to Tier 1 services. The emphasis in Tier 1 is on achieving the greatest economies of scale and assuring equity of access. Tier 1 services are fully funded from the 90% SSF allocation. Service decisions are made for a two year period. However, if a service is provided through a contract that LBL holds with a third party vendor, the term of that contract will take precedence.

- Business Information Services
- Student Information System Suite
- TIENet Special Education Records Systems
- Data Warehouse
- Help Desk
- Network Support Services Including Wide Area Network Operation
- Network Systems Analysts
- Education and Evaluation Consultation Center (School Psychologists, Speech Language Pathologists and other special education assessment personnel); includes Early Intervention/Early Childhood Special Education and Audiology evaluations
- Support and Consultation for Students with Severe Disabilities
- Interpreter/Translation Services for Families of Students with Special Needs
- Curriculum/Instructional Technology
- Home School Registration and Assessment Tracking

## **Tier 2 Resolution Services**

Once Tier 1 funds are allocated, the remaining balance is used for Tier 2 services. Ninety-eight percent of Tier 2 funds are allocated based on the ADMw of the 12 component districts using the final estimate for the May 15, 2014 SSF. The amount is rounded to the nearest whole percentage, not less than 1%. The remaining 2% of the Tier 2 funds will be distributed as a beginning fund balance each year. Once established, the Tier 2 ADMw calculation does not change over a two year period in order for districts and LBL to maintain stable programs. LBL and its component school districts will stay within the constraints of the agreements, yet provide flexibility in the use of funds.

It is further agreed:

Changes in Tier 2 resolution services are negotiated by each district between the LBL superintendent and the component school district superintendent based on individual need and within the following criteria:

- Assist component school districts in meeting requirements of state and federal law
- Improve student learning
- Enhance the quality of instruction provided to students
- Provide professional development to component school district employees
- Enable component school districts and the students who attend schools in those districts to have equitable access to resources
- Maximize operational and fiscal efficiencies for component school districts
- Service decisions will be made prior to May 1<sup>st</sup> of each year when possible
- Estimates of available resolution funding will be provided in April of each year

While every attempt is made to achieve economies of scale in Tier 2, the emphasis is on customizing a service package for each district. Tier 2 services do not require participation by every school district in the region. The emphasis is on the development of consortia of districts utilizing a given service. These consortia may, and most likely will, utilize a variety of funding resources, including resolution service resources, to fund services. The cost of Tier 2 services will be based on the districts ADMr where applicable. Additionally, up to 30% of the district's allocated Tier 2 resources, may be used to acquire services from sources other than LBL if the service is not provided by LBL, based on the above criterion. Individual districts will determine Tier 2 services of Charter Schools.

**Amendments to the Local Service Plan**

If the component school districts approve an amendment to a Local Service Plan, the board of an education service district may amend a Local Service Plan that has been previously adopted by the LBL Board and approved by the Boards of component school districts.

**By \_\_\_\_\_ School District**

\_\_\_\_\_  
**LBL Board Chair**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**School District Board Chair**

\_\_\_\_\_  
**Date**

## LBL Planning Calendar for Developing and Approving Resolution Services

Month(s)	Activity
September and October	Visit and interview districts to discuss service level satisfaction, LBL performance measures, and emerging needs. Survey electronically as needed.
November	Present VCSA draft resolution Local Service Plan for next biennium. Review/revise the Local Service Plan as described under ORS 334.175(1) and with input from superintendents.
December	VCSA Superintendents finalize Local Service Plan services and agreements resulting in recommendation of the LBL Local Service Plan to LBL Board of Directors and Component School Districts
January	Recommended LBL Local Service Plan will be provided to LBL Board of Directors for adoption for the biennium.
February	After being adopted by the LBL Board of Directors the Local Service Plan is approved on or before March 1 by resolution of two-thirds of the component school districts that are part of the education service district and that have at least a majority of the pupils included in the average daily membership of LBL. Adoption by component district boards shall occur before March 1.
March	Notify LBL staff of changes in service requirements as established in the Local Service Plan.
April and May	LBL acquires the necessary staffing, equipment, and technology and other resources to deliver the services required or services are brokered through other sources.

## LBL Service Assessment: Regional Advantage and Infrastructure Capacity

LBL will use the following guidelines to assist in determining the feasibility of adding or changing services.

- LBL can provide the service more **efficiently** due to regional presence.
- LBL can provide the service more **effectively** due to regional presence.
- LBL has the current capacity to add the proposed service.
- LBL has the capacity to expand as needed in order to provide the proposed service.

## LBL Service Areas

<b>Administrative Services Board and Superintendent</b>	
<b>Service Description</b>	<b>Funding Source</b>
<b>Board of Directors</b> Support the LBL Board of Directors on legal and policy issues including negotiating contracts, litigation and issues related to Board action.	<b>Non-Resolution Funds</b> Generated from 10% of State School Fund and Indirect Fees on Services.
<b>Office of the Superintendent</b> Provide LBL and regional leadership; support districts in meeting educational needs. Provide conference space and training labs.	<b>Non-Resolution Funds</b> Generated from 10% of State School Fund and Indirect Fees on Services.
<b>Human Resources Program</b> Deliver effective strategies in supporting LBL employees including recruitment, personnel management, benefit management and contract management.	<b>Non-Resolution Funds</b> Generated from 10% of State School Fund and Indirect Fees on Services.
<b>Web Design and Maintenance - LBL</b> Specialized web development services; LBL intranet content management.	<b>Non-Resolution Funds</b> Generated from 10% of State School Fund and Indirect Fees on Services.
<b>Board and Superintendent Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>LBL Agency Goal #2</b>	Foster positive relationships by strengthening communication within the agency, with component school districts, other organizations and communities.
<b>LBL Agency Goal #3</b>	Pursue long term financial stability.
<b>Human Resource Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>Human Resource Performance Measure #1</b>	Provide comprehensive information, services and support to LBL administrators and staff members resulting in a high rate of employee retention. LBL will have a 93% regular employee retention rate.
<b>Human Resource Performance Measure #2</b>	Implement an efficient and effective recruitment process that results in hiring a skilled LBL workforce. All LBL programs will start the school year with no more than one vacant position.

**Administrative Services**  
**Business Services**

**LBL ESD Business Services Program provides services to assist schools, districts and LBL in day-to-day business operations**

<b>Service Description</b>	<b>Funding Source</b>																		
<p><b>Business Services</b> Delivery and support of Infinite Visions business information system software (including help desk) and all business functions to LBL.</p>	<p><b>Non-Resolution Funds</b> Generated from 10% of State School Fund and Indirect Fees on Services</p>																		
<p><b>Courier Service</b> Delivery of goods and equipment to component districts via a twice-weekly schedule.</p>	<p><b>Non-Resolution Funds and Tier 1 Resolution Service</b></p>																		
<p><b>Business Information System (BIS)</b> Delivery and Support of Infinite Visions business information system software (including help desk) to component school districts.</p>	<p><b>Tier 1 Resolution Service</b></p>																		
<p><b>Business Information System</b> Delivery and Support of Infinite Visions business information system software (including help desk) to the following non-component school districts</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Athena Weston</td> <td style="width: 33%;">Condon</td> <td style="width: 33%;">Eddyville Charter</td> </tr> <tr> <td>Falls City</td> <td>Gervais</td> <td>Jefferson</td> </tr> <tr> <td>Klamath Falls</td> <td>Milton Freewater</td> <td>Morrow County</td> </tr> <tr> <td>Mt Angel</td> <td>Pilot Rock</td> <td>Pleasant Hill</td> </tr> <tr> <td>North Central ESD</td> <td>Siletz Charter</td> <td>Springfield</td> </tr> <tr> <td>St. Paul</td> <td></td> <td></td> </tr> </table>	Athena Weston	Condon	Eddyville Charter	Falls City	Gervais	Jefferson	Klamath Falls	Milton Freewater	Morrow County	Mt Angel	Pilot Rock	Pleasant Hill	North Central ESD	Siletz Charter	Springfield	St. Paul			<p><b>Non-Component District Contracts</b></p>
Athena Weston	Condon	Eddyville Charter																	
Falls City	Gervais	Jefferson																	
Klamath Falls	Milton Freewater	Morrow County																	
Mt Angel	Pilot Rock	Pleasant Hill																	
North Central ESD	Siletz Charter	Springfield																	
St. Paul																			
<p><b>Business Administration Services</b> Provide a variety of business services to districts. Services include: assist districts in preparing and maintaining budgets, meeting audit and ODE reporting requirements, maintaining general ledger, processing payroll, completing accounts payable tasks, reconciling employee benefits, preparing tax payments, processing PERS payments.</p> <p><b>Component Districts:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Alsea</td> <td style="width: 33%;">Monroe</td> <td style="width: 33%;">Philomath</td> </tr> <tr> <td>Santiam Canyon</td> <td>Sweet Home</td> <td></td> </tr> </table> <p><b>Non-Component Districts:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;">Eddyville Charter</td> <td style="width: 33%;">Siletz Charter</td> <td style="width: 33%;"></td> </tr> </table>	Alsea	Monroe	Philomath	Santiam Canyon	Sweet Home		Eddyville Charter	Siletz Charter		<p><b>Tier 2 Resolution Agreements or Contracts</b></p>									
Alsea	Monroe	Philomath																	
Santiam Canyon	Sweet Home																		
Eddyville Charter	Siletz Charter																		
<p><b>Administration Services</b> Tier 2 contracts for services that are not provided by LBL.</p>	<p><b>Tier 2 Resolution Agreements</b></p>																		

<b>Business Services Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>LBL Agency Goal #3</b>	Pursue long term financial stability.
<b>Business Service Performance Measure</b>	Retain current and expand future customer base for both Business Information Systems and Business Administration Services.

<b>Cascade Regional Program</b>	
<b>Services for students with Low Incidence Disabilities: Vision, Hearing, Orthopedic and Autism, in addition to audiology and augmentative communication</b>	
<b>Service Description</b>	<b>Funding Source</b>
<b>Cascade Regional Program</b> Provide support for students with vision impairment, hearing impairment, severe orthopedic impairment, and autism spectrum disorder. The program’s staff members consist of teachers licensed in special education and licensed occupational and physical therapists. Services include consultation, assessment, instruction and adaptive materials. Includes transit funds to South Coast ESD.	<b>Oregon Department of Education Contract</b>
<b>Support Services to Special Needs Students</b> Provide services specific to individual district program needs. Services include occupational and physical therapy and augmentative communication support.	<b>Tier 2 Resolution Agreements and Contracts</b>
<b>Cascade Regional Program Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>Cascade Regional Performance Measure #1</b>	Achieve student success through equitable access and specialized supports for students with low incidence disabilities. Focus areas: <ul style="list-style-type: none"> <li>• Maximize students’ ability to access auditory classroom sounds/instruction by pairing FM systems with hearing aids.</li> <li>• Implement a process to ensure timely provision of printed textbooks and other instructional materials in formats accessible to students that are blind/low vision.</li> </ul>

<b>Early Intervention/Early Childhood Special Education</b>	
<b>Early intervention services for children birth through two years and early childhood special education for children three to five years</b>	
<b>Service Description</b>	<b>Funding Source</b>
<p><b>Early Intervention/Early Childhood Special Education (EI/ECSE)</b>            Provide assessment, evaluation, early intervention and early childhood special education services for eligible children from birth to five years in Benton, Linn and Lincoln counties. EI/ECSE specialists, speech language pathologists and related service staff members provide a continuum of services, both consultative and direct for eligible children and their families. Support includes assisting in kindergarten transition efforts. Includes transit funds to South Coast ESD.</p>	<p><b>Oregon Department of Education Contract</b></p>
<b>EI/ECSE Performance Measures</b>	
<p><b>LBL Agency Goal #1</b></p>	<p>Support success for all students by delivering excellent, equitable, efficient and cost effective services.</p>
<p><b>EI/ECSE Performance Measure #1</b></p>	<p>Increase kindergarten readiness - 90% of students will increase ability to identify letter/sound pairs without gestures cues, by 5 phonemes from baseline, as measured by the Zoophonics Alphabet Assessment Tool or other phoneme assessment tool.</p>
<p><b>EI/ECSE Performance Measure #2</b></p>	<p>Increase kindergarten readiness - 90% of students will increase self-regulation skills in the classroom by increasing their average score on the 5-Point Self-Regulation Checklist (created by staff) by one point.</p>

<b>Information Systems</b>	
<b>Supporting Instructional Improvement through Technology</b>	
<b>Service Description</b>	<b>Funding Source</b>
<p><b>LBL Student Information System (SIS)</b> A suite of student information records management software applications specifically tailored for Oregon schools. Products include: General Student Records, Gradebook, Attendance, Scheduler, and Data Warehouse and Analytics.</p>	<b>Tier 1 Resolution Service</b>
<p><b>LBL Student Information System</b> A suite of student information records management software applications specifically tailored for Oregon schools. Products include: General Student Records, Gradebook, Attendance, Scheduler and Data Analytics, <i>Non-Component Districts:</i> Amity                      Athena Weston              Eddyville Charter Falls City                  Four Rivers                      Jefferson Lake County                Mt. Angel                        Pilot Rock Pleasant Hill                Prospect                            Siletz Charter Silver Falls Four Rivers State Charter LBL Long Term Care and Treatment Program Lincoln City Career Technical High School</p>	<b>Non-Component Contracts</b>
<p><b>Special Education Records Management (TIENet)</b> Software license, Help Desk support, training and state reporting for Special Education records.</p>	<b>Tier 1 Resolution Service</b>
<p><b>Special Education Records Management (TIENet)</b> Software license, Help Desk support, training and state reporting for Special Education and/or Section 504 records. <i>Non-Component Districts:</i> Amity                      Athena Weston              Baker Bethel                      Creswell Crow-Applegate-Lorane                      Culver Estacada                  Falls City                        Gervais Harney County              Harney ESD                      Jefferson Co. Lake Co.                    Lake ESD                        Lowell Marcola                      McKenzie                        Mt. Angel Oakland                      Oakridge OR Dept. of Corrections Pilot Rock                  Pleasant Hill                      Riddle Sheridan                      Silver Falls                        South Lane South Umpqua                St. Paul                            Yamhill-Carlton</p>	<b>Non-Component Contracts</b>

<b>Information Systems - Continued</b>	
<b>Supporting Instructional Improvement through Technology</b>	
<b>Service Description</b>	<b>Funding Source</b>
<b>Systems Analysts</b> System analysts support all information systems, legacy systems, network, and state reporting requirements.	<b>Tier 1 Resolution Service</b>
<b>Help Desk Service</b> Support for all areas of technology including information systems and network services. These include state reporting, instructional technology, SIS and legacy systems.	<b>Tier 1 Resolution Service</b>
<b>School Improvement and Student Achievement Support</b> Facilitate regular meetings of district curriculum leaders. Facilitate region-wide professional development. Support the use of technology in linking standards to student outcomes and providing tools to report student progress and achievement.	<b>Tier 1 Resolution Service</b>
<b>Web Design and Maintenance – District Service</b> Provide specialized web development and management services.	<b>Tier 2 Resolution Agreements and Contracts</b>
<b>Information Systems Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>Information Systems Performance Measure #1</b>	Support, refine, enhance and expand student data systems to support instruction and assessment. Focus: Argos product, Pinnacle Gradebook
<b>Information Systems Performance Measure #2</b>	Create a “Single Sign On” for clients including WebSIS, Pinnacle, Argos and TIENet products.

<b>Long Term Care and Treatment Education Program</b>	
<b>Education services for students placed in residential and day treatment programs</b>	
<b>Service Description</b>	<b>Funding Source</b>
<b>Farm Home School</b> Serves a rotational population of students in residence and day treatment at Children’s Farm Home. Students have been referred from counties throughout the state for assessment, stabilization and treatment of mental health disorders.	<b>Oregon Department of Education Contract</b>
<b>Wake Robin School</b> Supports students in day treatment.	

<b>Long Term Care and Treatment Education Program Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>Long Term Care and Treatment Education Services Performance Measure #1</b>	For students in residence for at least 90 days, and who take a pre and a post test, students will demonstrate growth in at least one sub area in math and in at least one sub area of reading: <ul style="list-style-type: none"> <li>• For students with instructional time of less than 50%, 75% of the students will meet the goal</li> <li>• For students with instructional time of 50-69%, 80% of the students will meet the goal</li> <li>• For students with instructional time of at least 70%-100%, 90% of the students will meet the goal</li> </ul>
<b>Long Term Care and Treatment Education Services Performance Measure #2</b>	Continue to provide training and support to increase teacher use of Pinnacle Grade Book. Each teacher will demonstrate an increase in the use of linking standards to student assignments in the Pinnacle Grade Book by at least 20% from the baseline (beginning of Quarter Two) to near the end of Quarter Four.

<b>Network and Facility Services</b>	
<b>Wide and Local Area Networks, Data Center Services and Facilities Management</b>	
<b>Service Description</b>	<b>Funding Source</b>
<b>Wide Area Network (WAN)</b> Provide ongoing support of services, equipment, security and monitoring for the regional network that connects districts, LBL and the internet. This service enables safe and efficient access to data-delivery systems beyond the district network.	<b>Tier 1 Resolution Service</b>
<b>District Network Second-Level Support</b> Provide ongoing escalation support for district staff when solving network-based technical problems and planning future network-based technology projects.	<b>Tier 1 Resolution Service</b>

<b>Network and Facility Services - Continued</b>	
<b>Wide and Local Area Networks, Data Center Services and Facilities Management</b>	
<b>Service Description</b>	<b>Funding Source</b>
<p><b>Component District Technology Support</b>            Technical support and/or licenses are available to support district technology programs/projects. These include but are not limited to email boxes/MS Exchange email service, email archiving, iBoss CIPA filtering, Internet Service Provider-bandwidth, Novell licenses, off-site storage, data line, disaster recovery and virtual server hosting.            All LBL component districts use a variety of these services, based on individual district needs.</p>	<p><b>Tier 2 Resolution Agreements and Contracts</b></p>
<p><b>Support Local Area Networks and Computer Support Technicians</b>            Hire and support staff to meet network/computer needs of individual districts.  <i>Component Districts</i>            Alsea                                      Albany                                      Central Linn            Harrisburg                                      Monroe                                      Philomath            Santiam Canyon  <i>Non-Component Districts</i>            Jefferson                                      Eddyville Charter                                      Sandridge Charter</p>	<p><b>Tier 2 Resolution Agreements and Contracts</b></p>
<p><b>Facility Management</b>            Maintain the LBL Facility and Conference Center for use by employees and other educators throughout the region.</p>	<p><b>Non-Resolution Funds</b>            Generated from 10% of State School Fund and Indirect Fees on Services.</p>
<b>Network and Facilities Services Performance Measures</b>	
<p><b>LBL Agency Goal #1</b></p>	<p>Support success for all students by delivering excellent, equitable, efficient and cost effective services.</p>
<p><b>Network and Facilities Performance Measure #1</b></p>	<p>Increase network availability to 99.9%, excluding scheduled outages.</p>
<p><b>LBL Agency Goal #2</b></p>	<p>Foster positive relationships by strengthening communication within the agency, with component school districts, other organizations and communities.</p>
<p><b>Network and Facilities Performance Measure #2</b></p>	<p>Provide regular reports to districts that include technical hours used/remaining and updates on specific projects and services.</p>

<b>Special Education and Evaluation Services</b>	
<b>Special education evaluation, consultation and direct services. Additional support to districts that includes special projects and grant implementation.</b>	
<b>Service Description</b>	<b>Funding Source</b>
<p><b>Special Education Evaluation Services</b> The Education Evaluation and Consultation Center (EECC) provides special education evaluation and consultation for K-12 students. Evaluations are provided both in-district and at the LBL facility. Funds are also allocated for audiology evaluations and EI/ECSE evaluations.</p> <p>Includes Response to Intervention and interpreter/translator support.</p>	<b>Tier 1 Resolution Service</b>
<p><b>Services to Students with Severe Disabilities</b> Provides funds and consultation for students with severe disabilities.</p>	<b>Tier 1 Resolution Service</b>
<p><b>Support Services to Special Needs Students</b> Provides services specific to individual district program needs. Services include school psychologists and speech language pathologists.</p>	<b>Tier 2 Resolution Agreements and Contracts</b>
<p><b>Talented and Gifted Test Support</b> Distribute and score assessments to assist districts in determining TAG eligibility.</p>	<b>Tier 2 Resolution Agreements and Contracts</b>
<p><b>Additional supports and services that assist districts in meeting student needs.</b> Services include facilitating IDEA Consortium and Community Connections Network, Transition Network Facilitator, Youth Transition Assistant, and Traumatic Brain Injury consultation.</p>	<b>IDEA Consortium Funds, ODE Grants, Oregon Health Sciences University (OHSU) grant</b>
<b>Special Education and Evaluation Services Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>Special Education and Evaluation Services Performance Measure #1</b>	Increase training/support for progress monitoring/tiered intervention systems from 8% to 25%.
<b>Special Education and Evaluation Services Performance Measure #2</b>	Fulfill the evaluation needs of districts by maintaining a monthly percentage average of 85% or more for in-center evaluations scheduled.

<b>Student and Family Support Services</b>	
<b>Serving students with behavior, social service, and academic achievement needs.</b>	
<b>Service Description</b>	<b>Funding Source</b>
<p><b>Home School Support</b>            LBL registers and provides support for home school students residing in the LBL region.</p>	<b>Tier 1 Resolution Service</b>
<p><b>Attendance Services</b>            Assist schools, students and parents by supporting regular school attendance. Provide intervention with students that have excessive absences or who are not enrolled in an education program. Consult with districts and schools regarding policies and practices that may improve student attendance.</p>	<b>Tier 2 Resolution Agreements and Contracts</b>
<p><b>Behavior Consultant Services</b>            Provide direct and consultative behavior support services related to the needs of students who are experiencing social, emotional and behavioral challenges that interfere with school success.</p>	<b>Tier 2 Resolution Agreements and Contracts</b>
<p><b>Family Support Liaison Services</b>            Provide support, home visiting and linkage to school, health and community resources to students who are experiencing a variety of challenges to their success in school or for school readiness (EI/ECSE).</p>	<b>Tier 2 Resolution Agreements and Contracts, Juvenile Crime Prevention Funds (Linn County), LBL Administrative Medicaid Funds</b>
<p><b>Positive Behavior and Instructional Support (PBIS)</b>            Work with district and building level teams to support implementation of PBIS.</p>	<b>Oregon Department of Education Grant</b>
<p><b>Oregon Health Authority (OHA) Medicaid Administrative Claiming (MAC)</b>            Provide training and consultation to district coordinators in implementing the Medicaid Administrative Claiming process. Monitor district survey results and submit MAC survey results and claims to OHA. Generated funds are transited to districts.</p>	<b>Tier 2 Resolution Agreements and Contracts</b> Contracted Services

<b>Student and Family Support Services Performance Measures</b>	
<b>LBL Agency Goal #1</b>	Support success for all students by delivering excellent, equitable, efficient and cost effective services.
<b>Student and Family Support Performance Measure #1</b>	Provide attendance data, interventions, community resources, outreach, and education to school districts, students, and families to improve attendance rates.
<b>Student and Family Support Performance Measure #2</b>	Provide support services to engage students in school and contribute to positive youth development and management of students with social, emotional, and behavioral challenges.

**CORVALLIS SCHOOL DISTRICT 509J**  
**Resolution No. 15-0201 for the**  
**Linn Benton Lincoln Education Service District**  
**2015-16 Local Service Plan**  
**Valley Coast Superintendent Association (VCSA)**

**Resolution Service Allocation**

At least 90% of the annual State School Fund (SSF), Property Tax and other qualifying resources allocated to LBL will be expended on resolution services. Services will be provided on a two-tiered basis.

**Tier 1 Resolution Services**

Tier 1 includes services that are available to all 12 districts and are determined as being essential to all districts. Approval will be a unanimous vote to sustain or add to Tier 1 services. The emphasis in Tier 1 is on achieving the greatest economies of scale and assuring equity of access. Tier 1 services are fully funded from the 90% SSF allocation. Service decisions are made for a two year period. However, if a service is provided through a contract that LBL holds with a third party vendor, the term of that contract will take precedence.

- Business Information Services
- Student Information System Suite
- TIENet Special Education Records Systems
- Data Warehouse
- Help Desk
- Network Support Services Including Wide Area Network Operation
- Network Systems Analysts
- Education and Evaluation Consultation Center (School Psychologists, Speech Language Pathologists and other special education assessment personnel); includes Early Intervention/Early Childhood Special Education and Audiology evaluations
- Support and Consultation for Students with Severe Disabilities
- Interpreter/Translation Services for Families of Students with Special Needs
- Curriculum/Instructional Technology
- Home School Registration and Assessment Tracking

**Tier 2 Resolution Services**

Once Tier 1 funds are allocated, the remaining balance is used for Tier 2 services. Ninety-eight percent of Tier 2 funds are allocated based on the ADMw of the 12 component districts using the final estimate for the May 15, 2014 SSF. The amount is rounded to the nearest whole percentage, not less than 1%. The remaining 2% of the Tier 2 funds will be distributed as a beginning fund balance each year. Once established, the Tier 2 ADMw calculation does not change over a two year period in order for districts and LBL to maintain stable programs. LBL and its component school districts will stay within the constraints of the agreements, yet provide flexibility in the use of funds.

It is further agreed:

Changes in Tier 2 resolution services are negotiated by each district between the LBL superintendent and the component school district superintendent based on individual need and within the following criteria:

- Assist component school districts in meeting requirements of state and federal law
- Improve student learning
- Enhance the quality of instruction provided to students
- Provide professional development to component school district employees
- Enable component school districts and the students who attend schools in those districts to have equitable access to resources
- Maximize operational and fiscal efficiencies for component school districts
- Service decisions will be made prior to May 1<sup>st</sup> of each year when possible
- Estimates of available resolution funding will be provided in April of each year

While every attempt is made to achieve economies of scale in Tier 2, the emphasis is on customizing a service package for each district. Tier 2 services do not require participation by every school district in the region. The emphasis is on the development of consortia of districts utilizing a given service. These consortia may, and most likely will, utilize a variety of funding resources, including resolution service resources, to fund services. The cost of Tier 2 services will be based on the districts ADMr where applicable. Additionally, up to 30% of the district's allocated Tier 2 resources, may be used to acquire services from sources other than LBL if the service is not provided by LBL, based on the above criterion. Individual districts will determine Tier 2 services of Charter Schools.

### **Amendments to the Local Service Plan**

If the component school districts approve an amendment to a Local Service Plan, the board of an education service district may amend a Local Service Plan that has been previously adopted by the LBL Board and approved by the Boards of component school districts.

**Adopted February 2, 2015 by the Corvallis School District Board of Directors.**

\_\_\_\_\_  
**Chris Rochester**  
**Corvallis School District Board Chair**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Jan Doerfler**  
**LBL ESD Board Chair**

\_\_\_\_\_  
**Date**



# Corvallis

SCHOOL DISTRICT

## VIII. CONSOLIDATED ACTION

### VIII.A. Minutes

#### VIII.A.1. November 17, 2014

**MINUTES**  
Special Meeting of the  
**BOARD OF DIRECTORS**  
Corvallis School District 509J

**I. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 4:54 p.m. in the Western View Center, 1435 SW 35th Street, Corvallis, OR 97333. The secretary recorded those present as listed below.

<u><b>BOARD MEMBERS PRESENT</b></u> Vincent Adams Judy Ball Beth Heaney Bill Kemper Felicia Reid-Metoyer Chris Rochester, Chair Tom Sauret, Vice Chair	<u><b>PRINCIPALS PRESENT</b></u> Byron Bethards, Adams Elementary School Leigh Santy, Garfield Elementary School Melissa Harder, Jefferson Elementary School Marcianne Koetje, Lincoln Elementary School Eric Beasley, Linus Pauling Middle School Leslie Roache, LPMS Assistant Principal Laura Delp, LPMS RTI Facilitator Matt Boring, Corvallis High School Colleen Works, CHS Assistant Principal
<u><b>EXECUTIVE STAFF PRESENT</b></u> Dr. Erin Prince, Superintendent Kevin Bogatin, Assistant Superintendent Jennifer Duvall, Human Resources Director	

A quorum was present and due notice had been published.

**II. SCHOOL IMPROVEMENT PLANS – CHS PATHWAY SCHOOLS**

Board members rotated through stations and engaged in dialogue with school leadership from the following schools regarding their School Improvement Plans (SIPs) for 2014-15:

- Adams Elementary School
- Garfield Elementary School
- Jefferson Elementary School
- Lincoln Elementary School
- Linus Pauling Middle School
- Corvallis High School

Following the rotations, Board members and staff shared their reflections on the evening.

School administrator comments included:

- I appreciated that Board members had already read the SIPs; the conversations were richer as a result.
- It was clear that the Board knows what the issues are District- and school-wide.
- I found it very collaborative.
- I'm always intrigued by the nuances and the different directions in which Board members take the goals; it helps shape what we're trying to do for our kids.
- It would be useful to have a follow-up session with the Board late in the school year to talk about what worked and how the SIP needed to be tweaked; it fosters accountability and reflection.
- It would be good to have additional time for each rotation.

Board member comments included:

- I'm happy to see things that are aligning to our Achievement Compact.
- I like the fact that the focus of the middle school is getting kids to high school, the focus of the high school is getting kids ready for graduation, and the elementary schools are focusing on reading, etc. Everything is happening as we know it needs to in order to see results; the SIPs are focused on making the students successful.
- I thought this year's batch of SIPs in some respects are the best I've seen in my tenure in terms of clarity of purpose.
- These SIPs focused much less on individual subgroups in terms of goals but across all of them there's a greater focus on equity. I'm very heartened to see it happening at every single school.
- All schools did an extraordinary job in trying to look at the higher level – the K-12 continuum.
- Many, many thanks for all of your time in putting these together.
- I'm definitely seeing a much more strategic focus and SIPs that were connecting the dots – the transitions between the levels.
- Thank you for your passion.
- I was pleased to hear answers to my question “what do you want the Board to do?” There were logical answers and some reaching for the sky. I really appreciated it.
- I enjoyed meeting you and engaging on a 1:1 level.
- I appreciated having the SIPs ahead of time.
- Regarding the “seamless transition” that the Governor had been talking about a few years ago, now I have a model for how that can play out; it's good to know that our kids will be the recipients.
- It's nice being freshly off of the OSBA convention because I got to listen to what boards and districts across the state are wrestling with. Tonight's conversations echoed that; it reinforced what you all are doing across the District and how we can support you.
- Tonight was one more reminder that we have an excellent leadership group.
- The danger for the Board is that we deal at such an abstraction and we can lose touch.
- One of the functions of these dinners is to remind the Board how complex and difficult this work is in many ways but also how inspiring it is.

- We can't promise to give you everything you need because we can't but we talk constantly with District leadership about how we can make the best use of every possible dollar; it's all dynamic. We really do try to meet your needs as intelligently and pertinently as possible.
- Thank you for taking the time to do this; it's very useful for us.

Dr. Prince recognized the work of Assistant Superintendent Kevin Bogatin, Curriculum Coordinators Amy Lesan and Rynda Gregory, and their staff in coaching school leaders about really stretching and working hard on narrowing their focus.

Mr. Bogatin opined that school leaders are getting better and better at creating SIPs; their goals are getting tighter and tighter. He added that he is more confident than ever that they will reach their goals; they know their schools, they know their data, and they know what's going on.

### III. TECHNOLOGY UPDATE

Mr. Bogatin and Cheldelin Middle School Principal Jeff Brew provided the update; Dr. Prince provided information as well. Information conveyed and responses to Board member questions included:

- We brought in additional support for Technology Services Manager Rob Singleton to free him up to be able to focus his time on the highest priority needs of the District and schools.
- We plan to revise and update our website; it's a long process and work will begin in the spring.
- The focus for the revised web site will be what parents want, and making information easy for them to find.
- Cheldelin is struggling with inconsistent performance from all of the iPads.
  - ✓ A large part of that was because not all students had downloaded the newest operating system update from Apple.
  - ✓ The issues were so diverse and widespread that we decided to pull all of the iPads back, one class at a time, to fix them and then re-launch them.
  - ✓ One of the goals was to get these devices fully infused into the culture and it is.
  - ✓ We hope to have all iPads re-launched by Thanksgiving.

In response to a question from Director Ball about the responsibility for updating the operating system, Dr. Prince and Mr. Bogatin provided information including:

- We've been doing it in different ways because we don't have 1:1 devices District-wide.
- Last year, Apple's configuration protocol was such that it required members of the technology staff to physically handle every device in order to complete configuration.
- Apple then came up with a way to configure with less hands-on time but part of that included the use of a unique Apple identification code for each student.

- We were not willing to require each student to have a unique Apple identifier; at that point, Apple worked with us to find a different path but we still had to physically handle every iPad.
- Google provided us with an institutional identification code and we gave all of our devices that same identifier.
- Apple only allowed an institutional identification code for students up to age 13. Had we proceeded down that path it would have meant that between June and August parents of students 14 and older would need to sign a release and we would have to get students individual Apple IDs.
- We've asked Apple to think of us as an educational institution K-12.
- We've shared our concerns with the executives at Apple about how their company continues to operate without regard to school calendars. We explained that if they're going to do those types of upgrades, we need more time to find out if they work in the school setting.

**IV. RESOLUTION NO. 14-1101 SUPPLEMENTAL BUDGET (LESS THAN 10%) FOR FUND 100 – GENERAL FUND – INCREASE APPROPRIATIONS FOR SCHOOL AND DEPARTMENT CARRYOVER BALANCES FROM 2013-14 AND INCREASE APPROPRIATIONS FOR OTHER CHANGES**

Finance and Operations Department Controller Debbie Bell led review of the resolution, which the Board had received prior to the meeting. (Filed as Supplemental Item #II-1 in the Official 2014-15 Board Minutes.)

