



*EACH AND EVERY CHILD PREPARED
FOR A WORLD YET TO BE IMAGINED*

**Reynolds School District
Board of Education Regular**

January 27, 2021

7:00 PM

Virtual Meeting

I. **6:00p - Executive Session**

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The Reynolds School Board and the Superintendent will recess into Executive Session at 6:00p, under ORS 192.660(2)(b) Personnel, ORS 192.660(2)(d) Negotiations, ORS 192.660(2)(e) Real Estate, and ORS 192.660(2)(h) Legal Counsel. Executive Session is closed to the public.

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent
Subject: **Executive Session**
Policy: [Executive Session - BDC](#)
Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

The Reynolds School Board and the Superintendent will recess into Executive Session at 6:00p, under ORS 192.660(2)(a) Personnel, ORS 192.660(2)(d) Negotiations, ORS 192.660(2)(e) Real Estate, and ORS 192.660(2)(h) Legal Counsel.

Executive Session is closed to the public.

Previous Board Action:

Not Applicable

Background:

Not Applicable

Financial Implications:

Not Applicable

Alternatives:

Not Applicable

Staff Recommendation:

Not Applicable

Motion:

Not Applicable

To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Call to Order and Land Use Acknowledgement

Policy: [Board Meetings BD/BDA](#)
[Conduct of Board Meetings BDDF](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

- a. Call to Order
- b. Pledge of Allegiance
- c. Land Use Acknowledgement
- d. Approval of the January 27, 2021 Agenda

On March 17, Governor Kate Brown temporarily suspended public gatherings in response to the COVID-19 pandemic. Because of this order, Reynolds School District Board Meetings will be virtual until further notice.

Although members of the board are not gathered in a central, physical location, we do have a quorum present at this meeting by video-conferencing.

Land Acknowledgement

We will open tonight's meeting by acknowledging the traditional Indigenous inhabitants of this land. The purpose of these statements is to show respect for indigenous peoples and recognize their enduring relationship to the land. Practicing acknowledgment can also raise awareness about histories that are often suppressed or forgotten.

Motion:

I move to approve the January 21, 2021 agenda as presented.



Land Use Acknowledgment & Guidelines



Approved and Adopted on May 27, 2020

Reynolds School District expresses our gratitude and appreciation to traditional village sites of the Multnomah, Kathlamet, Clackamas, bands of Chinook, Tualatin, Kalapuya, Molalla and many other Tribes who made their homes along the Columbia River, and which is now home to a vibrant native community representing over 400 different tribal nations.

We believe that it is our responsibility as a school district to educate our students, staff and families about the true history of colonialism and the continued need to address colonialism today. This land acknowledgement will encourage our community to reflect upon the land we are standing on and engage in conversations centered in honoring the land.

Land acknowledgments will take place in conjunction with the Pledge of Allegiance, which will be recited after the Land Use Acknowledgement, during the following times:

- School Board meetings
- District-wide community meetings
- School assemblies
- Athletic Competitions
- Parent and community school evening events

Land Use Acknowledgment

We respectfully acknowledge that the land on which we are gathering today is the traditional homeland of a diverse array of indigenous tribes and bands. Multnomah County rests on traditional village sites of the Multnomah, Wasco, Cowlitz, Kathlamet, Clackamas, Bands of Chinook, Tualatin, Kalapuya, Molalla, and many other tribes who made their homes along the Columbia River, creating communities and summer encampments to harvest and use the plentiful natural resources of the area. Multnomah County is now home to a vibrant indigenous community representing over 400 different tribal nations.

We recognize Indigenous peoples as the traditional stewards of this land and acknowledge the enduring relationship between the land and the people since time immemorial. We make this acknowledgement to open a space of recognition, inclusion, and respect for our sovereign tribal partners and all indigenous students, families, and staff in our community.

- A. Pledge of Allegiance
 - B. Land Acknowledgement
 - C. Consider Approval of the January 27, 2021 Agenda
- III. **7:10p - Board Recognition**

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To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Stephanie Field, Director of Communication and Community Relations

Subject: Board Recognition

Policy: [Community Relations - KAA](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

The Board will publicly recognize students, staff, and community partners including:

- Student Recognition: Jaxson Vang
- Community Partner/Volunteer Recognition: Millie Poland
- Staff Recognition: James Anderson and Stephen Anderson

Summary:

The Reynolds School District School Board would like to read the following proposed Resolutions at this time:

- Resolution 2020-2021-012 Proclaiming the Celebration of Black History Month
- Resolution 2020-2021-014 Proclaiming the Celebration of National School Counseling Week
- Resolution 2020-2021-015 Proclaiming the Celebration of National School Bus Driver Appreciation Day

The Board will take action on resolutions later in the Consent Agenda.



Reynolds School Board
STUDENT RECOGNITION

January 2021

Jaxson Vang





Reynolds School Board
VOLUNTEER OF THE MONTH

January 2021

Millie Poland





Reynolds School Board
STAFF RECOGNITION

January 2021

**James Anderson &
Stephen Anderson**





RESOLUTION #2020-2021-012

**PROCLAIMING THE CELEBRATION OF
BLACK HISTORY MONTH**

WHEREAS, Black History Month is in the United States a historic tradition beginning in 1926 when historian Carter G. Woodson and the Association of Negro Life and History dedicated the second week in February as “Negro History Week”;

WHEREAS, in 1976, as part of the nation’s bicentennial, Black History Week was expanded and became established as Black History Month, and is now celebrated all over North America;

WHEREAS, the rich inventions, courage, resolve, and cultural influences delivered to the nation by African Americans have been traditionally recognized regionally by the state of Oregon;

WHEREAS, it is appropriate that all citizens reflect upon, cherish, and sustain the contributions that black individuals – both past and contemporary – have made to our nation: Marian Anderson; Maya Angelou; Louis Armstrong; Mary McLeod Bethune; Frederick Douglass; Duke Ellington; Louis Gossett, Jr.; Alex Haley; Kamala Harris; Zora Neale Hurston; Thurgood Marshall; Barack Obama; Colin Powell; Rosa Parks; Leontyne Price; Paul Robeson; Alice Walker; Phyllis Wheatley; and many more; and;

WHEREAS, such people have sacrificed so that we may progress and be inspired during hard times, and encouraged to celebrate and rejoice during happy times; now, therefore,

BE IT RESOLVED that Reynolds School District does hereby proclaim February 2021 as Black History Month. The struggles and achievements of Black people and their role in America’s history profoundly influences and enriches the culture of the United States. Reynolds School District acknowledges these contributions and reaffirms its ongoing commitment to building awareness and an inclusive society.

Adopted this 27th day of January 2021.

Signed:

Chair, Reynolds School District Board of Directors

Attest:

Superintendent/Clerk



RESOLUTION #2020-2021-014

**RESOLUTION PROCLAIMING THE CELEBRATION OF
NATIONAL SCHOOL COUNSELING WEEK IN THE
REYNOLDS SCHOOL DISTRICT**

WHEREAS, the American School Counselor Association has designated February 1-5, 2021, as “National School Counseling Week;”

WHEREAS, 40 school counselors are employed with Reynolds School District to help students reach their full potential;

WHEREAS, school counselors are actively committed to helping student explore their abilities, strengths, interests, and talents as these traits relate to career awareness and development;

WHEREAS, school counselors help parents focus on ways to further the educational, personal, and social growth of their children;

WHEREAS, school counselors work with teachers and other educators to help students explore their potential and set realistic goals for themselves;

WHEREAS, school counselors seek to identify and utilize community resources that can enhance and complement comprehensive school counseling programs and help students become productive members of society;

WHEREAS, comprehensive developmental school counseling programs are considered an integral part of the educational process that enables all students to achieve success in school;

NOW, THEREFORE, BE IT RESOLVED, Reynolds School District publicly thanks the school counselors at each school for providing a vital support system for our school district.

BE IT FURTHER RESOLVED, the Superintendent or her designee shall celebrate National School Counseling Week from February 1-5, 2021.

Adopted this 27th day of January 2021.

Signed:

Chair, Reynolds School District Board of Directors

Attest:

Superintendent/Clerk



RESOLUTION #2020-2021-015

**RESOLUTION PROCLAIMING THE CELEBRATION OF
NATIONAL SCHOOL BUS DRIVER APPRECIATION
DAY IN THE REYNOLDS SCHOOL DISTRICT**

WHEREAS, 95 licensed school bus drivers, 13 Transportation office staff, and two Transportation supervisors transport a majority of the district's students safely to and from school each day;

WHEREAS, school bus drivers travel each year on regular routes, field trip routes, vocational routes, and special education routes;

WHEREAS, the safety and well-being of these children are of utmost concern to all Reynolds parents; school administrators entrust school bus drivers with the welfare of these children; the position of a school bus driver requires tremendous responsibility; they are to maneuver through traffic regardless of road conditions while maintaining the conduct of children on the bus and are looked to for leadership and life-saving decision-making in the event of an emergency;

WHEREAS, the National Safety Council has documented the far smaller number of accidents and fatalities per capita on school buses than automobiles;

WHEREAS, school bus drivers direct children while they are exiting the bus at their destination; school bus drivers are able to observe any suspicious activity or people along their bus route and communicate that information to proper authorities;

NOW, THEREFORE, BE IT RESOLVED, Reynolds School District publicly thanks the school bus drivers and Transportation office staff for their hard work and dedication in providing a safe ride to and from school for the students in our school district.

BE IT FURTHER RESOLVED, the Superintendent or her designee shall celebrate National School Bus Driver Appreciation Day on February 22, 2021.

Adopted this 27th day of January 2021.

Signed:

Chair, Reynolds School District Board of Directors

Attest:

Superintendent/Clerk

IV. **7:20p - Public to be Heard**

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Members of the public will address the board with comments and the board will listen only. Public Comment will be limited to 7 speakers with 3 minutes each. Forms must be turned in before the meeting start time.

To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Public to be Heard

Policy: [Public to be Heard - BDDH](#)
[Public Comment at Board Meetings - BDDH-AR](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

Members of the public will address the Board with comments and the Board will listen only. The Board may choose not to address a request if it does not fall within the scope of Board Governance. Oregon law prohibits the Board from discussing specific employees or their job performance.

Those wishing to speak must complete a Public Comment Form on the RSD website between Friday at 5p and Monday at 5p, before the meeting.

Public comment will be limited to the first seven forms turned in. All other submissions will be given to the Board as written comment.

Those providing spoken comment will be moved from attendee to panelists during the Public Comment portion of the agenda. Each speaker will have three minutes. There will be a timer on the screen, giving them warnings when they have one minute left and again at 30 seconds left.

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Bargaining Group Updates

Policy: [Board Meetings - BD/BDA](#), [Conduct of Board Meetings - BDDF](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

Each Bargaining Group, Reynolds Education Association (REA), Oregon School Employees Association, Chapter 37 (OSEA), and Reynolds Administrative Group (RAA) will provide the Board of Directors with updates.

Previous Board Action:

Not Applicable

Background:

Not Applicable

Financial Implications:

Not Applicable

Alternatives:

Not Applicable

Staff Recommendation:

Not Applicable

Motion:

Not Applicable

- VI. **7:45p - Presentation to the Board**
 - A. RMS Washington D.C. Field Trip

To: Board of Directors

From: Dr. Angela Freeman, Executive Director of Schools

Prepared by: Shaunice Silas, Principal of Reynolds Middle School

Subject: Washington D.C. Field Trip

Policy: [Fields Trips and Special Events - IICA](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

We will be leaving the week after school ends, flying to Washington D.C., spending 3 days there visiting memorials, museums, Arlington Cemetery, the Capital building, the White House, and several other cities. We then travel by train to New York City where we will spend 2 days exploring Central Park, Time Square, the 9/11 Memorial, the Statue of Liberty, Ellis Island, and attending a Broadway play before returning home. We will travel by coach bus to the various locations in New York and Washington D.C.

Previous Board Action:

Not Applicable

Background:

For the past 4 years Brad Jubitz has taken a group of kids to Washington D.C.; along with Diane Bowlby. We work with a Travel Agency called World Stride. They've been doing this since the 1960's. The trip is not school sponsored, but I do utilize the recourses here at school to communicate with the families. We do fundraisers to help offset the cost of the trip. It can cost between \$2,400-\$3,000 per student, depending on where we go. The trip we were supposed to go on last Spring Break was cancelled due to COVID-19. We are planning to take the trip to Washington D.C. and New York the week following the end of school. There are 4 students and one parent who are going; as well as Diane Bowlby or Brad Jubitz.

Financial Implications:

Item	Amount	TOTAL \$ 3,000.00
Lodging, food, instruction	*included in price	\$
Transportation	*included in price	

All funds allocated and budgeted are not from the RMS building budget. Students and family paid for the trip through fundraising and personal accounts.

Alternatives:

Should this proposal not be approved by the Reynolds School District School Board, Reynolds Middle School would work to provide the learning experience in an alternate manner.

Staff Recommendation:

On behalf of the RMS and World Stride, we request the proposal for approval be made for the World Stride weeklong trip to Washington D.C.

Motion:

I move that the Board approve the RMS field trip to Washington D.C.



SUPPORTING EDUCATIONAL TRAVEL

A Guide for School Administration

SPRING 2020

Our History & Mission

Our History

In 1964, a middle school social studies teacher from Chicago discovered the incredible educational experience of traveling to Washington, D.C., with his students. He was so encouraged by the powerful effects travel had on his students' eagerness and ability to learn, that he left teaching in 1967 to found Lakeland Tours. His vision to make educational travel easy, fun, and safe for teachers and students came to fruition as Lakeland Tours grew and became the leader in educational student travel.

Who We Are Today

For over 50 years, WorldStrides has set itself apart as the premier student travel organization in the nation. From 1998 to 2000, Lakeland Tours joined forces with other leaders in the educational student travel field—American Student Travel, Bowl Games of America, Educational Field Studies, Heritage Festivals, and Wider Horizons—to form WorldStrides, an organization that provides the highest quality educational travel programs available in the country. Since then, WorldStrides has continued to expand its program offerings by bringing Classic Festivals, the Field Studies Center of New York, the Accent Travel Group, TravelMBA, New Century Tours, Casterbridge Tours, NETC, WorldPass, Explorica, ISA, TEAN, Envision, and others into the WorldStrides family. When you choose WorldStrides, you can feel confident that you've made the best choice for your students.

Our Mission

All WorldStrides programs are united under our mission, "Igniting personal growth for students through travel at every stage of development." We strive to extend education into the worldwide classroom for students of all ages and to provide the best opportunity for learning through seeing, experiencing, and interacting.

Financial Strength

WorldStrides is backed by the financial strength of Eurazio, a worldwide leader in global investment. In addition, WorldStrides' stability and commitment to excellence are also shown through our membership in the United States Tour Operators Association (USTOA) Travelers Assistance Program, which provides the best consumer protection plan in the industry.

Accreditation

WorldStrides satisfies the same educational standards as public and private schools across the country, and is accredited by regional accrediting bodies across the United States:

- › AdvancED (parent organization for the Northwest Accreditation Commission, the North Central Association Commission on Accreditation and School Improvement, and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement)
- › Western Association of Schools and Colleges
- › Middle States Association of Colleges and Schools

WorldStrides also maintains university partner relationship with the University of California San Diego. It's this relationship that allows us to offer students in grades 9 to 12 free college preparatory credit.

Our History & Mission CONT.

