

Date: March 3, 2009

To: District Business Managers

From: Michael Wiltfong, State School Fund Coordinator

Re: March 2, 2009 State School Fund Estimates

Good afternoon everyone:

In accordance with ORS 327.061(2), I have prepared a preliminary March State School Fund (SSF) estimate for 2009-10 based on the most current information and data available. You can view these estimates at the SSF website at the following URL: <http://www.ode.state.or.us/search/results/?id=168>

Due to the uncertainty of the current economic climate, I have decided to base this initial estimate on the Governor's Recommended Budget (GRB) from December 2008, as it is the most specific working budget for the SSF at this time. The intent of this estimate is to set a base amount for budgeting for the upcoming year and as updates are made, or information is provided by stakeholders and/or the media, to allow districts to either add to or subtract from the current amounts shown for comparison sake.

I am also well aware of the changes in revenues since the release of the GRB in December; however, there are still too many proposed 2009-11 funding scenarios currently circulating and it is still too early to say with any certainty how the Legislature will ultimately decide to fund K-12 education this next year. This is why I will provide you with a good rule of thumb: For every \$1 million adjustment in the SSF, an approximate adjustment of \$1.43 per ADMw will result. For example, if the SSF GF base is \$100 million less than the GRB, the result will be a reduction of \$143 per ADMw. If the reduction is \$200 million less than the GRB base, then the result will be approximately \$286 per ADMw less, and so on. This will allow you to make updates in real time vs. waiting for the next rebalance and posting of the SSF estimates.

This SSF estimate does not account for, or include 2009-10 School Improvement Funds (SIF), which are still considered a separate K-12 funding source at this time. GRB analysis combining both the SSF and SIF monies for 2009-10, which shows total amount available per ADMw is available online. Please see the State School Fund & School Improvement Fund Information page at the following URL:

<http://www.ode.state.or.us/search/page/?id=1363> and click on the link under Misc. items titled Governor's 2009-11 Recommended Budget and Estimated State School Fund \$/ADMw as of 1/30/2009  
<[http://www.ode.state.or.us/services/ssf/finance/estwarrants/ssf-budgets-and--per-admw-comparison-as-of-1\\_30\\_09-0846hrs-br.pdf](http://www.ode.state.or.us/services/ssf/finance/estwarrants/ssf-budgets-and--per-admw-comparison-as-of-1_30_09-0846hrs-br.pdf)> I can't stress enough that this March preliminary estimate is speculation at best and to use with caution.

I will also be making updates to the 2008-09 SSF estimates and posting information regarding the 2008-09 School Day Restoration Fund (SB 5552 and SB 581 (2009)) in the near future. In addition to the SIF and SSF grants, the establishment of the SDRF will add a third disbursement vehicle for 2008-09. Under the SDRF, payments will be based on a prorated amount of \$51 million and then the prorated rate will be multiplied by your district's ADMw. I will be posting a table showing amounts per district in the very near future. There are still a couple points of clarification that I need before I post this analysis.

In summary, there are still a lot of factors yet to be decided, and I hope to have a better sense of what to expect for the upcoming biennium in the next couple of weeks. Again, as qualified information is revealed to me I will make updates and announcements accordingly.