**MOTION #13:**

**It was moved by Director Ball and seconded by Director Adams that Resolution No. 14-1101 be adopted to increase resources and expenditure appropriations, in Fund 100 – General Fund as detailed in Resolution 14-1101 in accordance with ORS 294.480. The motion was voted on and passed unanimously.**

**V. APPOINT BUDGET COMMITTEE CITIZEN MEMBERS**

The recommended appointments were provided to the Board prior to the meeting. (Filed as Supplemental Item #VI-3 in the Official 2014-15 Board Minutes.)

**MOTION #14:**

**It was moved by Director Kemper and seconded by Director Heaney that the Budget Committee members be appointed as recommended. The motion was voted on and passed unanimously.**

The following people were appointed:

- LeeAnn Baker – Three-year term ending June 30, 2017.
- Rick Osborn– Three-year term ending June 30, 2017.
- Shahnewaz Max Ahmad – One-year term ending June 30, 2015.

**VI. CONSOLIDATED INFORMATION**

- A. Unaudited Financial Statements – September 30, 2014** (Filed as Supplemental Item #VI-4 in the Official 2014-15 Board Minutes.)

Vice Chair Sauret asked about a large payment to a hotel in Chicago. Dr. Prince clarified that the payment covered four separate multi-day trainings and had to be paid up front.

**VII. ADJOURNMENT**

There being no further business before the Board, Chair Rochester adjourned the meeting at 8:20 p.m.

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Chris Rochester, Board Chair

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Dr. Erin Prince, Superintendent

Prepared By: Julie Catala

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Unadopted Minutes



# Corvallis

SCHOOL DISTRICT

VIII.A.2. December 1, 2014

**MINUTES**  
Special Meeting of the  
**BOARD OF DIRECTORS**  
Corvallis School District 509J

**I. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 4:50 p.m. in the Western View Center, 1435 SW 35th Street, Corvallis, OR 97333. The secretary recorded those present as listed below.

<u><b>BOARD MEMBERS PRESENT</b></u> Vincent Adams Judy Ball Beth Heaney Bill Kemper Felicia Reid-Metoyer Chris Rochester, Chair Tom Sauret, Vice Chair	<u><b>PRINCIPALS PRESENT</b></u> Aaron Hale, Franklin K-8 School Byron Bethards, Hoover Elementary School Lisa Krause, Mt. View Elementary School Pat Monson, Wilson Elementary School Mary Benson, Wilson RTI Facilitator Jeff Brew, Cheldelin Middle School Darren Bland, Cheldelin Assistant Principal Eric Wright, College Hill High School Cherie Stroud, Crescent Valley High School Aaron McKee, CVHS Assistant Principal Trinity Welch, CVHS Assistant Principal Jeanette Brewer, District RTI Facilitator
<u><b>EXECUTIVE STAFF PRESENT</b></u> Dr. Erin Prince, Superintendent Kevin Bogatin, Assistant Superintendent Steve Nielsen, Finance and Operations Director Jennifer Duvall, Human Resources Director	

A quorum was present and due notice had been published.

**II. SCHOOL IMPROVEMENT PLANS - CVHS PATHWAY SCHOOLS**

Board members rotated through stations and engaged in dialogue with school leadership from the following schools regarding their School Improvement Plans (SIPs) for 2014-15:

- Franklin K-8 School
- Hoover Elementary School
- Mt. View Elementary School
- Wilson Elementary School
- Cheldelin Middle School
- College Hill High School
- Crescent Valley High School

Following the rotations, Board members and staff shared their reflections on the evening.

Board member comments included:

- I see in all of the plans a focus on making sure that we are reaching all of our students to help them be successful.
- Thank you for all of the work you put in.
- These 1:1 conversations are one of the highlights of the year for me.
- The information you provide, what you say about your schools and the goals you have for the success of your students is always engaging.
- I appreciate your willingness to put in the hard work, to answer the tough questions and to have conversations about your approaches.
- We're all in this journey together.
- Thank you for spending a very long evening with us.
- This evening has been indispensable in bringing me up to speed and giving me an intimate understanding of the work that you do.
- Now I have a better understanding of RTI.
- I appreciated your honesty and that when I asked you questions you were willing to offer some off-the-wall kinds of ideas.
- I appreciate getting face time with you and getting to meet you.
- Thank you for the time you took to educate me; it's been so beneficial.
- We should visit YES House.
- It's very important to us to just be here with you and hear your voices and to have this short but not superficial conversation.
- You're dealing with an intimidating spectrum of issues, and you're doing your level best to deal with them.
- No one is managing a legacy; everyone's moving forward.
- I'm extremely impressed by the extraordinary density of intelligence and the level of pertinence you're bringing to your work.

School administrator comments included:

- Thank you for giving us the opportunity to sit with you and talk informally.
- Moving from a formal presentation to an informational question and answer session seemed like the right shift; it felt more genuine.
- We appreciate the opportunity to get face-to-face and have these conversations with you.

Dr. Prince expressed pride for the leadership qualities of the staff in the room, saying that they are relentless, motivated and dedicated.

### **III. TECHNOLOGY UPDATE**

Technology Services Manager Rob Singleton provided an update. Information conveyed and responses to Board member questions included:

- Our Wi-Fi infrastructure is still working great.

- We implemented the iBoss teacher bypass; if a website is blocked, iBoss allows teachers to enter their credentials in order to get to the site. Teachers still have to comply with CIPA law.
- In terms of iPad content, we have finally caught up on what our teachers have needed for this term.
- With Casper and our mobile device management system working as it should, we are really caught up with the content by just getting the iPads out there.
- The Pinnacle parent viewer is almost completely fixed; LBL ESD technicians will apply a fix soon to address the last issue.
- Today was the first day for the second BrightBytes survey. We're trying to get as many parents as possible to participate.
- Technology TOSA (Teacher on Special Assignment) Robbie Faith has been meeting regularly with middle school professional learning community (PLC) groups, working in small groups or even 1:1. He is focusing on training teachers to use iMovie as well as SMART Response, which turns an iPad into a clicker.
- Mr. Faith has been spending time in Innovation Grant recipients' classrooms, either teaching or co-teaching using SMART Response or Showbie. He has a regular rotation.
- We are reaching out to teachers other than just those who received Innovation Grants.
- Mr. Faith has been modeling the use of the apps and allaying teachers' fears.
- Technology classes are part of regularly scheduled professional development.
- We had a teacher from Santiam Christian attend a class because we open the classes to outside agencies.
- We are currently evaluating the factors that will affect our strategy for next year's deployment and will then develop a written plan with key dates.
- We can't have another year like this year – not only because of the delays but because of the stress on teachers and technology staff.

In response to a question from Chair Rochester regarding when the Board would receive additional information regarding next year's rollout plans, Dr. Prince's comments included:

- I anticipate that the Technology Advisory Committee (TAC) will have some solid recommendations for me in January or February.
- Mr. Singleton and I had a conversation with the vice president of Apple, during which we provided feedback about the specific challenges we faced and what we need from the education perspective.
- Everything we shared with Apple had already been shared with them by other districts.
- Apple engineers are already working on some of the issues, so we're cautiously optimistic.
- We're putting together some of our operational hopes and dreams for budget recommendations. Today, Mr. Singleton provided a spreadsheet to my Executive Team with all of the requests for iPads; we're staying within our recommendations for this year but we can see that were starting to gain some momentum.

- Mr. Bogatin and I have met and will meet again next week with staff from OSU's Center for Research on Lifelong STEM Learning; they're highly interested in working with us on some of the questions we have around digital learning and the outcomes for teaching and learning.

In response to a question from Vice Chair Sauret regarding how well prepared the District is for Smarter Balanced Assessment, Mr. Singleton's comments included:

- Our infrastructure has passed the testing requirements and the bandwidth is sufficient.
- Smarter Balanced hasn't released the secure browser; therefore, it hasn't been adequately tested by the State.
- All of our network traffic goes through the Linn Benton Lincoln Education Service District (LBL ESD), which has a bandwidth of 300.
- We have the ability to power up to 10 gigs; not that we have the funds to do that right now but because we know it'll happen one day.

In response to a question from Chair Rochester regarding whether the LBL ESD is thinking ahead as much as they need to technology-wise, Mr. Singleton's comments included:

- In terms of the network piece, LBL ESD is definitely out in front.
- They have already added more bandwidth to their connection to the Internet backbone.
- They're not only taking into consideration the Corvallis School District's 1:1 program but also the programs of Albany and Lincoln County School Districts.
- They're determining the minimum amount of bandwidth needed for the number of iPads that we have.
- They are proactive in the bandwidth arena.

Director Kemper said he really wants to hear about the "aha" moments. Mr. Singleton committed to getting those stories.

#### **IV. OREGON SCHOOL BOARDS ASSOCIATION (OSBA) RESOLUTIONS**

- A. Resolution 1 - To adopt the 2015 OSBA Legislative Priorities and Policies as recommended by the Legislative Policy Committee.** (Resolutions 1, 2 and 3 are all filed as Supplemental Item #II-2 in the Official 2014-15 Board Minutes.)

Chair Rochester noted his and Vice Chair Sauret's opposition to this resolution because it opposes fifth year programs unless they are funded with new money from the State School Fund; if that were implemented it would effectively shut down or make extremely difficult the District's pathway program.

Director Ball said that she doesn't disagree with voting against the resolution for the reason given but there are other areas in the proposed set of legislative policies that she also objects to. She further commented that OSBA has asked for many things in the policies, including additional funds, and at the same time shows a complete lack of accountability; there seems to be

a decided indifference in the policies. She opined that the Corvallis School Board needs to tell OSBA why it voted no, whether that be for one reason or multiple reasons.

Dr. Prince noted that while at the OSBA Conference, she spoke with OSBA's Executive Director and Deputy Executive Director to give them a heads up about the District's concerns regarding the poorly worded legislative policy and the appearance that OSBA is not standing up to support what is proving to be a really valuable program for Corvallis students. Dr. Prince said she had committed to providing written feedback to OSBA.

**MOTION #15:**

**It was moved by Director Kemper and seconded by Director Adams that the Corvallis School Board cast a no vote on OSBA Resolution 1 because proposed legislative policy 2.7 would compromise the district's ability to carry out its alternative pathways, particularly Running Start. The motion was voted on and passed unanimously.**

- B. Resolution 2 - To amend the OSBA Constitution to modify the process for the adoption of OSBA's Legislative Policies.** (Resolutions 1, 2 and 3 are all filed as Supplemental Item #II-2 in the Official 2014-15 Board Minutes.)

In response to a question from Director Adams regarding the potential shift in the power dynamic that might be implemented through this resolution, Vice Chair Sauret clarified that in the past, the OSBA Legislative Policy Committee (LPC) used to be able to change legislative priorities almost at will; the change proposed through this resolution would require the LPC to get the approval from the OSBA Board of Directors before any legislative priorities could get presented to the full membership.

**MOTION #16:**

**It was moved by Vice Chair Sauret and seconded by Director Adams that the Corvallis School Board cast a yes vote on OSBA Resolution 2. The motion was voted on and passed unanimously.**

- C. Resolution 3 - To amend the OSBA Constitution to allow appointment of OSBA Board and Legislative Policy Committee members from a contiguous region if certain conditions are met.** (Resolutions 1, 2 and 3 are all filed as Supplemental Item #II-2 in the Official 2014-15 Board Minutes.)

Vice Chair Sauret explained that this resolution allows OSBA to appoint someone to the OSBA Board of Directors and/or the OSBA Legislative Policy Committee if any region fails to produce a volunteer to represent that region.

**MOTION #17:**

**It was moved by Vice Chair Sauret and seconded by Director Kemper that the**

**Corvallis School Board cast a yes vote on OSBA Resolution 3. The motion was voted on and passed unanimously.**

**V. CONSOLIDATED INFORMATION**

**A. Unaudited Financial Statements – October 31, 2014** (Filed as Supplemental Item #VI-5 in the Official 2014-15 Board Minutes.)

In response to a question from Director Adams, Dr. Prince explained that the \$5,000 expense to Apple for out of district travel was for Technology TOSA (Teacher on Special Assignment) Robbie Faith to attend Apple Institute training.

In response to a question from Director Ball, Dr. Prince explained that the \$2,500 expense to the Marriott New Orleans was for the group that attended the Courageous Conversations Summit; Title funds were used for this expense.

**VI. ADJOURNMENT**

There being no further business before the Board, Chair Rochester adjourned the meeting at 7:57 p.m.

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Chris Rochester, Board Chair

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Dr. Erin Prince, Superintendent

Prepared By: Julie Catala

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# Corvallis

SCHOOL DISTRICT

VIII.A.3. December 15, 2014

**MINUTES**  
Regular Meeting of the  
**BOARD OF DIRECTORS**  
Corvallis School District 509J

**I. CALL TO ORDER AND ROLL CALL**

The meeting was called to order at 5:36 pm in the Board Room of the Central Administration Building, 1555 SW 35th Street, Corvallis, OR 97333. The secretary recorded those present as listed below.

<u>BOARD MEMBERS PRESENT</u> Vincent Adams Judy Ball Beth Heaney Bill Kemper Chris Rochester, Chair Tom Sauret, Vice Chair  <u>BOARD MEMBERS EXCUSED</u> Felicia Reid-Metoyer	<u>EXECUTIVE STAFF PRESENT</u> Dr. Erin Prince, Superintendent Kevin Bogatin, Assistant Superintendent Jennifer Duvall, Human Resources Director Steve Nielsen, Finance and Operations Director  <u>STUDENT REPRESENTATIVES PRESENT</u> Avery Allen, CHS Marc Wettengel, CHS Galen Chan, CVHS
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A quorum was present and due notice had been published.

- II. PLEDGE OF ALLEGIANCE** – Chair Rochester led the group in the Pledge of Allegiance.
- III. COMMITTEE/BOARD MEMBER ITEMS** – Board members shared highlights of their recent activities.
- IV. STUDENT REPRESENTATIVE REPORTS** – Student representatives provided highlights about the activities involving their schools.
- V. SUPERINTENDENT'S REPORT** – Dr. Prince offered highlights from the past month and provided information regarding current and future initiatives.
- VI. STAFF AND PUBLIC TESTIMONY**

Chair Rochester read aloud the directions regarding public testimony.

Sarah Thompson, English Language Development teacher at Lincoln Elementary School, distributed information (filed in Section IV of the Official 2014-15 Board Minutes) about Battle

of the Books for 3<sup>rd</sup> grade English Language Learners (ELL), a program she initiated at Lincoln after learning that no ELL had signed up to participate in the Oregon Battle of the Books (OBOB). She said she wants to purchase a set of the OBOB-required books for each student on the three new ELL teams, and she has set up a website to collect donations for that purpose. She urged the Board to help spread the word about the program and the website [www.donorschoose.org](http://www.donorschoose.org) where donations can be made.

Denise Cardinali , 6017 SW Grand Oaks Drive, Corvallis, opined that the Corvallis School District could learn from post-secondary institutions regarding accommodations given to students; Corvallis graduates will report that they easily get accommodations in college but it was so difficult to obtain accommodations in high school. Additionally, she asked the Board to consider whether technology staffing is adequate, given the many changes in technology usage in the District; she gave some examples of “basic nuts and bolts” issues at several schools and for special education students, noting that they negatively impacted teaching and learning. She urged the Board to not lose sight of the basics.

## **VII. SPECIAL REPORTS**

### **A. Innovation Grant Update**

Britten Clark-Huyck, Corvallis High School teacher, followed up the presentation she’d made at the October 13, 2014 Board meeting by sharing more in-depth about how she is using iPads to build a digital classroom and give her students true digital skills.

Some of her comments and responses to Board member questions included:

- She is using Google Analytics to understand formative assessment data quickly.
- She is turning her classroom into a Google Classroom, which is a way to facilitate assignment exchange between student and teacher.
- “HS: Earth & Space Sciences,” the iTunes U course she created, was recently published.
- She would like to provide professional development for her colleagues, using the Google platform.
- She would like to become a Google Certified Teacher.
- Google is a superior platform to others because all Google programs are integrated, making it easy to share materials with students.
- Bringing technology into classrooms goes beyond apps; there’s a bigger picture to envision.
- The 72 students in her class who are on IEPs are becoming much more digitally literate; their disabilities aren’t holding them back at all.

Dr. Prince commended Ms. Clark-Huyck for her courage, creativity and leadership in creating the iTunes U course, which is available to teachers around the world.

**B. Linn Benton Lincoln Education Service District (LBL ESD) Local Service Plan**

LBL ESD Superintendent Mary McKay presented a PowerPoint and led review of a summary of services provided to the Corvallis School District in 2014-15, which the Board had received under separate cover. (Presentation and summary are filed as Supplemental Item #V-5 in the Official 2014-15 Board Minutes.) LBL ESD Assistant Superintendent Don Dorman and Chief Financial Officer Angie Peterman were present in the audience. Ms. McKay noted that an ESD is like a farmer cooperative: resources are pooled; buying power is increased; high cost/low frequency goods and services are shared; and, regional advocacy exists.

Information conveyed and responses to Board member questions included:

- The ESD underwent a major upgrade to its technology infrastructure in order to meet the bandwidth capacity needed by component districts. The increase is prompted by the Smarter Balanced Assessment as well as by the increased use of 1:1 devices.
- A mobile version of Pinnacle will hopefully be released around the end of January 2015.
- The problem with the attendance portion of Pinnacle has been rectified.
- There isn't a product that is worlds ahead of Pinnacle.
- The primary reason for the switch to iBoss is to allow remote filtering of district-owned iPads from outside districts' boundaries. Also, iBoss offers stronger customization of access levels that are granted to students and teachers.
- There have definitely been some stumbling blocks along the way but we are confident that iBoss is a quality product; and ESD staff is working closely with 509J's technology staff to make sure that iBoss is doing what is desired.
- Regular meetings of the technology managers of the component districts are held, and conversation continues even outside of structured meetings.
- The superintendents of the component districts are opting to not make a change to the student records management system at this point because so many resources are required to make a change; however, they are watching a program called Synergy very closely because it may eventually meet districts' needs.
- An RFP for an online registration product, which will include a system for students to make course requests, will be sent out in January 2015. More information should be ready for superintendents by spring 2015 as to the cost of the product; superintendents will then decide whether or not they want to move forward.
- The ESD will continue to support implementation of student 1:1 devices, including Wi-Fi upgrades.
- A technology audit from an outside vendor is being considered in order to evaluate the ESD's system and services provided, and to give feedback about strengths and areas for focus.

Vice Chair Sauret referred to the ESD's goal of 99% system availability/reliability, noting that anecdotal information indicates that the system is down at critical times such as at the start of the school year or the start of a week. He expressed hope that the technology audit will provide input on ways to make the system as reliable as possible.

In response to a question from Vice Chair Sauret regarding coordination of pre-kindergarten education between the ESD and the district, Ms. McKay said there are early learning hubs established across the state, and the Governors' budget allocates \$20 million toward them. She added that she is on the governing board of the Linn Benton Lincoln Early Learning Hub, along with a couple of superintendents from LBL ESD component districts.

In response to a question from Director Ball regarding attendance services, Ms. McKay provided information including:

- Corvallis School District purchases attendance officer services using Tier 2 funds.
- The attendance officer primarily serves secondary schools but also elementary schools.
- Principals provide the names of students they're concerned about.
- The attendance officer meets with students to ascertain and attempt to address any barriers to attendance.
- Sometimes the attendance officer touches base with students once a week to find out how their attendance has been – to build connections.
- As a last resort, a citation could be issued to a family whose student is not going to school; if the fine isn't paid, the matter could go into the court system.

Director Adams expressed appreciation for the conversation with Ms. McKay, adding that he has more questions than will fit within the allotted time at this meeting. He noted his particular interest in learning about the data architecture. Ms. McKay said she and her staff would be happy to return to a future Board meeting or to meet with a small group of interested Board members. Chair Rochester opined that at least an annual discussion with LBL ESD would be ideal.

Ms. McKay said the ESD has really appreciated the partnership that exists with the Corvallis School District. She said the staff, from Dr. Prince on down, has been extremely helpful and collaborative, and addresses issues from a solution seeking perspective vs. blaming.

### **C. Budget Parameters**

Finance and Operations Director Steve Nielsen led the discussion regarding parameters for the 2015-16 budget process; he began by reading aloud his notes regarding the Governor's recommended 2015-17 budget. Board members offered thoughts about the parameters, and consensus was reached. (Notes and final parameters are filed as Supplemental Item #VI-6 in the Official 2014-15 Board Minutes.)

### **D. Technology Security Audit**

Technology Services Manager Rob Singleton provided a PowerPoint presentation and executive summary regarding the Technology Security Audit. (Presentation and executive summary are filed as Supplemental Item #V-6 in the Official 2014-15 Board Minutes.) He explained that Virtual Security Research, LLC was hired to perform an application penetration assessment of

the District's mobile device management (MDM) system, the purpose of which was to evaluate the District's implementation of the Casper Suite, analyze its security architecture, identify potential threats, and test the likelihood or potential impact on confidentiality, integrity and availability of the MDM and iPads.

Mr. Singleton explained that the audit was designed to identify security vulnerabilities and the impact of the most-likely and worst-case exploitation of poor or improper server configuration or insecure code in the server software. He said the audit included:

- Security architecture analysis.
- Potential threat identification.
- Testing of system for actual threats.
- Vulnerability scans.
- Manual penetration testing:
  - ✓ Circumvent authentication and authorization.
  - ✓ Circumvent application session management.
  - ✓ Circumvent application trust boundaries.
  - ✓ Break or analyze encryption of data.
  - ✓ Escalate user privileges.
  - ✓ Alter data or data presentation.
  - ✓ Corrupt application and data integrity, functionality.

He said the audit showed that:

- There are no high risk issues.
- Issues detected are quick and easy to resolve.
- The biggest risk to security is from within the District organization.
- The least-likely risks are from outside the district.

#### **E. Update on BrightBytes**

Curriculum Coordinator Rynda Gregory provided a PowerPoint presentation. (Filed as Supplemental Item #V-7 in the Official 2014-15 Board Minutes.) Superintendent Prince, Assistant Superintendent Kevin Bogatin, and Technology Services Manager Rob Singleton shared information as well. Ms. Gregory displayed the website which houses the District's data from the survey that had been conducted in the spring, and navigated "live" for the Board to get a sense of the program's capabilities.

Information conveyed and responses to Board member questions included:

- We have a three year contract with BrightBytes; year two will begin Spring 2015.
- The total cost of the three year contract is \$6,000.
- Two surveys were done: May 2014 and December 2014; December data is expected sometime in January.
- The surveys were given to all schools, not just the schools which have 1:1 devices.
- Out of a total of 400 teachers, 333 teachers took the May survey; 2,083 students and 1,022 parents took it as well.

- Each group received a different survey instrument.
- BrightBytes gives solution-based recommendations based on the survey data.
- We can compare our results with those of other districts nationwide.
- It was clear from the May survey results that teachers need and want more professional development on using tablet computers in their classrooms.
- Once we have the data from the December survey we will have richer data points from which to form our professional development plan.
- We will post some of the reports online, especially the parent report.
- We will provide feedback to BrightBytes regarding the parent survey, so their stated purpose will match the questions they ask on the survey, and so that the results are more relevant for us.
- The parent portion of the survey is an add-on; it provides additional information for the District regarding parental comfort level with and beliefs and understanding of technology.
- The parent survey also was intended to find out the type of support parents need in order to support their children's use of technology.
- For 6<sup>th</sup>-8<sup>th</sup> grades that had 1:1 devices, the subgroups for students of poverty, students of color, and English Language Learners all met or exceeded their growth targets in reading and math. It's unprecedented growth for middle school.
- We are starting to look at the "unintended" types of data points, such as behavior and student engagement, to see if there are trends.
- Next steps:
  - ✓ Compare data points from both surveys.
  - ✓ Target high priority areas.
  - ✓ Plan professional development based on findings and recommendations from the surveys.

#### **F. Technology Update**

Technology Services Manager Rob Singleton explained that recent changes to categories of the Federal E-Rate program will allow the District to apply for a larger reimbursement than before – approximately 60%, which equates to approximately \$90/student. He explained that the District will be able to claim certain WiFi build-out expenses; however, the changes won't take effect until 2015-16, and as a result, some of our build-out schedule will be impacted. Dr. Prince noted that budget recommendations may also be affected due to the timing of the E-Rate changes.

#### **G. Update on Technology Advisory Committee**

Assistant Superintendent Kevin Bogatin provided a presentation and written overview regarding the work of the Technology Advisory Committee (TAC). (Presentation and overview are filed as Supplemental Item #V-8 in the Official 2014-15 Board Minutes.)

Information conveyed and responses to Board member questions included:

- The TAC was created by the Superintendent to provide recommendations on District technology issues. It's not iPad exclusive.

- The TAC is made up of 18 members, including students, community members and one Board member liaison.
- More than half of the committee membership has children in the District.
- Membership applications were vetted by a team using a scoring rubric; membership reflects a well-rounded committee with a breadth of technology experience.
- Committee members use the online social learning community Edmodo to share information with all members.
- The TAC recently added an outside facilitator to push the committee toward conclusion and to achieve action.
- Focus groups will address specific issues and outcomes:
  - ✓ Internet Filter: Should the district block content beyond CIPA/COPA requirements? Outcomes: Filtering guidelines by level (elementary, middle school, high school); Social Media recommendation.
  - ✓ Health: What potential health risks exist through the use of tablet devices? Outcomes: Research overview of health concerns. Recommendation for teachers, students, and parents.
  - ✓ Common Language & Vocabulary: What are the agreed upon language and terms that everyone should know and be able to understand? Outcomes: List of common terms and definitions. + Review [sic]
  - ✓ Board Policies & Technology Guidelines: Do our current policies sufficiently guide us at this time? Outcomes: Review current policy, research other districts' policies and develop recommended changes.
  - ✓ Parental Controls: How can parents be provided more oversight of devices at home? Outcomes: What parental controls are available for free and as paid? Recommendations for the Superintendent and/or parents.
  - ✓ Communication: How should the district effectively communicate regarding district technology? Outcomes: Review current communications, communication plan, and website. What recommended changes for immediate implementation, short-term, and long-term implementation. [sic]
  - ✓ 1:World Evaluation & Device Research: How do we evaluate the goals of 1:World? Which device best meets the needs for elementary, middle school, and high school? Outcomes: Evaluation metric recommendation, device research and possible pro/con. [sic]
- Future Outcomes:
  - ✓ Focus group recommendations to the Superintendent.
  - ✓ Parent/community communication.
  - ✓ Evaluation guidance.
  - ✓ 1:World Phase IV recommendation.
- The TAC will not get into the budget arena but will come from a big picture perspective regarding the next logical step in terms of expansion.
- Regarding device selection, the TAC won't recommend which device to use, it will provide the pros and cons from different perspectives, including students' and teachers'.
- The TAC won't address infrastructure.

Director Ball commented that computer programming is career and technical education (CTE) that the District is not supplying; it is a place where we have an opportunity to graduate students who are career ready. Mr. Bogatin noted that the TAC will definitely have a recommendation in this area, although it may not be in time for the 2015-16 budget cycle.

- H. 509J By The Numbers – Part One** – Due to the lateness of the hour, this item was postponed until the next meeting.

## VIII. CONSOLIDATED ACTION

### **MOTION #18:**

**It was moved by Director Ball and seconded by Director Adams to approve the Consolidated Action items. The motion was voted on and passed unanimously.**

The following items were approved.

- A. Minutes** – November 3, 2014
- B. Licensed Personnel Recommendations**

#### Recommendation to Hire

- Dianna Clingan: Intervention Specialist, 0.20 FTE, District Office, effective November 17, 2014 (Temporary)
- Richard Costin: Applied Technology Teacher, 0.58 FTE, Crescent Valley High School, effective November 5, 2014 (Temporary)
- Michael Fagan: Physical Education/Health Teacher, 0.33 FTE, Linus Pauling Middle School, effective November 10, 2014 (Temporary)
- Kathleen Nichols: Special Education Teacher, 1.0 FTE, Lincoln Elementary School, effective November 13, 2014 (Temporary)
- Ruben Sandoval: Second Grade Teacher-Bilingual, 1.0 FTE, Garfield Elementary School, effective December 4, 2014 (Temporary)
- Jennifer Still: Counselor, 0.50 FTE, Linus Pauling Middle School, effective November 10, 2014 (Temporary)

#### Termination/Resignation/Layoff/Retirement

- Stacy Donin: Special Education Teacher, 1.0 FTE, Lincoln Elementary School, effective November 18, 2014 (Resignation)

## IX. CONSOLIDATED INFORMATION

- A. Non-Licensed Personnel Information**

#### Recommendation to Hire

- Elena Chavarria-Correa: Bilingual Student and Family Advocate, 6.5 hrs, Linus Pauling Middle School,

effective November 3, 2014 (Limited Term)

- Geoffrey Floyd: Food Service Assistant, 4 hrs, Central Kitchen, effective November 21, 2014 (Probationary)
- Christopher Kimber: Educational Assistant 2, 3 hrs, Mt. View Elementary School, effective November 3, 2014 (Probationary)
- Ann Lamer: Educational Assistant 2/LRC, 6.5 hrs, Linus Pauling Middle School, effective November 10, 2014 (Probationary)
- Isabela Mackey: Educational Assistant 2/Bilingual, 4 hrs, Garfield Elementary School, effective November 3, 2014 (Probationary).
- Binh Nguyen: Maintenance 1, 8 hrs, Hoover and Lincoln Elementary Schools, effective November 12, 2014 (Probationary).
- Nicole Sauret: Food Service Assistant, 3 hrs, Central Kitchen, effective November 10, 2014 (Probationary)
- Carlos Valdes-Casillas: Bilingual Student and Family Advocate, 6.5 hrs, Corvallis High School, effective November 3, 2014 (Probationary)

Termination/Resignation/Layoff/Retirement

- Angela Barton: Food Service Assistant, 2 hrs, Crescent Valley High School, effective October 31, 2014 (Resignation)
- Janet English-Young: Educational Assistant 3, 3.5 hrs, Franklin School, effective December 31, 2014 (Retirement)
- Ruben Sandoval: Educational Assistant 2/LRC, 8 hrs, Garfield Elementary School, effective December 3, 2014 (Resignation)
- Nicole Sauret: Food Service Assistant, 3.5 hrs, Central Kitchen, effective November 24, 2014 (Resignation)
- Diana Thoma: Food Service Assistant, 6.75 hrs, Central Kitchen and Corvallis High School, effective December 31, 2014 (Retirement)

**X. ADJOURNMENT**

There being no further business before the Board, Chair Rochester adjourned the meeting at 9:52 p.m.

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Chris Rochester, Board Chair

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Dr. Erin Prince, Superintendent

Prepared By: Julie Catala

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# Corvallis

SCHOOL DISTRICT

## VIII.B. Licensed Personnel Recommendations

**BOARD MEETING DATE: January 5, 2015**

**FOR-ACTION**

**SUBJECT: Licensed Personnel Action**

---

1. Issue: Information on licensed personnel recommendations

a. Recommendation to Hire:

Mukta Gupta: Elementary PE Teacher, 0.80 FTE, Lincoln Elementary School, effective December 17, 2014 (Temporary)

Jessica Hemmele: Special Education Teacher, 1.0 FTE, Lincoln Elementary School, effective January 5, 2015 (Probationary)

Jennifer Seesz-Jones: Special Education Teacher, 0.50 FTE, Corvallis High School, effective December 17, 2014 (Temporary)

Trinity Welch-Radabaugh: Assistant Principal, 1.0 FTE, Crescent Valley High School, effective January 1, 2015 (Temporary)

b. Termination/Resignation/Layoff/Retirement:

Michael Beck: Assistant Principal, 1.0 FTE, Crescent Valley High School, effective December 31, 2014 (Resignation).

Jennifer Zarate: Fifth Grade Teacher, 1.0 FTE, Lincoln Elementary School, effective December 19, 2014 (Resignation)

c. Request for Leave:

Trinity Welch-Radabaugh: Math Teacher/Intervention Specialist, 1.0 FTE, Crescent Valley High School, requesting 1.0 FTE leave from January 1, 2015 to June 30, 2015.

**ACTION REQUESTED:** Approve recommendations.

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**CONTACT PERSON:** Jennifer Duvall



# Corvallis

SCHOOL DISTRICT

IX. CONSOLIDATED INFORMATION

IX.A. Non-Licensed Personnel Information

Corvallis School District 509J  
Board of Directors

**BOARD MEETING DATE: January 5, 2015**

**FOR INFORMATION ONLY**

**SUBJECT: Non-licensed Personnel Information**

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1. Issue: Information on non-licensed-personnel

a. Recommendation to Hire:

Janice Lorenzen: Career Center Specialist, 3 hrs, Crescent Valley High School, effective January 5, 2015 (Limited Term)

Emilie Zook: Educational Assistant 2/LRC, 6.5 hrs, Adams Elementary School, effective January 5, 2015 (Limited Term)

b. Termination/Resignation/Layoff/Retirement:

Christie Walsh: Lead Baker, 8 hrs, Central Kitchen, effective January 5, 2015 (Resignation)

---

**CONTACT PERSON: Jennifer Duvall**



# Corvallis

SCHOOL DISTRICT

## IX.B. Comprehensive Annual Financial Report (CAFR)

BOARD MEETING DATE: **January 5, 2015**

**SUBJECT: Comprehensive Annual Financial Report (CAFR) – Fiscal Year Ended June 30, 2014**

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Oregon Revised Statutes 297.405 through 297.555 require an independent audit of the financial records of all district funds within six months following the close of the fiscal year. State and federal funds may be withheld if the district fails to satisfy audit requirements.