Professional Affiliations

WorldStrides maintains various professional partnerships to guarantee our reputation of quality, including:

EDUCATIONAL ORGANIZATIONS

- › Center for Civic Education
- › Colonial Williamsburg
- › Monticello
- › Mount Vernon
- › United States Holocaust Memorial Museum
- › Students Against Destructive Decisions (SADD)
- › National Wildlife Federation Academic Associations

ACADEMIC ASSOCIATIONS

- › National Council for the Social Studies (NCSS)
- › Association for Middle Level Education (AMLE)
- › National Science Teachers Association (NSTA)
- › International Baccalaureate Organization (IBO)
- › National Association of Elementary School Principals (NAESP)

- › National Association of Secondary School Principals (NASPP)
- › International Association for K-12 Online Learning (INACOL)

APPROVED PROFESSIONAL DEVELOPMENT PROVIDERS

- › Georgia Department of Education
- › Illinois State Board of Education
- › Michigan Institute for Educational Management
- › New Jersey Department of Education
- › Pennsylvania Department of Education
- › Texas State Board of Education
- › Washington State Board of Education (Approved provider for the FLAG Foundation)

TRAVEL ASSOCIATIONS

- › United States Tour Operators Association (USTOA)
- › Student and Youth Travel Association of North America (SYTA)
- › National Tour Association (NTA)
- › Washington, D.C. Convention and Visitors Association
- › American Society of Travel Agents (ASTA)
- › International Airlines Travel Agent Network (IATAN)
- › Airlines Reporting Corporation

The WorldStrides Team

Your group’s leader will have a passionate and professional team of travel experts who will work closely with your group from the time you decide to lead a WorldStrides program until your group returns home safely. Our primary goal is to provide a safe and secure travel experience. Without a focus on safety, our programs could not exist. We strive to inspire students and enrich their lives by taking them beyond classroom walls and providing a unique, experiential educational program. WorldStrides has a staff of more than 1,800 professionals, many of whom are former educators, and all of whom are dedicated to making sure every aspect of your program is a success.

Our Customers Say It Best...

“Thank you for employing individuals like [my Account Manager] so that teachers like me have the confidence to take young adults safely across the country and back! Thank you again for the fine program you offer.” Ronda, Teacher, CA

“It is [your] steadfastness to duty, attention to detail, and friendly, courteous, and solicitous demeanor that keeps me coming back year after year with WorldStrides.” Michael, Teacher, LA

“I’m impressed with Stephen [my Course Leader] because he doesn’t just give the students information, he makes it fun.” Mrs. Newman, Parent, IN

“As a U.S. History teacher, I was singularly impressed with our tour guide. She enriched the experience with her exemplary demeanor, character, and professionalism. When coupled with the high degree of skill and motivation in sharing our nation’s capital with a group of eighth-grade students, you have a one-in-a-million tour guide.” Dave, Teacher, CA

At a Glance

For a group like yours, it is critical that your travel provider has the resources and experience necessary to smoothly and efficiently coordinate a youth group in the areas that you will visit. We are confident that our over 50 years as a student travel specialist provides us with this level of experience.

Educational travel requires special skills that go far beyond making simple hotel and airline reservations. When emergencies arise, this experience is important. We also realize that price is important, and our prices consistently provide the highest value for your students' money.

Not all companies are the same, have the same priorities, or provide the same experience. WorldStrides sets the bar high. In terms of safety, education, and passion for student travel, our team has consistently beaten all other competitors. WorldStrides is the standard by which every other company measures themselves.

Experience with Youth Groups

Number of years in student travel business	<input checked="" type="checkbox"/> 50+
Number of participants during this period	<input checked="" type="checkbox"/> 9 million+
Number of participants per year	<input checked="" type="checkbox"/> 450,000
Number of educators that partner with us each year	<input checked="" type="checkbox"/> 50,000+
Number of full-time staff dedicated to youth group travel programs	<input checked="" type="checkbox"/> 1,800+

Be sure your organization has the experience you deserve.

Qualifications to Coordinate Your Program

Does the organization have a 24/7 Tour Central (local support) office?	<input checked="" type="checkbox"/> Yes
Does the organization employ and train its own Course Leaders?	<input checked="" type="checkbox"/> Yes
Will a staff member stay at the hotel with the group?	<input checked="" type="checkbox"/> Yes
Does the organization provide detailed training for its staff on how to best work with students?	<input checked="" type="checkbox"/> Yes

Your group is at risk without appropriate contingency plans.

Educational Focus

Does the organization employ a full-time curriculum and academics team?	<input checked="" type="checkbox"/> Yes
Does the organization offer students the opportunity to earn high school and even college credit?	<input checked="" type="checkbox"/> Yes
Does the organization offer teachers the opportunity to earn professional development?	<input checked="" type="checkbox"/> Yes
Is the organization accredited by regional accrediting bodies across the United States?	<input checked="" type="checkbox"/> Yes
Who issues accreditation for the organization?	
> Western Association of Schools and Colleges	<input checked="" type="checkbox"/> WASC
> Middle States Association Commissions on Elementary and Secondary Schools	<input checked="" type="checkbox"/> MSA
> AdvancED (parent organization for the Northwest Accreditation Commission, North Central Association Commission on Accreditation and School Improvement, Southern Association of Colleges and Schools, and Council on Accreditation and School Improvement)	<input checked="" type="checkbox"/> AdvancED (NWAC, NCACASI, SACS, and CASI)

At a Glance CONT.

Insurance and Consumer Protection

Does the organization maintain liability insurance?

Yes

Does this coverage apply to the Program Leader (teacher)?

Yes

What are the limits of this policy?

\$55 million

What is the cost for supplemental medical and dental insurance?

\$0

Who pays if an emergency mandates an itinerary change?

WorldStrides

Does the organization maintain USTOA consumer protection?

Yes

Amount of deposits covered by consumer protection

\$1 million

Insurance and consumer protection are there to keep you safe.

Educational Travel Programs vs. School Field Trips

Because WorldStrides programs are typically non-school-sponsored, they do not follow the traditional model of a school field trip. When you let your administration know about your plans to travel, it may be helpful for you to highlight the points outlined below. These points will ensure that they don't confuse your program with a school field trip that would require a more official approval process.

NON-SCHOOL-SPONSORED STATUS

Unlike a school field trip, a WorldStrides educational travel program is not sponsored by the school and does not require the school or school district to allocate funds.

PROGRAMS DON'T OCCUR DURING SCHOOL TIME

Just like a part-time job or a camp or youth sport/activity that a student chooses to participate in, a WorldStrides program does not result in lost class time for students or the need for a substitute instructor when a teacher leads a program.

VOLUNTARY STUDENT PARTICIPATION

Since the trip is not paid for by the school and does not take place during school time, neither the school nor the students are obligated to participate. Similar to summer camp, this program is available for all students, but only some will decide to go.

Summer camps, supplemental enrichment programs, Boy Scouts and Girl Scouts, and even the Little League are all non-school-sponsored programs that are embraced by the community and promoted in schools. Most administrators are very supportive of WorldStrides educational travel programs. Below is a simple approach many of our Program Leaders have found easy and successful.

A Simple Approach to Presenting Your Program

01. Present the information packet that was sent to you by your WorldStrides representative. This shows your administrator the quality of our programs and the strengths that have made WorldStrides the nation's leader in student travel. The packet will also answer any questions they may have about our unmatched safety record and extensive liability coverage. In fact, WorldStrides can name you and your school as co-insured, protecting you with the power of the most comprehensive insurance policy in the student travel industry.
02. Explain which accredited program you have chosen and the educational value of the experience. Include the dates you plan to travel, so your administration understands that the trip won't happen during school time and will not result in missed classes for you or your students. Since the trip is not paid for by the school and is non-school-sponsored, students are never obligated to attend.
03. Offer to connect administrators with WorldStrides references so they can hear firsthand from teachers and administrators in your area who have enriched students' lives through travel with WorldStrides programs. If your

	SCHOOL FIELD TRIP	WORLDSTRIDES PROGRAM
WHEN THE TRIP OCCURS	During school time	During summer or school holidays
HOW THE TRIP IS FUNDED	With school or school district money	By individual parents and students
WHO ATTENDS	All students	Only students who choose to go
HOW FUNDS ARE COLLECTED	Teachers and school administration collect money from students	Billing and payment collection is done completely outside of school by WorldStrides
HOW PARENTS' QUESTIONS AND CONCERNS ARE HANDLED	Calls flow through the school secretary and school office	Calls are directed to the teacher after school hours or are answered by WorldStrides' customer service department

Value: Programs

All-inclusive Price | WorldStrides Offers Inclusive Travel Packages for Our Programs

- > Teachers travel free with the first 15 students (ratio can be customized)
- > For each additional 15 students who travel, teachers can bring along another adult
- > Round-trip transportation to destination city
- > Deluxe motorcoach transportation at your destination
- > Quality hotel accommodations
- > Free high school credit for middle and high school students
- > College preparatory credit for traveling high school students
- > Professional development for educators
- > Specially trained Course Leaders
- > Educational tools to support your program before you leave, on your trip, and after you return
- > Professional Night Chaperones, in addition to hotel security, when traveling on select programs
- > All reservations and logistical planning
- > Tour Central offices to assist 24 hours a day
- > 3 hearty meals (unless otherwise stated in your trip materials)
- > Comprehensive accident, illness, and accident-related dental insurance for all participants
- > 24-hour Doctors on Call program to provide in-hotel or phone consultations for participants
- > All admissions and fees (fees for checked luggage are the responsibility of each traveler)

Quality Customer Service | WorldStrides Provides All Customer Service

- > A personal Account Manager to assist you in planning your program every step of the way
- > An Account Support Representative to assist you in the rare case that your Account Manager is unavailable
- > Customer Service Department to handle all parent inquiries
- > A personal Financial Services Representative to handle all accounting and invoicing services for your group and assist in allocating fundraising monies
- > Online resources for educators and parents at www.worldstrides.com

Fundraising and Financial Assistance

Your group's personal Financial Services Representative will assist you in any fundraising that you or your school decide to do. WorldStrides offers nearly \$2.5 million in FLAG financial assistance annually, as well as the unique Gift of Education program, which has helped thousands of students raise millions of dollars over the years. You can access our fundraising website at worldstridesfundraising.com for ideas, tips on grant writing, a list of outside companies that participate in fundraising efforts, and forms to help you keep track of the money you raise.

We Take Care of the Billing

WorldStrides directly handles all financial responsibility. We set up an individual payment plan for each participant and bill each family directly. If requirements with the group differ, other payment plans can be arranged. In the event that a parent is having difficulties with a final payment, please encourage them to call our customer service department. We may be able to make special payment arrangements on a case-by-case basis. The school and the Program Leader do not need to collect money or worry about payment deadlines.

Benefits of Traveling with the Industry Leader

For over 50 years, WorldStrides has been enriching students' lives by providing top quality educational travel programs. Our staff of more than 1,800 professionals is dedicated to serve you. Our accredited programs and commitment to excellence make us the leader in educational student travel.

Safety & Security

24/7 Tour Central Office

We maintain a Tour Central office that can be reached 24 hours a day, 7 days a week, because safety is our first priority. Should your group require an extended stay due to an airline problem or weather-related issue, our Tour Central office will make arrangements to accommodate your group (hotel, meals, re-booking airline seats, and providing additional bus usage) at no additional charge to you or your students.

Extensive Emergency Manual

We have developed an extensive emergency manual that details how we will deal with all types of emergency situations, and all of our on-site staff members have been trained to carry out these plans. Set procedures, checklists, and immediate access to correct phone numbers will result in faster and more accurate responses, which is critical when dealing with an emergency situation.

Night Chaperones

Our Night Chaperones (evening security) are given extensive training on how to supervise student groups. We also complete criminal background checks on all new applicants before they begin work. Night Chaperones are available on all East Coast, West Coast, Illinois History, and Florida programs. High-quality Night Chaperones are an integral part of our safety net and allow you to get the rest you need while on tour.

On-site Coordinators

WorldStrides On-site Coordinators stay with your group at each hotel on East Coast, West Coast, and Illinois History programs. These individuals will assist with hotel check-in and check-out, be available to answer questions and make necessary adjustments to individual group itineraries, assist with any emergency that may arise, and host an adult hospitality suite each evening with refreshments and snacks. WorldStrides will have additional staff members who will meet your group upon arrival to the East Coast, as well as when the group departs for home. This helps ensure that all facets of airport arrival and departure run smoothly.

Liability Insurance

We maintain an industry-leading multi-million dollar level of liability coverage. Our insurance automatically covers teachers, chaperones, and the school. WorldStrides' insurance is truly geared to protect you. Additionally, accident, illness, and accident-related dental insurance coverage are provided for WorldStrides program participants. Limits per single occurrence are \$7,500 for accident, \$1,500 for illness, and \$750 for accident-related dental.

United States Tour Operators Association (USTOA)

As an Active Member of USTOA, WorldStrides is required to post \$1 million with USTOA to be used to reimburse, in accordance with the terms and conditions of the USTOA Travelers Assistance Program, the advance payments of WorldStrides customers in the unlikely event of WorldStrides' bankruptcy, insolvency or cessation of business. Further, you should understand that the \$1 million posted by WorldStrides may be sufficient to provide only a partial recovery of the advance payments received by WorldStrides. Complete details of the USTOA Travelers Assistance Program may be obtained by writing to USTOA at 275 Madison Avenue, Suite 2014, New York, New York 10016, or by e-mail to information@ustoa.com or by visiting their website at www.ustoa.com.

Full Refund Program

The Full Refund Program protects the investments of your students, their families, and the community. If the participant, the teacher, the school, or the school's administration cancels prior to trip departure, the participant will receive a refund of the money they've paid (less the cost of the Full Refund Program)—regardless of the reason. Participation in this program is optional, though highly recommended. Through this program, WorldStrides has returned millions of dollars to thousands of families who were forced to cancel for countless unexpected situations.

Student Supervision & Safety

Planning for a Safe Experience before Departure

BEHAVIOR CONTRACT

Safety is the number-one priority at WorldStrides. All participants are expected to demonstrate high standards of conduct, courteousness, and consideration toward others. Students and their parent/legal guardian must sign a behavior contract so everyone understands the proper rules of conduct. Students behaving inappropriately while on the program may be sent home at the parent's expense.

MEDICAL RELEASE FORM

A parent/legal guardian for each participant must complete a medical release form and provide emergency contact information and authorization for treatment in the event of an emergency. Teachers carry all medical release forms throughout the trip.

Ensuring Students' Safety While on the Program

ADULT SUPERVISION

With a chaperone-to-student ratio of 1:15 (can be customized to fit your group's needs), students receive proper attention and supervision. The Program Leader will identify the adult chaperones for the program. WorldStrides suggests selecting adults who are flexible, helpful, and comfortable with the students. Please note that at selected sites, students may be allowed the freedom to explore on their own.

COURSELEADERS

A specially trained Course Leader guides each group throughout your WorldStrides program. Course Leaders devote 100% of their attention to the students, challenging them to assess and apply what they learn through firsthand experience so they take the most away from the program. Students also follow a busy schedule, so their days are full of planned activities with adult supervision.

Emergency Services

TOUR CENTRAL

WorldStrides' Tour Central offices are located in Washington, D.C., New York City, and Williamsburg, VA, and are staffed by full-time WorldStrides employees. These individuals are available 24 hours a day, 7 days a week to handle emergencies and accommodate the needs of all traveling teachers and students.

WORLDSTRIDES NAMETAGS

Throughout the trip, all students wear WorldStrides name tags with WorldStrides' emergency contact information. The back of this badge contains the Tour Central phone number, giving every student quick access to a WorldStrides employee. In the unlikely event of a problem, help is never more than a phone call away.

DOCTORS ON CALL PROGRAM

WorldStrides has an exclusive partnership with The George Washington University Department of Emergency Medicine. A George Washington University doctor serves on our staff as the WorldStrides Medical Director, overseeing medical response planning for the organization and providing direct case management in the event of a medical response issue anywhere in the world. Our partnership gives us access to doctors who are available 24 hours a day to provide in-hotel emergency care to all our traveling students, parents, and teachers in the Washington, D.C. area and phone consultations for travelers in other locations. This program offers teachers and students the unparalleled benefit of receiving care in the comfort of their own hotel rooms while minimizing disruption to the entire group.

Student Supervision & Safety CONT.

WorldStrides Selects Its Suppliers with Safety in Mind

HOTELS

WorldStrides pre-screens its properties and selects only those which are safe, comfortable, and high quality. WorldStrides typically uses hotels such as Marriott, Holiday Inn, Ramada Inn, or comparable. For added security, WorldStrides books only hotels with inside corridors and hallways and provides additional night security (in most destinations).

TRAVEL ARRANGEMENTS

WorldStrides contracts with major airlines such as American Airlines, Delta Airlines, Southwest Airlines, United Airlines, or comparable. Typically, WorldStrides meets the group upon arrival at their destination.

