

Local Service Plan Requirements

Division 24: Standards for Education Service Districts, provide legal guidance for ESDs and their work. ORS 581-024-0205, specifically outlines the Core Services and Core Service Goals for ESDs.

“Core services:” major categories of services that districts must provide to include:

1. Services for children with special needs;
 2. Technology support;
 3. School improvement;
 4. Administrative and support.
- *Other services may be provided if approved in a local service plan.

“Core service goals:” The goals of a district in providing core services are to:

1. Improve student learning;
2. Enhance the quality of instruction;
3. Provide professional development to component school district employees;
4. Provide students equitable access to resources;
5. Maximize operational and fiscal efficiencies for component school districts.

Local Service Plan Timeline Requirements

ORS 334.175 5) A local service plan must:

- (a) Be adopted by the board of the education service district.
- (b) After being adopted by the board of the education service district, be approved on or before March 1 by resolution of two-thirds of the component school districts that are a part of the education service district and that have at least a majority of the pupils included in the average daily membership of the education service district, as determined by the reports of such school districts for the preceding year, enrolled in the schools of the school districts.

Opt Out Provision

SB 529 expands the intent of SB 250 which began a pilot of ESDs that would allow a school district within any of those ESDs to withdraw from their ESD. ORS 344.015 states:

“(3)(a) A school district board that chooses to withdraw a school district from the education service district must submit a notice of intent to withdraw to the board of directors of the education service district no later than November 1 of the year prior to the year in which the school district plans to withdraw from the education service district”.

“(b) A school district board that submitted a notice of intent to withdraw as provided by paragraph (a) of this subsection must submit a notice of withdrawal to the board of directors of the education service district no later than March 1 of the year in which the school district plans to withdraw from the education service district”

“The withdrawal of a school district from an education service district becomes effective on July 1 after the board of directors of the education service district issues the order described in subsection (3) of this section”.

Local Service Plan Design

The Local Service Plan has two tiers. Tier one includes services that meet “Core Service” OAR requirements, provide services to all districts, provide services equitably for all districts and stabilizes services. Tier two allows districts to choose what services they want to purchase by “ordering” services by a specified process/timeline. The district’s allotment of resolution dollars are subtracted from total order and the ESD will bill the district for any services above their resolution allotment.

Tier One: Core Services

Tier 1 services will be offered in each of the four core areas as unanimously agreed upon by participating component school district Superintendents.

Core Areas

Admin/Support
Technology
Special Education
School Improvement

Tier Two: Menu Services

Districts will select services that they want from a list of programs. Services will be ordered in units that the district determines based on their individual needs.

Flex Credits

Once the districts have ordered Tier 2 services and have remaining service credits they may access their resolution dollars through an interagency agreement under specific parameters.

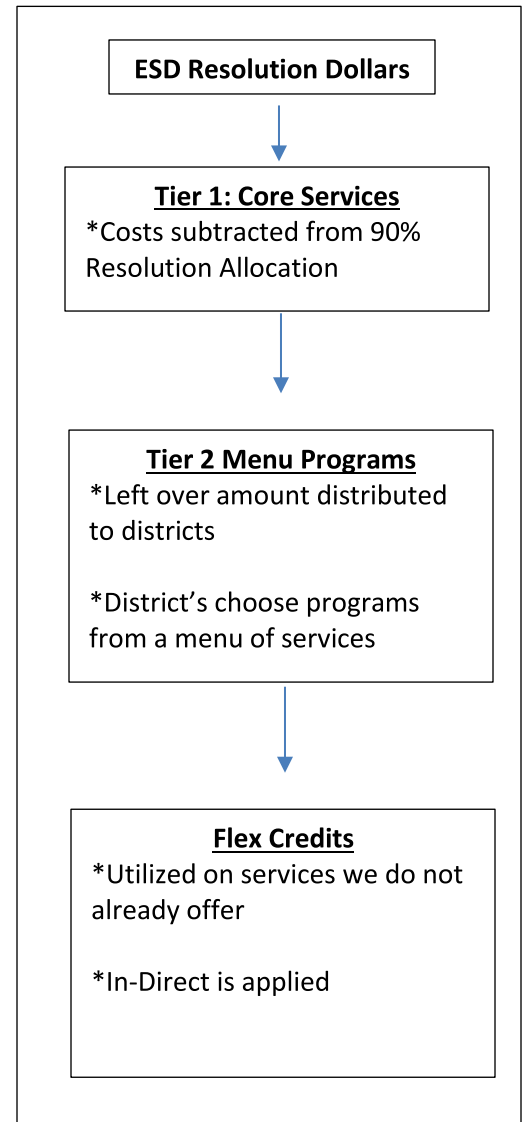
Flex Credit Parameters:

- Utilized for services we do not already offer
- In-direct will be applied to amount determined

Special Considerations

Brookings will receive 80% flex credits

- In-Direct will be applied
- 80% flex credits can be used to purchase any service regardless if the ESD offers the service
- If Brookings discontinues a Tier 2 service and then wishes to purchase the service back within the LSP year they will be billed the cost associated with reinstating the service.



ESD local service plan was ___ Approved ___ Not Approved on _____ (date) by _____ (district name).

LSP Agreements

Opt Out

Opt out legislation passed during the 2013 legislative session and will be fully implemented during the 2015-2016 school year. Opt out parameters adopted by the component school districts include:

- Districts who successfully complete the opt out process will receive 90% of the money designated for their school district in a given school year in cash payments.
- Districts who initiate the opt out process by the November 1 timeline will participate in Local Service Plan discussions but may not vote on the LSP for the current year.
- Districts who opt out and wish to purchase services will be charged an “out of district” fee.

Out of District Fee Formula

School districts that choose to opt out of the ESD and as a result the consortium will unfortunately cause our districts unit costs to rise by the amount of in-direct lost from the resolution dollars that will go directly to the district. As a result, the ESD and the component district determined that an out of district fee would be assessed for any district that opted out and wanted to buy back services. With the concept in mind that the ESD did not want to make money off of the opt out districts rather just break even the following formula was developed.

Out of District Fee = Indirect Fee + Buy Back Fee*Buyback
Buy Back Fee= Reduction of Indirect/Total Amount of Buyback

In-Direct Calculation

In-direct is calculated using the “Breakeven” concept. Essentially, the ESD will only collect the amount of money for in-direct that it needs to run the overhead portion of the ESD that is not supported by the 10% provided in the state school fund.

The ESD will provide districts with a cost breakdown of the overhead budgets, revenues obtained from other sources and the amount needed to sustain the overhead program. In-direct is applied to each program and not to the whole of the resolution dollars. As a result, districts pay in-direct only on the programs that they purchase.

May Adjustment Language

1. To begin the LSP process, the ESD will base the ESDs budget and district allocation using the information and recommendations at our disposal.
2. The ESD will revise the budget and allocation in May reflecting the most recent estimate adjusted by any prior year corrections.
3. The total cost of Tier 1 services will be subtracted.
4. The May current year adjusted total of the ESD allocation, plus or minus prior year corrections, minus Tier 1 services will be distributed to districts to utilize in the Tier 2 menu system.
5. In-direct will be adjusted with the May SSF adjustment, and district order amounts to the “breakeven” formula.
6. The unit costs will be adjusted to reflect that change.
7. SSF allocation and total order costs will be redistributed to districts.