Pauly, Rogers & Co., P.C., the Board's independent external auditors, reviewed the district's Comprehensive Annual Financial Report (CAFR) and issued an unqualified opinion (page 1). The auditor's unqualified opinion is a clean audit opinion and they believe the report fairly presents the financial position of the district at June 30, 2014.

The CAFR is organized into the following key areas: Introductory, Financial, Statistical, Capital Assets, Other Financial Schedules, and Grant Compliance. The report is designed to go from general to specific information.

Two main types of statements are presented: government-wide financial statements and fund financial statements. Each type of statement provides the reader with different information. Government-wide statements are designed to provide a broad overview of the district's finances in a manner similar to the private sector but are less helpful in planning and managing the district's finances as they include significant amounts of non-spendable assets and liabilities required to meet financial reporting requirements for this type of presentation (page 5).

The statement of net position includes non-spendable assets such as capital assets, net of accumulated depreciation, of \$91.6 million, and a net pension asset of \$25.7 million created when the district sold pension bonds to help fund the PERS unfunded liability. In addition, government-wide statements include long-term liabilities such as bonds payable of \$65.4 million (see the Changes in Long-Term Debt schedule on page 27).

Governments tend to raise resources when the liabilities are expected to be paid rather than when incurred. Most governments normally do not have sufficient current resources on hand to cover long-term liabilities. Therefore, the fund financial statements (page 7) are often more useful in reviewing the current state of district finances as they focus on near-term inflows and outflows of available resources as well as the balance of available resources at the end of the fiscal year. Fund financial statements with a budget comparison begin on page 33.

The Notes to the Basic Financial Statements (page 16) are an integral part of the financial statements. The Notes explain significant accounting policies and provide additional information to aid in understanding the district's financial position.

The auditors review the district's compliance with certain provisions of laws, regulations, contracts and grants including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules of the Minimum Standards for Audits of Oregon Municipal Corporations. Nothing came to the auditors' attention to believe the district was not in compliance (page 78).

The Grant Compliance section presents the auditors' report on the district's compliance for federal programs. A summary of the auditor's results can be found on the Schedule of Findings and Questioned Costs on page 86. The report states that nothing came to their attention that caused them to believe the district was not in compliance.

---

Presenter: Steve Nielsen, Finance & Operations Director

Supplementary Materials: Comprehensive Annual Financial Report, year ending June 30, 2014

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**FINANCIAL REPORT**

**FOR THE YEAR ENDED JUNE 30, 2014**



12700 SW 72<sup>nd</sup> Ave.  
Tigard, OR 97223

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

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December 12, 2014

To the School Board and Citizens of Corvallis School District 509J:

We respectfully submit the Comprehensive Annual Financial Report (CAFR) of Corvallis School District 509J, Benton County, Oregon, for the fiscal year July 1, 2013 – June 30, 2014. This report is submitted in accordance with the provisions of Oregon Revised Statutes 297.405 through 297.555, referred to as the Municipal Audit Law, which specify that every general purpose local government publish a similar document within six months of the close of each fiscal year.

This report consists of management's representations concerning the finances of the district. Management assumes full responsibility for the completeness and reliability of all the information presented in this report based on a comprehensive internal control framework that is designed both to protect the district's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the district financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the district's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

#### Independent Audit

The district's financial statements have been audited by the firm of Pauly Rogers & Co. P.C., of Tigard, Oregon, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified ("clean") opinion and that the Corvallis School District 509J's financial statements for the fiscal year ended June 30, 2014 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Corvallis School District 509J was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The results of the district's single audit for the fiscal year ended June 30, 2014 provide no instances of material weakness in the internal control structure.

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements.

This information is provided through the Letter of Transmittal and the Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

### Profile of the District

Corvallis School District 509J serves the city and surrounding area of Corvallis, Oregon, which is the seat of Benton County, located in the heart of Oregon's Willamette Valley. Population for the City of Corvallis is estimated at 55,298 and at 86,591 for Benton County.

In 1957, voters approved the formation of Corvallis School District 509J combined from several districts within Benton County. This reorganization provided increased instructional services to students throughout the area through more effective and efficient management of available resources.

Under Oregon state law, a school district is a municipal corporation empowered to provide elementary and secondary educational services for children residing within its boundaries. The district performs this responsibility by building, operating, and maintaining school facilities; developing and maintaining approved educational programs for all students; and transporting and feeding students in accordance with district, state, and federal programs.

A seven-member School Board, elected to four-year overlapping terms by voters residing within district boundaries, governs Corvallis School District 509J. Duties of the School Board include setting policy, adopting budgets, appointing the Superintendent, and hiring, terminating, and approving resignations of all certified and administrative staff members.

The School Board also constitutes one-half of, and appoints, the seven citizen members of the Budget Committee. The School Board is required to adopt a final budget no later than the close of the prior fiscal year. This annual budget serves as the foundation of Corvallis School District 509J's financial planning and control.

The district operates as a tax-exempt financially independent entity under Section 170 of the Internal Revenue Code. The School Board is accountable for all fiscal matters that significantly influence delivery of services. All major activities and organizations have been included in the basic financial statements.

The district has one component unit, Muddy Creek Charter School. The district is the body which has the authority to approve or revoke the Muddy Creek charter. The charter school contract expires on June 30, 2019. Although legally separate, the charter school is considered a component unit for the basic financial statements reporting purposes of the district.

The district provides a full range of educational services to 6,348 students in grades kindergarten through twelve. District facilities include seven elementary schools, two middle schools, two high schools, one kindergarten through eighth grade school, an alternative education center, plus administrative and support services buildings. The district owns the local public swimming pool facilities, although the City of Corvallis assumed pool management and operations in January 2001.

To provide additional support to students and teachers of our district, in 1996, with the support of the School Board, community and business leaders established the Corvallis Public Schools Foundation (CPSF) to match educational needs with the resources of dedicated contributors. The CPSF is a separate 501(c) 3 organization accounted for as an agency fund of the district.

## Major Initiatives

The vision of the Corvallis School District is that students grow to be world-class learners, engaged citizens, and leaders of the future. To that end, the district's mission has been adopted to:

*Provide all students with a relevant and challenging education that prepares them for future success as engaged citizens and contributing members of our world community.*

The School Board has identified five central priorities for the district:

- Challenge students with a broad range of learning opportunities
- Increase achievement for all students while closing the achievement gap
- Provide a safe and welcoming school environment
- Prepare students to be informed, engaged citizens in their community and the world
- Manage resources for long-term sustainability

The three major goals for the district include:

- Every student a graduate
- Every student shows growth
- Close the opportunity gap

Looking forward, the following key initiatives are targeted in support of the district's goals:

- Continue to focus on equitable practices across the district
- Continue to implement the 1:World program which focuses on 21<sup>st</sup> century learning skills and closing the opportunity gap through digital learning and instructional technology
- Strive to transform schools from teaching organizations to learning organizations
- Implement the Common Core State Standards
- Provide alternative pathways for students to successfully complete high school and extend secondary learning opportunities through partnerships with local institutions of higher education
- Continue the implementation of the Dual Language Immersion (DLI) Program at Garfield and Lincoln elementary schools and Linus Pauling Middle School and Corvallis High School
- Carry on the commitment to both practice and teach the concept of sustainability
- Utilize professional learning communities and programs such as Advancement Via Individual Determination (AVID) and Response to Intervention (RTI) to improve student performance, close the opportunity gap, and support staff as they are required to meet higher standards with fewer resources
- Focus on early learning literacy K-3<sup>rd</sup> grade

To reach these educational benchmarks, the district's budgetary goal is to protect and preserve structures and supports necessary for sustainable district-wide educational programs.

Local Economy

Benton County is a vital regional center for higher education, technology, engineering, research, commerce, and health care. In December 2010, the Corvallis City Council established the Economic Development Commission, ensuring economic development as a civic priority. Corvallis is gaining a reputation as a good place for start-ups and small business. In 2014 Forbes magazine rated Corvallis the 11<sup>th</sup> best small city for business and careers. Also, two pro-technology nonprofits, the Kaufman Foundation and Engine, rated Corvallis as the 10<sup>th</sup> best city to start a high technology company. Assisting with this effort is Oregon State University’s Office for Commercialization and Corporate Development. They helped launch seventeen new businesses since 2004, of which fourteen are still in operation, and currently have seven start-ups in development in a wide range of disciplines.

<u>Corvallis Nonfarm Employment – October 2014</u>	
Government	33%
Education & Health Services	16%
Information, Financial, Professional, Business	15%
Trade, Transportation & Utilities	12%
Leisure and hospitality	10%
Manufacturing	8%
Construction, Mining, Natural Resources	3%
Other Services	3%

*Source: Oregon Employment Department*

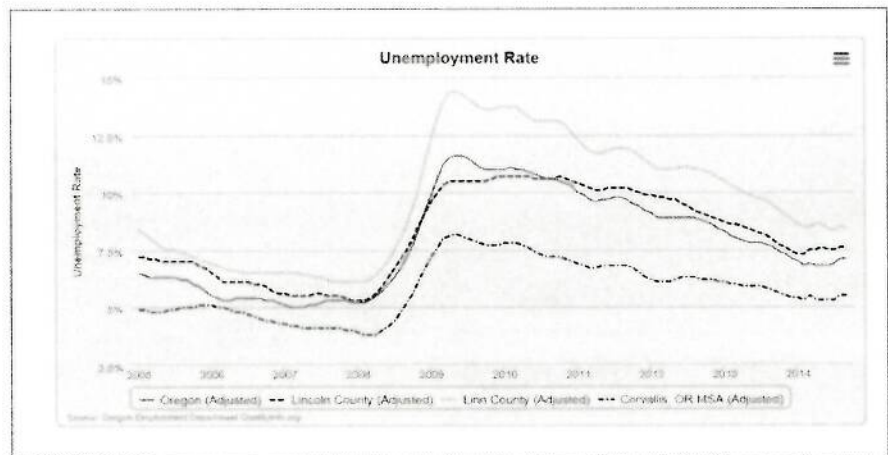
Corvallis is the center of Benton County’s economic activity, accounting for the majority of the county’s employment. Oregon State University (OSU), with 10,022 employees, is the largest employer in Corvallis and a vital player in the area’s economic condition as a main employment anchor. As one of the few combined land, space, and sea grant universities in the nation, OSU is the state’s primary source of basic applied research in forestry, agriculture, fisheries, engineering, electronics, home economics, and the sciences.

*The September 2014 unemployment figure for Benton County, the lowest in the state, was 5.5 percent, down from 6.1 percent in October 2013. By comparison, the September 2014 state average was 7.1 percent and the national average was 5.9 percent.*

Since 2009, enrollment at OSU has increased 37 percent from 20,320 to 27,925 students. As a result, the need for housing and other infrastructure has grown. In September 2011, OSU and the City of Corvallis signed a memorandum of understanding aimed at

maintaining Corvallis’ livability and unique sense of place, supporting both residents and students, while enhancing educational, cultural, and recreational opportunities, and furthering the economic development benefits associated with Oregon’s largest research university.

The next largest employer in 2014 is Samaritan Health Services with 2,697 employees serving local communities through five affiliated hospitals, physician clinics, several health plans, and a senior care facility. The third largest employer is Hewlett-Packard (HP) with approximately 1,525 employees.



Benton County has an unemployment rate of 5.5 percent, which is the lowest in the state. By most economic indicators, the economy is stable. One problem that has adversely impacted district enrollment is the high housing costs within district boundaries. Housing prices are 25 percent higher than nearby Albany, Oregon, therefore many young families choose to live there and eighteen thousand people commute into Corvallis for work.

### State and Local Funding

Over the last two decades several citizen initiatives have changed how Oregon funds public education. Starting in 1990, after Oregon citizens approved Ballot Measure 5, the responsibility of funding schools shifted from local control via property taxes to state control via K-12 funding formulas that are distributed through income taxes, lottery proceeds, and property taxes. This shift affected how funds are allocated to public schools, making them more dependent on the overall economy of Oregon. Income taxes are one of the state's primary resources of revenue and are subject to the volatility of the economy. As economic recessions affect employment resulting in income tax revenue declines, there are fewer resources available for public programs and services, including K-12 schools.

The 2013-15 state biennial adopted budget for K-12 is \$6.65 billion, up from \$5.71 billion in 2011-13. For the second year of the biennium, 2014-15, the district is projected to receive \$51.6 million from the State School Fund. This is an increase of \$3.4 million over what was received in 2013-14. During the previous two budget cycles, the district had declining revenue as a result of stagnant state funding due to the recession and declining enrollment. The above increase is welcome news and the 2014-15 budget is balanced without cuts or the use of reserves and maintains the Rainy Day Fund balance at its current balance of \$1.2 million.

Corvallis School District 509J has a long history of strong voter and community support. In November 2010, 68.5 percent of voters approved a renewal of the local option tax of \$1.50 per \$1,000 of assessed valuation for another five years beginning with the 2012-13 school year. In the 2014-15 adopted budget, the local option levy is scheduled to fund 38.08 FTE, providing a significant impact through direct services to our students.

The local option levy, however, has been affected by continuing weakness in real market property values as a result of the recession. Increased losses from tax compression resulted in a decline of revenue below expectations. In 2013-14, revenue from the levy was just over \$3.5 million as compared to just over \$4.0 million in 2012-13. With the current economic factors in the housing market, revenue from this source is carefully monitored.

### Long-Term Financial Planning

Volatility of revenue collections at the state level and dwindling state reserves has made for a complex and unstable funding stream. During the previous two budget cycles the district experienced declining revenues. To make up for the declines, the district used accumulated reserves and reduced services. To illustrate, in 2012-13, services were reduced by \$3.2 million as compared to 2011-12. During the current biennium, previously noted revenue increases have allowed the district to return to full work schedules and allow for staff compensation increases. Long-term financial planning remains a challenge in light of factors that remain out of our control such as the economy, state funding levels, unfunded mandates, federal sequestration, and funding of the state retirement system.

Slow economic recovery, coupled with declining district enrollment of 8.4% over the last ten years, challenges the district to align service levels with projected resources. Enrollment declines appear to

have stabilized the last two years but the future is dependent on key community livability factors such as employment and affordable housing. Strategic planning and conversations with staff, School Board, Budget Committee, partners, and the community will continue to be held to provide input on how to structure a sustainable budget plan on a multi-year basis to best meet the needs of our students.

### Relevant Financial Policies

District financial policies provide the framework for financial planning and decision making by the School Board, Budget Committee, and district staff. These policies state, in part, that the “budget should match ongoing expenditures to ongoing revenues. One-time resources should be used for one-time expenditures that will not create a continuing obligation for the district or an unsustainable level of expenditures, and should not be expended before revenues are received.”

Board policy calls for the district’s proposed budget to create fund balances in an amount sufficient to:

- a. Allow the district to deliver a sustainable level of programs through anticipated recessionary periods;
- b. Protect the district from unnecessary borrowing in order to meet cash-flow needs;
- c. Provide prudent reserves to meet unexpected emergencies and protect against catastrophic events;
- d. Meet the uncertainties of state and federal funding; and,
- e. Help ensure a district credit rating that would qualify the district for lower interest costs and greater marketability of bonds that may be necessary in the construction and renovation of school facilities.

Additionally, policy requires reserves as a percentage of the General Fund total resources net of the beginning fund balance in the amount of 2.5 percent for an appropriated Contingency Reserve, and 5 percent for each the appropriated Rainy Day Reserve and the Unappropriated Ending Fund Balance. Targeted reserves ending fund balances may be allocated and designated for special purposes.

This policy was updated and readopted in June 2013 and has been instrumental in strategic planning. The Rainy Day Reserve balance was \$1.0 million at June 2014 and although initially intended to be fully utilized in 2014-15, the final 2014-15 adopted budget was balanced without having to further use this reserve. In November 2014, the School Board approved a 2014-15 supplemental budget which increased the Rainy Day Reserve by \$.2 million using unanticipated funds received in the prior year. To be compliant with Board policy, the Rainy Day Reserve would require an additional \$1.6 million. The Contingency Reserve for the 2014-15 amended budget is \$1.4 million. The Unappropriated Ending Fund Balance the 2014-15 amended budget is \$2.8 million. Both of these reserves are compliant with board policy.

### Budgetary Controls

The district annually prepares a budget in accordance with requirements prescribed in the Oregon Revised Statutes. The objectives of the district’s budgetary controls are to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the district’s School Board. Activities of all funds are included in the annual appropriated budget.

A summary of the budget proposed to and approved by the Budget Committee, together with a notice of public hearing, is published in a newspaper with general circulation in the district. A public hearing is held to receive comments from the public concerning the approved budget. The School Board adopts

the budget, makes the appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared.

The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget. Activities of the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Insurance Fund are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount) is established by major function level within an individual fund. Transfers of appropriations between budget categories must be authorized by resolution of the School Board.

As demonstrated by the statements and schedules included in the Financial Section of this report, the district continues to meet its responsibility for sound financial management.

### Capital Improvements

In March 2008 the School Board adopted the 2007 Long Range Facilities Master Plan. In 2013-14, as part of the implementation of that plan, the district spent \$398,000 on facility improvement projects and equipment. Funds were used to purchase new stage curtains for the Crescent Valley High School Theater and bleachers for the Crescent Valley High School Gym. The funding for these projects came from local construction excise taxes, SB 1149, and the Insurance Fund.

In anticipation of approaching voters in three to five years for another capital construction bond, the district is in the process of updating the long range facilities master plan.

### Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Corvallis School District 509J for its CAFR for the fiscal year ended June 30, 2013. This was the twenty-fifth consecutive year that the district has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program requirements and will be submitting it to GFOA to determine its eligibility for another certificate.

An expression of thanks goes to the Corvallis School District Financial Services staff and members of other district departments for their hard work and dedication in providing ongoing financial services to the district and in the preparation of this report. We also express appreciation to Pauly Rogers & Co., P.C., for their efforts during the audit.

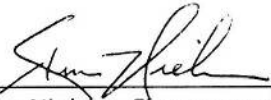
We further extend our appreciation to the members of the School Board, employees of the district, and the citizens of Corvallis whose continued cooperation, support, and assistance have contributed greatly to the achievements of the Corvallis School District.

Respectfully submitted,



---

Erin Prince, Ph.D., Superintendent



---

Steve Nielsen, Finance and Operations Director



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Debbie Bell, Controller



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

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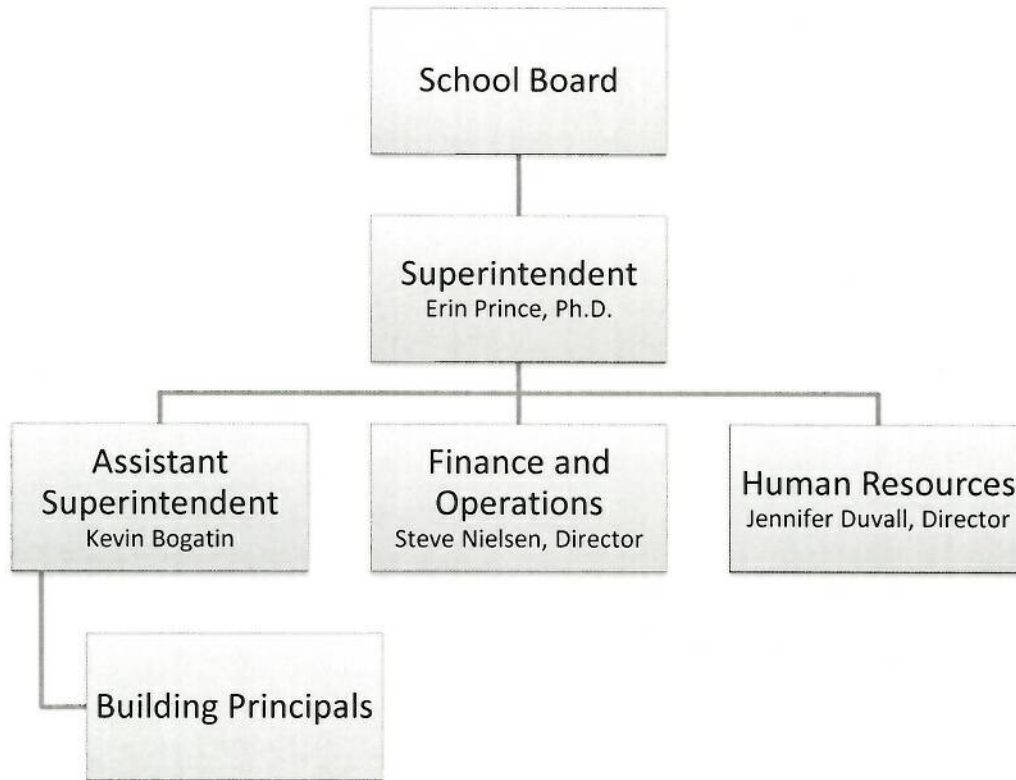
**Corvallis School District 509J  
Oregon**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

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**2013-14 School Board**

Name	Title	Term Expires
Tom Sauret	Chair	June 30, 2017
Chris Rochester	Vice-Chair	June 30, 2015
Vincent Adams	Member	June 30, 2017
Judy Ball	Member	June 30, 2015
Lisa Corrigan	Member	June 30, 2015
Bill Kemper	Member	June 30, 2017
Anne Schuster	Member	June 30, 2015

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**PAULY, ROGERS, AND CO., P.C.**  
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(503) 620-2632 (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 12, 2014

To the Board of Directors  
Corvallis School District 509J  
Benton County, Oregon

## INDEPENDENT AUDITORS' REPORT

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit Muddy Creek Charter School, each major fund, and the aggregate remaining fund information of Corvallis School District 509J, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents. The financial statements as of June 30, 2013, were audited by other auditors whose report dated December 13, 2013, issued an unmodified opinion on those statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit Muddy Creek Charter School, each major fund, and the aggregate remaining fund information of Corvallis School District 509J as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Emphasis of Matter**

The District adopted the provisions of GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* for the year ended June 30, 2014. Our opinion is not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the management's discussion and analysis and schedule of funding progress for the other employment benefits because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedule presented as Required Supplementary Information, as listed in the table of contents, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

### *Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

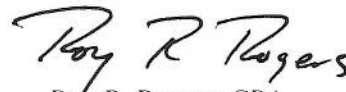
### *Other Information*

The listing of board members containing their term expiration dates, located before the table of contents, and the introductory section, statistical section, capital asset schedules, and other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## Reports on Legal and Other Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 12, 2014 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 12, 2014, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



Roy R. Rogers, CPA

PAULY, ROGERS AND CO., P.C.

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## **INTRODUCTION**

As management of Corvallis School District 509J, Benton County, Oregon, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2014. It should be read in conjunction with the District's financial statements, which follow this section.

## **FINANCIAL HIGHLIGHTS**

At June 30, 2014, total net position of Corvallis School District 509J amounted to \$69,715,777.

Of this amount, \$45,863,877 was invested in capital assets, net of related debt. The remaining balance included \$951,300 restricted for various purposes in the Grants Fund leaving \$22,900,600 of unrestricted net position.

At June 30, 2014, the District's governmental funds reported combined ending fund balances of \$14,242,076.

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to Corvallis School District 509J's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

### **Government-Wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets and liabilities with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Inavale Community Partners, Inc., dba Muddy Creek Charter School, is sponsored by the District and is reported as a discretely presented component unit. Its complete financial statements may be obtained from their administrative offices. The District is not financially responsible for the charter school, but



the nature and significance of its financial relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete. This component unit is presented in total in a separate column in the government-wide financial statements to emphasize that it is a legally separate organization from the District. Revenues reported by the component unit as state school fund monies equal the amount passed through the District.

The government-wide financial statements can be found on pages 5 through 6 of this report.

### **Fund Financial Statements**

The fund financial statements are designed to demonstrate compliance with finance-related legal requirements overseeing the use of fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. All of the funds of Corvallis School District 509J can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

#### *Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of available resources, as well as on balances of available resources at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eleven governmental funds. Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the General, Debt Service, and PERS Debt Service Funds, all of which are considered to be major governmental funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

Corvallis School District 509J adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.



The basic governmental fund financial statements can be found on pages 7 through 10 of this report.

#### *Proprietary Funds*

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The District maintains one proprietary fund, which is an internal service fund.

The internal service fund serves as an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses the internal service fund to account for its insurance activities for risk management and employee benefits. Because this predominantly benefits governmental functions, it has been included within governmental activities in the government-wide financial statements.

Corvallis School District 509J adopts an annual appropriated budget for its proprietary fund. A budgetary comparison statement has been provided for the fund to demonstrate compliance with its budget.

The basic proprietary fund financial statements can be found on pages 11 through 13 of this report.

#### *Fiduciary Funds*

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as that used for governmental funds.

The basic fiduciary fund financial statements can be found on pages 14 through 15 of this report.

#### **Notes to the Basic Financial Statements**

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 16 through 31 of this report.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, which includes schedules of funding progress and employer contributions, as well as budgetary comparison information for the General Fund. This required supplementary information can be found on pages 32 through 33 of this report.

The combining statements referred to earlier, in connection with nonmajor governmental funds, are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 36 through 47 of this report.



## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position may, over time, serve as a useful indicator of the District's financial position. At June 30, 2014, Corvallis School District 509J had assets of \$143.4 million, liabilities of \$73.7 million, and net position of \$69.7 million.

A large portion of the District's net position reflects its investment in capital assets (e.g., land, buildings and improvements, and vehicles and equipment) less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets for classrooms and supporting services for providing kindergarten through twelfth grade education; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Capital assets, net of accumulated depreciation, represents 63.8 percent of total assets. Pension assets represent 17.9 percent and cash and investments account for 14.7 percent. The remaining assets consist mainly of accounts receivable, property taxes receivable, and inventories.

The District's largest liability, comprising 81.2 percent of the total, are noncurrent liabilities that consist of general obligation bonds, limited tax pension obligation bonds, interest and Early Retirement Incentive Program payables. Current liabilities consist of accounts, accrued salaries and benefits, compensated absences, Early Retirement Incentive Program, unearned revenue, and bond interest payables.

### **District's Net Position**

The net position of Corvallis School District 509J in the government-wide financial statements was \$69.7 million. Of this amount, \$45.9 million was invested in capital assets, net of related debt, \$.9 million was restricted for various purposes, and the remaining unrestricted amount of \$22.9 million was insufficient in meeting long-term obligations such as bonds, interest, and Early Retirement Incentive Program payables. This is not uncommon since local governments operate more on a pay-as-you-go basis for everyday management.

The District's net position increased by \$2.9 million. The increase in net position is a result of liabilities decreasing at a greater rate than assets. Overall, assets decreased by \$4.1 million. The key decreases in assets reflects capital asset depreciation of \$3.4 million and pension amortization of \$1.3 million. Total liabilities decreased by \$7.0 million. This decrease is primarily from a reduction in bonds payable (general obligation, pension bonds) of \$7.7 million.

The unrestricted net position in the amount of \$22.9 million is available, but insufficient toward meeting long-term obligations as identified in the various District funds. At the end of fiscal year 2013-14, the District was able to report positive balances in all categories of net position.

The government-wide statement of net position recognizes a liability as soon as an obligation is



incurred, even though the payment may not be made until some future time. Governments tend to raise resources when the liabilities are expected to be paid, rather than when they are incurred. Most governments normally do not have sufficient current resources on hand to cover current and long-term liabilities. This is the case for Corvallis School District 509J.

Condensed statement of net position information is shown below.

**Condensed Statement of Net Position**

	<b>Governmental Activities</b>		
	2014	2013	Change
<b>Assets</b>			
Current and other assets	\$ 51,805,673	\$ 52,463,829	\$ (658,156)
Land and construction in progress	2,629,247	2,629,247	-
Capital assets, net of accumulated depreciation	88,933,357	92,383,297	(3,449,940)
<b>Total assets</b>	<b>143,368,277</b>	<b>147,476,373</b>	<b>(4,108,096)</b>
<b>Liabilities</b>			
Current liabilities	13,847,408	11,721,126	2,126,282
Noncurrent liabilities	59,805,092	68,940,884	(9,135,792)
<b>Total liabilities</b>	<b>73,652,500</b>	<b>80,662,010</b>	<b>(7,009,510)</b>
<b>Net position</b>			
Net investment in capital assets	45,863,877	42,340,649	3,523,228
Restricted for various purposes	951,300	1,937,156	(985,856)
Unrestricted	22,900,600	22,536,558	364,042
<b>Total net position</b>	<b>\$ 69,715,777</b>	<b>\$ 66,814,363</b>	<b>\$ 2,901,414</b>

**District's Changes in Net Position**

The condensed statement of activities information shown on the following page explains changes in net position.



	Governmental Activities		
	2014	2013	Change
<b>Program revenues</b>			
Charges for services	\$ 2,454,147	\$ 3,767,485	\$ (1,313,338)
Operating grants and contributions	<u>4,448,218</u>	<u>5,142,182</u>	<u>(693,964)</u>
Total program revenues	<u>6,902,365</u>	<u>8,909,667</u>	<u>(2,007,302)</u>
<b>General revenues</b>			
Property taxes	33,547,921	35,385,511	(1,837,590)
State school fund	27,230,899	20,978,373	6,252,526
Common school fund	860,529	906,786	(46,257)
Unrestricted state and local revenue	2,660,571	426,120	2,234,451
Gain on sale of assets	937,935	-	937,935
Investment earnings	193,631	200,227	(6,596)
Miscellaneous	<u>1,026,333</u>	<u>84,638</u>	<u>941,695</u>
Total general revenues	<u>66,457,819</u>	<u>57,981,655</u>	<u>8,476,164</u>
Total revenues	<u>73,360,184</u>	<u>66,891,322</u>	<u>6,468,862</u>
<b>Program expenses</b>			
Instruction	38,717,209	34,581,788	4,135,421
Support services	24,281,080	21,140,455	3,140,625
Enterprise and community services	3,529,606	3,190,135	339,471
Facilities acquisition and construction	16,251	3,342,099	(3,325,848)
Interest expense	<u>3,914,624</u>	<u>3,879,303</u>	<u>35,321</u>
Total program expenses	<u>70,458,770</u>	<u>66,133,780</u>	<u>4,324,990</u>
Change in net position	2,901,414	757,542	2,143,872
Net position - beginning of year, as restated	<u>66,814,363</u>	<u>66,056,821</u>	<u>757,542</u>
Net position - end of year	<u>\$ 69,715,777</u>	<u>\$ 66,814,363</u>	<u>\$ 2,901,414</u>



**Revenues**

Since the District’s mission is to provide a free and appropriate public education for kindergarten through twelfth grade students within its boundaries, the District may not charge for its core services. As expected, therefore, general revenues provide a large portion (94.3 percent) of the funding required for governmental programs. Property taxes and state school funding combined for 92.7 percent of general revenues and 84.0 percent of total revenues. State funding increased due to higher student enrollment and improved economic conditions.

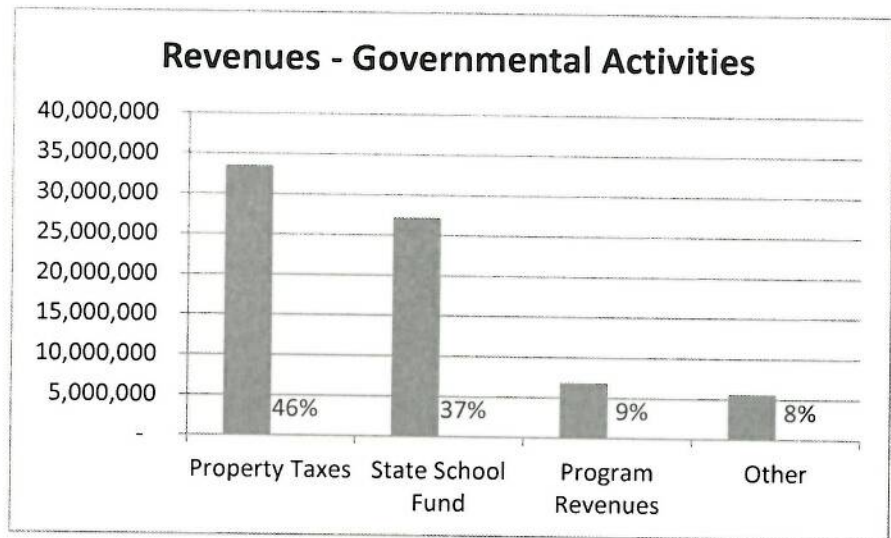
State school revenue is the District’s most significant source of funds. Revenues are determined by a complex formula which includes local property tax collections, student demographics, and student enrollment as funding

factors. Higher local property tax collections reduce funding from the state and vice versa.

Program revenues include charges for services and operating grants and contributions. Charges for services make up 3.3 percent of total revenues and are composed of items such as food service charges,

summer school, and other extracurricular programs for which it is appropriate that the District charge tuition or fees. The increase reflects efforts to increase charges where appropriate and community contributions to help offset revenue losses.

Operating grants and contributions represent 6.0 percent of total revenues. Included in this category is \$1.6 million for federal reimbursement under the school nutrition program. The remainder of \$2.9 million is comprised of federal and state grants for designated programs. Operating grants and contributions decreased over the prior year by 0.2 percent, due primarily to decreased levels of grant awards for special education IDEA and Title programs. The chart shows governmental activities revenues by major categories to aid in understanding the District’s significant revenue sources.



**Expenses**

Expenses related to governmental activities are presented in five broad functional categories: instruction, support services, enterprise and community services, facility acquisition and construction, and interest expense. Costs of direct classroom instruction activities account for 54.9% of the total expenses of \$70,458,770. Overall, the increase in expenses is reflective of the increased state funding as



instructional and support activities to students were increased. Student enrollment increased by 49 students over the prior year to 6,348. Certified staffing held relatively stable at 298.8 full-time equivalents as compared to 295.0 the prior year.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### **Governmental Funds**

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measurement of the District's net resources available for spending at the end of the fiscal year.