SUPPLIERS

WorldStrides only works with companies who share WorldStrides' high safety and quality standards. WorldStrides thoroughly screens and regularly evaluates motor coach drivers, hotels, and restaurants by periodically visiting these venues and relying on program evaluation surveys completed by teachers after returning from their program. All participating enterprises maintain their own insurance coverage.

Doctors on Call Program

WorldStrides has an exclusive partnership with The George Washington University Department of Emergency Medicine, and a George Washington doctor serves on staff as our WorldStrides Medical Director. This means travelers in Washington, D.C., have access to in-hotel emergency medical care 24 hours a day. The Doctors on Call Program offers teachers, parents, and students the unparalleled benefit of receiving care in the comfort of their own hotel rooms while minimizing disruption to the entire traveling group. We are also able to provide phone consultations to those groups traveling to other locations. The doctors will evaluate the situation, injury, or illness over the phone and make recommendations for treatment accordingly.

How Does It Work?

George Washington's Emergency Physicians will accept our phone calls, determine whether the patient can be treated at the hotel or should go directly to the hospital, and assist us from there all the way through the process. If someone needs to go to the hospital, they will expedite the process and help save valuable time for the patient, the Program Leader, and the On-site Coordinator or Course Leader.

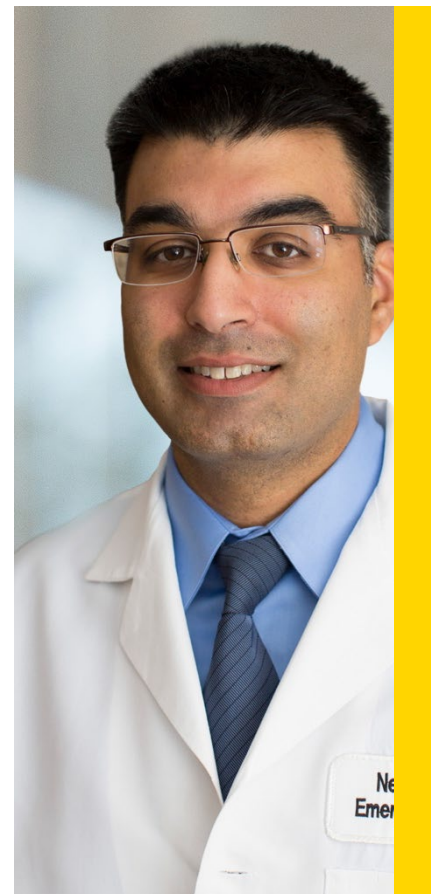
The On-site Coordinator or Course Leader and Program Leader, with the help of Tour Central, will initiate the process when it becomes necessary. The doctor on-call will contact the Program Leader and patient and determine the next steps to be taken. In Washington, D.C., if coming to the hotel makes the most sense, billing will be taken care of immediately and the patient will be treated. The insurance paperwork will be completed at the hotel and the On-site Coordinator/Course Leader will take care of the rest. If the doctor on-call determines that the patient needs to go to the hospital, then our standard emergency plan is activated.

New Crisis Support and Behavioral Health Assistance Program

We're pleased to add a new layer of support for travelers who may be experiencing emotional or mental stress through a new partnership with AXA, one of the world's leading providers of emergency assistance.

AXA's Behavioral Health Assistance Program provides seamless access to assessment, intervention, and stabilization services:

- > 24/7 telephone access to provide confidential and immediate support no matter the global location
- > Experienced, U.S.-based healthcare professionals (masters and doctoral-level clinicians) when traveling
- > Coordination with local professionals for referrals to provide additional support, if needed



Beyond Classroom Walls: Education

Accreditation

WorldStrides was the first accredited student travel organization in the nation. Accreditation recognizes educational institutions for performance, integrity and quality, and entitles them to the confidence of the educational community and the public. WorldStrides is accredited through multiple regional accrediting bodies across the nation, including AdvancED (parent organization for the Northwest Accreditation Commission, North Central Association Commission on Accreditation and School Improvement, Southern Association of Colleges and Schools, and Council on Accreditation and School Improvement), Western Association of Schools and Colleges, and Middle States Association of Colleges and Schools. This accreditation means that we have met or exceeded safety and educational standards established for schools all over the world. Accreditation means more educationally sound programs and better value for parents and students. All certificates of accreditation are available upon request.



Discovery for Credit for Students

All students in grades 6-12 who participate on WorldStrides programs are eligible to receive high school credit through our Discovery for Credit program. College preparatory credit is also available for students in grades 9-12 on select programs. Students who travel on a WorldStrides program and complete online coursework requirements are eligible to receive this credit. This helps students fulfill graduation requirements, open up their course schedules to be able to take upper-level courses, and distinctively showcase themselves to colleges and universities.

Professional Development

WorldStrides programs comply with states' requirements for professional development. WorldStrides will help educators identify opportunities to earn professional development in their state, assist in the development of a portfolio, as needed, and issue a transcript free of charge.

Course Leaders

Programs are led by caring and dynamic experts in the field who help students achieve key learning objectives through activities and group discussions. Each Course Leader uses WorldStrides unique brand of educational power or LEAP (Learning through Exploration and Active Participation). Through this method, learning becomes a real-world experience for students and adults alike. By seeing, experiencing, and interacting on a WorldStrides program, students have the unique opportunity to apply knowledge gained in the classroom. Our Course Leaders have rich and varied backgrounds that lend themselves to superlative educational experiences for students, fresh perspectives, and engaging interaction during our programs. WorldStrides Course Leaders have a passion for helping students discover a love of learning that will last a lifetime!

Curriculum and Academics Team

WorldStrides employs a full-time curriculum and academics team, who are responsible for maintaining our accreditation, developing curriculum materials, training our Course Leaders, assessing student learning, and providing educators with opportunities to grow through our professional development program.

Tour Components

In addition to safety, security, and educational content, we have also invested in the quality of our tour components, which remain consistently strong and continue to deliver exceptional service.

The Educational Value of Student Travel

Educational Value of Student Travel

Learning through personal experience takes education beyond the classroom. Through educational travel, students use knowledge acquired in the classroom to analyze the world around them and make a personal connection by applying their knowledge to their understanding and view of the future.

In the classroom, students can only read about historical events or scientific principles. Students on a WorldStrides program actually experience those educational moments right into the sights and sounds of the places we take you. For example, in our Washington D.C. tours, students don't just join a long line of tourists at the Tomb of the Unknown Soldier—they'll actually participate in the ceremony. Or, they'll take turns reciting Martin Luther King, Jr.'s famous speech on the steps of the Lincoln Memorial. These encounters open students' minds and change their outlook on learning itself!

Value for the Teacher

Only an accredited organization can help you grow professionally and allow the Program Leader and chaperones to earn professional development. Many educators teach about the space launches from Kennedy Space Center or diverse ecosystems, having never been to key places where the events took place or the environments that are home to assorted ecosystems. WorldStrides programs provide every teacher with full immersion in the curriculum and professional development opportunities. Seasoned Program Leaders (teachers leading the trip) agree that they learn something new and meaningful each time they travel.

What Do Students Learn?

WorldStrides challenges students to develop a real appreciation for the history, the people, and the vision that have shaped our country. As our nation's capital, this city brims with beautiful monuments, commemorative statues and memorials, and impressive national government centers, including the Capitol Building itself. Students of all ages flock to this special city for a face-to-face experience with our heritage. They come away with an expanded appreciation and the memories of a lifetime. They'll learn more about our country, and they'll learn more about themselves, too.

Accreditation Sets WorldStrides Apart

WorldStrides is a school, independently accredited by regional accrediting bodies across the country. We maintain both school accreditation, which verifies the high academic quality of our programs, and corporate accreditation, which assures our organization's commitment to safety, security, and financial stability. Our accredited status attests to our high academic standards. Traveling with an accredited travel study school means that your program is centered around a structured curriculum that meets state standards.

Discovery Journals and Academic Credit

Each student is provided with an interactive Discovery Journal filled with educational games, fun facts about the sites, and thought-provoking questions. The journals are designed to stimulate critical thinking and creativity, while enhancing the quality of your educational travel program. Students can earn high school or college preparatory credit by completing online coursework through our Discovery for Credit program after they return from your trip.

Earn Credit with Discovery for Credit

Your WorldStrides program is so much more than a typical field trip. Each itinerary is built around WorldStrides' accredited curriculum that allows students the option to earn high school or college preparatory credit.

What Is Involved?

Discovery for Credit is an online learning environment offered in conjunction with WorldStrides travel programs. Content and assessment for all courses are developed and maintained by the WorldStrides Curriculum & Academics team, eliminating the Program Leader's need to provide additional instruction or grading.

How Does It Work?

To access Discovery for Credit, students must log in to the Academic Credit Portal using their Trip ID and Customer Account Number. Once logged in, students can access their Discovery for Credit Dashboard to enroll in the appropriate courses and complete the required online assignments. Online instructors are available to answer questions throughout the process.

High School Credit Details

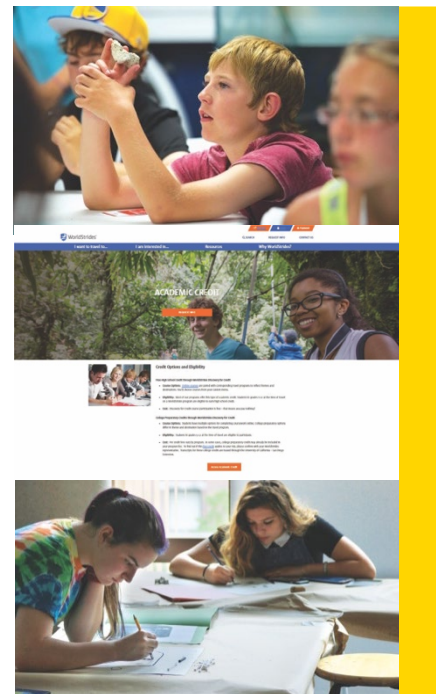
- > Available for students in grades 6-12 at the time of travel
- > Free of charge
- > Deadline for completing coursework is six months from the return date of travel
- > Upon successful completion of coursework, WorldStrides will mail an official transcript to the student

To best facilitate the transfer of credit earned, WorldStrides recommends that students and parents inquire what their high school's transfer credit policy is, in case additional paperwork is requested prior to beginning coursework.

College Preparatory Credit Details

- > Available for students in grades 9-12 at the time of travel
- > Discounted tuition rate based on the number of credits the student wishes to earn
- > The participant can request an official transcript via the partner university

FOR MORE INFORMATION ABOUT DISCOVERY FOR CREDIT, CALL YOUR WORLDSTRIDES REPRESENTATIVE OR VISIT WORLDSTRIDES.COM

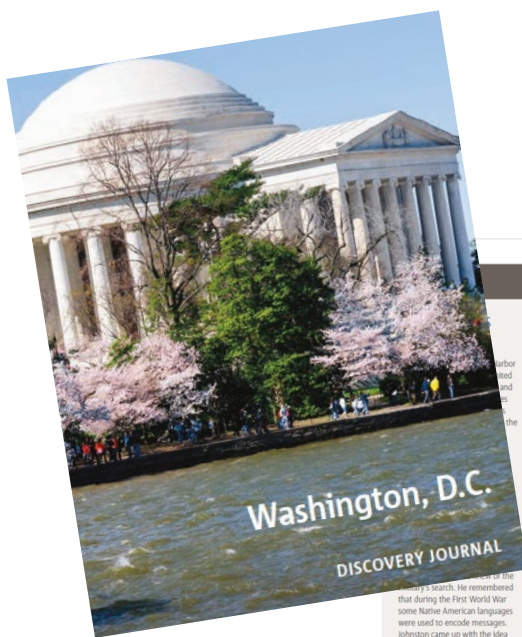


Destination Discovery Journals

On a WorldStrides program, students are immersed and engaged in their own learning. For example, *The Art of Social Protest Discovery Lesson* in Washington, D.C., exposes students to the life and legacy of Dr. Martin Luther King, Jr., the most prominent leader in the Civil Rights Movement. Imagine your students standing at the base of the Lincoln Memorial, reading Dr. King’s famous “I Have a Dream” speech and learning about other famous and impactful marches on our nation’s capital. Through the guidance of your WorldStrides Course Leader, students study how to communicate their own message “to the masses” and create their own sign of personal action. It is WorldStrides’ unparalleled commitment to experiential learning that is demonstrated in our on-site Discovery Journals.



ASK YOUR WORLDSTRIDES REPRESENTATIVE ABOUT A **DISCOVERY JOURNAL** TODAY!



World War II Memorial

were baffled. They never broke the code. Many officers believe that were it not for the Navajo code talkers, the U.S. would never have prevailed in the Pacific.

The Code
In the European Theater of Operations (ETO), U.S. troops used Native American languages informally to send messages back and forth, but the native speakers held normal conversations instead of speaking in code. Navajo Code was more complex. Even when the Japanese captured and tortured a regular Navajo soldier, he could not understand it. To him, it was a string of unrelated words.

The basic structure of the code was the English alphabet. Each letter was represented by one

three Navajo words whose English translation started with that letter. For example, “woi-la-chee” (ant), “he-la-sani” (apple), and “ho-ni” (axe) were code for the letter “A”. The code talkers would mix up which word they used to make the code even harder to break.

Washington, D.C. Discovery Journal

Code Talkers (continued)

Does your deciphered message look familiar? It should. The message is one of many famous quotes engraved on the Memorial. Find yours and respond to the questions below.

Quote: _____

Said by: _____

Date: _____

What was going on in the war? _____

What does it mean? _____

Curriculum Guide to a WorldStrides Program

Washington, D.C.

All WorldStrides programs are developed following a rigorous educational process. This document highlights the standards we follow and the high educational goals we set for our programs. Our unique approach to education is recognized through our accreditation as a supplemental school by multiple regional accrediting bodies throughout the country. We believe that, together, we make a world of difference through hands-on learning.

The Foundation of a WorldStrides Program

SUBJECTS		Students will use key questions of inquiry to learn concepts of history, geography, literature, and culture. The interrelatedness of these subjects is emphasized.
SKILLS		Students will develop tools needed to acquire, organize, and communicate knowledge. These include thinking, research, and self-management.
ATTITUDES		Students will be encouraged to make connections within their studies and learn to reflect on their experiences as they relate to the real world.
ACTIVITIES		Students will learn to take appropriate actions and become actively involved in their own education. Through this program, they will explore how they can make a difference in their school or community.

SUBJECTS: Learning About History

CULTURAL HISTORY		Students will compare cultures and study ethics and creative ideas in the arts, such as fine arts, literature, musical arts, and dramatics.
ECONOMIC HISTORY		Students will understand basic economic terms, study currency development, and be able to compare major economic theories such as feudalism, capitalism, and free markets.
INTELLECTUAL HISTORY		Students will study key historical events in American history. They will recognize historical cause and effect and the importance of individual choices, actions, and character.
POLITICAL HISTORY		Students will compare and contrast diverse forms of governments, and they will evaluate authority and civic responsibility. Foreign policy will be addressed as it relates to geography and key historic events.
SOCIAL HISTORY		Students will study and compare different ways of life throughout time as well as in the current day. They will evaluate the ideas of authority and power as it relates to key people and past and current events.

SKILLS: Learning How to Apply Knowledge

READING		Students will practice reading skills in various formats. Critical analysis of selected reading passages and comprehension of directions and maps will be developed.
WRITING		Students will give thoughtful insight and use reasoning to write about their experiences. They will learn the art of writing about travel and personal experiences.
LISTENING		Students will display sensitivity in hearing other people's viewpoints and ideas. They will deepen their respect for the traditions of others.
RESEARCH		Students' natural curiosity will be nurtured. They will acquire the skills necessary to pose well-formulated questions and to conduct purposeful, constructive research.
COMMUNICATION		Students will express their ideas and information with confidence and clear articulation.

ATTITUDES: Learning Beyond the Textbook

RESPECT		Students will develop empathy and caring for others.
RESPONSIBILITY		Students will be equipped with the ability to apply knowledge appropriately.
CURIOSITY		Students will be stimulated to inquire, thus fostering the spirit of discovery and excitement in learning.
COOPERATION		Students will be encouraged to develop diversity and flexibility of thinking, and develop sensitivity towards other people and events.
CONFIDENCE		Students will build and reinforce a sense of identity and independence.