At June 30, 2014, the District's governmental funds reported combined ending fund balances of \$14.2 million. Of this amount, \$.9 million is restricted for grants, \$2.4 million is committed to the Public Employees Retirement System (PERS) Debt Service Fund, \$1.6 million is committed for Facilities improvements, \$1.0 million is committed for early retirement incentives, and \$.7 million for student body activities. These funds are not available to meet the general obligations of the District. The significant majority of the remaining balance is the \$7.0 million for the General Fund.

At 2013-14 fiscal year end, the General Fund ending fund balance of \$7.0 million was 12.3 percent of total General Fund expenditures. The ending fund balance constitutes \$1.3 million assigned for contingency, \$1.0 million assigned for the rainy day fund, \$2.6 million assigned for unappropriated ending fund balance, \$.9 million for the full implementation of all-day kindergarten across the District and the remaining \$1.2 million was unassigned. The ending fund balance increased a modest \$.4 million from the prior year.

Governmental funds report the differences between their assets and liabilities as fund balance categorized into classifications as per accounting standards. The fund balance of the Debt Service Fund is legally restricted to be spent for the purpose of the fund and is not available for spending at the District's discretion. Committed fund balances are constrained to specific purposes by the School Board. Assigned fund balances are further subdivided into designed categories to aid in management of funds in alignment with District fiscal policies. As the General Fund is the major operating fund of the District, it is helpful to understand the key components of ending fund balance. The table on the next page summarizes the General Fund ending fund balance by category.

In May 2014, Moody's Investors Service performed an analysis of the District's finances in order to review our current bond rating. Great news was received as Moody's reaffirmed the District's Aa2 bond rating. In their summary report, Moody's cites a significant factor in maintaining the rating during the recent periods of economic downturn was the strength of the District's reserves. Even as we

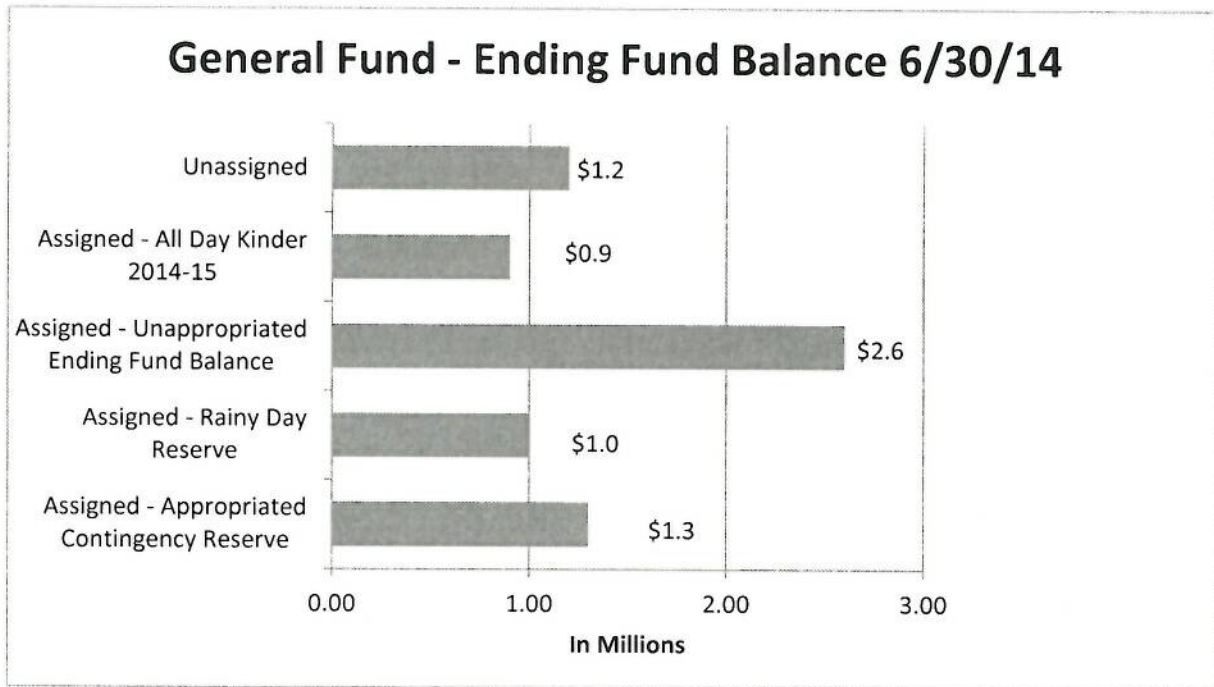


experienced several periods of deficit spending in which a portion of the Rainy Day Reserve was used to balance the budget, the reserves remain adequate and comparable to peers. It was noted the District has strong management practices and policies in place regarding the ongoing funding of reserves. Active management of reserves provides a smoothing of operations during economic downturns and positively impacts interest rates when long term bonded debt is issued.

### Proprietary Fund

District's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

Net position of the proprietary fund at year-end amounted to \$4.8 million all of which is considered to be unrestricted. The net position increased \$.4 million from the prior year as insurance services and activities were provided.



### BUDGETARY HIGHLIGHTS

The General Fund is the chief operating fund of the District. This fund pays for instructional programs, daily operations of schools, and general functions. As an educational agency, expenditures are comprised mostly of staff. Board direction targets an expenditure ratio of 85.0 percent for salaries and benefits and 15.0 percent for supplies, services, and other. At 2013-14 fiscal year end, the ending fund balance was \$7.0 million, an increase of \$.4 million from the prior year.



\$.7 million. This news was unexpected and not received in time to amend the budget committee approved levy amount resulting in a revenue shortfall and therefore a deficit ending fund balance. The School Board authorized an interfund loan of \$.5 million in June 2014 to cover the deficit, make the debt service payment, and manage the cash flow aspect of this issue. The loan was repaid in November 2014 with the first influx of 2014-15 property tax receipts.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The District’s investment in capital assets for its governmental activities as of June 30, 2014, amounted to \$91,562,604, net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, and vehicles and equipment. The total depreciation related to the District’s investment in capital assets for the current fiscal year amounted to \$3,848,420.

	2014	2013	Change
Land	\$ 2,629,247	\$ 2,629,247	\$ -
Buildings and site improvements	134,394,196	134,377,944	16,252
Vehicles and equipment	4,070,030	3,697,357	372,673
Total general governmental capital assets	<u>\$ 141,093,473</u>	<u>\$ 140,704,548</u>	<u>\$ 388,925</u>

Additional information on the District’s capital assets can be found in Note 5 and on pages 25 through 26 of this report.

**Long-Term Debt**

At the end of the current fiscal year, the District had total debt outstanding of \$68,577,528. This amount is comprised of limited tax pension obligations, general obligation bonds, accrued interest, and early retirement. The District’s total debt outstanding decreased by \$8.2 million during the current fiscal year.

State statutes limit the amount of general obligation debt a school district may issue based on a formula for determining the percentage of the real market value of all taxable properties within the school district. The District’s general obligation bond debt capacity is 7.95 percent of real market value or \$559,503,155, which is significantly in excess of the District’s outstanding general obligation debt.

The District has successfully renegotiated benefits under the Early Retirement Incentive Program as detailed in the notes to the financial statements. Program changes include significantly reduced eligibility criteria and benefit reductions, thereby reducing long-term liabilities for this program. It is now projected that the program is fully funded, thereby eliminating the annual contribution from the General Fund.

Additional information on the District’s long-term liabilities can be found in Note 7 on pages 26 through 28 of this report.



## **KEY ECONOMIC FACTORS AND BUDGET INFORMATION FOR THE FUTURE**

Across the State of Oregon, school districts continue to be faced with similar ongoing economic challenges to meet the diverse needs of the student population and increased curriculum standards without state funding at a level to fully support these factors.

The state utilizes a complex formula to work towards an equitable allocation methodology. The formula consists of a general purpose grant, transportation grant, and certain local revenues along with student demographic data and enrollment counts. The formula is under review to determine if it meets today's needs to equitably allocate resources to best serve students.

The 2015 -17 state biennial budget was released by the Governor on December 1, 2014. The budget fails to keep up with inflation, much less increased investment in K-12 education. The recommended allocation of \$6.91 billion for all districts represents a 3.9 percent increase over the 2013-15 biennium. This proposed budget will go through several iterations as the Legislature works through their processes before final adoption. In the meantime, districts are charged to prepare their 2015-16 budgets without final allocations. Our School Board adopted budget parameters to guide this work that maintains a conservative and realistic approach to manage finances and delivering services. Examples include: current requirements will not exceed current resources with a focus on long term sustainability; and, the Rainy Day Fund will be rebuilt to the policy level of 5 percent by June 30, 2018.

Contract negotiations with the District's three employee groups occurred in fiscal year 2013-14 resulting in new one-year agreements. Agreements acknowledged current economic conditions. Contracts reflected a full instructional year for students along with modest financial increases dependent upon the employee group. Negotiations will resume in the current fiscal year as districts across the state work to allocate limited resources for staff and services.

Looking forward to fiscal year 2015-16 as budget season begins, issues such as equitable resource allocation, closing the opportunity gap, PERS reform, and use of reserves, are key components of discussion. The Governor's focus continues to be education from preschool through college. Strategic planning efforts are underway with staff and community forums to be held to gather input as service levels are evaluated.

In spite of many years of tight funding, the District is proud to be able to demonstrate success in educating our students. The School Board is actively involved in ongoing strategic planning to continue to lead the District in a fiscally responsible manner. Long-term goals and financial plans are actively managed to guide the District as major decisions are made.



## **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of Corvallis School District 509J's finances for all those with an interest. Questions concerning any of the information provided in the report or requests for additional information should be addressed to the Finance and Operations Department, Corvallis School District 509J, P.O. Box 3509J, Corvallis, Oregon 97339.

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**BASIC FINANCIAL STATEMENTS**

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## CORVALLIS SCHOOL DISTRICT 509J

Benton County, Oregon

## STATEMENT OF NET POSITION

June 30, 2014

	Governmental Activities	Component Unit
<b>ASSETS</b>		
Current Assets		
Cash and Investments	\$ 21,195,714	\$ 210,909
Receivables:		
Accounts/Grants	1,141,392	7,585
Property Taxes	2,841,369	-
Intergovernmental	457,045	-
Notes	368,241	-
Inventory	137,777	-
Total Current Assets	26,141,538	218,494
Noncurrent Assets		
Net Pension Asset	25,664,135	-
Capital Assets, Non-Depreciable	2,629,247	-
Capital Assets, Depreciable, Net	88,933,357	135,421
Total Noncurrent Assets	117,226,739	135,421
Total Assets	143,368,277	353,915
<b>LIABILITIES</b>		
Current Liabilities		
Accounts Payable	1,961,104	13,343
Accrued Salaries and Benefits	2,165,328	24,138
Unearned Revenue	50,133	-
Intergovernmental Payable	258,236	-
Accrued Vacation Payable	154,787	-
Other Current Liabilities	18,884	-
Bond & Note Interest Payable, Current Portion	195,306	-
Early Retirement, Current Portion	795,320	-
Long-term Liabilities, Current Portion	8,248,310	-
Total Current Liabilities	13,847,408	37,481
Noncurrent Liabilities		
Long-term Liabilities, Net of Current Portion	57,108,236	-
Bond & Note Interest Payable, Net of Current Portion	2,131,384	-
Early Retirement, Net of Current Portion	184,030	-
Net Other Post Employment Benefit Obligation	381,442	-
Total Noncurrent Liabilities	59,805,092	-
Total Liabilities	73,652,500	37,481
<b>NET POSITION</b>		
Net Investment in Capital Assets	45,863,877	135,421
Restricted for Grants	951,300	-
Unrestricted	22,900,600	181,013
Total Net Position	\$ 69,715,777	\$ 316,434

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**STATEMENT OF ACTIVITIES**  
**For the year ended June 30, 2014**

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Primary Governmental Activities	Component Unit Muddy Creek Charter School
Instruction	\$ 38,717,209	\$ 51,920	\$ 2,794,167	\$ (35,871,122)	\$ (323,314)
Support Services	24,281,080	1,186,238	1,447,137	(21,647,705)	(182,469)
Enterprise and Community Services	3,529,606	1,215,989	206,914	(2,106,703)	8,434
Facilities Acquisition and Constructio	16,251	-	-	(16,251)	(9,428)
Unallocated Depreciation Expense	-	-	-	-	(7,068)
Interest on Long-Term Debt	3,914,624	-	-	(3,914,624)	-
<b>Total Governmental Activities</b>	<b>\$ 70,458,770</b>	<b>\$ 2,454,147</b>	<b>\$ 4,448,218</b>	<b>(63,556,405)</b>	<b>(513,845)</b>
General Revenues:					
				25,486,553	-
				8,061,368	-
				27,230,899	-
				860,529	-
				566,282	557,779
				1,592,824	-
				501,465	-
				193,631	428
				937,935	-
				1,026,333	293
				<u>66,457,819</u>	<u>558,500</u>
				Change in Net Position	44,655
				Net Position - Beginning	<u>271,779</u>
				<u>\$ 69,715,777</u>	<u>\$ 316,434</u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2014**

	GENERAL FUND	DEBT SERVICE FUND	PERS DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>ASSETS</b>					
Cash & Cash Equivalents	\$ 21,189,892	\$ -	\$ 5,822	\$ -	\$ 21,195,714
Receivables:					
Accounts/Grants	128,298	-	-	1,378,815	1,507,113
Intergovernmental	457,045	-	-	-	457,045
Property Taxes	2,172,607	668,762	-	-	2,841,369
Due from Other Funds	-	-	2,364,276	4,062,700	6,426,976
Inventory	-	-	-	137,777	137,777
<b>Total Assets</b>	<b>\$ 23,947,842</b>	<b>\$ 668,762</b>	<b>\$ 2,370,098</b>	<b>\$ 5,579,292</b>	<b>\$ 32,565,994</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 1,282,216	\$ -	\$ -	\$ 252,585	\$ 1,534,801
Accrued Salaries and Benefits	1,543,597	-	-	-	1,543,597
Unearned Revenue	-	-	-	50,133	50,133
Interfund Loan Payable	-	406,430	-	-	406,430
Due to Other Funds	12,110,267	50,996	-	-	12,161,263
<b>Total Liabilities</b>	<b>14,936,080</b>	<b>457,426</b>	<b>-</b>	<b>302,718</b>	<b>15,696,224</b>
Deferred Inflows of Resources:					
Unavailable Revenue-Property Taxes	2,009,928	617,766	-	-	2,627,694
Fund Balances (Deficit):					
Nonspendable	-	-	-	137,777	137,777
Restricted	-	-	-	951,300	951,300
Committed	-	-	2,370,098	4,187,497	6,557,595
Assigned	5,845,501	-	-	-	5,845,501
Unassigned	1,156,333	(406,430)	-	-	749,903
<b>Total Fund Balances</b>	<b>7,001,834</b>	<b>(406,430)</b>	<b>2,370,098</b>	<b>5,276,574</b>	<b>14,242,076</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 23,947,842</b>	<b>\$ 668,762</b>	<b>\$ 2,370,098</b>	<b>\$ 5,579,292</b>	<b>\$ 32,565,994</b>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**Reconciliation of the Governmental Funds**  
**Balance Sheet to the Statement of Net Position**  
**June 30, 2014**

TOTAL FUND BALANCES-GOVERNMENTAL FUNDS	\$	14,242,076
Capital assets are not financial resources and therefore are not reported in the governmental funds.		
Cost	\$	141,093,473
Accumulated Depreciation		<u>(49,530,869)</u>
		91,562,604
A portion of the property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds.		
		2,627,694
Internal service funds are used by management to charge the costs of insurance activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
		4,818,083
Net Pension Asset		25,664,135
Long-term liabilities applicable to the governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due.		
Long term Liabilities:		
Accrued Vacation payable	(154,787)	
Accreted Interest payable	(2,241,632)	
Bond Interest payable	(85,058)	
Net OPEB Obligation	(381,442)	
Early Retirement payable	(979,350)	
Premium on bonds payable	(4,303,727)	
Pension obligation bonds payable	(19,657,819)	
General obligation bonds payable	<u>(41,395,000)</u>	<u>(69,198,815)</u>
TOTAL NET POSITION	\$	<u><u>69,715,777</u></u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the year ended June 30, 2014**

REVENUES	GENERAL FUND	DEBT SERVICE FUND	PERS DEBT SERVICE FUND	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Local Sources	\$ 25,845,647	\$ 8,085,663	\$ 2,048,897	\$ 4,112,156	\$ 40,092,363
Intermediate Sources	257,866	-	-	243,599	501,465
State Sources	28,161,270	-	-	798,171	28,959,441
Federal Sources	42,890	-	-	4,605,673	4,648,563
<b>Total Revenues</b>	<b>54,307,673</b>	<b>8,085,663</b>	<b>2,048,897</b>	<b>9,759,599</b>	<b>74,201,832</b>
<b>EXPENDITURES</b>					
Current:					
Instruction	32,544,426	-	-	5,056,838	37,601,264
Support Services	21,293,562	-	-	2,680,604	23,974,166
Community Services	125,742	-	-	3,302,130	3,427,872
Facilities Acquisition	-	-	-	6,182	6,182
Debt Service	-	8,837,000	2,005,726	-	10,842,726
<b>Total Expenditures</b>	<b>53,963,730</b>	<b>8,837,000</b>	<b>2,005,726</b>	<b>11,045,754</b>	<b>75,852,210</b>
Revenues over (under) expenditures	343,943	(751,337)	43,171	(1,286,155)	(1,650,378)
Other Financing Sources, (Uses):					
Sale of fixed assets	27,935	-	-	910,000	937,935
<b>Total other financing sources (Uses)</b>	<b>27,935</b>	<b>-</b>	<b>-</b>	<b>910,000</b>	<b>937,935</b>
<b>Net Change in Fund Balance</b>	<b>371,878</b>	<b>(751,337)</b>	<b>43,171</b>	<b>(376,155)</b>	<b>(712,443)</b>
Fund balance, beginning	6,629,956	344,907	2,326,927	5,652,729	14,954,519
<b>Fund balance, ending</b>	<b>\$ 7,001,834</b>	<b>\$ (406,430)</b>	<b>\$ 2,370,098</b>	<b>\$ 5,276,574</b>	<b>\$ 14,242,076</b>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**Reconciliation of the Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**to the Statement of Activities**  
**For the year ended June 30, 2014**

TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS \$ (712,443)

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period:

Expenditures for capital assets	\$ 398,480	
Less current year depreciation	<u>(3,848,420)</u>	(3,449,940)

Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability government-wide.

Principal Payments on Long-Term-Debt		7,656,689
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Governmental funds report the effect of premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

Amortization of bond premiums	528,168	
Expense of issuance costs	<u>(561,990)</u>	(33,822)

Change in net OPEB obligation (104,180)

In the governmental funds, the current year payment to PERS to advance fund the District's UAL is charged as expenditures. In the Statement of Net Position it is reported as an asset and amortized over the life of the pension bonds issued to fund the payment. This is the net effect of these transactions: (1,321,398)

In the Statement of Activities, interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an expense when due.

Accrued Accreted Interest	50,034	
Accrued Bond Interest	<u>14,609</u>	64,643

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities, property taxes are recognized as revenue when levied. 397,685

Internal service funds are used by management to charge the costs of insurance activities to individual funds. This activity is consolidated with the governmental activities in the Statement of Activities. 403,670

Compensated absences are recognized as expenditure in the governmental funds when they are paid. In the Statement of Activities, these liabilities are recognized as an expenditure when earned. 510

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 2,901,414

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF NET POSITION - PROPRIETARY FUND**  
**June 30, 2014**

INTERNAL SERVICE FUND

	<u>Insurance</u>
ASSETS	
Receivables:	
Accounts	\$ 2,520
Interfund Loans	406,430
Due From Other Funds	<u>5,476,051</u>
TOTAL ASSETS	<u>5,885,001</u>
LIABILITIES	
Accounts Payable	426,303
Payroll Liabilities	621,731
Other Current Liabilities	<u>18,884</u>
TOTAL LIABILITIES	<u>1,066,918</u>
NET POSITION	
Unrestricted	<u>4,818,083</u>
TOTAL NET POSITION	<u>\$ 4,818,083</u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**For the year ended June 30, 2014**

INTERNAL SERVICE FUND

	<u>Insurance</u>
OPERATING REVENUES	
Charges for services	\$ 10,920,488
Miscellaneous revenue	9,138
	<hr/>
TOTAL OPERATING REVENUES	10,929,626
	<hr/>
OPERATING EXPENSES	
Support services	10,515,887
	<hr/>
OPERATING INCOME	413,739
	<hr/>
NONOPERATING EXPENSE	
Facilities Acquisition	10,069
	<hr/>
CHANGE IN NET POSITION	403,670
	<hr/>
NET POSITION - BEGINNING	4,414,413
	<hr/>
NET POSITION - ENDING	<u>\$ 4,818,083</u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUND**  
**For the year ended June 30, 2014**

INTERNAL SERVICE FUND

	Insurance
CASH FLOWS FROM OPERATING ACTIVITIES	
Received for services	\$ 10,917,968
Received for miscellaneous purposes	9,138
Payments for goods and services	(10,533,661)
NET CASH USED BY OPERATING ACTIVITIES	393,445
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(10,069)
Loans to other funds	(5,882,481)
NET CASH USED BY CAPITAL AND RELATED FINANCING ACTIVITIES	(5,892,550)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(5,499,105)
CASH AND CASH EQUIVALENTS, BEGINNING	5,499,105
CASH AND CASH EQUIVALENTS, ENDING	\$ -
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:	
Operating Income	\$ 413,739
Adjustments to Reconcile Operating Loss to Net Cash Used By Operating Activities:	
Decrease (increase) in Accounts Receivable	(2,520)
Increase (decrease) in Accounts Payable	12,483
Increase (decrease) in Accrued Liabilities	(30,257)
NET CASH USED BY OPERATING ACTIVITIES	\$ 393,445

See accompanying notes to the basic financial statements

CORVALLIS SCHOOL DISTRICT 509J  
Benton County, Oregon

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND  
June 30, 2014

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	<u>Agency Fund</u>
	<u>Corvallis Public Schools Foundation</u>
ASSETS	
Accounts Receivable	\$ 20,942
Due from Other Funds	<u>258,236</u>
Total Assets	<u>279,178</u>
NET POSITION	
Reserved for Scholarship Programs	<u>\$ 279,178</u>

See accompanying notes to the basic financial statements

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**STATEMENT OF ACTIVITIES**  
**FIDUCIARY FUND**  
**June 30, 2014**

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	<u>Agency Fund</u>
	<u>Corvallis Public Schools Foundation</u>
REVENUES	
Local Sources	<u>\$          684,241</u>
EXPENDITURES	
Community Services	<u>                  540,045</u>
Change in Net Position	144,196
Beginning Net Position	<u>                  134,982</u>
Ending Net Position	<u><u>                  279,178</u></u>

See accompanying notes to the basic financial statements

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. THE FINANCIAL REPORTING ENTITY**

Corvallis School District 509J (the District) is a municipal corporation governed by an elected seven member Board of Directors. The Superintendent is approved by the Board. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles in the United States of America, all activities of the District have been included in these basic financial statements.

There is one component unit, Muddy Creek Charter School. The charter school is included in the District's reporting because the Board of Directors of the District has consent over the charter and its exclusion from the District's financial statements would cause the District's financial statements to be misleading or incomplete. The District believes the financial data of the component unit included in their financial statements meets the criteria for discrete presentation and is presented in the component unit column in the financial statements. Detailed information about the Charter School's budgetary compliance and compliance with laws and regulations is contained in Muddy Creek Charter School's financial report, which is issued separately. Additional information can be obtained from the School's office at: 30252 Bellfountain Road, Corvallis, OR 97333.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the governing body and establishes governmental accounting and financial reporting principles. The more significant accounting policies are described below.

**B. GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the District as a whole. Fiduciary funds are not included in the GWFS. Fiduciary funds are reported only in the Statement of Fiduciary Net Position at the fund financial statement level.

Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All direct expenses are reported by function in the Statement of Activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Net position is reported as restricted when constraints placed on net position use are either externally restricted, imposed by creditors, or through constitutional provisions or enabling resolutions.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION**

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, revenues are considered to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and Other Post-Employment Benefits (OPEB) obligations are recorded only when payment is due.

Property taxes associated with the current fiscal period are considered by management to be susceptible to accrual if received in cash or by the County collecting such taxes within 60 days after year-end. All other revenue items are recognized in the accounting period when they become both measurable and available. All other revenue items are considered to be measurable and available only when cash is received.

The following major governmental funds are reported:

**GENERAL FUND**

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon School Support Fund administered by the Department of Education.

**DEBT SERVICE FUND**

This fund accounts for the payment of principal and interest general obligation bonds. The principal revenue source is property taxes.

**PERS DEBT SERVICE FUND**

This fund accounts for the payment of principal and interest on pension bonds. The principal revenue source is Services Charged to Other Funds.

The following non-major governmental funds are reported:

**SPECIAL REVENUE FUNDS**

**Food Service Fund** – This fund accounts for the various food service programs provided by the District. The sale of food and federal subsidies administered by the state are the major revenue sources.

**Designated Revenue Fund** – This fund accounts for revenues and expenditures of local contributions restricted for specific purposes.

**Designated Facilities Fund** – This fund is used to account for resources accumulated to fund capital improvements and upgrades to school facilities and for the acquisition and sale of land for school district use.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - Continued**

**SPECIAL REVENUE FUNDS - Continued**

Student Body Activity Fund – This fund accounts for the revenues and expenditures of the various student clubs and activities.

District Donation Fund – This fund accounts for expenditures of donations made to the District from the Corvallis Public Schools Foundation.

Grants Fund – The Grants Fund accounts for revenues and expenditures of grants restricted for specific educational and support activities. The primary sources of revenue are federal, state, and local grants.

Early Retirement Fund – This fund accounts for the accumulation and payment of funds to employees under the District’s early retirement incentive plan.

**CAPITAL PROJECTS FUND**

New Schools Bond Fund – This fund was used to account for bond funds approved by voters to build a new high school, middle school, and other various remodeling projects. The fund will be closed upon payment of the arbitrage due.

The following proprietary fund is reported:

Insurance Fund – This internal service fund accounts for the cost and administration by the District for liability insurance premiums and related deductibles and payment of insurance premiums for all employee-paid benefits. The principal source of revenue is charges to other funds for services.

The following fiduciary fund is reported:

Agency Fund – This fund accounts for a portion of transactions of the Corvallis Public Schools Foundation.

**FUND BALANCE**

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - Continued*

*FUND BALANCE - Continued*

- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by Board resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. Authority to classify portions of ending fund balance as assigned is granted to the Superintendent and the Finance and Operations Director.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

The District has adopted Board Policy DA: Fiscal Policies, which guides the budget to create sufficient fund balances to provide sustainable program, protects the District from the inability to meet cash flow needs, and provides prudent reserves to meet unexpected events. General Fund reserves should target a 2.5% appropriated contingency, 5.0% appropriated rainy day reserve, 5.0% unappropriated ending fund balance (as a percentage of current resources, net of beginning fund balance), and targeted reserves as may be designated.

*NET POSITION*

Net position comprises the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

Net Investment in Capital Assets – consists of all capital assets reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – consists of all other assets that are not included in the other categories previously mentioned.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION - Continued**

**DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. There are no deferred outflows.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**CASH AND CASH EQUIVALENTS AND INVESTMENTS**

For the purpose of the Statement of Net Position and the balance sheets, moneys in the Oregon State Local Government Investment Pool (LGIP), savings deposits and demand deposits are considered to be cash and cash equivalents.

Investments with a remaining maturity of more than one year at the time of purchase are stated at fair value.

There were no demand deposits or investments outside of LGIP at fiscal year-end.

**D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY**

**PROPERTY TAXES**

Uncollected real and personal property taxes are reflected on the Statement of Net Position and the balance sheet as receivables. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore no allowance for uncollectible taxes has been established. All property taxes receivable are due from property owners within the District. Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

**ACCOUNTS AND OTHER RECEIVABLES**

Accounts and other receivables are comprised primarily of claims for reimbursement of costs under various federal, state and local grants. Amounts due from Federal agencies are considered by management to be fully collectible. An allowance for uncollectible accounts receivable from the public is established when management determines that collection is unlikely to occur. At June 30, 2014 management considers all accounts, including those from the public, fully collectible.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY - Continued*

*SUPPLY INVENTORIES AND PREPAID ITEMS*

Supply inventories are stated at cost using first-in, first-out (FIFO) method. Any donated inventories are stated at their estimated fair market value. The cost of inventory items are recognized as an expenditure when purchased (purchase method) for budgetary purposes. A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed and are stated at their fair market value based on guidelines provided by the USDA. All other inventories in the governmental funds have been equally offset by an adjustment for inventory recorded under the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items both in the government-wide and fund financial statements. There were no prepaid items at fiscal year-end.

*GRANT ACCOUNTING*

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures are recorded as unearned revenue on the statement of net position and the balance sheet.

*COMPENSATED ABSENCES*

It is the policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since there is no policy to pay any amounts when an employee separates from service with the District. All vacation pay is accrued when incurred in the government-wide financial statements and expensed when used in the fund financial statements.

*CAPITAL ASSETS*

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Interest incurred during construction is not capitalized. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements	10 to 50 years
Vehicles and Equipment	5 to 30 years

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued**

*D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY- Continued*

*LONG TERM OBLIGATIONS*

In the government-wide financial statements long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Bonds payable are reported net of the applicable bond premium.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources and discounts on debt issuance are reported as other financing uses.

*RETIREMENT PLANS*

Most of the District's employees participate in Oregon's Public Employees Retirement System (PERS). Contributions are made on a current basis as required by the plan and are recorded as expenses or expenditures.

The District provides a single-employer retiree benefit plan that provides access to postemployment health, dental, and vision benefits to eligible employees and their spouses. Benefits and eligibility for members are established through various collective bargaining agreements, and in accordance with ORS 243.303.

*District Early Retirement Incentive Program*

Early retirement benefits are reported as long-term liabilities on the statement of net position. Benefits include a monthly stipend. Amounts vary according to agreed-upon terms at the time of retirement.

*USE OF ESTIMATES*

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and requires disclosure of contingent assets and liabilities at the date of the financial statements as well as reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**BUDGETARY INFORMATION**

The District budgets all funds in accordance with the requirements of state law. Annual appropriated budgets are adopted for the general, special revenue, debt service, capital projects, internal service funds and non-major governmental funds. All funds are budgeted on the modified accrual basis of accounting.

The District begins its budgeting process by appointing budget committee members. The budget officer prepares a budget, which is reviewed by the budget committee. The budget is then published in proposed form and is presented at public hearings to obtain taxpayer comments and approval from the budget committee. The budget is legally adopted by the board of directors by resolution prior to the beginning of the District's fiscal year. The board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total instruction, support services, enterprise and community services, debt service, facilities acquisition and construction, contingency, and interfund transfers are the levels of control for the funds established by the resolution. The detailed budget document, however, is required to contain more specific detailed information for the aforementioned expenditure categories and management may revise the detailed line item budgets within appropriation categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of a fund's original budget may be adopted by the board of directors at a regular board meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers, and approval by the board of directors. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the board of directors.

During the year, there was one supplemental budget and two appropriation transfers. Appropriations lapse at year-end. Budget amounts shown in the budgetary financial statements reflect the original and final amended budget.

Expenditures of the various funds were within authorized appropriations.

**NOTE 3. BUDGETARY BASIS OF ACCOUNTING**

While the financial position, results of operations, and changes in fund balance/net position are reported on the basis of accounting principles generally accepted in the United States of America (GAAP), the budgetary basis of accounting differs from generally accepted accounting principles. The budgetary statements provided as part of supplementary information elsewhere in this report are presented on the budgetary basis to provide a meaningful comparison of actual results to the budget. The primary differences between the budgetary basis and GAAP basis are that capital outlay is expensed when purchased, depreciation expense is not recorded, and the full accrual of property taxes, which are reported as unavailable revenue in the governmental funds if not received within 60 days of year end. Inventories of supplies are budgeted as expenditures when purchased and debt, accrued vacation and OPEB liabilities are expensed as paid instead of when incurred.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 4. CASH AND INVESTMENTS**

*DEPOSITS*

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

*Credit Risk*

In the case of deposits, the risk is that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2014, combined bank balances totaled \$684,262, of which \$250,000 was insured by FDIC and the remaining \$434,262 was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

*INVESTMENTS*

The Board policy is to follow state statutes governing cash management. The policy authorizes investment in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, commercial paper and corporate bonds with a minimum rating of A1/P1, and the Oregon State Treasurer's LGIP.

The State Treasurer's Local Government Investment Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the State's investment policies. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB), which establishes and specifies the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements.

Amounts in the State Treasurer's Local Government Investment Pool (LGIP) are not required to be collateralized. There is no material difference between the fair value of the position in the LGIP and the value of the pool shares at June 30, 2014. There were no known violations of legal or contractual provision for deposits and investments during the fiscal year.

*Interest Rate Risk*

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond three months.

*Credit Risk*

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

*Concentration of Credit Risk*

At June 30, 2014 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument. Oregon Revised Statutes require no more than 25 percent of the moneys of a local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2014, there was compliance with all percentage restrictions.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 4. CASH AND INVESTMENTS - Continued**

Cash and Investments at June 30, 2014 (recorded at fair value) consisted of:

Deposits With Financial Institutions	2014	Reported in:	2014
Demand Deposits	\$ (100,217)	Governmental Funds	\$ 21,195,714
Investments	21,295,931	Fiduciary Funds	-
Total	\$ 21,195,714	Total	\$ 21,195,714

There were the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-17	18-59
State Treasurer's Investment Pool	\$ 21,295,931	\$ 21,295,931	\$ -	\$ -
Total	\$ 21,295,931	\$ 21,295,931	\$ -	\$ -

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2014 occurred as follows:

	Balance July 1, 2013	Additions	Deletions	Balance June 30, 2014
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$ 2,629,247	\$ -	\$ -	\$ 2,629,247
Total Capital Assets Not being Depreciated	2,629,247	-	-	2,629,247
Capital Assets Being Depreciated:				
Buildings and Improvement	134,377,944	16,252	-	134,394,196
Vehicles and Equipment	3,697,357	382,228	(9,555)	4,070,030
Total Capital Assets Being Depreciated	138,075,301	398,480	(9,555)	138,464,226
Accumulated Depreciation:				
Buildings and Improvement	43,159,035	3,577,369	-	46,736,404
Vehicles and Equipment	2,532,969	271,051	(9,555)	2,794,465
Total Accumulated Depreciation	45,692,004	3,848,420	(9,555)	49,530,869
Total Capital Assets Being Depreciated, Net	92,383,297			88,933,357
Governmental Activities	\$ 95,012,544			\$ 91,562,604

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

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**NOTE 5. CAPITAL ASSETS - Continued**

Current year depreciation expense is allocated to the functions as follows:

Instruction	\$	2,226,125
Support Services		1,419,353
Community Services		<u>202,942</u>
	\$	<u>3,848,420</u>

**NOTE 6. INTERFUND RECEIVABLES/PAYABLES**

	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ -	\$ 12,110,267
Debt Service	-	50,996
PERS Debt Service	2,364,276	-
Non-Major Governmental Funds	4,062,700	-
Insurance	5,476,051	-
Foundation Agency	258,236	-
Interfund Loans:		
Debt Service	-	406,430
Insurance	406,430	-
	<u>\$ 12,567,693</u>	<u>\$ 12,567,693</u>

Interfund loans are used to finance operations between funds.

**NOTE 7. LONG-TERM DEBT**

**BONDS PAYABLE**

**General Obligation Bonds**

On March 15, 2007, \$55.8 million in general obligation bonds were issued to refund the outstanding series 1999 and 2003 general obligation bonds in the amount of \$56.84 million. The proceeds were used to purchase United States government obligations and deposited into escrow. The escrow deposits were sufficient to redeem all remaining principal and the bonds were called on June 1, 2006. Principal and interest payments on the refunding bonds are made annually with interest rates ranging from 4%-5%.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 7. LONG-TERM DEBT - Continued**

*BONDS PAYABLE - Continued:*

*Pension Obligation Bonds*

On October 2, 2002, \$24,299,733 in limited tax pension obligation bonds were issued to finance the unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the UAL and resulted in an estimated present value savings of approximately \$6.5 million over the life of the bonds. The actual savings realized over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the future required contribution rate. Interest on the deferred interest bonds is accreted semiannually at rates ranging from 2.06% to 6.10%.

On June 21, 2005, \$4,620,000 in limited tax pension obligation bonds were issued to finance the unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the UAL. The actual savings realized over the life of the bonds is uncertain because of interest earning the various legislative changes and legal issues pending with the PERS system which could impact the future required contribution rate. Interest on the deferred interest bonds is accreted semiannually at rates ranging from 3.684% to 4.52%.

Changes in long-term debt are as follows:

	Interest Rates	Original Issue	Outstanding July 1, 2013	Issued	Matured and Redeemed	Outstanding June 30, 2014	Due Within One Year
Limited tax pension obligations							
OSBA 2002	2.06-6.1%	\$ 24,299,733	\$ 19,918,696	\$ -	\$ 455,877	\$ 19,462,819	\$ 472,190
OSBA 2005A	3.684-4.52%	4,620,000	425,000	-	230,000	195,000	145,000
General obligation bonds							
Series 2007	4-5%	55,800,000	47,840,000	-	6,445,000	41,395,000	7,000,000
Total bonds			68,183,696	-	7,130,877	61,052,819	7,617,190
Unamortized premium on bonds			4,831,895	-	528,168	4,303,727	631,120
Total bonds payable			73,015,591	-	7,659,045	65,356,546	8,248,310
Accrued accreted interest			2,291,666	-	50,034	2,241,632	110,248
Early retirement incentive			1,505,162	-	525,812	979,350	795,320
Total long-term liabilities			\$ 76,812,419	\$ -	\$ 8,234,891	\$ 68,577,528	\$9,153,878

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 7. LONG-TERM DEBT - Continued**

The annual requirements to amortize all bonds outstanding at year end are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total Requirements
2014-15	\$ 7,617,190	\$ 3,458,120	\$ 11,075,310
2015-16	8,111,698	3,192,145	11,303,843
2016-17	8,655,754	2,907,080	11,562,834
2017-18	6,259,378	2,600,455	8,859,833
2018-23	17,843,800	7,324,357	25,168,157
2023-28	12,565,000	2,034,908	14,599,908
	<u>\$ 61,052,820</u>	<u>\$ 21,517,065</u>	<u>\$ 82,569,885</u>

**NOTE 8. STATEWIDE LOCAL GOVERNMENT RETIREMENT SYSTEM**

The District contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the District's contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing, multiple-employer, defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: the pension program and the defined benefit portion of the plan. OPSRP applies to qualifying District employees hired after August 29, 2003. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post-employment healthcare benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute (ORS) Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to PERS, P.O. Box 23700, Tigard, Oregon 97281-3700, by calling (503) 598-7377, or by accessing the PERS website at <http://oregon.gov/PERS/>

The annual pension costs for the years ending June 30, 2014, 2013 and 2012 were \$5,821,094, \$4,187,178 and \$4,448,723 respectively, and were equal to the required contributions for each year.

**NOTE 9. PREPAID PERS ASSET**

As a result of the issuance of the 2002 and 2005 Limited Tax Pension Obligation Bonds and together with a 2011 \$6 million lump sum payment, a Prepaid PERS Asset is reported in the Statement of Net Position. The prepaid liability is equal to the initial \$34,530,342 payment made to PERS from the bond proceeds, less accumulated amortization of \$8,866,207 for a net asset of \$25,664,135.

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 10. OTHER POST EMPLOYMENT BENEFITS**

As a result of collective bargaining agreements, post-retirement health care benefits are offered to certain employees who retire with 15 years of service and have attained the age of 58, but are not yet eligible for Medicare. These benefits are available until age 62 to 65 and are fully paid by the District. Contributions are financed by the General Fund and recorded as expenditures on a pay as you go basis. The cost of these benefits in fiscal year 2014 was \$437,341.

**Annual OPEB cost and Net OPEB Obligation for Implicit Benefit and District Contributions –**

The annual OPEB cost and net OPEB obligation is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the years ending June 30, 2014, 2013 and 2012, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

	2014	2013	2012
Annual Required Contribution	\$ 437,341	\$ 424,603	\$ 578,868
Interest on prior year Net OPEB Obligation	10,397	5,483	3,249
Adjustment to Annual Required Contribution	(19,443)	(10,253)	(6,486)
Annual OPEB Cost	428,295	419,833	575,631
Contributions Made	(324,115)	(288,775)	(516,078)
Increase in Net OPEB Obligation	104,180	131,058	59,553
Net OPEB Obligation at Beginning of Year	277,262	146,204	86,651
Net OPEB Obligation at End of Year	\$ 381,442	\$ 277,262	\$ 146,204
Percentage of APC Contributed	76%	69%	90%

**Actuarial Methods and Assumptions** – The annual required contribution (ARC) for the current year was determined as part of the July 1, 2012 actuarial valuation using the projected unit credit cost method. The actuarial assumptions included a discounted rate of 3.75%, inflation rate of 2.75%, and an 80% assumption of participants who elect medical coverage at retirement are assumed to cover a spouse as well. They also assume medical and prescription drugs cost would increase at 8% for the current year, grading down to an annual rate of 5% over 20 years, which is consistent with expectations for long-term health care cost inflation and the demographic assumptions, such as those used in the most recent valuation of Oregon PERS benefits for school districts.

**Funding Status and Funding Progress** – As of July 1, 2012, the most recent actuarial valuation date, the plan was zero percent funded. The actuarial accrued liability for benefits was \$3,407,576, and the actuarial value of assets was zero, resulting in an unfunded accrued liability of \$3,407,576. The covered payroll was \$29,885,106 with 11.40% UAAL as a percentage of covered payroll.

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

**NOTE 11. EARLY RETIREMENT PLAN**

The District provides payments in accordance with current employee contracts, primarily on a pay-as-you-go basis. Additional funds were transferred to the Early Retirement Fund in prior years to allow smoothing of General Fund retirement expenditures. At June 30, 2014, the District was providing early retirement benefits to 52 former employees. During the year ended June 30, 2014, governmental fund expenditures related to early retirement benefits totaled \$525,812. The program was fully funded as of June 30, 2014. Expenditures are recorded in the governmental funds as the incentive payments are paid. The present value of future incentive payments are recorded in the statement of net position.

Actuarial valuations for early retirement incentive activity for the year are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Early retirement payable	\$ 1,505,162	\$ -	\$ 525,812	\$ 979,350	\$ 795,320

**NOTE 12. PROPERTY TAX LIMITATION**

The voters of the State of Oregon approved ballot measure 5, a constitutional limit on property taxes for schools and nonschool government operations, in November 1990. School operations include community colleges, local school districts, and education service districts.

The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this initiative has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The voters of the State of Oregon passed ballot measure 50 in May 1997 to further reduce property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit.

Measure 50 reduced the amount of operating property tax revenues available to the District for its 1997-98 fiscal year, and thereafter. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the property tax limitations. The measure also sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State of Oregon to minimize the impact of the tax cuts to the school districts.

**NOTE 13. COMMITMENTS AND CONTINGENCIES**

Substantially all amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although management expects such amounts, if any, to be immaterial.

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through state wide revenue projections that are paid to individual school districts based on student membership counts and other factors in the state school fund revenue formula. Since these projections and student membership counts fluctuate they can cause either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the District's operations cannot be determined.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**NOTES TO BASIC FINANCIAL STATEMENTS**

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**NOTE 14. RISK MANAGEMENT**

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which commercial insurance is purchased. There were no significant reductions in insurance coverage from coverage in prior years in any of the major categories of risk. Also, the amounts of any settlements have not exceeded insurance coverage for the past three fiscal years.

**NOTE 15. DEFICIT FUND BALANCE**

The Debt Service Fund ended in a deficit fund balance of (\$406,430). Due to appeals by Hewlett-Packard, in May 2013 the Oregon Tax Court ordered Benton County taxing districts to refund property tax receipts from HP due to an overvaluation. The District's portion of this refund was withheld in November 2013 in the amount of \$2.7 million. This news was not received in time to amend the levy certified with the county resulting in a revenue shortfall. The School Board authorized an interfund loan of up to \$.5 million in June 2014 to cover the deficit. The loan was repaid in November 2014 with the first influx of 2014-15 property tax receipts.

**NOTE 16. PENDING LITIGATION**

A civil personal injury action for damages has been filed against the District. Discovery and depositions are in progress. Trial dates have not yet been scheduled. The pleaded exposure is in the amount of \$1,225,000. The district will vigorously defend the suit.

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF FUNDING PROGRESS AND EMPLOYER CONTRIBUTIONS**  
**OTHER POST EMPLOYMENT BENEFITS**  
**June 30, 2014**

**PLAN I (HEALTH INSURANCE)**  
**SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	(a) Actuarial Value of Assets	(b) Actuarial Accrued Liability (AAL)	(b)-(a) AAL (UAAL)	(a/b) Funded Ratio	(c) Covered Payroll	((b-a)/c) UAAL as a Percentage of Covered Payroll
2012	\$ -	\$ 3,407,576	\$ 3,407,576	0.00%	\$ 29,885,106	11.40%
2010	-	5,417,733	5,417,733	0.00%	31,380,474	17.26%
2008	-	6,902,128	6,902,128	0.00%	N/A	N/A

**SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Year Ended June 30,	Annual Required Contribution	Percentage Contributed
2014	\$ 437,341	77.38%
2013	424,603	74.97%
2012	578,868	71.35%

The above table presents the most recent actuarial valuations for the District's post-retirement health insurance and it provides information that approximates the funding progress of the plan.

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**For the year ended June 30, 2014**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 27,284,200	\$ 27,334,200	\$ 25,845,647	\$ (1,488,553)
Intermediate Sources	260,000	260,000	257,866	(2,134)
State Sources	25,246,700	25,296,700	28,161,270	2,864,570
Federal Sources	9,000	9,000	42,890	33,890
<b>Total Revenues</b>	<u>52,799,900</u>	<u>52,899,900</u>	<u>54,307,673</u>	<u>1,407,773</u>
<b>EXPENDITURES</b>				
Instruction	32,331,225	32,546,155 (1)	32,544,426	1,729
Support Services	20,610,859	21,588,032 (1)	21,293,562	294,470
Community Services	126,025	127,370 (1)	125,742	1,628
Facilities Acquisition and Construction	1	1 (1)	-	1
Debt Service	2	2 (1)	-	2
Contingency	3,324,893	2,322,445 (1)	-	2,322,445
<b>Total Expenditures</b>	<u>56,393,005</u>	<u>56,584,005</u>	<u>53,963,730</u>	<u>2,620,275</u>
Excess of Revenues Over, (Under) Expenditures	(3,593,105)	(3,684,105)	343,943	4,028,048
<b>OTHER FINANCING SOURCES, (USES)</b>				
Proceeds from Sale of Asset	-	-	27,935	27,935
Net Change in Fund Balance	(3,593,105)	(3,684,105)	371,878	4,055,983
Beginning Fund Balance	6,233,100	6,324,100	6,629,956	305,856
Ending Fund Balance	<u>\$ 2,639,995</u>	<u>\$ 2,639,995</u>	<u>\$ 7,001,834</u>	<u>\$ 4,361,839</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**For the year ended June 30, 2014**

<u>DEBT SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 8,636,999	\$ 8,636,999	\$ 8,085,663	\$ (551,336)
EXPENDITURES				
Debt Service	8,837,000	8,837,000 (1)	8,837,000	-
Net Change in Fund Balance	(200,001)	(200,001)	(751,337)	(551,336)
Beginning Fund Balance	200,001	200,001	344,907	144,906
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (406,430)</u>	<u>\$ (406,430)</u>

(1) Appropriation Level

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**CORVALLIS SCHOOL DISTRICT**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**For the year ended June 30, 2014**

PERS BOND DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 1,925,000	\$ 1,925,000	\$ 2,048,897	\$ 123,897
<b>EXPENDITURES</b>				
Debt Service	2,005,727	2,005,727 (1)	2,005,726	1
Contingency	2,319,273	2,319,273 (1)	-	2,319,273
Total Expenditures	4,325,000	4,325,000	2,005,726	2,319,274
Net Change in Fund Balance	(2,400,000)	(2,400,000)	43,171	2,443,171
Beginning Fund Balance	2,400,000	2,400,000	2,326,927	(73,073)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,370,098</u>	<u>\$ 2,370,098</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509 J**  
**Benton County, Oregon**

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2014**

	FOOD SERVICE FUND	DESIGNATED REVENUE FUND	DESIGNATED FACILITIES FUND	STUDENT BODY FUND
<b>ASSETS</b>				
Receivables:				
Accounts/Grants	349,388	80,730	447,081	-
Due From Other Funds	42,710	681,593	1,142,258	609,654
Inventories	137,777	-	-	-
Total Assets	<u>\$ 529,875</u>	<u>\$ 762,323</u>	<u>\$ 1,589,339</u>	<u>\$ 609,654</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Unearned Revenue	36,074	-	-	-
Payroll liabilities	-	-	-	-
Other current liabilities	-	-	-	-
Accounts Payable	6,719	43,267	3,255	33,819
Total Liabilities	<u>42,793</u>	<u>43,267</u>	<u>3,255</u>	<u>33,819</u>
Fund Balances:				
Nonspendable	137,777	-	-	-
Restricted for:				
Grants	-	-	-	-
Committed to:				
Student body activities	-	-	-	575,835
Food service program	349,305	-	-	-
Contracts and programs	-	719,056	-	-
Facilities improvements	-	-	1,586,084	-
Early retirement incentives	-	-	-	-
Total Fund Balances	<u>487,082</u>	<u>719,056</u>	<u>1,586,084</u>	<u>575,835</u>
Total Liabilities and Fund Balances	<u>\$ 529,875</u>	<u>\$ 762,323</u>	<u>\$ 1,589,339</u>	<u>\$ 609,654</u>

DISTRICT DONATION FUND	GRANTS FUND	EARLY RETIREMENT FUND	CAPITAL PROJECTS FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
678	500,938	-	-	1,378,815
21,504	607,764	957,217	-	4,062,700
-	-	-	-	137,777
<u>\$ 22,182</u>	<u>\$ 1,108,702</u>	<u>\$ 957,217</u>	<u>\$ -</u>	<u>\$ 5,579,292</u>
-	14,059	-	-	50,133
-	-	-	-	-
-	-	-	-	-
22,182	143,343	-	-	252,585
<u>22,182</u>	<u>157,402</u>	<u>-</u>	<u>-</u>	<u>302,718</u>
-	-	-	-	137,777
-	951,300	-	-	951,300
-	-	-	-	575,835
-	-	-	-	349,305
-	-	-	-	719,056
-	-	-	-	1,586,084
-	-	957,217	-	957,217
<u>-</u>	<u>951,300</u>	<u>957,217</u>	<u>-</u>	<u>5,276,574</u>
<u>\$ 22,182</u>	<u>\$ 1,108,702</u>	<u>\$ 957,217</u>	<u>\$ -</u>	<u>\$ 5,579,292</u>

**CORVALLIS SCHOOL DISTRICT 509 J**  
**Benton County, Oregon**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**

**June 30, 2014**

	FOOD SERVICE FUND	DESIGNATED REVENUE FUND	DESIGNATED FACILITIES FUND	STUDENT BODY FUND
<b>REVENUES</b>				
Local revenue	1,226,472	852,658	393,032	1,097,237
Intermediate revenue	-	210,004	-	-
State revenue	23,596	-	-	-
Federal revenue	1,549,934	-	-	-
<b>Total Revenues</b>	<b>\$ 2,800,002</b>	<b>\$ 1,062,662</b>	<b>\$ 393,032</b>	<b>\$ 1,097,237</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	-	713,857	-	1,027,670
Support services	-	370,557	269,873	69,398
Enterprise and community services	2,992,923	36,688	-	-
Facilities Acquisition and constructions	-	-	6,182	-
<b>Total Expenditures</b>	<b>2,992,923</b>	<b>1,121,102</b>	<b>276,055</b>	<b>1,097,068</b>
Excess (deficiency) of revenues over (under) expenditures	(192,921)	(58,440)	116,977	169
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	910,000	-
<b>Net Change in Fund Balance</b>	<b>(192,921)</b>	<b>(58,440)</b>	<b>1,026,977</b>	<b>169</b>
Fund balances - beginning	680,003	777,496	559,107	575,666
<b>Fund balances - ending</b>	<b>\$ 487,082</b>	<b>\$ 719,056</b>	<b>\$ 1,586,084</b>	<b>\$ 575,835</b>

DISTRICT DONATION FUND	GRANTS FUND	EARLY RETIREMENT FUND	CAPITAL PROJECTS FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
523,627	14,487	4,643	-	4,112,156
-	33,595	-	-	243,599
-	774,575	-	-	798,171
-	3,055,739	-	-	4,605,673
<u>\$ 523,627</u>	<u>\$ 3,878,396</u>	<u>\$ 4,643</u>	<u>\$ -</u>	<u>\$ 9,759,599</u>
372,396	2,942,915	-	-	5,056,838
42,636	1,412,506	515,634	-	2,680,604
108,595	163,924	-	-	3,302,130
-	-	-	-	6,182
<u>523,627</u>	<u>4,519,345</u>	<u>515,634</u>	<u>-</u>	<u>11,045,754</u>
-	(640,949)	(510,991)	-	(1,286,155)
-	-	-	-	910,000
-	(640,949)	(510,991)	-	(376,155)
-	1,592,249	1,468,208	-	5,652,729
<u>\$ -</u>	<u>\$ 951,300</u>	<u>\$ 957,217</u>	<u>\$ -</u>	<u>\$ 5,276,574</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**June 30, 2014**

<u>FOOD SERVICE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 1,085,199	\$ 1,085,199	\$ 1,226,472	\$ 141,273
State Sources	18,000	18,000	23,596 (2)	5,596
Federal Sources	1,689,723	1,689,723	1,549,934	(139,789)
Total Revenues	<u>2,792,922</u>	<u>2,792,922</u>	<u>2,800,002</u>	<u>7,080</u>
<b>EXPENDITURES</b>				
Enterprise and Community Services	2,892,923	2,992,923 (1)	2,992,923	-
Contingency	545,000	445,000 (1)	-	445,000
Total Expenditures	<u>3,437,923</u>	<u>3,437,923</u>	<u>2,992,923</u>	<u>445,000</u>
Excess of Revenues Over, (Under) Expenditures	(645,001)	(645,001)	(192,921)	452,080
<b>OTHER FINANCING SOURCES, (USES):</b>				
Transfers In	1	1	-	(1)
Net Change in Fund Balance	(645,000)	(645,000)	(192,921)	452,079
Beginning Fund Balance	645,000	645,000	680,003	35,003
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 487,082</u>	<u>\$ 487,082</u>

(1) Appropriation Level

(2) Included in these amounts is the required state appropriated general purpose revenues of \$15,818 the District must transfer to the Food Service Fund for National School Lunch Support in order to meet the general cash assistance match for 2013-14.

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**June 30, 2014**

<u>DESIGNATED REVENUE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 600,000	\$ 600,000	\$ 852,658	\$ 252,658
Intermediate Sources	400,000	400,000	210,004	(189,996)
Total Revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,062,662</u>	<u>62,662</u>
<b>EXPENDITURES</b>				
Instruction	1,001,633	1,001,633 (1)	713,857	287,776
Support Services	381,650	381,650 (1)	370,557	11,093
Community Services	91,716	91,716 (1)	36,688	55,028
Facilities Acquisition Construction	1	1 (1)	-	1
Total Expenditures	<u>1,475,000</u>	<u>1,475,000</u>	<u>1,121,102</u>	<u>353,898</u>
Net Change in Fund Balance	(475,000)	(475,000)	(58,440)	416,560
Beginning Fund Balance	<u>475,000</u>	<u>475,000</u>	<u>777,496</u>	<u>302,496</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 719,056</u>	<u>\$ 719,056</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**June 30, 2014**

<u>DESIGNATED FACILITIES FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 346,000	\$ 346,000	\$ 393,032	\$ 47,032
<b>EXPENDITURES</b>				
Support Services	846,000	846,000 (1)	269,873	576,127
Facilities Acquisition and Construction	673,500	673,500 (1)	6,182	667,318
Total Expenditures	1,519,500	1,519,500	276,055	1,243,445
Excess of Revenues Over, (Under) Expenditures	(1,173,500)	(1,173,500)	116,977	1,290,477
<b>OTHER FINANCING SOURCES, (USES):</b>				
Sale of Capital Assets	400,000	400,000	910,000	510,000
Net Change in Fund Balance	(773,500)	(773,500)	1,026,977	1,800,477
Beginning Fund Balance	773,500	773,500	559,107	(214,393)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,586,084</u>	<u>\$ 1,586,084</u>

(1) Appropriation Level

## CORVALLIS SCHOOL DISTRICT 509J

Benton County, OregonSCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET (BUDGETARY BASIS)

June 30, 2014

STUDENT BODY FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 1,050,000	\$ 1,050,000	\$ 1,097,237	\$ 47,237
EXPENDITURES				
Instruction	1,220,000	1,170,000 (1)	1,027,670	142,330
Support Services	80,000	130,000 (1)	69,398	60,602
Total Expenditures	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,097,068</u>	<u>202,932</u>
Excess of Revenues Over, (Under) Expenditures	(250,000)	(250,000)	169	250,169
Beginning Fund Balance	<u>250,000</u>	<u>250,000</u>	<u>575,666</u>	<u>325,666</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 575,835</u>	<u>\$ 575,835</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**June 30, 2014**

<u>DISTRICT DONATION FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 600,000	\$ 600,000	\$ 523,627	\$ (76,373)
<b>EXPENDITURES</b>				
Instruction Services	407,999	407,999 (1)	372,396	35,603
Support Services	75,000	75,000 (1)	42,636	32,364
Facilities Acquisition and Construction	1	1 (1)	-	1
Enterprise and Community Services	117,000	117,000 (1)	108,595	8,405
Total Expenditures	<u>600,000</u>	<u>600,000</u>	<u>523,627</u>	<u>76,373</u>
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

## CORVALLIS SCHOOL DISTRICT 509J

Benton County, OregonSCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET (BUDGETARY BASIS)

June 30, 2014

GRANTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
<b>REVENUES</b>				
Local Sources	\$ 50,000	\$ 50,000	\$ 14,487	\$ (35,513)
Intermediate Sources	100,000	100,000	33,595	(66,405)
State Sources	100,000	100,000	774,575	674,575
Federal Sources	2,750,000	2,750,000	3,055,739	305,739
Total Revenues	3,000,000	3,000,000	3,878,396	878,396
<b>EXPENDITURES</b>				
Instruction	2,607,800	3,116,909 (1)	2,942,915	173,994
Support Services	2,048,300	1,448,925 (1)	1,412,506	36,419
Community Services	143,899	234,165 (1)	163,924	70,241
Facilities Acquisition Construction	1	1 (1)	-	1
Total Expenditures	4,800,000	4,800,000	4,519,345	280,655
Net Change in Fund Balance	(1,800,000)	(1,800,000)	(640,949)	1,159,051
Beginning Fund Balance	1,800,000	1,800,000	1,592,249	(207,751)
Ending Fund Balance	\$ -	\$ -	\$ 951,300	\$ 951,300

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**June 30, 2014**

<u>EARLY RETIREMENT FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources:	\$ 10,000	\$ 10,000	\$ 4,643	\$ (5,357)
<b>EXPENDITURES</b>				
Support Services	1,007,850	1,007,850 (1)	515,634	492,216
Contingency	557,150	557,150 (1)	-	557,150
Total Expenditures	<u>1,565,000</u>	<u>1,565,000</u>	<u>515,634</u>	<u>1,049,366</u>
Net Change in Fund Balance	(1,555,000)	(1,555,000)	(510,991)	1,049,366
Beginning Fund Balance	<u>1,555,000</u>	<u>1,555,000</u>	<u>1,468,208</u>	<u>(86,792)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 957,217</u>	<u>\$ 957,217</u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
Benton County, Oregon

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET (BUDGETARY BASIS)**  
**June 30, 2014**

<u>INSURANCE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
<b>REVENUES</b>				
Local Sources	\$ 12,334,850	\$ 12,334,850	\$ 10,929,626	\$ (1,405,224)
<b>EXPENDITURES</b>				
Support Services	14,660,835	14,660,835 (1)	10,515,887	4,144,948
Facilities Acquisition and Construction	500,000	500,000 (1)	10,069	489,931
Total Expenditures	<u>15,160,835</u>	<u>15,160,835</u>	<u>10,525,956</u>	<u>4,634,879</u>
Net Change in Fund Balance	(2,825,985)	(2,825,985)	403,670	3,229,655
Beginning Fund Balance	<u>2,825,985</u>	<u>2,825,985</u>	<u>4,414,413</u>	<u>1,588,428</u>
Ending Fund Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,818,083</u></u>	<u><u>\$ 4,818,083</u></u>

(1) Appropriation Level

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES**  
**OF TAXES UNCOLLECTED**  
**June 30, 2014**

<u>GENERAL FUND</u>					
<u>TAX YEAR</u>	<u>TAXES RECEIVABLE JULY 1, 2013</u>	<u>2013-2014 LEVY</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED JULY 1, 2014</u>
Current:					
2013-14	\$ -	\$ 27,729,971	\$ (708,390)	\$ 26,125,075	\$ 896,506
Prior Years:					
2012-13	938,557	-	(2,526)	300,983	635,048
2011-12	375,215	-	197	104,637	270,775
2010-11	137,836	-	(528)	83,265	54,043
2009-10	315,877	-	301	40,495	275,683
Prior Years	<u>51,766</u>	<u>-</u>	<u>(2,797)</u>	<u>8,417</u>	<u>40,552</u>
Total Prior	<u>1,819,251</u>	<u>-</u>	<u>(5,353)</u>	<u>537,797</u>	<u>1,276,101</u>
Total All Years	<u>\$ 1,819,251</u>	<u>\$ 27,729,971</u>	<u>\$ (713,743)</u>	<u>\$ 26,662,872</u>	<u>\$ 2,172,607</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 26,662,872
Accrual of Receivables:	
HP Adjustment	(1,736,425)
June 30, 2013	(107,253)
June 30, 2014	162,679
Taxes in Lieu	<u>106,995</u>
Total Revenue	<u>\$ 25,088,868</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES**  
**OF TAXES UNCOLLECTED**  
**June 30, 2014**

<b><u>DEBT SERVICE FUND</u></b>					
<u>TAX YEAR</u>	<u>TAXES RECEIVABLE JULY 1, 2013</u>	<u>2013-2014 LEVY</u>	<u>ADJUSTMENTS TO ROLLS</u>	<u>CASH COLLECTIONS BY COUNTY TREASURER</u>	<u>BALANCE UNCOLLECTED OR UNSEGREGATED JULY 1, 2014</u>
Current:					
2013-14	\$ -	\$ 8,905,658	\$ (228,475)	\$ 8,389,223	\$ 287,960
Prior Years:					
2012-13	296,498	-	(696)	95,174	200,628
2011-12	119,390	-	131	33,328	86,193
2010-11	43,087	-	(134)	26,014	16,939
2009-10	96,067	-	128	12,349	83,846
Prior Years	<u>(3,376)</u>	<u>-</u>	<u>(948)</u>	<u>2,480</u>	<u>(6,804)</u>
Total Prior	<u>551,666</u>	<u>-</u>	<u>(1,519)</u>	<u>169,345</u>	<u>380,802</u>
Total All Years	<u>\$ 551,666</u>	<u>\$ 8,905,658</u>	<u>\$ (229,994)</u>	<u>\$ 8,558,568</u>	<u>\$ 668,762</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 8,558,568
Accrual of Receivables:	
HP Adjustment	(547,821)
June 30, 2013	(33,656)
June 30, 2014	50,996
Taxes in Lieu	<u>33,281</u>
Total Revenue	<u>\$ 8,061,368</u>

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**STATISTICAL SECTION**

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**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**ASSESSED VALUES OF TAXABLE PROPERTY WITHIN CORVALLIS SCHOOL DISTRICT BOUNDARIES**  
**LAST TEN FISCAL YEARS**

For the Year Ended June 30, 2014

Year Ending June 30	Real Property	Personal Property	Public Utility	Total Assessed Value	Total Direct Tax Rate	Real Market Taxable Value	Assessed Value as a % of Actual Value
2014	\$ 5,113,008,681	\$ 147,383,353	\$ 131,436,258	\$ 5,391,828,292	7.62	\$ 7,037,775,912	77%
2013	5,032,368,664	140,071,007	125,431,963	5,297,871,634	7.65	6,960,738,141	76%
2012	4,940,211,136	161,948,679	135,848,370	5,238,008,185	7.65	7,208,123,702	73%
2011	4,793,853,294	156,682,133	134,078,720	5,084,614,147	7.65	7,222,456,095	70%
2010	4,581,101,159	173,475,743	130,639,830	4,885,216,732	7.67	7,544,560,225	65%
2009	4,493,229,366	182,294,930	87,139,690	4,762,663,986	7.22	7,571,150,272	63%
2008	4,325,607,127	160,070,535	88,693,230	4,574,370,892	7.25	7,060,558,658	65%
2007	4,149,708,456	161,274,896	83,794,390	4,394,777,742	6.16	6,496,148,417	68%
2006	4,064,554,510	171,905,750	83,462,263	4,319,922,523	6.24	5,541,584,337	78%
2005	3,907,012,286	147,812,688	98,579,222	4,153,404,196	7.15	5,318,250,583	78%

**Notes**

Beginning July 1, 1997 property taxes were based on an assessed value. Assessed value is defined as the lower of "maximum assessed value" or "real market value." For the 1997-98 tax year, "maximum assessed value" was set at the 1995-96 real market value less 10%. Assessed value for later years is limited to 3% annual increases.

The net levy is the actual imposed tax after adjustments and constitutional property tax limitations due to the passing of Measure 5 in 1990 and Measure 50 in 1997.