Discover D.C. | Becoming an Historian and a World Citizen

A WorldStrides program is an inquiry-based travel program encouraging critical thinking. Students are engaged and stimulated through key discovery questions explored in their Discovery Journals and in the field. Students will critically examine historical facts as they travel. It is reflective thinking that will lead students to responsible action, cultural awareness, and self-identity.

SITE / LOCATION (Not all sites will be seen on your program.)	SUBJECTS					ACTIVITIES	SKILLS				
	CULTURAL	ECONOMIC	INTELLECTUAL	POLITICAL	SOCIAL		READING	WRITING	LISTENING	RESEARCH	COMMUNICATION
						CURRICULUM FOR WASHINGTON, D.C. (The following provides an overview of the educational activities included in a WorldStrides program. Changes may be made by WorldStrides at its own discretion without notice.)					
AIR & SPACE MUSEUM			•		•	Test Pilot: trace the development of flight through the most influential pioneers and flying machines and test different paper airplane designs.	•			•	
ARLINGTON CEMETERY	•				•	Students will be challenged to consider why we remember significant events with memorial stones, and how this shows honor.	•		•		
CAPITOL BUILDING	•	•			•	Working in teams, students predict how legislators will be influenced by special-interest groups.	•				•
BUREAU OF ENGRAVING & PRINTING		•		•		Consumers, Clerks, and Counterfeiters: test your knowledge of U.S. currency by working in teams to outsmart each other and make more money.			•	•	•
FDR MEMORIAL			•		•	Using FDR's "Four Freedoms" speech, students will discuss which freedoms are most essential.	•				•
FORD'S THEATER			•	•		Students will walk through the events associated with the assassination of our 16th President and discuss turning points in history.			•	•	•
HOLOCAUST MUSEUM			•	•	•	Responsibility and Remembrance: verbal discussion and written reflection on different causes and responsibilities of citizens during this time in history.		•		•	•
IWO JIMA MEMORIAL	•		•			The Power of War Photography: study famous war images of World War II and guess the story behind each picture and photographer.				•	•
JEFFERSON MEMORIAL	•				•	Students will examine the Jefferson Memorial to identify many of Thomas Jefferson's personal pursuits.		•		•	
KENNEDY CENTER	•				•	Kennedy Center Honors: team challenge to "honor" a chosen artist by creating a performance for classmates, such as liturgical dance or praise song.		•	•		
KOREAN WAR MEMORIAL		•		•		Two Koreas: participate in a simulation of divided Korea 50 years after the war with descriptions of life on each side of the DMZ.			•		•
LIBRARY OF CONGRESS	•					Fire! Saving American Treasures: students work in teams to choose which treasured documents in the American Treasures collection to save from destruction.				•	•
LINCOLN MEMORIAL	•		•			Students will determine the memorial's effectiveness in reflecting the character of Lincoln, as well as its effectiveness as a symbol of social justice and democracy.	•	•			•
MOUNT VERNON	•			•	•	Colonial House: role-play of life in early American history; could you live by these rules?	•			•	
NATIONAL ARCHIVES				•	•	But It's My Right: teams study the Bill of Rights and debate the rights that are essential to a life of liberty and happiness in school or at home.	•			•	
NATIONAL ZOO					•	Extinction: in zookeeper teams, students solve clues to revive one of the zoo's species from extinction in the wild.	•				•
NATURAL HISTORY MUSEUM					•	Survival of the Strangest: students participate in a quirky team scavenger hunt to find unique survival characteristics among the exhibits in the museum.	•		•		•
SUPREME COURT				•	•	Free Speech for All: learn about key court cases on student free speech and debate school uniform policies.	•				•
VIETNAM MEMORIAL			•	•		A Nation Divided: read and listen to various viewpoints about the Vietnam War and discuss the purposes and politics of war memorials.	•		•		•
WASHINGTON MONUMENT			•	•	•	The Art of Social Protest: listen to and recite MLK's "I Have a Dream" speech and learn how to communicate an effective message to the masses.	•		•		•
WHITE HOUSE				•	•	Powerful Parents, Paparazzi, and the Press: You are the President's child. Decide how far the press can go in reporting about you and your family.		•			•
WWII MEMORIAL	•		•			Code Talkers: learn about the secret Navajo code talkers program and work in teams to decipher famous quotes from WWII history.	•			•	

Curriculum Guide to a WorldStrides Program

Florida Splash into Science

All WorldStrides programs are developed following a rigorous educational process. This document highlights the standards we follow and the high educational goals we set for our programs. Our unique approach to education is recognized through our accreditation as a supplemental school by multiple regional accrediting bodies throughout the country. We believe that, together, we make a world of difference through hands-on learning.

The Foundation of a WorldStrides Program

SUBJECTS		Students will use methods of inquiry to learn concepts of marine life science, physical science, earth and space science, and ecology. Emphasis is placed on how these subjects are interrelated.
SKILLS		Students will develop tools needed to acquire, organize, and communicate knowledge. These include thinking, research, and self-management.
ATTITUDES		Students will be encouraged to make connections within their studies and learn to reflect on their experiences as they relate to the real world.
ACTIVITIES		Students will learn to take appropriate actions and become actively involved in their own education. Through this program, they will explore how they can make a difference in their school or community.

SUBJECTS: Learning About Science

LIFE SCIENCE		Students will study the relationships between organisms and their physical environments and the ways that marine life can be classified for identification and conservation.
PHYSICAL SCIENCE		Students will understand characteristics of matter and basic water chemical transformations. The sources and properties of water will be demonstrated in the lab activities.
EARTH SCIENCE		Students will study and compare characteristics and conditions of various geological locations and plate tectonics. They will make conclusions about investigations regarding weather and climates.
SPACE SCIENCE		Students will study the earth's composition and structure, how the sun and atmospheric processes affect the water cycle and how weather patterns affect the diversity of marine life.
ECOLOGY		Students will evaluate how ecosystems are supported or hindered by human endeavors and why energy and marine life diversity are important for conservation.

SKILLS: Learning How to Apply Science

READING		Students will practice reading skills in various scientific formats. Students will develop skills in comprehending directions, reading lab manuals, and reading maps.
WRITING		Students will give thoughtful insight and use reasoning to write about their experiences. They will practice writing lab reports and accurately taking scientific measurements.
LISTENING		Students will display sensitivity in hearing other people's viewpoints and ideas. They will deepen their respect for the traditions of others.
RESEARCH		Students' natural curiosity will be nurtured. They will acquire the skills necessary to conduct purposeful, constructive scientific inquiry and research.
COMMUNICATION		Students will express their ideas and information with confidence and clear articulation.

ATTITUDES: Learning Beyond the Science

RESPECT		Students will develop empathy and caring for others, marine life, and nature.
RESPONSIBILITY		Students will be equipped with the ability to apply knowledge appropriately.
CURIOSITY		Students will be stimulated to inquire, thus fostering the spirit of discovery and excitement in learning.
COOPERATION		Students will be encouraged to develop diversity and flexibility of thinking, and develop sensitivity towards other people and events.
CONFIDENCE		Students will build and reinforce a sense of identity and independence.

SPLASH INTO SCIENCE | Becoming a Scientist

A WorldStrides program is an inquiry-based travel program encouraging critical thinking. Students are engaged and stimulated through key discovery questions explored in their Discovery Journals and in the field. Students will critically examine historical facts as they travel. It is reflective thinking that will lead students to responsible action, scientific awareness, and self-identity.

SITE / LOCATION (Not all sites will be seen on your program.)	SUBJECTS					ACTIVITIES	SKILLS				
	LIFE SCIENCE	PHYSICAL	EARTH SCIENCE	SPACE SCIENCE	ECOLOGY		READING	WRITING	LISTENING	RESEARCH	COMMUNICATION
						CURRICULUM FOR SPLASH INTO SCIENCE The following provides an overview of the educational activities included in a WorldStrides program. Changes may be made by WorldStrides without notice.					
ORIENTATION	•	•		•		Mix-n-Match: students pair up to learn about the program objectives and activities and more about each other in this fun matching game.	•				•
EVERGLADES NATIONAL PARK	•				•	Swamp Sounds: on a night hike, learn about the different types of waves (sound, seismic, water, and light) and how land and marine animals use sonar technology to adapt to their environments.		•	•		
EVENING PROGRAM ONE	•	•			•	Common Grounds: teamwork and interaction are the keys to success as students solve crazy brainteasers that focus on the marine life seen throughout the program.	•				•
EVERGLADS SHARK VALLEY	•				•	No Shark Tales: during this tram tour, identify animals seen above the water: alligators, snakes, and birds. No, there are no sharks in the Everglades!		•	•		
EVERGLADES SAFARI PARK		•	•			Airboat Adventure: take a wild ride on an authentic airboat and study the different Florida ecosystems: the hardwood hammock and mangrove marshes.		•	•		
EVENING PROGRAM TWO			•	•		Moons and Masks: learn about water safety skills during this interactive lab that also teaches about the atmosphere, weather cycles, and biodiversity.			•	•	
DIVERS SNORKEL ONE		•	•			Rockin Reefs: during this first snorkel trip, learn about plate tectonics, water wave energy, and how tropical fish adapt to the different reefs or Florida mangroves.			•		
CURRY NATIONAL STATE PARK		•	•			Shady Deals: test the UV protection of sunglasses and study how the sun's energy interact with matter on earth, in the water, and in seagrass beds.		•		•	
TURTLE HOSPITAL	•					Rescue, Rehabilitate, and Release: go in-depth and behind the scenes at this world class sea turtle hospital. Examine x-rays, learn about conservation efforts, and feed rescued sea turtles.			•		•

Reynolds School District

INITIAL REQUEST FOR STUDENT TRAVEL OVER 100 MILES ROUND TRIP

Name of Group: **RMS D.C. Group**

School: Reynolds Middle School

Note: This initial request must be submitted and approved 30 days before any commitment can be made or before any money-making activities can be started.

Date Request Submitted: 01/20/2021

Date of Activity **06/20/2021-06/25/2021**

If sufficient space is not available on this form, supporting data should be attached. (Flyer)

Sample Itinerary is provided

1. Purpose of the trip: (Complete related section on the next page.)

Students will have the unique opportunity to visit historical sites in Washington D.C. and New York City. They will be able to witness firsthand locations that have shaped history and influenced laws. 8th grade curriculum covers the formation and creation of the United States of America. Students will be able to visit these locations and experience where these historical events took place. This trip will expand their understanding of these events and gain a greater appreciation of American history.

2. List staff member (s) responsible for students. List all other supervisors on the trip.

Diane Bowlby (staff member), Mrs. Leslie Archibald (Parent)

3. School equipment to be used:

No school equipment will be used.

4. Lodging

Accredited hotels

5. Will Student Travel Insurance be obtained?

Travel and Medical is provided by World Stride Travel.

6. Estimated number of students: Number of supervisors: 2 (school employee)

4 students and 2 adults

7. Parent permission slip on file? Yes, prior to event. I will distribute the district approved field trip permission slip for parents to complete and sign. Additionally, I will distribute the necessary documents for their information and approval.

8. Person or persons initiating request: Brad Jubitz Date: 1/20/2021

9. Principal approval Date:

Decision: Preliminary approval to continue with planning: Yes or No

If denied, reason: _____

District Activities Coordinator Date

Final Approval: Yes or No

District Activities Coordinator

Date

Reynolds School District

PURPOSE OF TRIP

1. List itinerary:
2. What are the objectives of the trip and how are the experiences provided on the trip related to class or school programs?
 - Gain practical human and leadership skills that will increase their ability to effectively communicate with other classmates, teachers and members of their communities.
 - Gain skills and awareness in self-reliance by learning how to take care of themselves in an unfamiliar setting.
 - Better appreciate the world around them by experiencing and discovering a beautiful and new place.
 - Gain an awareness of their comfort zones and be able to push themselves to new limits.
3. How will activities on the trip provide opportunities for students to obtain new skills, insights, knowledge, or appreciation? **Students will visit our nation's capital and see where laws are passed; memorials that have shaped our nation; locations where history was made and have a greater appreciation for the sacrifices of those before us.**
4. What effect does the trip have on other classes or programs? **Other students will benefit from the stories shared by those who went as they learn from them.**
5. The cost of the trip to the district? **No cost to the District.**
6. Describe methods of transportation. **We will travel by plane to and from Washington D.C. Tour Coach in the cities. Train from Washington D.C. to New York.**
7. Describe supervision plans to ensure maximum safety for students. **World Stride Travel takes student safety very seriously. All students receive a lanyard that has World Strides 24hr contact information if they get separated. We travel in small groups to ensure everyone is there. All guides and transportation people are certified. During the stay in the hotels, there are hall chaperones all night to make sure no student leaves their room or if a student becomes ill, they are there to assist, contact the adult chaperone and arrange medical assistance if needed.**

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Christina Weinard, Director of Financial Services
Subject: 2019-2020 Financial Report to the Board
Policy: [Financial Reports and Statements - DIC](#)
Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4:

We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

- Auditor Hans Graichen, Pauly Rogers & Company, will present two Reynolds Charter Schools financial reports for year ending June 30, 2020:
 - i. Multnomah Learning Academy (MLA) – Jo Ann Lindenthal, Executive Director
 - ii. Reynolds Arthur Academy – Jill Domine, Director of Finance
- Managing Partner, Roy Rogers, Pauly Rogers & Company, will present a Reynolds Charter Schools financial report and the District report for year ending June 30, 2020:
 - i. Rockwood Preparatory Academy – John Nelsen, Executive Director
 - ii. Reynolds School District 7 – Christina Weinard, Director of Financial Services and Regina Sampson, Senior Accountant.

Previous Board Action:

Not Applicable

Background:

Not Applicable

Financial Implications:

Not Applicable

Alternatives:

Not Applicable

Staff Recommendation:

Not Applicable

Motion:

Not Applicable

**MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020



**12700 SW 72nd Ave.
Tigard, OR 97223**

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

2019-20

BOARD OF DIRECTORS

<u>Name</u>	<u>Term End Date</u>
Joe Tharp, President and Secretary	June 30, 2020
Matt Luce, Treasurer	June 30, 2021
Chris Card	June 30, 2022
Andrea Rose	June 30, 2021
Erika Teyema	June 30, 2022
Codi Tillson	June 30, 2022

All board members receive mail at the address below:

ADMINISTRATION

Jo Ann Lindenthal, Executive Director
22565 NE Halsey Street
Fairview, OR 97024

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MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

August 13, 2020

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Multnomah Learning Academy
Multnomah County, Oregon

Report on the Financial Statements

We have audited the basic financial statements of the governmental activities and major fund of Multnomah Learning Academy (the Academy) as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Basic Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic 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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and major fund of Multnomah Learning Academy, as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 Schedules of Net Pension Liability and Contributions for PERS or the Management's Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The other information, as listed in the table of contents, and the listing of Board members appearing before the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. They 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.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated August 13, 2020, 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.

**MULTNOMAH LEARNING ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2020**

As management of Multnomah Learning Academy (the Academy), we offer the following narrative overview and analysis of the Academy's basic financial statements for the year ended June 30, 2020. It is management's goal in preparing this discussion to assist users of these basic financial statements in interpreting key data found in the pages that follow, and to analyze the results of this fiscal year. Because the information contained in this discussion is necessarily select in nature, it should be read and interpreted in conjunction with those financial statements.

The Academy's basic financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

A budget-to-actual schedule is also included in this report.

The government-wide financial statements are designed to provide an overview of the Academy's financial operations, in a manner similar to a private-sector business. The Statement of Net Position presents information regarding all assets and liabilities, with the difference between the two being reported as net position. Changes in net position may serve as a useful indicator of whether or not the overall financial position of the Academy is improving or deteriorating. The Statement of Activities presents information showing how the Academy's net position increased or decreased during the year under audit. All activities in the government-wide financial statements are presented on the full accrual basis of accounting, in which they are reported as soon as the event occurs, regardless of the timing of associated cash flows.

The fund financial statements are presented focusing on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the year. This information might be useful in assessing the Academy's near-term financial situation, and is useful in the preparation and analysis of annual budgets. The governmental fund financial statements provide a reconciliation to the government-wide financial statements.

An analysis of the government-wide financial statements shows the following:

- The Academy had \$2,567,186 invested in capital assets, net of related debt and depreciation at June 30, 2020.
- The Academy's assets exceeded its liabilities at June 30, 2020 by \$3,110,481.
- The Academy's net position decreased by \$162,550 from the net position at July 1, 2019 of \$3,273,031 to \$3,110,481 during fiscal year 2019-2020.

**MULTNOMAH LEARNING ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2020**

CONDENSED STATEMENT OF NET POSITION

	<u>2020</u>	<u>2019</u>	<u>% Change</u>
ASSETS:			
Current and other assets	\$ 3,082,500	\$ 2,706,123	13.9%
Capital assets, net of depreciation	4,033,238	4,103,557	-1.7%
Total Assets	<u>7,115,738</u>	<u>6,809,680</u>	<u>4.5%</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Pension related deferral - PERS	2,169,228	1,839,675	17.9%
TOTAL ASSETS AND PENSION RELATED DEFERRALS:	<u>\$ 9,284,966</u>	<u>\$ 8,649,355</u>	<u>7.3%</u>
LIABILITIES:			
Current and other liabilities	722,534	694,029	4.1%
Noncurrent liabilities	5,337,939	4,545,547	17.4%
Total Liabilities	<u>6,060,473</u>	<u>5,239,576</u>	<u>15.7%</u>
DEFERRED INFLOWS OF RESOURCES:			
Pension related deferral - PERS	114,012	136,748	-19.9%
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS:	<u>6,174,485</u>	<u>5,376,324</u>	<u>14.8%</u>
Net Position			
Net investment in capital assets	2,567,186	2,495,481	2.9%
Unrestricted	543,295	777,550	-30.1%
Total Net Position	<u>3,110,481</u>	<u>3,273,031</u>	<u>-5.0%</u>
TOTAL LIABILITIES, PENSION RELATED DEFERRALS AND NET POSITION:	<u>\$ 9,284,966</u>	<u>\$ 8,649,355</u>	<u>7.3%</u>

CONDENSED STATEMENT OF ACTIVITIES

	<u>2020</u>	<u>2019</u>	<u>% Change</u>
REVENUES:			
Charges for services	\$ 15,106	\$ 25,036	-39.7%
Operating grants / contributions	10,865	8,509	27.7%
General revenues	5,274,628	4,881,382	8.1%
Total Revenues	<u>5,300,599</u>	<u>4,914,927</u>	<u>7.8%</u>
EXPENDITURES:			
Instruction	3,602,383	2,785,456	29.3%
Support services	1,724,668	1,651,585	4.4%
Enterprise community services	13,928	20,469	-32.0%
Debt service	80,225	90,331	-11.2%
Facility acquisition	41,945	38,564	8.8%
Total Expenses	<u>5,463,149</u>	<u>4,586,405</u>	<u>19.1%</u>
Change in Net Position	(162,550)	328,522	-149.5%
Beginning Net Position	3,273,031	2,944,509	11.2%
Ending Net Position	<u>\$ 3,110,481</u>	<u>\$ 3,273,031</u>	<u>-5.0%</u>

**MULTNOMAH LEARNING ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2020**

The Schedules of Revenues, Expenditures and Changes in Fund Balance, included in the other information, also includes the Academy's budget, which is approved by the board of directors each year. This information is useful in assessing the Academy's near-term financial situation, and in the analysis of its annual budget.

- Our revenues from State sources were \$534,184 higher than budgeted amounts due to a recalculation of actual enrollment numbers at the end of the year to State School Funds received per student throughout the year. This figure also includes final state calculations for fiscal year 18-19.
- Our revenue from local sources were \$24,685 higher than budgeted primarily due to fundraising efforts.
- Additional funds collected were allocated to school programs, curriculum, staffing, and property maintenance, and set aside for future curriculum adoption needs.
- Total expenditures were \$527,867 lower than budget amounts due to controlled spending efforts and the effect of the COVID pandemic on our operation. All large projects suspended and on-site expenses to a minimum during distance learning.

Please refer to the notes to the basic financial statements for a discussion of other issues related to the 2019-2020 school year. Within that section are explanations of the Academy's organization and operation, a summary of significant accounting policies, and other important information.

As of June 30, 2020, the money market account balance was \$2,100,690 pending project expenses and building maintenance. Funds not expensed in the budget get transferred from general checking into the money market account. These funds are set aside for unforeseen expenditures, our continued growth at the elementary and middle school, site projects at both campuses and increased PERS expenses starting in 2019. Funds also set aside to provide additional Professional Development reimbursement funds for our educational staff. Due to our current loan requirements, the Academy must fund all future expansions, renovations and maintenance with available cash on hand. MLA continues to do general maintenance on both campuses each summer to maintain buildings in good working order. Funds also used to pay upfront costs associated with distance learning, preparing our buildings per guidance and covering staff salaries if needed. Goal is to use CARES funds to cover these expenses when the funds are awarded.

We anticipate that revenues will remain consistent other than the increased State School Funds receipts for the additional students attending the middle school. We also anticipate a small reduction in revenue due to the COVID pandemic and how it is affecting state funds.

Staffing remained steady from the previous year. Salaries have increased in Administrative and Instructional Salaries due to the annual percentage increase. The Academy anticipates that the current employee positions will continue through the 2020-2021 school year. Additional educational aides have been added to accommodate for student needs in the past and if needed to accommodate current distance learning needs we evaluate as we go along. The Academy is hoping

**MULTNOMAH LEARNING ACADEMY
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2020**

to maintain current enrollment and staffing into the 2020-2021 school year if it balances with expected funding. The Academy will reassess if funding projections change.

This financial report is designed to provide a general overview of the Academy's finances for all those with an interest in the Academy's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Executive Director Jo Ann Lindenthal, 22565 NE Halsey St. Fairview, OR 97024.

Jo Ann Lindenthal, Executive Director

BASIC FINANCIAL STATEMENTS

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MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

STATEMENT OF NET POSITION
at June 30, 2020

ASSETS:	
Current:	
Cash and cash equivalents	\$ 2,649,973
Accounts receivable	401,331
Prepaid expenses	5,850
Total Current Assets	3,057,154
Non-current:	
Deposits receivable	25,346
Capital assets not being depreciated	1,432,867
Capital assets being depreciated, net of depreciation	2,600,371
Total Non-current Assets	4,058,584
DEFERRED OUTFLOWS OF RESOURCES:	
Pension related deferrals - PERS	2,169,228
TOTAL ASSETS AND PENSION RELATED DEFERRALS	\$ 9,284,966
LIABILITIES:	
Current:	
Accounts payable	\$ 17,632
Payroll liabilities	555,046
Current portion of note payable	149,856
Total Current Liabilities	722,534
Non-current:	
Net pension liability - PERS	4,021,743
Note payable, net of current portion	1,316,196
Total Non-current Liabilities	5,337,939
DEFERRED INFLOWS OF RESOURCES	
Pension related deferrals - PERS	114,012
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	6,174,485
NET POSITION:	
Net investment in capital assets	2,567,186
Unrestricted	543,295
Total Net Position	3,110,481
TOTAL LIABILITIES, AND PENSION RELATED DEFERRALS AND NET POSITION	\$ 9,284,966

See accompanying notes to the basic financial statements.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

STATEMENT OF ACTIVITIES
for the Year Ended June 30, 2020

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 3,602,383	\$ -	\$ 10,865	\$ (3,591,518)
Support services	1,724,668	-	-	(1,724,668)
Enterprise and community service	13,928	15,106	-	1,178
Debt service	80,225	-	-	(80,225)
Facility acquisition	41,945	-	-	(41,945)
Total Governmental Activities	\$ 5,463,149	\$ 15,106	\$ 10,865	(5,437,178)
General Revenues				
				5,269,239
State aid				4,814
Earnings on investments				575
Miscellaneous				575
Total General Revenues				5,274,628
Changes in Net Position				(162,550)
Net Position - Beginning				3,273,031
Net Position - Ending				\$ 3,110,481

See accompanying notes to the basic financial statements.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUND
at June 30, 2020

	<u>GENERAL FUND</u>
ASSETS:	
Cash and cash equivalents	\$ 2,649,973
Accounts receivable	401,331
Prepaid expenses	<u>5,850</u>
Total Assets	<u><u>\$ 3,057,154</u></u>
LIABILITIES AND FUND BALANCE:	
Liabilities:	
Accounts payable	\$ 17,632
Payroll liabilities	<u>555,046</u>
Total Liabilities	<u>572,678</u>
Fund Balances:	
Nonspendable	5,850
Assigned	21,631
Unassigned	<u>2,456,995</u>
Total Fund Balances	<u>2,484,476</u>
Total Liabilities and Fund Balance	<u><u>\$ 3,057,154</u></u>

See accompanying notes to the basic financial statements.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
at June 30, 2020

Total Fund Balances - Governmental Fund	\$ 2,484,476
<p>The PERS net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.</p>	(4,021,743)
<p>Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earnings, and contributions subsequent to the measurement date.</p>	
Deferred Outflows of Resources - PERS	2,169,228
Deferred Inflow of Resources - PERS	(114,012)
<p>Refundable rental deposits paid on a long-term lease contract, not receivable in the current period, are reported as an expenditure in the governmental fund. The Statement of Net Position includes those deposits among the assets of the Academy as a whole.</p>	
Deposits receivable	25,346
<p>The cost of capital assets (land, buildings and improvements, computers and equipment, leasehold improvements) purchased or constructed is reported as an expenditure in the governmental fund. The Statement of Net Position includes those capital assets among the assets of the Academy as a whole.</p>	4,033,238
<p>Debt applicable to the Academy's governmental activities is not due and payable in the current period and accordingly is not reported as a fund liability. All debt, both current and long-term, is reported in the Statement of Net Position.</p>	
Notes payable	<u>(1,466,052)</u>
Net Position	<u>\$ 3,110,481</u>

See accompanying notes to the basic financial statements.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
for the Year Ended June 30, 2020

REVENUES:

State aid	\$ 5,269,239
Fees and charges	15,106
Earnings on investments	4,814
Miscellaneous	<u>11,440</u>
Total Revenues	<u>5,300,599</u>

EXPENDITURES:

Instruction	3,125,788
Support services	1,502,826
Enterprise and community services	13,928
Debt service	222,249
Capital outlay	<u>80,120</u>
Total Expenditures	<u>4,944,911</u>
Excess of Revenues Over, (Under) Expenditures	355,688
Beginning Fund Balance	<u>2,128,788</u>
Ending Fund Balance	<u><u>\$ 2,484,476</u></u>

See accompanying notes to the basic financial statements.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
to the Statement of Activities
for the Year Ended June 30, 2020

Total Net Changes in Fund Balances - Governmental Funds \$ 355,688

The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (589,943)

Capital outlays are reported in the governmental fund as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation. This is the amount by which capital outlay exceeds depreciation.

Capital outlay 38,175
Depreciation expense (108,494)

Repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Position.

Debt principal repaid 142,024

Change in Net Position of Governmental Activities \$ (162,550)

See accompanying notes to the basic financial statements.

NOTES TO THE
BASIC FINANCIAL STATEMENTS

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MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units as required by Oregon law. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Multnomah Learning Academy (the Academy) is a non-profit corporation organized under provisions of Oregon Revised Statutes Chapter 338 for the purpose of operating a charter Academy. It is governed by a board of directors. Generally accepted accounting principles require that the basic financial statements present the Academy and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate entities that are included in the Academy's reporting because of the significance of their operational or financial relationships. All significant activities and entities with which the Academy exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and the Statement of Activities display information about the Academy as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

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.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for the general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period, which is 60 days. Grant revenue is not considered available and, therefore, is not recognized until received. Expenditures are recorded when the liability is incurred.

Revenues susceptible to accrual are state and local shared revenue.

There is the following major governmental fund:

GENERAL FUND

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund (there are no other funds). The principal revenue sources are payments of state school support from Reynolds School District, fees, fundraising and donations.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the government-wide financial statements as receivables and revenue. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability in the Balance Sheet and Statement of Net Position. No material grants were received during the year ended June 30, 2020.

NET POSITION

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

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. There was no restricted net position at June 30, 2020.

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

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

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

FUND BALANCE

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* is followed. 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 non-spendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The non-spendable fund balance represents prepaid items at June 30, 2020.
- Restricted fund balance 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).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance 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. The assigned balance represents funds that have been set aside to subsidize continuing education and/or development for employees of MLA who apply for the grant.
- Unassigned fund balance 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.

There were no restricted or committed fund balances at year end.

The governing body has not established a policy on the order in which unrestricted resources are to be used when these amounts are available for expenditure. As a result of this, the default approach assumes that committed amounts should be reduced first, followed by assigned amounts, and then the unassigned amounts. When an expenditure is incurred for both restricted and unrestricted fund balance, it is applied to restricted fund balance first.

C. BUDGET

A budget is prepared for the General Fund on the modified accrual basis of accounting in the main program categories as listed below. Modified accrual basis differs from accrual in that no depreciation expense is recognized, capital assets are expensed when purchased, rental deposits are expensed when not receivable in the current period, pension costs are not recorded until paid, inventory is expensed when purchased and debt principal is an expenditure when paid. The budget is prepared on a basis consistent with generally accepted accounting principles in the United States of America, except as stated above.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BUDGET (CONTINUED)

The expenditures budgets are made of the following levels:

LEVEL OF CONTROL

Instruction
Support services
Enterprise and community services
Facilities acquisition and construction
Debt service

Budget variances are shown on page 25.

D. CAPITAL ASSETS

Capital assets, which include equipment, buildings, land and improvements are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of at least \$5,000 and a useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The cost of normal maintenance and repair that do not add function to the asset or materially extend the useful life of the asset are expensed as incurred.

Capital assets are depreciated using the straight-line method over the following useful lives:

Building and Improvements	50 years
Computers and Equipment	5 to 10 years
Leasehold Improvements	10 years
Furnishings	15 years

E. SUPPLY INVENTORY

Detailed supply inventory records are not maintained. Inventories are not considered to be material by management at year-end.

F. RETIREMENT PLANS

Substantially all of the Academy's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. FAIR VALUE INPUTS, METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

There were no investments at June 30, 2020.

H. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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 a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. At June 30, 2020, there were deferred outflows of \$2,169,228 representing PERS pension related deferrals reported in the Statement of Net Position.

In addition to liabilities, the basic financial statements 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2020, there were deferred inflows of \$114,012 representing PERS pension related deferrals reported in the Statement of Net Position.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. ESTIMATES

Preparation of the basic 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 disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. PREPAID EXPENSES

Prepaid expenses are reported for computer services (covering February 2018 through February 2021) that were previously paid for during the 2018-19 fiscal year and is being amortized on a straight-line basis through February 2021.

K. ACCOUNTS RECEIVABLE

The accounts receivable are all current and are considered by management to be fully collectible. Therefore, no provision for uncollectable amounts has been made.

L. DEPOSITS RECEIVABLE

Deposits receivable are reported for payment of a security deposit equal to one month rent on the property leased at 3240 S. Troutdale Road, Troutdale, Oregon. The deposit will be returned to the Academy within sixty days of the termination of the lease.

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2020 was \$2,654,776, of which \$500,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

At June 30, 2020 cash and cash equivalents consisted of the following:

Bank Demand Deposits	\$	549,283
Money Market		<u>2,100,690</u>
Total	\$	<u>2,649,973</u>

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk unless held at a qualified depositor for public funds. As of June 30, 2020 none of the bank balances were exposed to custodial credit risk.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS

Policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, repurchase agreements, obligations of the United States and its agencies and instrumentalities.

INTEREST RATE RISK - INVESTMENTS

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 were no investments.

CREDIT RISK - INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

CONCENTRATION OF CREDIT RISK

At June 30, 2020 there were no investments.

3. CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2020 are as follows:

	<u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2020</u>
Capital Assets, Non-Depreciable				
Land	\$ 1,432,867	\$ -	\$ -	\$ 1,432,867
Capital Assets, Depreciable				
Buildings and improvements	\$ 2,972,662	\$ 14,273	\$ -	\$ 2,986,935
Computers and equipment	205,087	-	-	205,087
Leasehold improvements	217,327	23,902	-	241,229
Totals	3,395,076	38,175	-	3,433,251
Accumulated Depreciation				
Buildings and improvements	532,510	59,589	-	592,099
Computers and equipment	131,887	25,710	-	157,597
Leasehold improvements	59,989	23,195	-	83,184
Total Accumulated Depreciation	724,386	108,494	-	832,880
Net Capital Assets, Depreciable	\$ 2,670,690			\$ 2,600,371

All depreciation expense for the year was charged to Support Services.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
- Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were \$740,274, excluding amounts to fund employer specific liabilities.