**Source**

Benton County Assessment Department; Linn County Tax Assessor's Office

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES - LAST TEN FISCAL YEARS**

For the Year Ended June 30, 2014

**District Direct Rates**

Year Ending June 30	General Tax Permanent Rate	Local Option	General Obligation Debt Service Facilities	Total Direct Tax Rate
2014	4.46	1.50	1.65	7.61
2013	4.46	1.50	1.65	7.61
2012	4.46	1.50	1.69	7.65
2011	4.46	1.50	1.69	7.65
2010	4.46	1.50	1.71	7.67
2009	4.46	1.20	1.56	7.22
2008	4.46	1.10	1.69	7.25
2007	4.46	-	1.70	6.16
2006	4.46	-	1.78	6.24
2005	4.46	0.83	1.86	7.15

**Overlapping Total Property Tax Rates**

Year Ending June 30	City of Corvallis	Benton County	Linn-Benton ESD	Linn-Benton Community College	Benton County Library
2014	5.83	2.21	0.30	0.69	0.39
2013	5.81	3.00	0.30	0.68	0.39
2012	6.09	2.21	0.30	0.68	0.39
2011	5.59	2.85	0.30	0.67	0.39
2010	5.63	2.80	0.30	0.68	0.39
2009	5.64	3.11	0.30	0.68	0.39
2008	5.62	2.47	0.30	0.67	0.39
2007	5.64	2.47	0.30	0.68	0.39
2006	5.65	2.50	0.30	0.69	0.39
2005	5.60	2.50	0.30	0.68	0.39

**Notes**

The permanent and local option tax rates are determined by the State of Oregon Constitution and State Statues. Existing districts cannot increase their permanent rate authority. Local option levies are limited to five years for operations and ten years for capital projects. Elections for local option levies must meet the double majority election test, except in the November general election in even numbered years. Rates for debt service are set based on each year's requirements.

In 1996-97, property tax limitation Measure 5 was approved. In November 1996 voters approved Measure 47 to cap property tax revenues for school districts at \$5.00 per thousand of assessed value excluding local-option and debt service levies.

**Source**

Benton County Assessment Department

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

PRINCIPAL PROPERTY TAX PAYERS FOR BENTON COUNTY - CURRENT AND NINE YEARS AGO

For the Year Ended June 30, 2014

Taxpayer	2014 (Current year)			2005 (Nine years ago)		
	Taxable Assessed Value	Rank	% of Total Taxable Assessed Value	Taxable Assessed Value	Rank	% of Total Taxable Assessed Value
<b>Ten largest taxpayers</b>						
Hewlett Packard Company	\$ 251,422,644	1	3.57%	\$ 533,901,009	1	10.15%
Comcast Corporation	44,674,000	2	0.63%	-		
Pacificorp	36,111,000	3	0.51%	20,288,000	5	0.39%
Hollingsworth & Vose Fiber Company	23,536,901	4 *	0.33%	20,872,227	4 *	0.40%
Mountain View Apartments @ Rivergreen	20,717,289	5	0.29%	-		
Avery Investments LLC	19,646,896	6	0.28%	15,356,676	8	0.29%
Northwest Natural Gas Company	24,828,000	7	0.35%	26,256,600	3	0.50%
Starker Forest Inc.	24,284,225	8	0.34%	16,173,277	7	0.31%
Witham Hill Oaks Apartments LLC	15,553,044	9	0.22%	11,920,114	9	0.23%
American Campus Communities	14,812,873	10	0.21%	-		
Accu Fab Systems Inc	-			10,720,795	10	0.20%
Pioneer Telephone Coop	-			17,065,724	6	0.32%
Qwest Corporation	-			29,789,711	2	0.57%
Subtotal of ten largest taxpayers	<u>475,586,872</u>		<u>6.75%</u>	<u>702,344,133</u>		<u>13.35%</u>
All other taxpayers	<u>6,575,042,614</u>		<u>93.25%</u>	<u>4,559,293,512</u>		<u>86.65%</u>
Total all taxpayers	<u>\$ 7,050,629,486</u>		<u>100.00%</u>	<u>\$ 5,261,637,645</u>		<u>100.00%</u>

Source

Benton County Assessment Department  
 Corvallis School District 509J 2005 CAFR

\* Hollingsworth & Hose Fiber Company  
 formally known as Evanite Fiber Corporation

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

PROPERTY TAX LEVIES AND COLLECTIONS - LAST TEN FISCAL YEARS

For the Year Ended June 30, 2014

Year Ending C	Total Extended Tax Levy	Current Tax Collections	Current Tax Collections as a % of Current Levy Current Levy	Delinquent Tax Collections	Total Tax Collections	Total Tax Collections as a % of Current Levy	Uncollected Taxes	Uncollected Taxes as a % of Current Levy
2014	\$ 36,635,629	\$ 34,514,298	94.2%	\$ 707,143	\$ 35,221,441	96.1%	\$ 2,841,369	7.76%
2013	36,349,659	34,190,752	94.1%	557,661	34,748,413	95.6%	2,370,917	6.52%
2012	36,626,105	34,824,203	95.1%	918,109	35,742,312	97.6%	1,840,063	5.02%
2011	36,232,808	34,397,971	94.9%	744,552	35,142,523	97.0%	1,975,669	5.45%
2010	34,933,033	33,706,540	96.5%	693,510	34,400,050	98.5%	1,866,952	5.34%
2009	32,460,699	31,578,582	97.3%	519,919	32,098,501	98.9%	1,403,981	4.33%
2008	31,358,743	30,675,470	97.8%	513,044	31,188,514	99.5%	1,094,596	3.49%
2007	26,148,198	25,570,879	97.8%	452,333	26,023,212	99.5%	1,008,886	3.86%
2006	26,138,321	25,618,287	98.0%	400,893	26,019,180	99.5%	925,097	3.54%
2005	27,077,651	26,531,246	98.0%	473,424	27,004,670	99.7%	917,842	3.39%

**Notes**

Collections are defined as actual receipts including interest

Amounts are based upon the tax collection year July 1 to June 30. Revenues as recorded in the financial statements are recognized when measurable and available

**Source**

District Comprehensive Annual Financial Report

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

RATIOS OF OUTSTANDING DEBT BY TYPE - LAST TEN FISCAL YEARS

For the Year Ended June 30, 2014

**General Bonded Debt**

Year Ending June 30	General Obligation Bonds Outstanding <sup>1</sup>	% of Actual Taxable Value of Property <sup>2</sup>	Per Student <sup>3</sup>	Per Capita <sup>4</sup>
2014	\$ 41,395,000	0.77%	\$ 6,521	N/A
2013	47,840,000	0.90%	7,595	552
2012	53,870,000	1.03%	8,581	623
2011	59,475,000	1.17%	9,222	692
2010	64,695,000	1.32%	9,885	753
2009	69,515,000	1.46%	10,446	842
2008	73,955,000	1.63%	11,007	904
2007	78,045,000	1.78%	11,555	962
2006	83,505,000	1.93%	12,148	1,042
2005	87,155,000	2.10%	12,593	1,097

**Other Governmental Activities Debt**

Year Ending June 30	City of Corvallis Street Assessment and Small Scale Energy Loan Programs	Total District	Per Student <sup>3</sup>	Per Capita <sup>4</sup>
2014	\$ -	\$ 41,395,000	\$ 6,521	N/A
2013	-	47,840,000	7,595	552
2012	-	53,870,000	8,581	623
2011	-	59,475,000	9,222	692
2010	-	64,695,000	9,885	753
2009	-	69,515,000	10,446	842
2008	-	73,955,000	11,007	904
2007	-	78,045,000	11,555	962
2006	7,510	83,512,510	12,149	1,043
2005	36,860	87,191,860	12,598	1,097

Notes

<sup>1</sup>Details regarding the District's outstanding debt can be found in the notes to the financial statements.

<sup>2</sup>See the Schedule of Assessed Values of Taxable Property for property value data.

<sup>3</sup>Student enrollment data can be found in Schedule of Demographic and Economic Statistics

<sup>4</sup>Per capita is calculated using the population data listed in the Schedule of Demographic and Economic Statistics.

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of June 30, 2014

Overlapping Issuer	Net Property Tax Backed Debt <sup>1</sup>	%	Overlapping Debt
Benton County	\$ 1,155,000	70.70%	\$ 816,609
Benton County School District 17J (Philomath)	36,022,516	0.20%	72,729
City of Corvallis	5,180,000	99.24%	5,140,808
Linn-Benton Community College	<u>7,613,893</u>	39.04%	<u>2,972,723</u>
Total net property tax backed debt	<u>\$ 49,971,409</u>		
Subtotal, overlapping debt			<u>9,002,869</u>
Direct district net property tax backed debt			<u>41,395,000</u>
Total direct and overlapping debt			<u>\$ 50,397,869</u>

<sup>1</sup>Net property tax backed debt includes all General Obligation (GO) bonds and Limited-tax GO bonds, less Self-supporting Unlimited-tax (GO) and Self-supporting Limited-tax GO debt.

Overlapping debt is calculated by State Treasurer by shared market value

Source

Municipal Debt Advisory Commission, State of Oregon

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

LEGAL DEBT MARGIN INFORMATION - LAST TEN FISCAL YEARS

For the Year Ended June 30, 2014

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Real Market Value</b>	\$ 7,037,775,912	\$ 6,960,738,141	\$ 7,208,123,702	\$ 7,222,456,095	\$ 7,544,560,225
<b>Debt Limit</b>	559,503,185	553,378,682	573,045,834	574,185,260	599,792,538
Total net debt applicable to limit	<u>41,395,000</u>	<u>47,495,093</u>	<u>53,267,571</u>	<u>59,085,168</u>	<u>64,479,643</u>
Legal debt margin	<u>518,108,185</u>	<u>505,883,589</u>	<u>519,778,263</u>	<u>515,100,092</u>	<u>535,312,895</u>
Total net debt applicable to the limit as a % of debt limit	7.4%	8.6%	9.3%	10.3%	10.8%
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
	\$ 7,571,150,272	\$ 7,060,558,658	\$ 6,496,148,417	\$ 5,541,584,337	\$ 5,318,250,583
	601,906,447	561,314,413	516,443,799	440,555,955	422,800,921
	<u>69,339,502</u>	<u>73,225,147</u>	<u>77,474,734</u>	<u>83,025,237</u>	<u>86,808,627</u>
	<u>532,566,945</u>	<u>488,089,266</u>	<u>438,969,065</u>	<u>357,530,718</u>	<u>335,992,294</u>
	11.5%	13.0%	15.0%	18.8%	20.5%

**Legal Debt Margin Calculation for Fiscal Year 2014**

Real Market Value	\$ 7,037,775,912
Debt limit (7.95%) <sup>1</sup>	559,503,185
Amount of debt applicable to debt limit:	
General obligation bonded debt	41,395,000
Less amount available in debt service funds	<u>-</u>
Amount of debt applicable to debt limit	<u>41,395,000</u>
Legal debt margin	<u>\$ 518,108,185</u>

<sup>1</sup>ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values of all taxable properties within the district based on the following:

- (A) For each grade from kindergarten to eighth for which the district operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.
- (B) For each grade from ninth to twelfth for which the district operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.

Therefore, the allowable percentage of real market value is calculated as:

(A) Kindergarten through eighth grade, 9 x .0055	4.95%
(B) Ninth through twelfth, 4 x .0075	<u>3.00%</u>
Allowable percentage	<u>7.95%</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

DEMOGRAPHIC AND ECONOMIC STATISTICS - LAST TEN CALENDAR YEARS

For the Year Ended June 30, 2014

<u>Year Ending June 30</u>	<u>Benton County Population</u>	<u>Personal Income (Thousands)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>509J Enrollment</u>	<u>OSU Enrollment</u>
2014	N/A	N/A	N/A	N/A	6,348	27,925
2013	86,591	N/A	N/A	5.8%	6,299	26,393
2012	86,430	3,446,794	39,880	6.1%	6,278	24,977
2011	85,928	3,323,437	38,677	6.6%	6,449	23,761
2010	85,527	3,193,015	37,333	7.3%	6,553	21,969
2009	82,605	3,132,559	37,922	7.9%	6,663	20,320
2008	81,775	3,087,387	37,755	4.5%	6,729	19,753
2007	81,151	2,953,718	36,398	4.1%	6,754	19,362
2006	80,110	2,800,361	34,956	4.7%	6,874	19,236
2005	79,452	2,642,224	33,256	4.9%	6,921	19,162

Notes

N/A - Data unavailable at time of printing

509J Enrollment is as of September 30th, kindergartners counted as whole. Does not include charter school or YES House.

Benton County population estimates are continually revised as more data becomes available from the US Census Bureau.

Source

Oregon Employment Department, Workforce Analyst

Oregon State University

US Census Bureau

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

PRINCIPAL EMPLOYERS FOR THE CORVALLIS AREA - CURRENT AND NINE YEARS AGO

For the Year Ended June 30, 2014

Employer	2014(Current year)			2005 (Nine years ago)		
	Employees	Rank	% of Total Employment	Employees	Rank	% of Total Employment
<b>Ten largest taxpayers</b>						
Oregon State University	10,022	1	25.08%	7,393	1	18.96%
Samaritan Health Services	2,697	2	6.75%	1,300	3	3.33%
Hewlett Packard	1,525	3	3.82%	4,200	2	10.77%
Corvallis Clinic	591	4	1.48%	580	5	1.49%
Corvallis School District 509J	552	5	1.38%	759	4	1.95%
City of Corvallis	413	6	1.03%	406	6	1.04%
CH2M Hill	400	7	1.00%	385	7	0.99%
Benton County	395	8	0.99%	365	8	0.94%
Fiserv <sup>1</sup>	232	9	0.58%	310	9	0.80%
ATS Systems Oregon	190	10	0.48%	300	10	0.77%
Subtotal of ten largest employers	<u>17,017</u>		<u>42.59%</u>	<u>15,998</u>		<u>41.03%</u>
All other employers	<u>22,943</u>		<u>57.41%</u>	<u>22,992</u>		<u>58.97%</u>
Total Corvallis area employment	<u>39,960</u>		<u>100.00%</u>	<u>38,990</u>		<u>100.00%</u>

Notes

<sup>1</sup>Fiserv was formally known as Summit Information Systems

Total employment is for the Corvallis Metropolitan Area (MSA) which is Benton County

Source

City of Corvallis

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

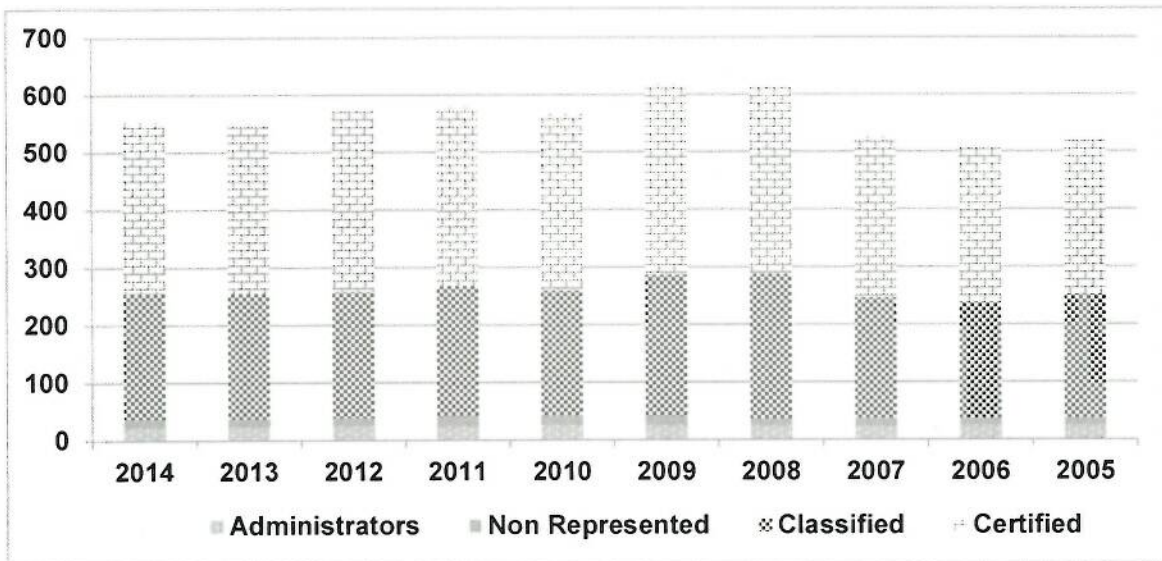
**NUMBER OF FULL TIME EQUIVALENT (FTE) EMPLOYEES - GENERAL FUND**  
**LAST TEN FISCAL YEARS**

For the Year Ended June 30, 2014

<u>Year Ending</u>	<u>Certified</u>	<u>Classified</u>	<u>Non- Represented Support</u>	<u>Administrators</u>	<u>Total</u>
2014	298.8	218.8	14.4	23.4	555.4
2013	295.0	217.8	13.8	24.0	550.6
2012	316.0	219.1	14.0	24.9	574.0
2011	312.2	227.1	16.3	24.7	580.3
2010	308.2	216.1	17.3	26.0	567.6
2009	331.7	245.7	16.3	24.9	618.6
2008	325.2	251.0	12.3	24.4	612.9
2007	280.6	208.6	14.0	23.4	526.6
2006	268.9	199.4	13.2	24.6	506.1
2005	268.4	214.0	13.4	24.0	519.8

Source  
School District Records

Number of FTE Employees - General Fund



**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**OPERATING STATISTICS - LAST TEN FISCAL YEARS**

For the Year Ended June 30, 2014

<u>Year Ending 6/30/2014</u>	<u>General Fund Expenditures</u>	<u>Enrollment</u>	<u>Cost per Pupil</u>	<u>% Change</u>	<u>Certified Staff</u>	<u>Pupil/Teacher Ratio</u>	<u>Student Attendance %</u>	<u>Free/Reduced Lunch %</u>
2014	\$ 53,963,730	6,348	\$ 8,501	4.7%	298.8	21.25	94.2%	36.2%
2013	51,133,764	6,299	8,118	-5.2%	295.0	21.35	96.3%	36.2%
2012	53,771,874	6,278	8,565	0.6%	316.0	19.87	98.8%	37.0%
2011	54,881,099	6,448	8,511	6.3%	312.2	20.65	97.2%	35.7%
2010	52,458,294	6,553	8,005	-0.3%	308.2	21.26	93.7%	35.0%
2009	53,503,442	6,663	8,030	0.9%	331.7	20.09	93.9%	36.0%
2008	53,576,016	6,729	7,962	20.5%	327.5	20.55	92.9%	33.0%
2007	44,636,104	6,757	6,606	7.7%	280.6	24.08	93.6%	32.0%
2006	41,607,246	6,781	6,136	0.0%	268.9	25.22	93.0%	32.0%
2005	41,917,633	6,835	6,133	4.5%	267.4	25.56	93.4%	30.0%

**Notes**

Student enrollment figures are as of September 30 and kindergartners are counted as whole.

Does not include Muddy Creek Charter School or YES House.

**Source**

School District Records

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

OPERATING STATISTICS - LAST FIVE FISCAL YEARS

For the Year Ended June 30, 2014

Schools	Year Built	2014	2013	2012	2011	2010
Adams	1962					
Square Feet - Structural		46,063	46,063	46,063	46,063	46,063
Square Feet - Temp/Mod		2,558	2,558	2,558	2,558	2,558
Square Feet		48,621	48,621	48,621	48,621	48,621
Enrollment		353	353	363	390	411
Franklin	1947					
Square Feet - Structural		35,944	35,944	35,944	35,944	35,944
Square Feet		35,944	35,944	35,944	35,944	35,944
Enrollment		354	354	343	329	320
Jefferson	1960					
Square Feet - Structural		37,915	37,915	37,915	37,915	37,915
Square Feet - Temp/Mod		2,240	2,240	2,240	2,240	2,240
Square Feet		40,155	40,155	40,155	40,155	40,155
Enrollment		330	330	313	329	331
Garfield	1955					
Square Feet - Structural		43,676	43,676	43,676	43,676	43,676
Square Feet - Temp/Mod		3,116	3,116	3,116	3,116	3,116
Square Feet		46,792	46,792	46,792	46,792	46,792
Enrollment		394	394	385	380	369
Hoover	1968					
Square Feet - Structural		40,300	40,300	40,300	40,300	40,300
Square Feet - Temp/Mod		4,602	4,602	4,602	4,602	4,602
Square Feet		44,902	44,902	44,902	44,902	44,902
Enrollment		395	395	413	419	405
Mt View	1954					
Square Feet - Structural		47,470	47,470	47,470	47,470	47,470
Square Feet - Temp/Mod		3,588	3,588	3,588	3,588	3,588
Square Feet		51,058	51,058	51,058	51,058	51,058
Enrollment		287	287	313	344	362
Wilson	1962					
Square Feet - Structural		39,901	39,901	39,901	39,901	39,901
Square Feet		39,901	39,901	39,901	39,901	39,901
Enrollment		341	341	345	369	379
Lincoln	1949					
Square Feet - Structural		35,986	35,986	35,986	35,986	35,986
Square Feet - Temp/Mod		3,659	3,659	3,659	3,659	3,659
Square Feet		39,645	39,645	39,645	39,645	39,645
Enrollment		361	361	348	325	388

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

OPERATING STATISTICS - LAST FIVE FISCAL YEARS

For the Year Ended June 30, 2014

Schools	Year Built	2014	2013	2012	2011	2010
Cheldelin	1967					
Square Feet		106,699	106,699	106,699	106,699	106,699
Enrollment		563	563	543	598	615
Linus Pauling	2004					
Square Feet		131,327	131,327	131,327	131,327	131,327
Enrollment		701	701	697	724	698
Corvallis High	2005					
Square Feet		252,352	252,352	252,352	252,352	252,352
Enrollment		1,235	1,235	1,196	1,154	1,216
Crescent Valley High	1971					
Square Feet		247,071	247,071	247,071	247,071	247,071
Enrollment		985	985	1,019	1,088	1,052
Harding Center	1923/1976					
Square Feet		37,441	37,441	37,441	37,441	37,441
Administrative	1963					
Square Feet		32,750	32,750	32,750	32,750	32,750
Physical Plant	1963					
Square Feet		33,400	33,400	33,400	33,400	33,400
Western View Center	1988					
Square Feet- Structural		6,400	6,400	6,400	6,400	6,400
Square Feet- Temp/Mod		1,592	1,592	1,592	1,592	1,592
Square Feet		7,992	7,992	7,992	7,992	7,992

Source  
School District Records

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

REVENUES AND OTHER FINANCING SOURCES BY SOURCE  
(BUDGETARY BASIS) - LAST TEN FISCAL YEARS

GENERAL FUND

For the Year Ended June 30, 2014

	2014	2013	2012	2011	2010
<b>Local revenue</b>					
Current year's taxes	\$ 21,028,854	\$ 22,066,237	\$ 22,095,674	\$ 21,460,033	\$ 20,412,348
Current year's local option taxes	3,450,684	3,958,783	4,378,597	4,860,893	5,489,512
Prior year's taxes	508,719	392,922	608,910	503,659	430,005
Prior year's local option taxes	100,610	84,917	141,239	119,828	85,401
Tuition	51,920	-	-	-	19,474
Interest	133,629	132,397	131,345	93,130	195,479
Rentals	62,370	77,313	103,574	83,546	82,040
Miscellaneous	508,861	433,721	345,022	308,906	348,190
<b>Total local revenue</b>	<u>25,845,647</u>	<u>27,146,290</u>	<u>27,804,361</u>	<u>27,429,995</u>	<u>27,062,449</u>
<b>Intermediate revenue</b>					
County school fund	74,096	125,668	115,144	97,831	86,322
Other revenues	183,770	177,309	166,431	172,128	166,666
<b>Total intermediate revenue</b>	<u>257,866</u>	<u>302,977</u>	<u>281,575</u>	<u>269,959</u>	<u>252,988</u>
<b>State revenue</b>					
State school support fund	27,215,082	20,961,214	21,392,277	21,509,888	23,494,565
Common school fund	860,529	906,786	823,044	774,269	798,224
Targeted school funds	-	-	1,392,731	-	-
Other revenue from state sources	85,659	185,092	92,346	176,239	129,203
<b>Total state revenue</b>	<u>28,161,270</u>	<u>22,053,092</u>	<u>23,700,398</u>	<u>22,460,396</u>	<u>24,421,992</u>
<b>Federal revenue</b>					
Federal grants	-	-	18,984	1,992,743	-
Federal forest fees	25,730	11,450	35,087	56,621	66,189
Other revenue from federal sources	17,160	-	9,623	9,014	1,775,229
<b>Total federal revenue</b>	<u>42,890</u>	<u>11,450</u>	<u>63,694</u>	<u>2,058,378</u>	<u>1,841,418</u>
<b>Other financing sources</b>					
Transfers in	-	-	-	-	-
Sale of assets	27,935	-	-	-	-
<b>Total other financing sources</b>	<u>27,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - beginning	6,629,956	8,249,911	10,171,758	12,834,129	11,713,576
<b>Total revenues and other financing sources</b>	<u>\$ 60,965,564</u>	<u>\$ 57,763,720</u>	<u>\$ 62,021,786</u>	<u>\$ 65,052,857</u>	<u>\$ 65,292,423</u>

2009	2008	2007	2006	2005
\$ 20,121,626	\$ 19,425,514	\$ 18,642,561	\$ 18,309,163	\$ 17,528,367
4,485,404	3,925,886	-	-	1,635,691
338,418	362,233	340,862	301,226	353,584
44,340	-	12,218	24,419	28,680
-	-	36,928	25,490	8,620
455,933	1,042,441	1,099,714	761,378	410,492
78,658	80,908	216,819	203,908	157,767
<u>344,865</u>	<u>379,224</u>	<u>375,982</u>	<u>412,804</u>	<u>403,688</u>
<u>25,869,244</u>	<u>25,216,206</u>	<u>20,725,084</u>	<u>20,038,388</u>	<u>20,526,889</u>
183,338	95,330	316,763	249,742	154,596
<u>148,174</u>	<u>149,245</u>	<u>142,886</u>	<u>138,576</u>	<u>145,238</u>
<u>331,512</u>	<u>244,575</u>	<u>459,649</u>	<u>388,318</u>	<u>299,834</u>
24,454,394	25,586,017	24,826,415	23,832,791	20,878,552
1,099,137	870,814	788,781	389,504	778,894
1,389,797	1,382,617	-	-	-
<u>599,538</u>	<u>101,514</u>	<u>9,673</u>	<u>57</u>	<u>51,947</u>
<u>27,542,866</u>	<u>27,940,962</u>	<u>25,624,869</u>	<u>24,222,352</u>	<u>21,709,393</u>
-	-	-	-	-
74,916	83,439	84,630	87,996	84,847
<u>1,287,206</u>	<u>17,860</u>	<u>17,742</u>	<u>16,644</u>	<u>16,957</u>
<u>1,362,122</u>	<u>101,299</u>	<u>102,372</u>	<u>104,640</u>	<u>101,804</u>
-	-	-	117,946	-
<u>-</u>	<u>2,002</u>	<u>20,745</u>	<u>590</u>	<u>5,799</u>
<u>-</u>	<u>2,002</u>	<u>20,745</u>	<u>118,536</u>	<u>5,799</u>
<u>10,111,274</u>	<u>10,182,245</u>	<u>7,885,631</u>	<u>4,620,643</u>	<u>3,897,557</u>
<u>\$ 65,217,018</u>	<u>\$ 63,687,289</u>	<u>\$ 54,818,350</u>	<u>\$ 49,492,877</u>	<u>\$ 46,541,276</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**EXPENDITURES AND TRANSFERS BY PROGRAM**  
**(BUDGETARY BASIS) - LAST TEN FISCAL YEARS**

**GENERAL FUND**

For the Year Ended June 30, 2014

	2014	2013	2012	2011	2010
<b>Instruction</b>					
Regular programs					
Primary, K-5	\$ 11,161,104	\$ 10,688,930	\$ 11,493,072	\$ 11,497,765	\$ 11,015,626
Middle school	5,556,701	5,060,967	5,602,361	5,558,731	5,425,454
High school	8,396,113	8,086,502	8,592,641	8,823,378	8,172,030
Special programs					
Restrictive disability programs	1,766,157	1,712,379	1,664,796	1,813,646	1,662,028
Learning resource rooms	3,298,673	2,918,683	2,800,472	3,073,064	2,608,108
Alternative education	824,062	612,817	787,595	755,305	1,155,536
Charter school	557,779	495,636	434,431	332,753	-
Other	983,837	1,062,883	1,164,595	1,265,609	1,183,691
Total instruction	<u>32,544,426</u>	<u>30,638,797</u>	<u>32,539,963</u>	<u>33,120,251</u>	<u>31,222,473</u>
<b>Support services</b>					
Students					
Attendance and social work	679,704	671,295	744,725	671,157	555,439
Guidance	1,508,011	1,432,333	1,610,565	1,745,263	1,704,299
Health	376,933	247,247	225,654	112,551	178,759
Psychological	-	-	60,970	106,544	174,349
Speech and pathology	614,405	649,830	642,477	502,283	553,235
Other student treatment services	161,344	148,927	128,124	150,033	143,550
Service direction, student support services	578,150	551,614	545,371	471,391	522,953
Instructional services and educational media					
Improvement of instruction	1,111,795	803,445	944,712	933,704	889,069
Educational media	524,010	521,462	646,802	716,413	716,092
Assessment and testing	246,366	169,228	169,687	56,463	4,010
Instructional staff development	298,645	149,623	183,818	154,022	167,175
General administration					
Board of education	117,368	118,761	119,857	199,837	97,084
Executive administration	331,429	325,174	339,392	345,573	334,154
School administration	4,075,833	4,034,903	3,977,020	3,990,330	3,878,282
Business support services					
Business services	713,883	661,236	701,872	746,860	727,184
Facilities operation	5,700,757	5,316,667	5,540,355	6,261,277	5,721,352
Pupil transportation	2,581,956	2,392,508	2,371,704	2,264,899	2,239,967
Central services	1,621,075	1,548,517	1,657,446	1,761,555	1,623,649
Supplemental retirement program	51,898	628,355	540,650	503,000	878,000
Total support services	<u>21,293,562</u>	<u>20,371,125</u>	<u>21,151,201</u>	<u>21,693,155</u>	<u>21,108,602</u>
<b>Enterprise and community services</b>	125,742	123,842	80,711	67,694	127,221
<b>Facilities acquisition</b>	-	-	-	-	-
<b>Debt service</b>	-	-	-	-	-
<b>Total General Fund expenditures and transfers</b>	<u>\$ 53,963,730</u>	<u>\$ 51,133,764</u>	<u>\$ 53,771,875</u>	<u>\$ 54,881,100</u>	<u>\$ 52,458,296</u>

<sup>(1)</sup> This schedule includes only expenditures and transfers of the General Fund. The General Fund accounts for the

2009	2008	2007	2006	2005
\$ 11,126,991	\$ 11,415,549	\$ 9,181,209	\$ 8,443,534	\$ 8,106,808
5,685,916	5,513,988	4,422,061	3,873,889	3,801,206
8,485,644	8,427,494	6,633,097	6,283,896	6,046,885
1,313,530	1,492,423	834,893	709,991	698,381
2,876,667	2,494,158	2,293,567	2,197,500	2,438,065
1,180,237	1,152,111	718,004	691,065	648,319
-	-	-	-	-
<u>1,117,764</u>	<u>1,060,858</u>	<u>846,675</u>	<u>755,464</u>	<u>745,943</u>
<u>31,786,749</u>	<u>31,556,581</u>	<u>24,929,506</u>	<u>22,955,339</u>	<u>22,485,607</u>
598,797	541,878	634,667	658,893	615,823
1,659,618	1,592,619	1,008,771	922,454	854,547
159,782	123,070	39,617	38,993	33,530
244,025	289,781	232,828	237,686	93,865
564,689	562,540	461,549	388,765	256,408
102,230	126,145	108,082	93,996	69,021
392,980	402,216	313,751	292,939	187,193
880,984	725,661	373,259	232,808	223,207
787,151	743,412	662,794	679,146	679,921
92,437	50,372	28,228	8,590	6,999
177,479	461,063	242,896	219,445	206,859
124,999	148,805	109,355	93,318	222,406
322,618	306,829	307,401	341,914	303,637
3,684,088	3,545,589	3,175,065	3,252,417	2,993,177
637,585	591,210	579,717	563,267	588,168
5,986,638	5,763,786	5,331,527	5,392,089	4,907,227
2,191,614	2,109,924	1,923,654	1,935,065	1,652,432
1,605,354	1,753,122	1,644,257	1,260,256	1,190,720
<u>1,378,000</u>	<u>2,000,000</u>	<u>2,400,000</u>	<u>1,895,000</u>	<u>4,237,150</u>
<u>21,591,068</u>	<u>21,838,022</u>	<u>19,577,418</u>	<u>18,507,041</u>	<u>19,322,290</u>
125,625	109,734	108,001	114,063	109,736
-	71,678	13,611	-	-
-	-	7,569	30,804	-
<u>\$ 53,503,442</u>	<u>\$ 53,576,015</u>	<u>\$ 44,636,105</u>	<u>\$ 41,607,247</u>	<u>\$ 41,917,633</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

CONDENSED STATEMENT OF NET POSITION - LAST TEN FISCAL YEARS

For the Year Ended June 30, 2014

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>Assets</b>					
Current and other assets	\$ 24,710,453	\$ 22,405,199	\$ 29,834,637	\$ 30,610,324	\$ 41,672,146
Restricted assets	1,431,085	2,511,107	996,970	798,328	608,800
Capital assets, net of accumulated depreciation	91,562,604	95,012,544	94,733,579	98,160,211	100,655,405
Other noncurrent assets	<u>25,664,135</u>	<u>27,547,523</u>	<u>28,484,381</u>	<u>26,706,582</u>	<u>19,920,504</u>
 Total assets	 <u>143,368,277</u>	 <u>147,476,373</u>	 <u>154,049,567</u>	 <u>156,275,445</u>	 <u>162,856,855</u>
<b>Liabilities</b>					
Current liabilities	13,847,408	11,721,126	12,193,011	3,798,836	9,587,588
Noncurrent liabilities	<u>59,805,092</u>	<u>68,940,884</u>	<u>76,029,870</u>	<u>88,103,921</u>	<u>94,904,364</u>
 Total liabilities	 <u>73,652,500</u>	 <u>80,662,010</u>	 <u>88,222,881</u>	 <u>91,902,757</u>	 <u>104,491,952</u>
<b>Net position</b>					
Net investment in capital assets	45,863,877	42,340,649	35,992,307	35,573,378	32,990,512
Restricted	951,300	1,937,156	881,427	667,069	464,253
Unrestricted	<u>22,900,600</u>	<u>22,536,558</u>	<u>28,952,952</u>	<u>28,132,241</u>	<u>24,910,138</u>
 Total net position	 <u>\$ 69,715,777</u>	 <u>\$ 66,814,363</u>	 <u>\$ 65,826,686</u>	 <u>\$ 64,372,688</u>	 <u>\$ 58,364,903</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 37,707,761	\$ 37,259,493	\$ 38,931,814	\$ 37,498,705	\$ 43,308,089
454,214	927,437	791,000	689,582	541,339
102,243,356	101,465,718	98,113,332	95,369,464	84,088,771
<u>21,314,965</u>	<u>22,709,424</u>	<u>24,103,883</u>	<u>25,498,342</u>	<u>26,892,801</u>
<u>161,720,296</u>	<u>162,362,072</u>	<u>161,940,029</u>	<u>159,056,093</u>	<u>154,831,000</u>
12,120,128	12,092,468	11,772,038	10,925,285	7,762,229
<u>102,197,795</u>	<u>109,023,103</u>	<u>116,936,567</u>	<u>120,153,360</u>	<u>126,899,171</u>
<u>114,317,923</u>	<u>121,115,571</u>	<u>128,708,605</u>	<u>131,078,645</u>	<u>134,661,400</u>
29,640,240	26,038,450	27,845,759	21,942,674	18,646,654
175,498	-	-	-	-
<u>17,586,635</u>	<u>15,208,051</u>	<u>5,385,665</u>	<u>6,034,774</u>	<u>1,522,946</u>
<u>\$ 47,402,373</u>	<u>\$ 41,246,501</u>	<u>\$ 33,231,424</u>	<u>\$ 27,977,448</u>	<u>\$ 20,169,600</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

CHANGES IN NET POSITION - LAST TEN FISCAL YEARS

For the Year Ended June 30, 2014

	2014	2013	2012	2011	2010
<b>Program revenues</b>					
Charges for services					
Instruction	\$ 51,920	\$ 2,634,605	\$ 2,526,933	\$ 1,476,721	\$ 1,469,496
Support services	1,186,238	974,804	836,668	1,011,828	1,035,376
Enterprise and community services	1,215,989	158,076	131,148	127,332	134,998
Operating grants and contributions					
Instruction	2,794,167	461,792	2,912,226	4,838,728	6,035,884
Support services	1,447,137	658,885	1,943,376	3,315,427	4,252,760
Enterprise and community services	206,914	196,601	317,025	417,226	554,498
Facilities acquisition and construction	-	3,824,904	-	-	-
<b>Total program revenues</b>	<u>6,902,365</u>	<u>8,909,667</u>	<u>8,667,376</u>	<u>11,187,262</u>	<u>13,483,012</u>
<b>General revenues</b>					
Property taxes	33,547,921	35,385,511	35,778,834	35,394,977	34,966,360
State school fund	27,230,899	20,978,373	22,801,900	21,527,205	23,511,852
Common school fund	860,529	906,786	823,044	774,269	798,224
Unrestricted state and local revenue	2,660,571	426,120	501,910	180,406	126,026
Investment earnings	193,631	200,227	226,649	247,029	377,005
Gain on sale of capital assets	937,935	-	-	24,878	-
Miscellaneous	1,026,333	84,638	241,697	1,757,745	1,530,618
<b>Total general revenues</b>	<u>66,457,819</u>	<u>57,981,655</u>	<u>60,374,034</u>	<u>59,906,509</u>	<u>61,310,085</u>
<b>Total revenues</b>	<u>73,360,184</u>	<u>66,891,322</u>	<u>69,041,410</u>	<u>71,093,771</u>	<u>74,793,097</u>
<b>Program expenses</b>					
Instruction	38,717,209	34,581,788	37,057,203	33,705,813	31,916,004
Support services	24,281,080	21,140,455	19,895,700	25,523,086	22,487,360
Enterprise and community services	3,529,606	3,190,135	3,113,790	2,906,333	2,932,024
Facilities acquisition and construction	16,251	3,342,099	3,409,000	3,361,692	1,898,024
Interest expense	3,914,624	3,879,303	4,111,719	4,409,440	4,597,155
<b>Total program expenses</b>	<u>70,458,770</u>	<u>66,133,780</u>	<u>67,587,412</u>	<u>69,906,364</u>	<u>63,830,567</u>
<b>Change in net position</b>	<u>\$ 2,901,414</u>	<u>\$ 757,542</u>	<u>\$ 1,453,998</u>	<u>\$ 1,187,407</u>	<u>\$ 10,962,530</u>

2009	2008	2007	2006	2005
\$ 1,546,985	\$ 1,693,899	\$ 1,291,236	\$ 1,206,680	\$ 1,220,914
128,658	130,908	266,819	253,908	204,767
1,357,289	1,412,368	1,550,741	1,629,883	1,612,847
6,777,942	6,117,235	4,962,617	4,542,398	4,383,800
-	-	-	-	-
1,168,689	1,057,061	1,230,759	1,018,092	901,552
-	-	-	-	-
<u>10,979,563</u>	<u>10,411,471</u>	<u>9,302,172</u>	<u>8,650,961</u>	<u>8,323,880</u>
32,489,763	31,354,094	26,348,817	26,087,601	29,230,724
24,454,394	25,604,779	24,826,415	23,832,791	20,878,552
1,099,137	870,814	788,781	389,504	778,894
870,771	301,643	429,058	1,339,496	1,529,619
856,899	2,124,384	2,263,094	1,635,100	1,497,842
-	-	-	-	-
<u>1,169,176</u>	<u>1,105,049</u>	<u>3,570,687</u>	<u>2,559,094</u>	<u>3,174,045</u>
<u>60,940,140</u>	<u>61,360,763</u>	<u>58,226,852</u>	<u>55,843,586</u>	<u>57,089,676</u>
<u>71,919,703</u>	<u>71,772,234</u>	<u>67,529,024</u>	<u>64,494,547</u>	<u>65,413,556</u>
32,906,224	33,423,150	28,597,354	28,022,844	25,277,298
23,699,624	20,749,456	21,255,617	18,885,751	24,422,402
2,740,637	2,901,915	2,778,232	2,263,043	2,627,201
1,650,277	1,754,768	1,769,180	1,451,488	211,907
<u>4,767,069</u>	<u>4,927,618</u>	<u>7,874,665</u>	<u>6,063,573</u>	<u>4,469,010</u>
<u>65,763,831</u>	<u>63,756,907</u>	<u>62,275,048</u>	<u>56,686,699</u>	<u>57,007,818</u>
<u>\$ 6,155,872</u>	<u>\$ 8,015,327</u>	<u>\$ 5,253,976</u>	<u>\$ 7,807,848</u>	<u>\$ 8,405,738</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

FUND BALANCES OF GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS

For the Year Ended June 30, 2014

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
<b>General Fund</b>					
Assigned					
Designated for operating contingency	\$ 1,319,998	\$ 1,237,852	\$ 1,276,100	\$ 1,344,488	\$ 1,350,000
Designated for PERS litigation contingency	-	-	-	-	-
Designated for local option levy reserve	-	-	-	1,592,777	2,442,735
Designated for targeted expenditures	883,061	-	-	431,125	848,180
Designated for rainy day fund	1,002,447	2,004,895	3,341,500	2,688,976	2,249,700
Designated for unappropriated ending fund balance	2,639,995	2,475,710	2,552,200	2,688,976	250,000
Unassigned	<u>1,156,333</u>	<u>911,499</u>	<u>1,080,111</u>	<u>1,425,416</u>	<u>5,443,514</u>
Total General Fund balance	<u>7,001,834</u>	<u>6,629,956</u>	<u>8,249,911</u>	<u>10,171,758</u>	<u>12,584,129</u>
<b>All other governmental funds</b>					
Special revenue funds	4,325,357	4,060,480	4,386,966	4,758,454	4,288,773
Grants funds	951,217	1,592,249	1,951,403	2,364,088	2,364,088
Capital projects funds	-	-	-	-	-
Debt service funds	<u>1,963,668</u>	<u>2,671,834</u>	<u>2,949,571</u>	<u>2,637,111</u>	<u>8,530,779</u>
Total other governmental fund balances	<u>7,240,242</u>	<u>8,324,563</u>	<u>9,287,940</u>	<u>9,759,653</u>	<u>15,183,640</u>
Total fund balances	<u>\$ 14,242,076</u>	<u>\$ 14,954,519</u>	<u>\$ 17,537,851</u>	<u>\$ 19,931,411</u>	<u>\$ 27,767,769</u>

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 1,350,000	\$ 1,350,000	\$ 1,600,000	\$ 1,100,000	\$ -
-	-	-	1,400,000	-
2,897,435	840,000	-	-	-
1,370,000	1,852,000	3,035,000	1,652,000	-
2,700,000	2,700,000	-	-	-
250,000	250,000	-	-	-
<u>3,146,141</u>	<u>3,119,274</u>	<u>5,547,245</u>	<u>3,733,631</u>	<u>4,620,643</u>
<u>11,713,576</u>	<u>10,111,274</u>	<u>10,182,245</u>	<u>7,885,631</u>	<u>4,620,643</u>
4,306,819	4,528,821	4,318,131	3,326,696	3,508,415
-	-	-	-	-
376,759	2,671,147	6,990,641	10,216,994	22,203,940
<u>6,109,227</u>	<u>5,287,587</u>	<u>4,105,109</u>	<u>3,490,433</u>	<u>3,316,931</u>
<u>10,792,805</u>	<u>12,487,555</u>	<u>15,413,881</u>	<u>17,034,123</u>	<u>29,029,286</u>
<u>\$ 22,506,381</u>	<u>\$ 22,598,829</u>	<u>\$ 25,596,126</u>	<u>\$ 24,919,754</u>	<u>\$ 33,649,929</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS**

For the Year Ended June 30, 2014

	2014	2013	2012	2011	2010
<b>REVENUES</b>					
Local revenue	\$ 40,092,363	\$ 42,246,839	\$ 43,383,947	\$ 45,162,611	\$ 44,942,528
Intermediate revenue	501,465	658,885	626,440	771,646	543,399
State revenue	28,959,441	22,081,760	23,739,668	22,488,952	26,804,441
Federal revenue	<u>4,648,563</u>	<u>3,824,904</u>	<u>3,966,675</u>	<u>7,090,015</u>	<u>7,193,241</u>
 Total revenues	 <u>74,201,832</u>	 <u>68,812,388</u>	 <u>71,716,730</u>	 <u>75,513,224</u>	 <u>79,483,609</u>
<b>EXPENDITURES</b>					
Current					
Instruction	37,541,462	34,579,681	36,773,782	37,541,262	36,222,886
Support services	23,645,469	22,649,273	23,029,771	24,801,535	24,195,042
Enterprise and community services	3,424,073	3,175,538	3,144,048	2,900,641	2,927,181
Facilities acquisition and construction	-	-	-	-	-
Debt service					
Principal	7,130,877	6,774,663	6,397,566	7,670,535	5,680,594
Interest	3,711,849	3,882,787	4,060,426	4,256,610	4,438,721
Capital outlay	<u>398,480</u>	<u>333,778</u>	<u>704,697</u>	<u>576,499</u>	<u>507,797</u>
 Total expenditures	 <u>75,852,210</u>	 <u>71,395,720</u>	 <u>74,110,290</u>	 <u>77,747,082</u>	 <u>73,972,221</u>
 Excess (deficiency) of revenues over (under) expenditures	 <u>(1,650,378)</u>	 <u>(2,583,332)</u>	 <u>(2,393,560)</u>	 <u>(2,233,858)</u>	 <u>5,511,388</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in		-	405,755	-	-
Transfers out		-	(405,755)	-	-
Issuance of debt		-	-	-	-
Payments to escrow agent		-	-	-	-
Proceeds from the sale of assets	<u>937,935</u>	<u>-</u>	<u>-</u>	<u>147,500</u>	<u>-</u>
 Total other financing sources (uses)	 <u>937,935</u>	 <u>-</u>	 <u>-</u>	 <u>147,500</u>	 <u>-</u>
 Special item sources (uses)					
Lump sum payment to PERS	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,000,000)</u>	<u>-</u>
 Net change in fund balances	 <u>\$ (712,443)</u>	 <u>\$ (2,583,332)</u>	 <u>\$ (2,393,560)</u>	 <u>\$ (8,086,358)</u>	 <u>\$ 5,511,388</u>
 Debt service as a percentage of noncapital expenditures	 14.4%	 15.0%	 14.2%	 15.5%	 13.8%

2009	2008	2007	2006	2005
\$ 42,569,864	\$ 43,127,507	\$ 38,585,672	\$ 36,579,372	\$ 39,967,747
604,811	487,098	680,443	609,495	452,889
27,677,831	28,275,489	25,648,815	25,233,149	22,952,503
<u>5,380,839</u>	<u>4,543,773</u>	<u>4,952,651</u>	<u>4,350,653</u>	<u>4,061,206</u>
<u>76,233,345</u>	<u>76,433,867</u>	<u>69,867,581</u>	<u>66,772,669</u>	<u>67,434,345</u>
36,267,455	36,495,373	29,969,907	28,892,936	28,184,040
24,722,939	25,025,168	22,700,547	21,667,634	29,122,020
2,799,022	2,944,778	2,778,232	2,886,547	2,627,201
196,253	698,671	905,305	1,479,610	1,884,737
5,318,329	4,982,405	5,309,635	3,650,000	3,703,597
4,565,499	4,689,946	4,139,446	5,813,216	4,782,669
<u>2,458,329</u>	<u>4,598,143</u>	<u>3,740,202</u>	<u>11,116,539</u>	<u>31,928,050</u>
<u>76,327,826</u>	<u>79,434,484</u>	<u>69,543,274</u>	<u>75,506,482</u>	<u>102,232,314</u>
<u>(94,481)</u>	<u>(3,000,617)</u>	<u>324,307</u>	<u>(8,733,813)</u>	<u>(34,797,969)</u>
-	-	-	117,946	-
-	-	-	(117,946)	-
-	-	60,749,821	-	4,620,000
-	-	(60,418,501)	-	-
<u>2,033</u>	<u>3,320</u>	<u>20,745</u>	<u>3,638</u>	<u>11,339</u>
<u>2,033</u>	<u>3,320</u>	<u>352,065</u>	<u>3,638</u>	<u>4,631,339</u>
-	-	-	-	-
<u>\$ (92,448)</u>	<u>\$ (2,997,297)</u>	<u>\$ 676,372</u>	<u>\$ (8,730,175)</u>	<u>\$ (30,166,630)</u>
13.4%	12.9%	14.4%	14.7%	12.1%

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**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

CAPITAL ASSET SCHEDULES

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**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OR**

COMPARATIVE SCHEDULE OF CAPITAL ASSETS USED IN THE OPERATION OF  
GOVERNMENTAL FUNDS BY SOURCE  
June 30, 2014 and 2013

	June 30, 2014	June 30, 2013
<b>General Government Capital Assets</b>		
Land	\$ 2,629,247	\$ 2,629,247
Buildings and site improvements	134,394,196	134,377,944
Vehicles and equipment	4,070,030	3,697,357
<u>Total general governmental capital assets</u>	<u>\$ 141,093,473</u>	<u>\$ 140,704,548</u>
<b>Investments in Governmental Capital Assets by Source</b>		
General fund	\$ 46,217,857	\$ 45,914,588
Special revenue funds	2,767,442	2,681,786
Capital projects fund	92,108,174	92,108,174
<u>Total investments in governmental capital assets by source</u>	<u>\$ 141,093,473</u>	<u>\$ 140,704,548</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OR**

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
 SCHEDULE BY FUNCTION AND ACTIVITY

June 30, 2014

	Land	Buildings and Site Improvements	Vehicles and Equipment	Construction in Progress	Total
<b>General Government Capital Assets</b>					
Instruction	\$ -	\$ -	\$ 1,968,831	\$ -	\$ 1,968,831
Support services	-	117,656	1,829,493	-	1,947,149
Community services	-	-	149,403	-	149,403
Facilities acquisition	2,629,247	134,276,540	122,303	-	137,028,090
<u>Total general governmental capital assets</u>	<u>\$ 2,629,247</u>	<u>\$ 134,394,196</u>	<u>\$ 4,070,030</u>	<u>\$ -</u>	<u>\$ 141,093,473</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**OTHER INFORMATION**

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**CORVALLIS SCHOOL DISTRICT**  
**Benton County, Oregon**

**SCHEDULE OF FUTURE REQUIREMENTS OF BONDED DEBT**  
**June 30, 2014**

**GENERAL OBLIGATION BONDS**

YEAR Ending June 30	G.O. Bond Refunding Bond - 2007 Issue		
	PRINCIPAL	INTEREST	TOTAL
2014-15	\$ 7,000,000	\$ 2,069,750	\$ 9,069,750
2015-16	7,575,000	1,719,750	9,294,750
2016-17	8,160,000	1,341,000	9,501,000
2017-18	5,755,000	933,000	6,688,000
2019-20	6,210,000	645,250	6,855,250
2020-21	6,695,000	334,750	7,029,750
<b>TOTALS</b>	<b>\$ 41,395,000</b>	<b>\$ 7,043,500</b>	<b>\$ 48,438,500</b>

**PERS UAL LIMITED TAX PENSION BONDS**

YEAR Ending June 30	PERS UAL Limited Tax Pension Bond - 2002 Issue		
	PRINCIPAL	INTEREST	TOTAL
2014-15	\$ 472,190	\$ 1,379,643	\$ 1,851,833
2015-16	486,698	1,470,135	1,956,833
2016-17	495,754	1,566,080	2,061,834
2017-18	504,378	1,667,455	2,171,833
2019-20	511,665	1,775,168	2,286,833
2020-21	517,135	1,889,698	2,406,833
2021-22	-	956,383	956,383
2022-23	1,835,000	911,833	2,746,833
2023-24	2,075,000	811,275	2,886,275
2024-25	2,330,000	697,358	3,027,358
2025-26	2,605,000	568,043	3,173,043
2026-27	2,900,000	423,465	3,323,465
2027-28	3,225,000	262,514	3,487,514
2028-29	1,505,000	83,527	1,588,527
<b>TOTALS</b>	<b>\$ 19,462,820</b>	<b>\$ 14,462,577</b>	<b>\$ 33,925,397</b>

YEAR Ending June 30	PERS UAL Limited Tax Pension Bond - 2005 Issue		
	PRINCIPAL	INTEREST	TOTAL
2014-15	\$ 145,000	\$ 8,727	\$ 153,727
2015-16	50,000	2,260	52,260
<b>TOTALS</b>	<b>\$ 195,000</b>	<b>\$ 10,987</b>	<b>\$ 205,987</b>

YEAR Ending June 30	Total PERS UAL Limited Tax Pension Bonds		
	PRINCIPAL	INTEREST	TOTAL
2014-15	\$ 617,190	\$ 1,388,370	\$ 2,005,560
2015-16	536,698	1,472,395	2,009,093
2016-17	495,754	1,566,080	2,061,834
2017-18	504,378	1,667,455	2,171,833
2019-20	511,665	1,775,168	2,286,833
2020-21	517,135	1,889,698	2,406,833
2021-22	-	956,383	956,383
2022-23	1,835,000	911,833	2,746,833
2023-24	2,075,000	811,275	2,886,275
2024-25	2,330,000	697,358	3,027,358
2025-26	2,605,000	568,043	3,173,043
2026-27	2,900,000	423,465	3,323,465
2027-28	3,225,000	262,514	3,487,514
2028-29	1,505,000	83,527	1,588,527
<b>TOTALS</b>	<b>\$ 19,657,820</b>	<b>\$ 14,473,564</b>	<b>\$ 34,131,384</b>

**CORVALLIS SCHOOL DISTRICT 509J**

**Benton County, Oregon**

**SUPPLEMENTAL INFORMATION**

**As Required by The Oregon Deptment of Education**

**June 30, 2014**

<b>A. Energy bills for heating - all funds:</b>				<u>Objects 325 and 326</u>	
			Function 2545	\$	1,043,032
			Function 2550		-
 <b>B. Replacement of equipment - General Fund:</b>					
Include all General Fund expenditures in Object 542, except for the following exclusions:				<u>Amount</u>	
Exclude these functions:					
1113, 1122 & 1132	Co-curricular activities	4150	Construction	\$	-
1140	Pre-kindergarten	2550	Pupil transportation		
1300	Continuing education	3100	Food service		
1400	Summer school	3300	Community services		

2013 - 14 CORVALLIS SCHOOL DISTRICT 509J AUDIT REVENUE SUMMARY

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
<b>Revenue from Local Sources</b>						
1110 Ad Valorem Taxes Levied by District	21,537,572		8,061,367			
1120 Local Option Ad Valorem Taxes Levied by District	3,551,295					
1130 Construction Excise Tax		277,519				
1190 Penalties and Interest on Taxes						
1200 Revenue from Local Governmental Units Other Than Districts						
1311 Regular Day School Tuition - From Individuals						
1312 Regular Day School Tuition - Other Dist Within State	51,920					
1313 Regular Day School Tuition - Other Districts Outside						
1320 Adult/Continuing Education Tuition						
1330 Summer School Tuition						
1411 Transportation Fees - From Individuals						
1412 Transportation Fees - Other Dist Within State						
1413 Transportation Fees - Other Districts Outside						
1420 Summer School Transportation Fees						
1500 Earnings on Investments	133,630	18,114	40,805			1,083
1600 Food Service		1,215,989				
1700 Extracurricular Activities		1,093,197				
1800 Community Services Activities		41,313				
1910 Rentals	62,370	30,672				
1920 Contributions and Donations From Private Sources		524,466				683,158
1930 Rental or Lease Payments From Private Contractors						
1940 Services Provided Other Local Education Agencies						
1950 Textbook Sales and Rentals						
1960 Recovery of Prior Years' Expenditure	198,321				212	
1970 Services Provided Other Funds	50,000		2,032,389		10,920,488	
1980 Fees Charged to Grants	154,017					
1990 Miscellaneous	106,523	910,885			8,925	
<b>Total Revenue from Local Sources</b>	<b>\$ 25,845,648</b>	<b>\$ 4,112,154</b>	<b>\$ 10,134,560</b>	<b>\$ -</b>	<b>\$ 10,929,625</b>	<b>\$ 684,241</b>
<b>Revenue from Intermediate Sources</b>						
2101 County School Funds	74,096					
2102 General ESD Revenue						
2103 Excess ESD Local Revenue						
2105 Natural Gas, Oil, and Mineral Receipts						
2110 Intermediate "I" Tax						
2199 Other Intermediate Sources						
2200 Restricted Revenue	183,770	243,599				
2800 Revenue in Lieu of Taxes						
2900 Revenue for/on Behalf of the District						
<b>Total Revenue from Intermediate Sources</b>	<b>\$ 257,866</b>	<b>\$ 243,599</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenue from State Sources</b>						
3101 State School Fund - General Support	27,215,082					
3102 State School Fund - School Lunch Match		15,818				
3103 Common School Fund	860,529					
3104 State Managed County Timber						
3106 State School Fund - Accrual						
3199 Other Unrestricted Grants-in-Aid	85,660					
3204 Driver Education						
3222 State School Fund (SSF) Transportation Equipment						
3299 Other Restricted Grants-in-Aid		782,353				
3800 Revenue in Lieu of Taxes						
3900 Revenue for/on Behalf of the District						
<b>Total Revenue from State Sources</b>	<b>\$ 28,161,270</b>	<b>\$ 798,171</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenue from Federal Sources</b>						
4100 Unrestricted Revenue Direct From the Federal Government						
4200 Unrestricted Revenue From the Federal Government Through the State		1,419,010				
4300 Restricted Revenue From the Federal Government						
4500 Restricted Revenue From the Federal Government Through the State		3,055,739				
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies						
4801 Federal Forest Fees	25,730					
4802 Impact Aid to School Districts for Operation (PL 874)						
4803 Coos Bay Wagon Road Funds						
4899 Other Revenue in Lieu of Taxes	17,160					
4900 Revenue for/on Behalf of the District		130,924				
<b>Total Revenue from Federal Sources</b>	<b>\$ 42,890</b>	<b>\$ 4,605,674</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Revenue from Other Sources</b>						
5100 Long Term Debt Financing Sources						
5200 Interfund Transfers						
5300 Sale of or Compensation for Loss of Fixed Assets	27,935	910,000				
5400 Resources - Beginning Fund Balance	6,629,956	5,652,729	2,671,833		4,414,413	134,982
<b>Total Revenue from Other Sources</b>	<b>\$ 6,657,891</b>	<b>\$ 6,562,729</b>	<b>\$ 2,671,833</b>	<b>\$ -</b>	<b>\$ 4,414,413</b>	<b>\$ 134,982</b>
<b>Grand Totals</b>	<b>\$ 60,965,565</b>	<b>\$ 16,322,327</b>	<b>\$ 12,806,394</b>	<b>\$ -</b>	<b>\$ 15,344,039</b>	<b>\$ 819,223</b>

**2013 - 14 CORVALLIS SCHOOL DISTRICT 509J AUDIT EXPENDITURE SUMMARY**

**Fund: 100 General Fund**

<b>Instruction Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
1111 Elementary, K-5 or K-6	11,161,104	6,757,640	4,077,425		83,252	242,786		
1113 Elementary Extracurricular	-							
1121 Middle/Junior High Programs	5,549,761	3,122,983	1,865,292	14,892	546,594			
1122 Middle/Junior High School Extracurricular	6,940	5,133	1,806					
1131 High School Programs	7,646,329	4,663,443	2,707,026	66,090	208,148	1,500	122	
1132 High School Extracurricular	749,784	519,307	203,785	26,692				
1140 Pre-Kindergarten Programs	-							
1210 Programs for the Talented and Gifted	781			147	634			
1220 Restrictive Programs for Students with Disabilities	1,766,157	974,824	789,291	784	1,258			
1250 Less Restrictive Programs for Students with Disabilities	3,298,673	1,853,060	1,231,703	208,831	5,080			
1260 Treatment and Habilitation	-							
1271 Remediation	-							
1272 Title I	-							
1280 Alternative Education	1,381,841	336,765	206,615	826,357	12,104			
1291 English Second Language Programs	983,057	565,696	372,902	1,266	43,193			
1292 Teen Parent Program	-							
1293 Migrant Education	-							
1294 Youth Corrections Education	-							
1299 Other Programs	-							
1300 Adult/Continuing Education Programs	-							
1400 Summer School Programs	-							
<b>Total Instruction Expenditures</b>	<b>\$ 32,544,427</b>	<b>\$ 18,798,850</b>	<b>\$ 11,455,846</b>	<b>\$ 1,228,313</b>	<b>\$ 1,059,796</b>	<b>\$ 1,500</b>	<b>\$ 122</b>	<b>\$ -</b>
<b>Support Services Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
2110 Attendance and Social Work Services	679,703	368,460	310,515	291	438			
2120 Guidance Services	1,508,011	871,055	625,948	2,463	8,345		200	
2130 Health Services	376,933	152,303	86,030	135,675	2,582		344	
2140 Psychological Services	-							
2150 Speech Pathology and Audiology Services	614,405	388,103	218,520	983	6,363		435	
2160 Other Student Treatment Services	161,344	96,179	57,305	341	7,054		465	
2190 Service Direction, Student Support Services	578,150	380,216	188,813	9,120				
2210 Improvement of Instruction Services	1,111,795	677,098	364,061	58,814	11,048		774	
2220 Educational Media Services	524,010	269,394	222,391	305	31,920			
2230 Assessment & Testing	246,366	60,907	53,535	367	131,558			
2240 Instructional Staff Development	298,645	130,421	60,276	100,119	7,829			
2310 Board of Education Services	117,368	-	-	73,610	3,059		40,698	
2320 Executive Administration Services	331,429	196,153	104,010	16,029	7,533		7,704	
2410 Office of the Principal Services	4,075,833	2,484,031	1,458,202	71,331	41,473		20,795	
2490 Other Support Services - School Administration	-							
2510 Direction of Business Support Services	175,687	109,409	59,832	3,934	1,100		1,412	
2520 Fiscal Services	538,197	275,844	186,416	51,850	10,985		13,101	
2540 Operation and Maintenance of Plant Services	5,700,757	1,737,422	1,245,002	1,865,466	342,409	9,842	500,615	
2550 Student Transportation Services	2,522,966	40,429	26,040	2,456,133	363			
2570 Internal Services	58,991	20,997	32,643	4,967	384			
2610 Direction of Central Support Services	-							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-							
2630 Information Services	77,246	49,542	27,549	-	156			
2640 Staff Services	492,538	274,520	158,279	30,251	27,466		2,022	
2660 Technology Services	1,051,291	430,609	257,948	242,966	107,595	12,173		
2670 Records Management Services	-							
2690 Other Support Services - Central	-							
2700 Supplemental Retirement Program	51,899	49,000	2,899					
<b>Total Support Services Expenditures</b>	<b>\$ 21,293,561</b>	<b>\$ 9,062,093</b>	<b>\$ 5,746,213</b>	<b>\$ 5,125,016</b>	<b>\$ 749,659</b>	<b>\$ 22,015</b>	<b>\$ 588,565</b>	<b>\$ -</b>
<b>Enterprise and Community Services Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100 Food Services	12,328				12,328			
3200 Other Enterprise Services	-							
3300 Community Services	113,415	7,530	16,026	1,072	860		87,927	
3500 Custody and Care of Children Services	-							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$ 125,742</b>	<b>\$ 7,530</b>	<b>\$ 16,026</b>	<b>\$ 1,072</b>	<b>\$ 13,188</b>	<b>\$ -</b>	<b>\$ 87,927</b>	<b>\$ -</b>
<b>Other Uses Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
5100 Debt Service	-							
5200 Transfers of Funds	-							
5300 Apportionment of Funds by ESD	-							
5400 PERS UAL Bond Lump Sum	-							
<b>Total Other Uses Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total</b>	<b>\$ 53,963,730</b>	<b>\$ 27,868,474</b>	<b>\$ 17,218,085</b>	<b>\$ 6,354,401</b>	<b>\$ 1,822,643</b>	<b>\$ 23,515</b>	<b>\$ 676,614</b>	<b>\$ -</b>

**2013 - 14 CORVALLIS SCHOOL DISTRICT 509J AUDIT EXPENDITURE SUMMARY**

**Fund: 200 Special Revenue Funds**

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
<b>Instruction Expenditures</b>								
1111 Elementary, K-5 or K-6	500,957	112,400	64,084	67,735	256,590		148	
1113 Elementary Extracurricular	-							
1121 Middle/Junior High Programs	441,872	60,826	34,037	30,630	316,290		90	
1122 Middle/Junior High School Extracurricular	178,939	12,217	2,525	111,312	51,459		1,425	
1131 High School Programs	421,930	26,452	7,128	53,068	315,428	13,900	5,954	
1132 High School Extracurricular	1,052,646	137,595	27,493	365,440	459,164	3,800	59,154	
1140 Pre-Kindergarten Programs	-							
1210 Programs for the Talented and Gifted	-							
1220 Restrictive Programs for Students with Disabilities	10,998	4,650	1,534	535	4,279			
1250 Less Restrictive Programs for Students with Disabilities	1,016,875	539,774	465,319	9,847	1,935			
1260 Treatment and Habilitation	-							
1271 Remediation	345,785	14,423	14,049	315,096	2,217			
1272 Title I	1,055,281	610,297	398,292	5,541	41,151			
1280 Alternative Education	7,655	181	65	1,436	5,974			
1291 English Second Language Programs	1,250				1,250			
1292 Teen Parent Program	-							
1293 Migrant Education	-							
1294 Youth Corrections Education	-							
1299 Other Programs	15,353	11,361	3,992					
1300 Adult/Continuing Education Programs	-							
1400 Summer School Programs	7,294	5,525	1,769					
<b>Total Instruction Expenditures</b>	<b>\$ 5,056,835</b>	<b>\$ 1,535,702</b>	<b>\$ 1,020,286</b>	<b>\$ 960,641</b>	<b>\$ 1,455,735</b>	<b>\$ 17,700</b>	<b>\$ 66,772</b>	<b>\$ -</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	3,092	1,270	358	764	699			
2120 Guidance Services	144,652	24,366	15,342	104,645	-		300	
2130 Health Services	-							
2140 Psychological Services	12,218			-	12,218			
2150 Speech Pathology and Audiology Services	73,935	43,539	30,396		-			
2160 Other Student Treatment Services	-							
2190 Service Direction, Student Support Services	51,171	27,306	23,865	-	-			
2210 Improvement of Instruction Services	807,005	461,811	183,943	135,605	25,607		39	
2220 Educational Media Services	11,765	4,761	3,659		3,345			
2230 Assessment & Testing	-							
2240 Instructional Staff Development	222,134	112,672	26,004	79,977	3,481			
2310 Board of Education Services	-							
2320 Executive Administration Services	915				915			
2410 Office of the Principal Services	4,186			1,655	2,531			
2490 Other Support Services - School Administration	-							
2510 Direction of Business Support Services	-							
2520 Fiscal Services	6,840				6,840			
2540 Operation and Maintenance of Plant Services	459,782			340,450	54,305	65,027		
2550 Student Transportation Services	105,144			105,144				
2570 Internal Services	-							
2610 Direction of Central Support Services	-							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-							
2630 Information Services	-							
2640 Staff Services	50,675	30,155	5,942	3,289	11,288			
2660 Technology Services	57,075	28,564	22,821	2,544	3,147			
2670 Records Management Services	-							
2690 Other Support Services - Central	154,380						154,380	
2700 Supplemental Retirement Program	515,634	485,200	30,434					
<b>Total Support Services Expenditures</b>	<b>\$ 2,680,602</b>	<b>\$ 1,219,644</b>	<b>\$ 342,764</b>	<b>\$ 774,073</b>	<b>\$ 124,376</b>	<b>\$ 65,027</b>	<b>\$ 154,719</b>	<b>\$ -</b>
<b>Enterprise and Community Services Expenditures</b>								
3100 Food Services	3,023,231	935,009	835,103	53,242	1,135,769	-	64,109	
3200 Other Enterprise Services	-							
3300 Community Services	278,899	153,139	86,235	24,417	10,709	3,800	600	
3500 Custody and Care of Children Services	-							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$ 3,302,131</b>	<b>\$ 1,088,148</b>	<b>\$ 921,338</b>	<b>\$ 77,658</b>	<b>\$ 1,146,478</b>	<b>\$ 3,800</b>	<b>\$ 64,709</b>	<b>\$ -</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	-							
4120 Site Acquisition and Development Services	-							
4150 Building Acquisition, Construction, and Improvement Services	6,182					6,182		
4180 Other Capital Items	-							
4190 Other Facilities Construction Services	-							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$ 6,182</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,182</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other Uses Expenditures</b>								
5100 Debt Service	-							
5200 Transfers of Funds	-							
5300 Apportionment of Funds by ESD	-							
5400 PERS UAL Bond Lump Sum	-							
<b>Total Other Uses Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 11,045,751</b>	<b>\$ 3,843,494</b>	<b>\$ 2,284,388</b>	<b>\$ 1,812,372</b>	<b>\$ 2,726,589</b>	<b>\$ 92,708</b>	<b>\$ 286,199</b>	<b>\$ -</b>