Pension Asset or Liability

At June 30, 2020, the Academy reported a net pension liability of \$4,021,743 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2017. The Academy's proportion of the net pension liability was based on a projection of the Academy's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the Academy's proportion was .023 and .020 percent, respectively. Pension expense for the year ended June 30, 2020 was \$589,943.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 32.03%
- (2) OPSRP general services – 26.58%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 221,787	\$ -
Changes in assumptions	545,595	-
Net difference between projected and actual earnings on pension plan investments	-	114,012
Net changes in proportionate share	524,312	-
Difference between employer contributions and proportionate share of contributions	137,260	-
Subtotal - amortized deferrals (below)	1,428,954	114,012
Academy contributions subsequent to measurement date	740,274	-
Deferred outflow (inflow) of resources	\$ 2,169,228	\$ 114,012

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to pension as deferred outflows of resources, \$1,428,954, and deferred inflows of resources, (\$114,012), net to \$1,314,942 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2021	\$ 603,196
2022	238,358
2023	270,768
2024	181,136
2025	21,484
Thereafter	-
Total	\$ 1,314,942

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

MULTNOMAH LEARNING ACADEMY
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Health annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

Source: June 30, 2019 PERS CAFR; p. 100

MULTNOMAH LEARNING ACADEMY
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NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		2.50%

Source: June 30, 2019 PERS CAFR; p. 74

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the Academy’s proportionate share of the net pension liability to changes in the discount rate – The following presents the Academy’s proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the Academy’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
Academy's proportionate share of the net pension liability (asset)	\$ 6,440,465	\$ 4,021,743	\$ 1,997,606

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer’s reporting date that are expected to have a significant effect on the employer’s share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the Academy are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

4. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

Employees of the Academy pay six (6) percent of their covered payroll. The Academy did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700.

<https://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

5. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)

Retirement Health Insurance Account

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the Academy contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA) (CONTINUED)

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the Academy currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer’s portion is determined by comparing the employer’s actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The Academy’s contributions to RHIA for the year ended June 30, 2020 were not considered material to the basic financial statements by management.

At June 30, 2020, the Academy’s net OPEB liability/(asset) and deferred inflows and outflows were not considered material to the basic financial statements by management and were not accrued in the government wide statements.

6. OPERATING LEASES

There is a lease with Pacific Office Automation for copiers with a payment term of \$1,500 per month expiring on September 30, 2020. A new lease with Pacific Office Automation with a payment term of \$1,561 per month starts October 1, 2020 and ends September 30, 2025. Total lease expenses under the copier leases for the year ended June 30, 2020 was \$19,874 which included overage charges.

There is a lease agreement with Yoshida Real Estate Holdings XV, LLC ending June 30, 2023 for the middle school located in Troutdale, OR (the Academy owns the property and buildings for the grade school, but not for the middle school). Current base rent is \$33,883 per month with scheduled annual increases. In addition to the base rent, the Academy will pay or reimburse Yoshida Real Estate Holdings XV, LLC upon demand all changes, costs and expenses incurred by Yoshida Real Estate Holdings XV, LLC pertaining to the premises. The current estimated additional rent per month for operating expenses is \$4,118, and \$1,053 a month for the dock lease or playground locations, which is included in each year of the future minimum lease payments below. Total lease expenses under these leases for the year ended June 30, 2020 were \$416,051, which included additional rent and dock lease charges, and storage.

Future minimum payments on these leases are as follows:

Year	Real Property	Copiers	Total
2021	\$ 483,666	\$ 18,549	\$ 502,215
2022	485,906	18,732	504,638
2023	488,396	18,732	507,128
2024	-	18,732	18,732
2025	-	18,732	18,732
2026	-	4,683	4,683
	<u>\$ 1,457,968</u>	<u>\$ 98,160</u>	<u>\$ 1,556,128</u>

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

6. OPERATING LEASES (CONTINUED)

There is a month to month service agreement for IT support services. The monthly payment under the agreement for the elementary school is \$3,040 per month for July 2019 to June, 2020. The monthly payment under the agreement for the middle school is \$2,640 per month for July 2019 to June 2020. Total service agreement for the year ended June 30, 2020 for the elementary school was \$35,713. Total service agreement for the year ended June 30, 2020 for the middle school was \$31,680. Since this is a month to month service agreement, there are no future minimum payments reflected in the above table.

7. LONG TERM OBLIGATIONS

Changes in the note payable are as follows:

<u>Issue Date</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Outstanding 7/1/19</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding 6/30/2020</u>
July 2, 2018	5.15%	\$ 1,733,000	\$ 1,608,076	\$ -	\$ 142,024	\$ 1,466,052

A note was entered into on July 2, 2018 with Columbia State Bank at 5.15% interest in 30 monthly payments of \$18,572 and a final payment of \$17,324 due July 1, 2028. In the event of default, the full balance of the loan may become immediately due at the discretion of the lender.

The note is collateralized by land, buildings and improvements costing \$3,487,082. For the year ended June 30, 2020 total depreciation on these assets was \$41,668. At June 30, 2020 accumulated depreciation was \$499,678 and the net book value of the collateral was \$2,987,404. The annual principal and interest on the JP Morgan Chase debt is payable as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020-21	\$ 149,856	\$ 72,362	\$ 222,218
2021-22	157,871	64,313	222,184
2022-23	166,315	55,834	222,149
2023-24	175,083	47,028	222,111
2024-25	184,574	37,496	222,070
2025-29	632,353	50,869	683,222
	<u>\$ 1,466,052</u>	<u>\$ 327,902</u>	<u>\$ 1,793,954</u>

8. 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. Commercial insurance is purchased to minimize exposure to these risks. Settled claims have not exceeded this commercial coverage in the last three fiscal years.

MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

9. COMMITMENTS & CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon through the Reynolds School District. State funding is determined through state-wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

The Academy operates under authority of the Reynolds School District who grants a charter to the Academy and exercises some oversight as required by Oregon law. The effect of non-renewal of the charter has not been determined.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the Academy expects the reduction of economic activity to negatively impact funds received from the State of Oregon.

10. TAX STATUS

The Academy is established pursuant to Section 501(c)(3) of the Internal Revenue Code, and, accordingly, the change in net position is exempt from income taxes. A favorable determination letter has been obtained from the Internal Revenue Service and the Board believes that the Academy, continues to qualify and to operate in accordance with applicable provisions of the Internal Revenue Code.

U.S. Generally Accepted Accounting Principles requires management to evaluate tax positions taken and recognize a tax liability (or asset) if an uncertain position has been taken that more likely would not be sustained upon examination by the Internal Revenue Service. The Academy is subject to routine audits by taxing jurisdictions; however, there is currently no audit for any tax period in progress. Management believes it is no longer subject to income tax examinations for years prior to 2016.

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REQUIRED
SUPPLEMENTARY INFORMATION

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MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
at June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Entity's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.023 %	\$ 4,021,743	\$ 1,982,159	202.9 %	80.2 %
2019	0.020	3,079,511	1,887,078	163.2	82.1
2018	0.018	2,434,546	1,594,985	152.6	83.1
2017	0.016	2,334,770	1,275,194	183.1	80.5
2016	0.015	854,245	895,047	95.4	91.9
2015	0.014	(314,299)	871,608	(36.1)	103.6
2014	0.014	707,594	751,557	94.2	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date at 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ 740,274	\$ 740,274	\$ -	\$ 2,366,278	31.3 %
2019	506,191	506,191	-	1,982,159	25.5
2018	524,179	524,179	-	1,887,078	27.8
2017	379,129	379,129	-	1,594,985	23.8
2016	327,116	327,116	-	1,275,194	25.7
2015	238,279	238,279	-	895,047	26.6
2014	218,808	218,808	-	871,608	25.1

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date at 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

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OTHER INFORMATION

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MULTNOMAH LEARNING ACADEMY
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND
 - ACTUAL AND BUDGET -
 for the Year Ended June 30, 2020

REVENUES:	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
Local sources	\$ 6,675	\$ 6,675	\$ 31,360	\$ 24,685
State sources	4,735,055	4,735,055	5,269,239	534,184
Total Revenues	<u>4,741,730</u>	<u>4,741,730</u>	<u>5,300,599</u>	<u>558,869</u>
 EXPENDITURES:				
Instruction	3,263,367	3,263,367	3,125,788	137,579
Support services	1,909,293	1,909,293	1,502,826	406,467
Enterprise and community services	4,891	4,891	13,928	(9,037)
Facilities acquisition and construction	72,365	72,365	80,120	(7,755)
Debt service	222,862	222,862	222,249	613
Total Expenditures	<u>5,472,778</u>	<u>5,472,778</u>	<u>4,944,911</u>	<u>527,867</u>
Net Change in Fund Balance	(731,048)	(731,048)	355,688	1,086,736
Beginning Fund Balance	<u>752,096</u>	<u>752,096</u>	<u>2,128,788</u>	<u>1,376,692</u>
Ending Fund Balance	<u>\$ 21,048</u>	<u>\$ 21,048</u>	<u>\$ 2,484,476</u>	<u>\$ 2,463,428</u>

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**REPORTS ON LEGAL AND
OTHER REGULATORY REQUIREMENTS**

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PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcocpas.com

August 13, 2020

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Multnomah Learning Academy as of and for the year ended June 30, 2020, and have issued our report thereon dated August 13, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic 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 the basic 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:

- **Deposits of public funds with financial institutions (ORS Chapter 295)**
- **Insurance and fidelity bonds in force or required by law.**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Programs funded from outside sources.**
- **Indebtedness limitations, restrictions and repayment.**

In connection with our testing nothing came to our attention that caused us to believe the Multnomah Learning Academy 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 basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

This report is intended solely for the information and use of the Board of Directors, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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**MASTERY LEARNING INSTITUTE
ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020



12700 SW 102nd Ave.
Tigard, OR 97223

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

FINANCIAL REPORT

For the Year Ended June 30, 2020

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MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

2019-20

<u>BOARD OF DIRECTORS</u>	<u>Term Expiration</u>
Bonnie Grossen, PhD – Chair/President	October 30, 2020
Charles Arthur – Member	October 30, 2022
Gary Davis – Member	October 30, 2021
Teresa Schantin – Member	October 30, 2022
Jerry Silbert – Member	October 30, 2021
Robert M Snee – Member	October 30, 2021

All board members receive mail at the address below:

Stephani Walker, Executive Director
Mastery Learning Institute
13809 S.E. Division
Portland, Oregon 97236

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**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

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September 3, 2020

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Mastery Learning Institute – Arthur Academy – Reynolds
Multnomah County, Oregon

Report on the Financial Statements

We have audited the basic financial statements of the governmental activities and major fund of Mastery Learning Institute-Arthur Academy-Reynolds (the School), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic 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 basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and major fund of Mastery Learning Institute-Arthur Academy-Reynolds as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 required Schedules of Net Pension Liability and Contributions for PERS or the Management's Discussion and Analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Other Information

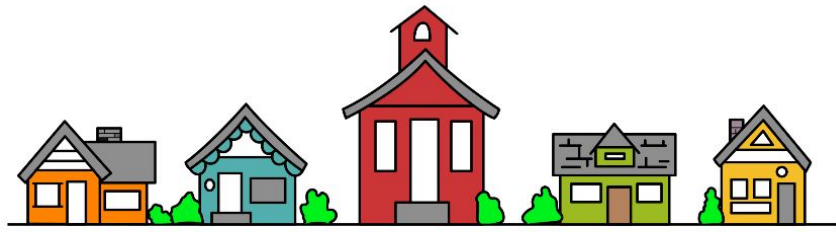
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The listing of board members, as located before the table of contents and the other information, as listed in the table of contents, have not been subjected 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 Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated September 3, 2020 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.



ARTHUR ACADEMY

Public Charter School

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS MANAGEMENT’S DISCUSSION AND ANALYSIS For the year ended June 30, 2020

As management of Mastery Learning Institute – Arthur Academy – Reynolds Charter School, we offer the following narrative overview and analysis of the School’s financial statements for the year ended June 30, 2020. Because the information contained in this discussion is select in nature, it should be considered in conjunction with the financial statements included in this audit report.

Financial Highlights

- The School showed an increase in its financial position during the year ended June 30, 2020. Our total assets increased from \$2,393,947 to \$2,708,586 of which \$1,688,229 are capital assets, net of depreciation.
- Liabilities of \$175,201 were all current as of June 30, 2020, which excludes the net pension liability of \$1,364,093.
- Our total net position increased from \$1,737,698 to \$1,827,809. All activities of the School are governmental activities.
- The increase in net position was \$90,111.
- Our revenues came primarily from State School Fund revenues, which were \$1,782,967, and all other revenues totaled \$18,566. Total revenues from all sources for the year were \$1,801,533.
- Our expenses totaled \$1,711,422 for the year. Our largest expenditures were for instructional costs, which totaled \$1,064,038.

The School’s financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The government-wide financial statements are designed to provide an overview of the School’s financial operations, in a manner similar to a private-sector business. The statement of net position presents information regarding all assets and liabilities, with the difference between the two being reported as net position. Changes in net position may serve as a useful indicator of whether or not the overall financial position of the School is improving or deteriorating. The statement of activities presents information showing how the School’s net position increased or decreased during the year under audit. All activities in the government-wide financial statements are presented on the full accrual basis of accounting, in which they are reported as soon as the event occurs, regardless of the timing of associated cash flows.

The fund financial statements are presented focusing on near-term inflows and outflows of available resources, as well as balances of available resources available at the end of the year. The Reconciliation of Governmental Funds provides reconciliation between the fund financial statements and the government-wide financial statements.

	2020	2019	% Change
Assets			
Current and other assets	\$ 1,020,357	\$ 597,738	70.7%
Capital assets (net)	1,688,229	1,796,209	-6.0%
Total Assets	<u>2,708,586</u>	<u>2,393,947</u>	13.1%
Deferred Outflows of Resources			
Pension related deferrals - PERS	805,787	885,203	-9.0%
Total Assets and Pension Related Deferrals	<u>\$ 3,514,373</u>	<u>\$ 3,279,150</u>	7.2%
Liabilities			
Current and other liabilities	\$ 175,201	\$ 191,190	-8.4%
Net pension liabilities - PERS	1,364,093	1,103,899	23.6%
Total Liabilities	<u>1,539,294</u>	<u>1,295,089</u>	18.9%
Deferred Inflows of Resources			
Pension related deferrals - PERS	147,270	246,363	-40.2%
Total Liabilities and Pension Related Deferrals	<u>1,686,564</u>	<u>1,541,452</u>	9.4%
Net Position			
Net investment in capital assets	1,688,229	1,796,209	-6.0%
Unrestricted	139,580	(58,511)	338.6%
Total Net Position	<u>1,827,809</u>	<u>1,737,698</u>	5.2%
Total Liabilities, Pension Related Deferrals and Net Position	<u>\$ 3,514,373</u>	<u>\$ 3,279,150</u>	7.2%

	2020	2019	% Change
Revenues			
Charges for services	\$ 17,753	\$ 34,299	-48.2%
General revenues	1,783,780	1,648,153	8.2%
Total Revenues	<u>1,801,533</u>	<u>1,682,452</u>	7.1%
Expenses			
Instruction	1,064,038	1,057,759	0.6%
Support services	539,404	487,227	10.7%
Facilities acquisition & development	-	13,308	-100.0%
Unallocated depreciation	107,980	59,409	81.8%
Total Expenses	<u>1,711,422</u>	<u>1,617,703</u>	5.8%
Change in Net Position	90,111	64,749	39.2%
Beginning Net Position	1,737,698	1,672,949	3.9%
Ending Net Position	<u>\$ 1,827,809</u>	<u>\$ 1,737,698</u>	5.2%

An analysis of the governmental fund financial statements shows the following:

ARTHUR ACADEMY – MASTERY LEARNING INSTITUTE
13717 SE Division, Portland, OR 97236 (503) 762-6061 Fax (503) 761-4143

The Schedules of Revenues, Expenditures and Changes in Fund Balance, included as other information, also includes the School's budget, which is approved by the board of directors each year. This information is useful in assessing the School's near-term financial situation, and in the analysis of its annual budget.

Certain categories of expenses had variances as compared to the budgeted amounts. Certain explanations for those categories of expenses as follows:

- The School received \$167,192 more than budgeted primarily due to fluctuating enrollment and prior year reconciliation.
- The School spent \$194,395 less than budgeted due to controlled spending, unneeded facility costs and payroll/personnel changes.

As we write this in the fall of 2020, we are currently at an enrollment of 165 students. We expect student enrollment to remain the same. Student retention has been good, with a waiting list for enrollments. The School's revenues remain difficult to predict due to the unstable school funding environment in Oregon. The School's Board of Directors remains committed to budgeting conservatively to handle possible downward trends in per-pupil funding, should that result.

Please refer to the notes to the basic financial statements for a discussion of other issues related to the 2019-2020 year. Within that section are explanations of Arthur Academy - Reynolds' organization and operation, a summary of significant accounting policies, and other important information.

This financial report is designed to provide a general overview of the School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Business, Jill Domine, Arthur Academy - Reynolds, 13809 S.E. Division, Portland, Oregon 97236.



Jill Domine
Arthur Academy
Director of Business

BASIC FINANCIAL STATEMENTS

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MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

STATEMENT OF NET POSITION
at June 30, 2020

ASSETS:

Cash and cash equivalents	\$ 843,610
Accounts receivable	151,150
Related party receivable	21,451
Prepaid expenses	4,146
Capital assets, net of depreciation	<u>1,688,229</u>

Total Assets 2,708,586

DEFERRED OUTFLOWS OF RESOURCES:

Pension related deferrals - PERS	<u>805,787</u>
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TOTAL ASSETS AND PENSION RELATED DEFERRALS \$ 3,514,373

LIABILITIES:

Accounts payable	25,189
Related party payable	22,781
Net pension liabilities - PERS	1,364,093
Payroll liabilities	<u>127,231</u>

Total Liabilities 1,539,294

DEFERRED INFLOWS OF RESOURCES:

Pension related deferrals - PERS	<u>147,270</u>
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TOTAL LIABILITIES AND PENSION RELATED DEFERRALS 1,686,564

NET POSITION:

Net investment in capital assets	1,688,229
Unrestricted	<u>139,580</u>

Total Net Position 1,827,809

TOTAL LIABILITIES, PENSION RELATED DEFERRALS AND NET POSITION \$ 3,514,373

See accompanying notes to the basic financial statements.

**MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON**

STATEMENT OF ACTIVITIES
for the Year Ended June 30, 2020

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 1,064,038	\$ 9,757	\$ -	\$ (1,054,281)
Support Services	539,404	7,996	-	(531,408)
Unallocated Depreciation	107,980	-	-	(107,980)
Total Governmental Activities	<u>\$ 1,711,422</u>	<u>\$ 17,753</u>	<u>\$ -</u>	<u>(1,693,669)</u>
General Revenues:				
State aid				1,782,967
Miscellaneous				<u>813</u>
Total General Revenues				<u>1,783,780</u>
Changes in Net Position				90,111
Net Position-Beginning				<u>1,737,698</u>
Net Position - Ending				<u>\$ 1,827,809</u>

See accompanying notes to the basic financial statements.

MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUND
at June 30, 2020

ASSETS:

Cash and cash equivalents	\$ 843,610
Accounts receivable	151,150
Related party accounts receivable	21,451
Prepaid expenses	<u>4,146</u>
 Total Assets	 <u><u>\$ 1,020,357</u></u>

LIABILITIES:

Accounts payable	\$ 25,189
Related party payable	22,781
Payroll liabilities	<u>127,231</u>
 Total Liabilities	 <u>175,201</u>

FUND BALANCES:

Nonspendable	4,146
Unassigned	<u>841,010</u>
 Total Fund Balances	 <u>845,156</u>

Total Liabilities and Fund Balance	<u><u>\$ 1,020,357</u></u>
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See accompanying notes to the basic financial statements.

MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

RECONCILIATION OF THE GOVERNMENTAL FUND
BALANCE SHEET TO THE STATEMENT OF NET POSITION
at June 30, 2020

Fund Balance - Governmental Fund \$ 845,156

The PERS net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.

Net Pension Liability - PERS (1,364,093)

Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earnings, and contributions subsequent to the measurement date.

Deferred Inflows of Resources - PERS (147,270)
Deferred Outflows of Resources - PERS 805,787

The cost of capital assets (site improvements, buildings and improvements, and equipment) purchased or constructed is reported as an expenditure in the governmental fund. The Statement of Net Position includes those capital assets among the assets of the School as a whole.

Capital assets, net of depreciation 1,688,229

Net Position \$ 1,827,809

125
See accompanying notes to the basic financial statements.

MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
for the Year Ended June 30, 2020

REVENUES:

State aid	\$ 1,782,967
Fees and charges	17,753
Miscellaneous	<u>813</u>
Total Revenues	<u>1,801,533</u>

EXPENDITURES:

Current:	
Instruction	871,305
Support service	<u>491,620</u>
Total Expenditures	<u>1,362,925</u>

Excess of Revenues Over, (Under) Expenditures	438,608
Beginning Fund Balance	<u>406,548</u>
Ending Fund Balance	<u><u>\$ 845,156</u></u>

MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
TO THE STATEMENT OF ACTIVITIES
for the Year Ended June 30, 2020

Net Change in Fund Balance - Governmental Fund \$ 438,608

The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.

Pension Expense - PERS (240,517)

Capital outlays are reported in the governmental fund as expenditures. However, in the statement of activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.

Depreciation Expense (107,980)

Change in Net Position of Governmental Activities \$ 90,111

See accompanying notes to ¹²⁷the basic financial statements.

NOTES TO THE
BASIC FINANCIAL STATEMENTS

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MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units as required by Oregon law. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Arthur Academy – Reynolds (the School) is a non-profit corporation organized under provisions of Oregon Revised Statutes Chapter 338 for the purpose of operating a charter school. It is governed by a board of directors. Accounting principles generally accepted in the United States of America require that these financial statements present Arthur Academy – Reynolds and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate entities that are included in the School’s reporting because of the significance of their operational or financial relationships. All significant activities and entities with which the School exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statement of Activities display information about the School as a whole.

The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 “Accounting and Financial Reporting for Non-exchange Transactions.”

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

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.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period, which is 60 days. Grant revenue is not considered available and, therefore, is not recognized until received. Expenditures are recorded when the liability is incurred.

Revenues susceptible to accrual are state and local shared revenue.

There is the following major governmental fund:

GENERAL FUND

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund (there are no other funds). The principal revenue sources are payments of state school support from Reynolds School District, program fees, fundraising and donations.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the government-wide 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 is recorded as a liability in the balance sheet and statement of net position. There were no material grants received during the year ended June 30, 2020.

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 categories:

Net investment in capital assets – consists of assets that are invested in buildings, equipment and other capital assets, net of any related debt and depreciation.

Restricted – consists of external constraints placed on net position use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There was no restricted net position at June 30, 2020.

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

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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. At June 30 2020, there were deferred outflows representing PERS pension related deferrals in the Statement of Net position.

In addition to liabilities, the basic financial statements 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. At June 30 2020, there were deferred inflows representing PERS pension related deferrals in the Statement of Net Position.

FUND EQUITY

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* is followed. 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 non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable represents amounts that are not in a spendable form. Non-spendable amounts represent prepaid services.
- 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).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by 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.
- 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.

There were no restricted, committed, or assigned fund balances at year end.

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.

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BUDGET

A budget is prepared for the General Fund on the modified accrual basis of accounting in the main program categories as listed below. Modified accrual basis differs from accrual in the fact that no depreciation expense is recognized, capital assets are expensed when purchased, debt is expensed when paid, pension costs are not recorded until paid, and inventory is expensed when purchased. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America, except as noted above.

The expenditure budgets are made at the following levels:

LEVEL OF CONTROL

- Salaries and Associated Payroll Costs
- Purchased Services
- Supplies and Materials
- Capital Outlay

See page 24 for a comparison of budget to actual.

D. CAPITAL ASSETS

Capital assets, which include buildings, site improvements and equipment, are reported in the government-wide financial statements. 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. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The cost of normal maintenance and repair that do not add function to the asset or materially extend the useful life of the asset are expensed as incurred.

Capital assets are depreciated using the straight line method over the following useful lives:

Site Improvements	10 years
Building and Improvements	50 years
Equipment	5 to 10 years

E. SUPPLY INVENTORY

Detailed supply inventory records are not maintained. Inventory on hand at year end was considered immaterial by management.

F. PREPAID EXPENSES

Prepaid expenses are payments for services performed after year end.

G. ACCOUNTS RECEIVABLE

Management believes all accounts receivable are fully collectable; therefore, an allowance for doubtful accounts has not been determined. All accounts receivable are current.

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. ESTIMATES

Preparation of the basic 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 disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. RETIREMENT PLANS

Substantially all of the School's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

J. FAIR VALUE INPUTS, METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

There were no investments at June 30, 2020.

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

2. TAX STATUS

The School is established pursuant to Section 501(c)(3) of the Internal Revenue Code, and, accordingly, the change in net position is exempt from income taxes. A favorable determination letter has been obtained from the Internal Revenue Service and the Board believes that the School continues to qualify and operate in accordance with applicable provisions of the Internal Revenue Code.

U.S. Generally Accepted Accounting Principles require management to evaluate tax positions taken and recognize a tax liability (or asset) if an uncertain position has been taken that more likely than not would not be sustained upon examination by the Internal Revenue Service. The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. Management believes it is no longer subject to income tax examinations for years prior to 2016.

3. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2020 was \$844,131, of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

At June 30, 2020 cash and cash equivalents consisted of the following:

Bank Demand Deposits	\$843,586
Cash on Hand	<u>24</u>
Total	<u>\$843,610</u>

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2020 none of the bank balance was exposed to custodial credit risk.

INVESTMENTS

Policy is to follow state statutes governing cash management. Statutes authorize investing in banker's acceptances, repurchase agreements, obligations of the United States and its agencies and instrumentalities.

INTEREST RATE RISK - INVESTMENTS

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 were no investments.

CREDIT RISK - INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

3. CASH AND INVESTMENTS (CONTINUED)

CONCENTRATION OF CREDIT RISK

At June 30, 2020 there were no investments.

4. CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2020 are as follows:

	<u>Capital Assets</u> <u>July 1, 2019</u>	<u>Adjustments</u>	<u>Additions</u>	<u>Deletions</u>	<u>Capital Assets</u> <u>June 30, 2020</u>
Capital Assets					
Site Improvements	\$ 183,900	\$ 33,060	\$ -	\$ -	\$ 216,960
Building & Improvements	2,283,550	(33,060)	-	-	2,250,490
Equipment	33,718	-	-	-	33,718
Total	<u>2,501,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,501,168</u>
Accumulated Depreciation:					
Site Improvements	184,605	(2,368)	4,930	-	187,167
Building & Improvements	482,849	8,565	100,640	-	592,054
Equipment	37,505	(6,197)	2,410	-	33,718
Total	<u>704,959</u>	<u>-</u>	<u>107,980</u>	<u>-</u>	<u>812,939</u>
Total Net Capital Assets	<u>\$ 1,796,209</u>				<u>\$ 1,688,229</u>

Adjustments represent corrective reclassifications between capital asset categories.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results. A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.
 - ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were \$169,822, excluding amounts to fund employer specific liabilities.

Pension Asset or Liability

At June 30, 2020, the School reported a net pension liability of \$1,364,093 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. The School's proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the School's proportion was 0.0060 and 0.0061 percent, respectively. Pension expense for the year ended June 30, 2020 was \$240,517.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 32.03%
- (2) OPSRP general services – 26.58%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 75,225	\$ -
Changes in assumptions	185,054	-
Net difference between projected and actual earnings on pension plan investments	-	(38,671)
Net changes in proportionate share	324,721	(107,934)
Differences between employer contributions and proportionate share of contributions	<u>50,965</u>	<u>(665)</u>
Subtotal - Amortized Deferrals (below)	635,965	(147,270)
Employer contributions subsequent to measuring date	<u>169,822</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 805,787</u>	<u>\$ (147,270)</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to pension as deferred outflows of resources, \$635,965 and deferred inflows of resources, (\$147,270), net to \$488,695 and will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ 192,066
2022	122,216
2023	111,643
2024	56,709
2025	6,061
Thereafter	-
Total	<u>\$ 488,695</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Health annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

Source: June 30, 2019 PERS CAFR; p. 100

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		<i>2.50%</i>

Source: June 30, 2019 PERS CAFR; p. 74

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Sensitivity of the School’s proportionate share of the net pension liability to changes in the discount rate – The following presents the School’s proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the School’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
School's proportionate share of the net pension liability (asset)	\$ 2,184,469	\$ 1,364,093	\$ 677,546

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer’s reporting date that are expected to have a significant effect on the employer’s share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the School are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member’s IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

Employees of the School pay six (6) percent of their covered payroll. The School did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700.

<https://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

6. OTHER POST- EMPLOYMENT BENEFIT PLAN – (RHIA)

Retirement Health Insurance Account

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the School contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

6. OTHER POST- EMPLOYMENT BENEFIT PLAN – (RHIA)

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the School currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer’s portion is determined by comparing the employer’s actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The School’s contributions to RHIA for the year ended June 30, 2020 were not considered material to the basic financial statements by management.

At June 30, 2020, the School’s net OPEB liability/(asset) and deferred inflows and outflows were not considered material to the basic financial statements by management and were not accrued in the government-wide statements.

7. 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. Commercial insurance is purchased to minimize exposure to these risks. Settled claims have not exceeded this commercial coverage in the last three fiscal years.

8. RELATED PARTY TRANSACTIONS

Arthur Academy – General Services is a related party to all other Arthur Academy Charter Schools (including Reynolds) by virtue of being under the administration of the same board of directors and operating under similar principles of governance. All payroll related expenditures are made by the Arthur Academy – General Services on behalf of each school. General Services is reimbursed for those expenditures and the administration thereon. Furthermore, the Arthur Academy – General Services is involved in the cash flow management of each school, including loans and inter-entity borrowings.

Payments are made to Arthur Academy – General Services for administrative costs and payroll and related expenses. During the fiscal year ended June 30, 2020, \$1,100,873 was paid to Arthur Academy – General Services. At June 30, 2020 Arthur Academy – Reynolds had a balance of \$22,781 due to Arthur Academy – General Services, which was for payroll and related expenses. There is no interest being charged on this outstanding payable and there is no specific due date.

At June 30, 2020, Arthur Academy – Reynolds had a related party receivable in the amount of \$21,451 due from Arthur Academy – General Services for payroll. There is no interest being charged on this outstanding receivable, and there is no specific due date.

**MASTERY LEARNING INSTITUTE – ARTHUR ACADEMY – REYNOLDS
MULTNOMAH COUNTY, OREGON**

NOTES TO THE BASIC FINANCIAL STATEMENTS

9. COMMITMENTS & CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon through the Reynolds School District. State funding is determined through state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate they can cause increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the operations cannot be determined.

The School operates under authority of the Reynolds School District who grants a charter to the School and exercises some oversight as required by Oregon law. The effect of non-renewal of the charter on these financial statements has not been determined.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the School expects the reduction of economic activity to negatively impact funds received from the State of Oregon.

REQUIRED
SUPPLEMENTARY INFORMATION

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MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

at June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) The School's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.006 %	\$ 1,364,093	\$ 703,783	193.8 %	80.2 %
2019	0.006	1,103,899	600,671	183.8	82.1
2018	0.006	767,606	584,435	131.3	83.1
2017	0.001	155,439	598,074	26.0	80.5
2016	0.008	436,804	526,388	83.0	91.9
2015	0.045 *	(194,143)	419,621	(46.3)	103.6
2014	0.045 *	434,445	405,476	107.1	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

* Prior to 2016, Employer's proportion is the Mastery Learning Institute amount in total. Going forward, it will be just the one School's share.