**2013 - 14 CORVALLIS SCHOOL DISTRICT 509J AUDIT EXPENDITURE SUMMARY**

**Fund: 300 Debt Service Funds**

		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
Other Uses Expenditures									
5100 Debt Service		10,842,726						10,842,726	
5200 Transfers of Funds		-							
5300 Apportionment of Funds by ESD		-							
5400 PERS UAL Bond Lump Sum		-							
<b>Total Other Uses Expenditures</b>		\$ 10,842,726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,842,726	\$ -
<b>Grand Total</b>		\$ 10,842,726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,842,726	\$ -

**2013 - 14 CORVALLIS SCHOOL DISTRICT 509J AUDIT EXPENDITURE SUMMARY**

**Fund: 600 Internal Service Funds**

<b>Total Instruction Expenditures</b>								
	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
<b>Support Services Expenditures</b>								
2110 Attendance and Social Work Services	-							
2120 Guidance Services	-							
2130 Health Services	-							
2140 Psychological Services	-							
2150 Speech Pathology and Audiology Services	-							
2160 Other Student Treatment Services	-							
2190 Service Direction, Student Support Services	-							
2210 Improvement of Instruction Services	-							
2220 Educational Media Services	-							
2230 Assessment & Testing	-							
2240 Instructional Staff Development	-							
2310 Board of Education Services	-							
2320 Executive Administration Services	-							
2410 Office of the Principal Services	-							
2490 Other Support Services - School Administration	-							
2510 Direction of Business Support Services	-							
2520 Fiscal Services	10,184,848	128,441	57,509	182,603	15,939		9,800,357	
2540 Operation and Maintenance of Plant Services	331,040			46,783	12,070	272,187		
2550 Student Transportation Services	-							
2570 Internal Services	-							
2610 Direction of Central Support Services	-							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-							
2630 Information Services	-							
2640 Staff Services	-							
2660 Technology Services	-							
2670 Records Management Services	-							
2690 Other Support Services - Central	-							
2700 Supplemental Retirement Program	-							
<b>Total Support Services Expenditures</b>	<b>\$ 10,515,888</b>	<b>\$ 128,441</b>	<b>\$ 57,509</b>	<b>\$ 229,385</b>	<b>\$ 28,009</b>	<b>\$ 272,187</b>	<b>\$ 9,800,357</b>	<b>\$ -</b>
<b>Facilities Acquisition and Construction Expenditures</b>								
4110 Service Area Direction	-							
4120 Site Acquisition and Development Services	-							
4150 Building Acquisition, Construction, and Improvement Services	10,070					10,070		
4180 Other Capital Items	-							
4190 Other Facilities Construction Services	-							
<b>Total Facilities Acquisition and Construction Expenditures</b>	<b>\$ 10,070</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 10,070</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 10,525,957</b>	<b>\$ 128,441</b>	<b>\$ 57,509</b>	<b>\$ 229,385</b>	<b>\$ 28,009</b>	<b>\$ 282,256</b>	<b>\$ 9,800,357</b>	<b>\$ -</b>

**2013 - 14 CORVALLIS SCHOOL DISTRICT 509J AUDIT EXPENDITURE SUMMARY**

**Fund: 700 Trust and Agency Funds**

<b>Enterprise and Community Services Expenditures</b>	<b>Totals</b>	<b>Object 100</b>	<b>Object 200</b>	<b>Object 300</b>	<b>Object 400</b>	<b>Object 500</b>	<b>Object 600</b>	<b>Object 700</b>
3100 Food Services	-							
3200 Other Enterprise Services	-							
3300 Community Services	540,045			530,096	8,001	1,948		
3500 Custody and Care of Children Services	-							
<b>Total Enterprise and Community Services Expenditures</b>	<b>\$ 540,045</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 530,096</b>	<b>\$ 8,001</b>	<b>\$ 1,948</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 540,045</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 530,096</b>	<b>\$ 8,001</b>	<b>\$ 1,948</b>	<b>\$ -</b>	<b>\$ -</b>

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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December 12, 2014

### **Independent Auditors' Report Required by Oregon State Regulations**

We have audited the basic financial statements of Corvallis School District 509J as of and for the year ended June 30, 2014, and have issued our report thereon dated December 12, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

#### **Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

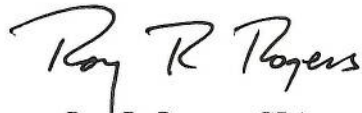
- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe Corvallis School District 509J was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

**OAR 162-10-0230 Internal Control**

In planning and performing our audit, we considered the internal controls over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

This report is intended solely for the information and use of the Board of Directors and management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a large, prominent "R" and "R".

Roy R. Rogers, CPA  
PAULY, ROGERS AND CO., P.C.

**CORVALLIS SCHOOL DISTRICT 509J**  
BENTON COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the year ended June 30, 2014**

CFDA #	Federal Sources	Grant Period	Original Grant Award(s)	FY2013-14 Expenditures
<b>U.S. Department of Agriculture</b>				
Passed through Benton and Linn Counties				
Schools and Roads Cluster				
10.665	Schools and Roads - Grants to States	07/01/13 - 06/30/14	\$ -	\$ 42,890
Subtotal Schools and Roads Cluster				<u>42,890</u>
Passed through State Department of Education				
Child Nutrition Cluster				
10.555	National School Lunch Program	07/01/13 - 06/30/14	-	130,924 (1)
10.553	School Breakfast Program	07/01/13 - 06/30/14	-	339,767 (1)
10.555	National School Lunch Program	07/01/13 - 06/30/14	-	761,448 (1)
10.559	Summer Food Service Program for Children	07/01/13 - 06/30/14	-	141,427 (1)
Subtotal Child Nutrition Cluster				<u>1,373,566</u>
10.558	Child and Adult Care Food Program	07/01/13 - 06/30/14		<u>176,368</u>
Total U.S. Department of Agriculture				<u>\$ 1,592,824</u>
<b>U.S. Department of Education</b>				
Passed through State Department of Education				
Special Education Cluster/IDEA				
84.027	Special Education - Grants to States	07/01/13 - 06/30/14	900	\$ 900
84.027	Special Education - Grants to States	10/01/12 - 09/30/13	7,957	1,155
84.027	Special Education - Grants to States	10/01/13 - 09/30/14	7,957	460
84.027	Special Education - Grants to States	08/01/13 - 06/30/14	4,390	4,390
84.027	Special Education - Grants to States	07/14/13 - 09/30/15	946,018	802,607
84.027	Special Education - Grants to States	07/01/12 - 09/30/14	986,836	218,680
84.173	Special Education - Preschool Grants	07/01/12 - 09/30/14	9,484	4,004
84.173	Special Education - Preschool Grants	07/01/11 - 09/30/13	4,197	1,888
84.173	Special Education - Preschool Grants	07/01/13 - 09/30/15	9,038	-
Subtotal Special Education Cluster/IDEA				<u>1,034,084</u>
Title I, Part A Cluster				
84.010	Title I Grants to Local Educational Agencies	07/01/13 - 09/30/14	20,596	20,554
84.010	Title I Grants to Local Educational Agencies	07/01/13 - 09/30/14	1,209,816	1,163,155
84.010	Title I Grants to Local Educational Agencies	07/01/12 - 09/30/14	1,344,984	143,098
84.010	Title I Grants to Local Educational Agencies	09/01/12 - 09/30/13	5,000	3,291
Subtotal Title I, Part A Cluster				<u>1,330,098</u>
84.287	Twenty-First Century Community Learning Centers	07/01/13 - 09/30/15	377,224	375,679 (1)
84.323	Special Education - State Personnel Development	07/01/13 - 06/30/14	113	-
84.323	Special Education - State Personnel Development	07/01/12 - 06/30/14	6,000	514
84.323	Special Education - State Personnel Development	07/01/13 - 06/30/15	6,000	6,000
84.365	English Language Acquisition State Grants	07/01/12 - 09/30/14	56,482	8,388
84.365	English Language Acquisition State Grants	07/01/13 - 09/30/14	51,490	47,482
84.367	Improving Teacher Quality State Grants	07/01/13 - 09/30/14	232,537	166,441
84.367	Improving Teacher Quality State Grants	07/01/12 - 09/30/14	248,178	51,000
Other Subtotal				<u>655,504</u>
Total U.S. Department of Education				<u>\$ 3,019,686</u>

**CORVALLIS SCHOOL DISTRICT 509J**  
**Benton County, Oregon**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the year ended June 30, 2014**

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**U. S. Department of Highway Planning and Construction**

Passed through State Department of Transportation

Highway Planning and Construction Cluster

20.205	Highway Planning and Construction	10/01/12 - 09/30/13	36,970	\$	12,172
20.205	Highway Planning and Construction	10/01/13 - 09/30/14	50,000		<u>22,381</u>
Subtotal Highway Planning and Construction Cluster					<u>34,553</u>
Total U.S. Department of Highway Planning and Construction					<u>\$ 34,553</u>

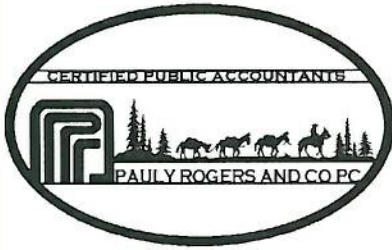
**U.S. Department of Health and Human Services**

Passed through State Department of Human Services

93.708	ARRA - Head Start	03/01/13 - 08/30/13	1,500	\$	<u>1,500</u>
Total Corporation for National and Community Service					<u>1,500</u>
Total Expenditure of Federal Awards					<u>\$ 4,648,563</u>

Original Award Total      \$ 5,623,667

(1) Major Program



PAULY, ROGERS, AND CO., P.C.  
12700 SW 72<sup>nd</sup> Ave. Tigard, OR 97223  
(503) 620-2632 (503) 684-7523 FAX  
www.paulyrogersandcocpas.com

December 12, 2014

To the Board of Directors  
Corvallis School District 509J  
Benton County, Oregon

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit Muddy Creek Charter School, each major fund, and the aggregate remaining fund information of Corvallis School District 509J as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 12, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.


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

**Compliance and Other Matters**

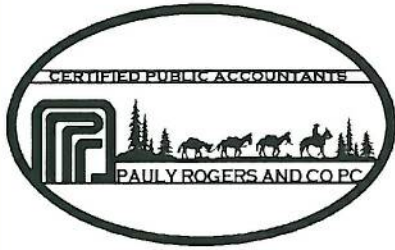
As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the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

**Purpose of this Report**

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



Roy R. Rogers, CPA  
PAULY, ROGERS AND CO., P.C.



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December 12, 2014

To the Board of Directors  
Corvallis School District 509J  
Benton County, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

**Report on Compliance for Each Major Federal Program**

We have audited Corvallis School District 509J's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2014. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

**Opinion on Each Major Federal Program**

In our opinion, Corvallis School District 509J, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

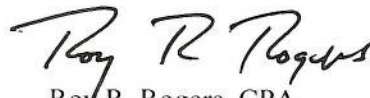
**Report on Internal Control Over Compliance**

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Roy R. Rogers, CPA  
PAULY, ROGERS AND CO., P.C.

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS**

For the Year Ended June 30, 2014

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**SECTION I – SUMMARY OF AUDITORS’ RESULTS**

**FINANCIAL STATEMENTS**

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified?  yes  no

Significant deficiency(s) identified that are not considered to be material weaknesses?  yes  none reported

Noncompliance material to financial statements noted?  yes  no

Any GAGAS audit findings disclosed that are required to be reported in accordance with section 505(d)(2) of OMB Circular A-133?  yes  no

**FEDERAL AWARDS**

Internal control over major programs:

Material weakness(es) identified?  yes  no

Significant deficiency(s) identified that are not considered to be material weaknesses?  yes  none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133, section 510(a)?  yes  no

**IDENTIFICATION OF MAJOR PROGRAMS**

<b><u>CFDA NUMBER</u></b>	<b><u>NAME OF FEDERAL PROGRAM CLUSTER</u></b>
10.553, 10.555, & 10.559	Child Nutrition Cluster

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  yes  no

**CORVALLIS SCHOOL DISTRICT 509J**  
**BENTON COUNTY, OREGON**

**SCHEDULE OF FINDINGS  
AND QUESTIONED COSTS**

For the Year Ended June 30, 2014

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**SECTION II – FINANCIAL STATEMENT FINDINGS**

None

**SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS:**

None

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The schedule of expenditures of federal awards includes the federal grant activity and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.



# Corvallis

SCHOOL DISTRICT

IX.C. Unaudited Financial Statements - November 30, 2014

BOARD MEETING DATE: **January 5, 2015**

SUBJECT: **November 30, 2014 Financial Statements (Unaudited)**

---

The Statement of Revenues and Expenditures for the period ending November 30, 2013 and 2014 follow this report. 2014-15 year-to-date revenues total \$39.1 million or 69.2 percent of total budgeted revenue as compared to \$34.3 million or 64.8 percent for 2013-14. The increase is due to the district's updated 2014-15 allocation of State School Funds which is based upon the February 2014 State School Fund estimate used for budgeting purposes.

Current Highlights

*Revenues:*

November is an important month for revenues as the district receives the majority of its property tax receipts from Benton and Linn Counties. Property tax receipts received year to date are 25.1 million or 93.5 percent of budget as compared to 20.9 million or 77.8 percent for the previous year.

The significant difference in the percent of budget figure is a result of the Hewlett Packard tax refund issue during 2013-14. Benton County withheld the district's share of the Hewlett Packard tax refund twice in November 2013, thereby skewing the percent of budget number downward. The mistake was corrected in December 2013 as reported last year.

*Expenditures:*

Overall expenditures for supplies and materials are down \$147,000 over the prior year. A key factor is the reduction in iPad purchases for the 1:World program in 2014-15. Insurance premiums for the district increased by \$78,000 over the prior year for policy updates to improve coverage for earthquake, crime and cyber security, and to fund risk management activities in 2014-15.

Previously Reported Highlights

General Fund expenditures through November 2014 increased \$1,151,061 as compared to the prior year. Increased costs associated with our union contracts constitute the bulk of this increase. Year-to-date totals for 2013-14 are 33.1 percent of budget as compared to 33.3 percent for 2013-14.

The Schedule of Investments and Cash Disbursements for November 2014 are included as part of this report. If you have any questions or would like additional information please contact me.

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Presenter: **Steve Nielsen, Director of Finance and Operations**

Supplementary Materials: **1. Statement of Revenue and Expenditures, Fiscal year to date as of November 30, 2013 and 2014**  
**2. Schedule of Investments as of November 30, 2014**  
**3. Schedule of Cash Disbursements greater than or equal to \$1,000 for the period of November 1 - 30, 2014.**

Corvallis School District 509J  
Statement of Revenues and Expenditures  
Fiscal Year to Date as of November 30, 2013 and 2014 Respectively (Unaudited)

**General Fund**

	FY2013-14			FY2014-15		
	Budget	Actual		Budget	Actual	
<b>Revenues:</b>						
Local Sources						
Property Taxes	\$ 22,950,000	\$ 17,956,038	78.2%	\$ 23,137,983	\$ 21,599,661	93.4%
Local Option Taxes	3,890,200	2,932,542	75.4%	3,756,650	3,520,953	93.7%
Earnings on Investments	100,000	35,000	35.0%	100,000	38,570	38.6%
Other	394,000	122,913	31.2%	445,000	57,156	12.8%
Intermediate Sources	260,000	848	0.3%	260,000	-	-
State Sources						
General Support	24,719,368	13,228,870	53.52%	28,185,108	13,889,440	49.3%
State School Fund - Subaccount	-	-	-	-	-	-
Common School Fund	494,332	-	-	561,055	-	-
Other	83,000	-	-	33,000	-	-
Federal Sources	9,000	8,971	99.7%	9,000	-	-
<b>Total Revenue</b>	<b>\$ 52,899,900</b>	<b>\$ 34,285,182</b>	<b>64.8%</b>	<b>\$ 56,487,796</b>	<b>\$ 39,105,780</b>	<b>69.2%</b>
<b>Expenditures:</b>						
Instruction	\$ 32,646,155	\$ 9,935,905	30.4%	\$ 35,285,366	\$ 10,649,410	30.2%
Supporting Services	21,488,032	8,104,673	37.7%	22,633,046	8,544,157	37.8%
Community Services	127,370	40,369	31.7%	127,184	38,441	30.2%
Facilities Improvements	1	-	-	1	-	-
Transfers to Other Funds	2	-	-	2	-	-
<b>Total Expenditures</b>	<b>\$ 54,261,560</b>	<b>\$ 18,080,947</b>	<b>33.3%</b>	<b>\$ 58,045,599</b>	<b>\$ 19,232,008</b>	<b>33.1%</b>
Excess of Revenues over Expenditures	\$ (1,361,660)	\$ 16,204,235		\$ (1,557,803)	\$ 19,873,772	
Beginning Fund Balance	6,324,100	6,629,956	104.8%	7,001,833	7,001,834	100.0%
Budgeted Contingencies	2,322,445	-		2,619,640	-	
Unappropriated Ending Fund Balance	2,639,995	-		2,824,390	-	
<b>Fund Balance, November 30</b>	<b>\$ -</b>	<b>\$ 22,834,191</b>		<b>\$ -</b>	<b>\$ 26,875,606</b>	

Corvallis School District 509J  
 Schedule of Investments  
 November 30, 2014

Type of Investment	Investment Date	Maturity/ Call Date	No. of Days	Bond Equivalent Yield	Purchase Price	Par (Maturity) Value
Total Investments outside of Local Government Investment Pool:					\$ -	\$ -
				Average Annualized Rate		
<u>Local Government Investment Pool:</u>						
General Account				0.53%		\$ 47,656,196
Debt Service Account				0.53%		1,034,982
<u>Subtotal LGIP <sup>1</sup></u>						<u>\$ 48,691,178</u>
<u>Local Government Investment Pool - Pension Bond Debt Service:</u>						
Pension Bond Debt Service Account: <sup>4</sup>				0.53%		\$ 1,090,674
<u>Total Investments</u>						<u>\$ 49,781,852</u>

1. The maximum amount (in any combination of accounts) that the Local Government Investment Pool (LGIP) allows in an account is \$46,801,588. **The amount over the maximum was withdrawn within the 10-day window allowed by LGIP.**
2. The PERS Bond Debt Service Account is outside of the LGIP limit, and collects the PERS intercept payments from the Basic School Fund for payment twice a year to the bond holders of the PERS bond debt.

Compliance with Investment Policy

Type of Investment	Maximum Percent of Portfolio per Policy	Current Percent
US Government-Sponsored Enterprises (Total):	90.0%	0.0%
US Treasury Obligations	100.0%	0.0%
Local Government Investment Pool	100.0%	100.0%
Bankers Acceptances	25.0%	0.0%
Repurchase Agreements	25.0%	0.0%
State and Local Government Securities	25.0%	0.0%
Time Certificates of Deposit & Collateralized Money Market	50.0%	0.0%
Commercial Paper (bonds and promissory notes issued by corporations)	10.0%	0.0%
<b>TOTAL</b>		<b>100.00%</b>

Benchmarks as of 11/30/14:

3-Month U. S. T-Bill bond equivalent yield:	0.01%
3-Mo. Jumbo CDs	0.03%

Corvallis School District 509J  
Schedule of Cash Disbursements greater than or equal to \$1,000  
For the period of November 1, 2014 - November 30, 2014

<u>Fund, Object, Vendor</u>	<u>Amount</u>	<u>Fund, Object, Vendor</u>	<u>Amount</u>
<b>100 - General Fund</b>	<b>\$ 766,467.67</b>	<b>100 - General Fund Continued</b>	
<b>Consumable Supplies and Materials</b>	<b>\$ 37,795.45</b>	<b>Garbage</b>	<b>\$ 18,501.82</b>
COASTWIDE LABORATORIES	\$ 9,521.34	REPUBLIC SERVICES	\$ 18,501.82
HOME DEPOT CREDIT SERVICES	\$ 1,297.32	<b>Instructional, Professional and Technical Service</b>	<b>\$ 31,686.00</b>
OFFICE MAX	\$ 5,882.58	HELLO FOUNDATION	\$ 26,632.00
AMAZON.COM CREDIT SERVICES	\$ 3,625.80	WASHINGTON STATE SCHOOL FOR THE BLIND	\$ 5,054.00
GOVCONNECTION INC	\$ 2,130.10	<b>Away HS Playoffs and/or Tournaments</b>	<b>\$ 1,416.80</b>
PLATT ELECTRIC SUPPLY CO	\$ 3,023.78	COURTYARD BY MARRIOTT - HILLSBORO	\$ 1,416.80
SCHOOL SPECIALTY	\$ 1,311.40	<b>Copier Charges</b>	<b>\$ 12,833.39</b>
RAPID REFILL INK	\$ 1,876.51	OREGON STATE UNIVERSITY PRINTING	\$ 12,833.39
GRAINGER	\$ 1,874.07	<b>Accounts Payable</b>	<b>\$ 9,852.11</b>
INDUSTRIAL PIPE & SUPPLY CO INC	\$ 4,736.02	WELLS FARGO REMITTANCE CENTER	\$ 9,852.11
INSTIN, LLC	\$ 1,140.00	<b>Library Books</b>	<b>\$ 1,051.13</b>
JOSTENS INC	\$ 1,376.53	INGRAM LIBRARY SERVICES	\$ 1,051.13
<b>Other Non-instructional Professional and Technic</b>	<b>\$ 5,794.79</b>		
MAXIM HEALTHCARE SERVICES	\$ 1,906.65	<b>296 - Grants Fund</b>	<b>\$ 22,997.51</b>
STRUCTURED COMMUNICATION SYSTEMS	\$ 2,340.00	<b>Consumable Supplies and Materials</b>	<b>\$ 15,077.51</b>
HANDWRITING WITHOUT TEARS	\$ 1,548.14	OETC	\$ 3,880.35
<b>Printing and Binding</b>	<b>\$ 2,357.95</b>	SHIRT CIRCUIT	\$ 3,880.00
HENDERSONS OFFICE SYSTEMS	\$ 2,357.95	SCHOOL SPECIALTY	\$ 1,551.06
<b>Reimbursable Student Transportation</b>	<b>\$ 499,127.07</b>	PACIFIC LEARNERS	\$ 3,259.10
GO GET'EM TAXI AND TRANSPORT LLC	\$ 11,875.00	PLAY IT AGAIN SPORTS	\$ 2,507.00
DYE, MINDY	\$ 1,106.56	<b>Non-reimbursable Student Transportation</b>	<b>\$ 7,920.00</b>
FIRST STUDENT INC	\$ 486,145.51	FIRST STUDENT INC	\$ 7,920.00
<b>Repairs and Maintenance Services</b>	<b>\$ 13,619.59</b>		
ADVANCED WOODCRAFT	\$ 1,175.00	<b>297 - Student Body Funds</b>	<b>\$ 27,246.00</b>
EGNER ROOFING	\$ 4,783.00	<b>Consumable Supplies and Materials</b>	<b>\$ 11,935.61</b>
OMLID & SWINNEY	\$ 3,780.00	SHIRT CIRCUIT	\$ 3,301.34
PROCTOR SALES INC.	\$ 3,881.59	ADORAMA CAMERA	\$ 1,413.75
<b>Postage</b>	<b>\$ 3,561.47</b>	VARSITY FASHIONS	\$ 1,336.90
GARTEN SERVICES, INC	\$ 3,561.47	GTM SPORTSWEAR	\$ 1,745.82
<b>Fuel</b>	<b>\$ 2,367.36</b>	MEDCO COMPANY	\$ 1,489.90
BENTON COUNTY PUBLIC WORKS	\$ 2,367.36	CORVALLIS SPORTS PARK	\$ 2,647.90
<b>Electricity</b>	<b>\$ 50,128.42</b>	<b>Other Non-instructional Professional and Technic</b>	<b>\$ 1,328.39</b>
PACIFIC POWER AND LIGHT	\$ 50,128.42	MID-VALLEY SOCCER REFEREES ASSN	\$ 1,328.39
<b>Charter School Payments</b>	<b>\$ 47,888.01</b>	<b>Printing and Binding</b>	<b>\$ 11,940.00</b>
INAVALE COMMUNITY PARTNERS, INC	\$ 47,888.01	HERFF JONES - YEARBOOKS	\$ 11,940.00
<b>Telephone</b>	<b>\$ 4,652.97</b>	<b>Other Curricular Activities</b>	<b>\$ 2,042.00</b>
AT&T MOBILITY-ACCT#837370420 (TECH)	\$ 1,606.47	OREGON SCHOOL ACTIVITIES FOUNDATION	\$ 2,042.00
CENTURYLINK.	\$ 3,046.50		
<b>Other Communication Services</b>	<b>\$ 1,345.30</b>	<b>204 - District Donation Fund</b>	<b>\$ 18,524.41</b>
CENTURYLINK.	\$ 1,345.30	<b>Consumable Supplies and Materials</b>	<b>\$ 1,087.66</b>
<b>Water and Sewage</b>	<b>\$ 16,718.45</b>	PEAK SPORTS	\$ 1,087.66
CITY OF CORVALLIS	\$ 16,718.45	<b>Repairs and Maintenance Services</b>	<b>\$ 17,436.75</b>
<b>Legal Services</b>	<b>\$ 4,719.59</b>	MAJESTIC TURF	\$ 17,436.75
HUNGERFORD LAW FIRM LLP	\$ 4,719.59	APPLE, INC	\$ 1,898.00
<b>Periodicals</b>	<b>\$ 1,050.00</b>	<b>Copier Charges</b>	<b>\$ 17,916.14</b>
AVID CENTER	\$ 1,050.00	OREGON STATE UNIVERSITY PRINTING	\$ 17,916.14
		<b>Accounts Payable</b>	<b>\$ 9,549.93</b>
		WELLS FARGO REMITTANCE CENTER	\$ 9,549.93

<u>Fund, Object, Vendor</u>	<u>Amount</u>
<b>203 - Food Service Fund</b>	<b>\$ 54,979.33</b>
<b>Food - Food Service Only</b>	<b>\$ 17,793.04</b>
LOCHMEAD DAIRY	\$ 9,725.61
DUCK DELIVERY PRODUCE INC	\$ 4,892.64
FRANZ FAMILY BAKERIES	\$ 2,040.79
RIVERWOOD ORCHARD AND FARM	\$ 1,134.00
<b>Other Non-instructional Professional and Technic</b>	<b>\$ 1,141.00</b>
CORVALLIS CLINIC - OCCUPATIONAL MEDICINE	\$ 1,141.00
<b>Inventories</b>	<b>\$ 36,045.29</b>
MCDONALD WHOLESALE CO	\$ 25,039.60
SYSCO FOOD SERVICE	\$ 8,884.71
FOOD SERVICE OF AMERICA	\$ 2,120.98
<b>298 - Designated Revenue Fund</b>	<b>\$ 8,909.52</b>
<b>Computer Software</b>	<b>\$ 3,010.00</b>
NORTHWEST TECHNICAL PRODUCTS	\$ 3,010.00
<b>Consumable Supplies and Materials</b>	<b>\$ 1,494.31</b>
ENCO MANUFACTURING CO	\$ 1,494.31
<b>Travel, Student Out of District</b>	<b>\$ 2,507.21</b>
RHEINLANDER GERMAN RESTAURANT	\$ 2,507.21
<b>Advertising</b>	<b>\$ 1,898.00</b>
MID-VALLEY NEWSPAPERS-ALBANY	\$ 1,898.00
<b>601 - Insurance Fund</b>	<b>\$ 455,676.56</b>
<b>Other Non-instructional Professional and Technic</b>	<b>\$ 10,486.04</b>
BARKER-UERLINGS INSURANCE, INC	\$ 7,726.04
CPR WORKS, LLC	\$ 1,410.00
MCCARTIN ANALYTICAL SERVICES	\$ 1,350.00
<b>Group Insurance</b>	<b>\$ 445,190.52</b>
REGENCE BCBS OF OREGON	\$ 400,873.40
LIFEMAP ASSURANCE COMPANY	\$ 18,239.62
WILLAMETTE DENTAL GROUP (GROUP Z1329)	\$ 26,077.50
<b>208 - Construction Excise Tax &amp; Land Fund</b>	<b>\$ 15,125.50</b>
<b>Repairs and Maintenance Services</b>	<b>\$ 15,125.50</b>
REYNOLDS ELECTRIC, INC.	\$ 15,125.50
<b>Grand Total</b>	<b>\$ 1,369,926.50</b>



# Corvallis

SCHOOL DISTRICT

- X. EXECUTIVE SESSION - The Board will meet in Executive Session at 5:45 p.m. under ORS 192.660(2)(I) - Superintendent's mid-year evaluation/check-in on goals.
  
- XI. ADJOURNMENT

\*All times are approximate.

*Note: The Chair of the Board may alter the order of business as they deem proper and necessary.*



# Corvallis

## SCHOOL DISTRICT

Agendas – Agendas and supporting materials are available online at <https://v3.boardbook.org/Public/PublicHome.aspx?ak=1000829> a few days before each School Board meeting. For more information, please contact Kim Nelson at [kimberly.nelson@corvallis.k12.or.us](mailto:kimberly.nelson@corvallis.k12.or.us).

Communication With The School Board – Communication with the Board can be made by telephone, letter, e-mail and public testimony. Letters may be addressed to individual Board members or the Board as a whole and sent to 1555 SW 35<sup>th</sup> Street, Corvallis, OR 97333. E-mail may be sent to [schoolboard@corvallis.k12.or.us](mailto:schoolboard@corvallis.k12.or.us) and will be sent to all board members simultaneously as well as to key District Office staff. For more information, please contact Kim Nelson at [kimberly.nelson@corvallis.k12.or.us](mailto:kimberly.nelson@corvallis.k12.or.us).

Consolidated Action Agenda – The purpose of the consolidated action agenda is to expedite action on routine agenda items. All agenda items that are not held for discussion at the request of a Board member or staff member will be approved/accepted as written as part of the consolidated motion. Items designated or held for discussion will be acted upon individually.

### Public Comment –

Guidelines are at: <https://www.csd509j.net/about-us/school-board/provide-input-and-be-informed/>

Executive Session – Permissible purposes of Executive Sessions include: ORS 192.660(2)(a) – Employment of Public Officers, Employees and Agents; ORS 192.660(2)(b) – Discipline of Public Officers and Employees; ORS 192.660(2)(d) – Labor Negotiator Consultations; ORS 192.660(2)(e) – Real Property Transactions; ORS 192.660(2)(f) – Exempt Public Records; ORS 192.660(2)(h) – Legal Counsel; ORS 192.660(2)(i) – Performance Evaluations of Public Officers and Employees; ORS 192.660(2)(j) – Public Investments.

### Grievance Process - ORS 192.705

Grievances alleging a violation by a governing body of provisions in Public Meetings Law may be submitted in writing to Kim Nelson at [kim.nelson@corvallis.k12.or.us](mailto:kim.nelson@corvallis.k12.or.us) or submitted between 8:00 am – 5:00 pm Monday through Friday at 1555 SW 35<sup>th</sup> Street, Corvallis, OR 97333. Additional information is available on the district website.

<b>SCHOOL BOARD MEMBERS</b>			
Judah Largent	541-231-8415	Terese Jones, Co-Vice Chair	541-230-1673
Sami Al-Abdrabbuh	541-283-6611	Shauna Tominey, Co-Vice Chair	541-829-8411
Chris Hawkins	541-602-2045	Luhui Whitebear, Chair	541-714.3305
Bernie Wang	541-704-7298		

<b>EXECUTIVE STAFF MEMBERS</b>	
Ryan Noss, Superintendent	541-757-5841
Melissa Harder, Assistant Superintendent / Human Resources Director	541-766-4857
Lauren Wolfe, Finance Director	541-757-5874
Byron Bethards, Student Growth & Experience Director	541-757-5470
Kim Patten, Operations Director	541-757-3849
Kim Nelson, Executive Assistant to the Superintendent; Board Secretary	541-757-5841