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ 169,822	\$ 169,822	\$ -	\$ 678,142	25.0 %
2019	152,647	152,647	-	703,783	21.7
2018	127,016	127,016	-	600,671	21.1
2017	92,864	92,864	-	584,435	15.9
2016	83,875	83,875	-	598,074	14.0
2015	95,049	95,049	-	526,388	18.1
2014	86,860	86,860	-	419,621	20.7

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

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OTHER INFORMATION

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MASTERY LEARNING INSTITUTE - ARTHUR ACADEMY - REYNOLDS
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GOVERNMENTAL FUND - ACTUAL AND BUDGET
 for the Year Ended June 30, 2020

	GENERAL FUND			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:				
Local sources	\$ 30,700	\$ 30,700	\$ 18,566	\$ (12,134)
State sources	1,603,641	1,603,641	1,782,967	179,326
Total Revenues	<u>1,634,341</u>	<u>1,634,341</u>	<u>1,801,533</u>	<u>167,192</u>
EXPENDITURES:				
Instruction:				
Salaries and associated payroll costs	909,382	909,382	808,128	101,254
Purchased services	8,800	8,800	5,987	2,813
Supplies and materials	50,050	50,050	57,190	(7,140)
Total Instruction	<u>968,232</u>	<u>968,232</u>	<u>871,305</u>	<u>96,927</u>
Support Services:				
Salaries and associated payroll costs	197,489	197,489	200,360	(2,871)
Purchased services	302,399	302,399	278,547	23,852
Supplies and materials	9,200	9,200	12,713	(3,513)
Total Support Services	<u>509,088</u>	<u>509,088</u>	<u>491,620</u>	<u>17,468</u>
Facilities Acquisition and Development:				
Capital outlay	80,000	80,000	-	80,000
Total Facilities Acquisition and Development	<u>80,000</u>	<u>80,000</u>	<u>-</u>	<u>80,000</u>
Total Expenditures	<u>1,557,320</u>	<u>1,557,320</u>	<u>1,362,925</u>	<u>194,395</u>
Net Change in Fund Balance	77,021	77,021	438,608	361,587
Beginning Fund Balance	<u>406,548</u>	<u>406,548</u>	<u>406,548</u>	<u>-</u>
Ending Fund Balance	<u>\$ 483,569</u>	<u>\$ 483,569</u>	<u>\$ 845,156</u>	<u>\$ 361,587</u>

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**REPORTS ON LEGAL AND
OTHER REGULATORY REQUIREMENTS**

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www.paulyrogersandcocpas.com

September 3, 2020

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Mastery Learning Institute – Arthur Academy – Reynolds as of and for the year ended June 30, 2020, and have issued our report thereon dated September 3, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic 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 basic 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:

- **Deposits of public funds with financial institutions (ORS Chapter 295)**
- **Insurance and fidelity bonds in force or required by law.**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Programs funded from outside sources.**

In connection with our testing nothing came to our attention that caused us to believe the Mastery Learning Institute – Arthur Academy – Reynolds 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 basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal control over financial reporting.

This report is intended solely for the information and use of the Board of Directors, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

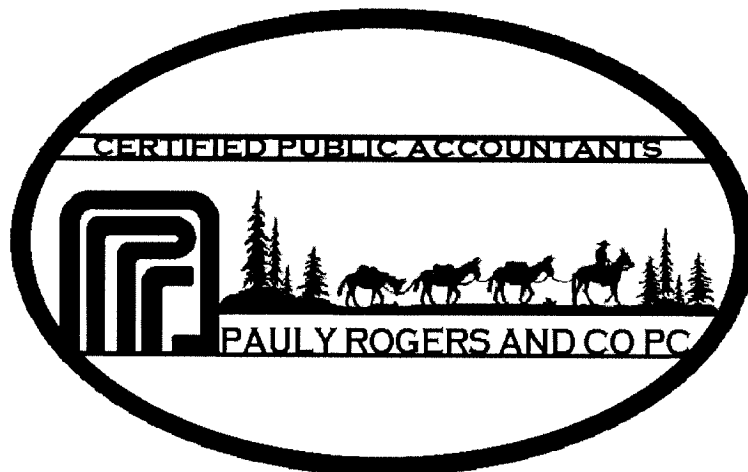
ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020



12700 SW 72nd Ave.
Tigard, OR 97223

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

FINANCIAL REPORT

For the Year Ended June 30, 2020

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KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

2019-2020

BOARD OF DIRECTORS

Jerome “Jerry” Fladoos, Board Chair

Tina Long

Ana Manos-Weakland

Catherine Nicewood

Jeff Reynolds

Preston Salami

All board members receive mail at the address below:

ADMINISTRATION

John Nelson, Executive Director
740 SE 182nd Ave
Portland, OR 97233

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KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

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October 8, 2020

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
KNOVA Learning
Multnomah County, Oregon

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities and the major fund of KNOVA Learning (the School) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic 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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of KNOVA Learning, as of June 30, 2020, and the respective changes in financial position, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 schedules of net pension liability and contributions for PERS or management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The listing of board members, located before the table of contents, 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.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated October 8, 2020 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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MANAGEMENT'S DISCUSSION AND ANALYSIS For the year ended June 30, 2020

As management of KNOVA Learning, we offer the following narrative overview and analysis of the School's financial statements for the fiscal year ended June 30, 2020. Because the information contained in this discussion is select in nature, it should be considered in conjunction with the financial statements included in this audit report.

These financial statements are presented in conformance with Governmental Accounting Standards Board (GASB) Statement No. 34. GASB 34 requires the School's financial statements to be presented on the same basis as those of our sponsoring district, Reynolds School District.

The School's financial statements consist of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements
- General fund financial statements, including budget to actual comparison

The government-wide financial statements are designed to provide an overview of the School's financial operations, in a manner similar to a private-sector business. The Statement of Net Position presents information regarding all assets and liabilities, with the difference between the two reported as net position. Changes in net position may serve as a useful indicator of whether or not the overall financial position of the School is improving or deteriorating. The Statement of Activities presents information showing how the School's net position increased or decreased during the year under audit. All activities in the government-wide financial statements are presented on the full accrual basis of accounting, in which they are reported as soon as the event occurs, regardless of the timing of associated cash flows.

The fund financial statements are presented focusing on near-term inflows and outflows of available resources, as well as balances of available resources available at the end of the year. The Schedule of Revenues, Expenditures and Changes in Fund Balance also includes the School's budget, which is approved by the Board of Directors each year. This information is useful in assessing the School's near-term financial situation, and in the analysis of its annual budget.

The following is a comparison of current to prior year Statement of Net Position:

	<u>2020</u>	<u>2019</u>	% Change
Assets			
Current and other assets	\$ 1,079,034	\$ 564,879	91.0%
Capital assets and leasehold improvements (net)	<u>25,314</u>	<u>24,664</u>	2.6%
Total Assets	<u>1,104,348</u>	<u>589,543</u>	87.3%
Deferred Outflow of Resources			
Net pension related deferrals	<u>775,705</u>	<u>858,366</u>	-9.6%
Total assets and deferred outflow of resources	<u>1,880,053</u>	<u>1,447,909</u>	29.8%
Liabilities			
Current and other liabilities	236,744	144,027	64.4%
Net pension liability	2,013,254	1,915,896	5.1%
Non-current liabilities (net)	<u>330,929</u>	-	N/A
Total liabilities	<u>2,580,927</u>	<u>2,059,923</u>	25.3%
Deferred Inflow of Resources			
Net pension related deferrals	<u>286,780</u>	<u>314,614</u>	-8.8%
Total liabilities and deferred inflow of resources	<u>2,867,707</u>	<u>2,374,537</u>	20.8%
Net Position			
Net investment in capital assets	25,314	24,664	2.6%
Unrestricted	<u>(1,012,968)</u>	<u>(951,292)</u>	6.5%
Total net position	<u>\$ (987,654)</u>	<u>\$ (926,628)</u>	6.6%

The following is a comparison of current to prior year statement of Statement of Activities:

	<u>2020</u>	<u>2019</u>	% Change
Revenue			
Charges for services	\$ 78	\$ 133,157	-99.9%
Operating grants	7,500	11,000	-31.8%
General revenue	<u>2,791,150</u>	<u>2,931,231</u>	-4.8%
Total Revenue	<u>2,798,728</u>	<u>3,075,388</u>	-9.0%
Expenses			
Instruction	1,333,299	1,193,227	11.7%
Support services	1,467,289	1,326,961	10.6%
Community services	59,166	164,440	-64.0%
Facilities acquisition expense	-	-	N/A
Interest	-	4,476	-100.0%
Total Expenses	<u>2,859,754</u>	<u>2,689,104</u>	6.3%
Change in Net Position	(61,026)	386,284	-115.8%
Beginning Net Position	<u>(926,628)</u>	<u>(1,312,912)</u>	-29.4%
Ending Net Position	<u>(987,654)</u>	<u>(926,628)</u>	6.6%

An analysis of the government-wide financial statements shows the following:

- Fiscal year 2019-20 was the ninth year of operations for the KNOVA Learning Center. Total assets, which consist of cash, accounts receivable, prepaid expenses, and capital assets, were \$1,104,348. Total liabilities were \$2,580,927. Part of the liability increase is due to the Paycheck Protection Program. We anticipate that the debt will be forgiven and will be going through that process in 2020-2021. All activities of the School are governmental activities.
- Our revenues during 2019-2020 were primarily from State School Funds, which were \$2,770,070. Other miscellaneous revenue totaled \$28,658. Total revenues from all sources for the year were \$2,798,728.
- Our expenses totaled \$2,859,754 for the 2019-2020 year.

An analysis of the governmental fund financial statements shows the following:

- The Schedule of Revenues, Expenses and Changes in Fund Balance—Actual and Budget presents greater detail regarding the School’s revenues and expenses for the year. The following are significant budgetary variations we feel should be discussed further:
 1. Total revenues for the fiscal year were less than budget. The variance in revenues from state school fund is primarily due to enrollment being challenging due to Covid-19. Reynolds School District also handled our lunch program for 2019-2020, which meant no lunch revenue.
 2. Actual instruction expenses include costs for classroom supplies, textbooks and equipment that are budgeted as support services and actual support services include management and administrative payroll costs that are budgeted as instruction.

The School is committed to budgeting conservatively. Our approach is to build our budget so as to operate the School on the revenue from the state school funds alone.

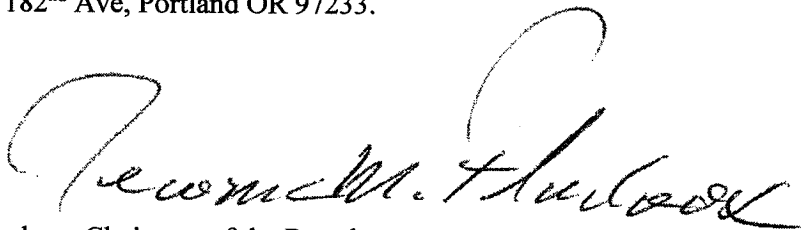
Our average enrollment for 2019-2020 was 320. Our ELL population averaged about 90 students.

KNOVA leadership stayed steady in 2019-2020. KNOVA’s Board of Directors is hopeful this will be a stable building opportunity to continue to attract new students. The board continues to improve in structure and aligning the right people in the correct position to assist the school in its’ future success.

We contracted out our bookkeeping services in October 2015 to make a more fluid relationship with Pauly Rogers. As you can see, our audit continues to improve each year.

Please refer to the notes to the financial statements for a discussion of other issues related to the 2019-2020 year. Within that section are explanations of KNOVA Learning’s organization and operation, a summary of significant accounting policies, and other important information.

This financial report is designed to provide a general overview of the School’s finances for all those with an interest in the School’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to John Nelsen Chief Operating Officer, KNOVA Learning, 740 SE 182nd Ave, Portland OR 97233.



Jerry Fladoos, Chairman of the Board
KNOVA Learning

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MULTNOMAH COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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KNOVA LEARNING
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STATEMENT OF NET POSITION
June 30, 2020

ASSETS:

Cash and cash equivalents	\$ 1,012,031
Accounts receivable	2,932
Prepaid expenses	35,178
Rent Deposit	28,893
Capital assets, net of depreciation	<u>25,314</u>
Total Assets	1,104,348

DEFERRED OUTFLOWS OF RESOURCES:

Pension related deferrals - PERS	<u>775,705</u>
Total Assets and Pension Related Deferrals	<u>1,880,053</u>

LIABILITIES:

Accounts payable	68,630
Payroll liabilities	78,674
Unearned Revenue	44,440
Net pension liability - PERS	2,013,254
Other liabilities	45,000
Long term obligations	<u>330,929</u>
Total Liabilities	2,580,927

DEFERRED INFLOWS OF RESOURCES:

Pension related deferrals - PERS	<u>286,780</u>
Total Liabilities and Pension Related Deferrals	<u>2,867,707</u>

NET POSITION:

Net Investment in Capital Assets	25,314
Unrestricted	<u>(1,012,968)</u>
Total Net Position	<u>\$ (987,654)</u>

See accompanying notes to the basic financial statements

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

STATEMENT OF ACTIVITIES
 For the Year Ended June 30, 2020

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 1,333,299	\$ 78	\$ 7,500	\$ (1,325,721)
Support services	1,467,289	-	-	(1,467,289)
Community services	59,166	-	-	(59,166.00)
				-
Total Governmental Activities	<u>\$ 2,859,754</u>	<u>\$ 78</u>	<u>\$ 7,500</u>	<u>(2,852,176)</u>

General Revenues	
State School Funds	2,770,070
Miscellaneous	21,080
	<u>2,791,150</u>
Total General Revenues	<u>2,791,150</u>
Change in Net Position	(61,026)
Net Position - Beginning	<u>(926,628)</u>
Net Position - Ending	<u>\$ (987,654)</u>

See accompanying notes to the basic financial statements

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUND
June 30, 2020

	<u>GENERAL FUND</u>
ASSETS:	
Cash and cash equivalents	\$ 1,012,031
Accounts receivable	2,932
Prepaid expenses	35,178
Rent Deposit	<u>28,893</u>
Total Assets	<u>\$ 1,079,034</u>
 LIABILITIES AND FUND BALANCE:	
Liabilities:	
Accounts payable	\$ 68,630
Payroll liabilities	78,674
Unearned Revenue	44,440
Other Liabilities	<u>45,000</u>
Total Liabilities	<u>236,744</u>
 Fund Balances:	
Nonspendable	64,071
Unassigned	<u>778,219</u>
Total Fund Balances	<u>842,290</u>
Total Liabilities and Fund Balance	<u>\$ 1,079,034</u>

See accompanying notes to the basic financial statements

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Position
June 30, 2020

Total Fund Balances - Governmental Fund \$ 842,290

The PERS net pension asset (liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries. (2,013,254)

Deferred inflows and outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.

Deferred Outflows - PERS 775,705
Deferred Inflows - PERS (286,780)

The cost of capital assets (buildings and improvements, and furniture) purchased or constructed is reported as an expenditure in the governmental fund. The Statement of Net Position includes those capital assets among the assets of the School as a whole.

Capital Assets, Net of Depreciation 25,314

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. All liabilities, both current and long term, are reported in the Statement of Net Position.

Notes Payable (330,929)

Net Position \$ (987,654)

See accompanying notes to the basic financial statements

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
For the Year Ended June 30, 2020

REVENUES:

Local sources	\$ 28,658
State sources	<u>2,770,070</u>
Total Revenues	<u>2,798,728</u>

EXPENDITURES:

Instruction	1,238,569
Support services	1,416,511
Enterprise and community services	<u>53,139</u>
Total Expenditures	<u>2,708,219</u>

Other Financing Sources, (Uses):

Loan proceeds	<u>330,929</u>
Total Financing Sources, (Uses)	<u>330,929</u>

Net Change in Fund Balance	421,438
Beginning Fund Balance	<u>420,852</u>
Ending Fund Balance	<u><u>\$ 842,290</u></u>

See accompanying notes to the basic financial statements

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
to the Statement of Activities
For the Year Ended June 30, 2020

Total Net Changes in Fund Balances - Governmental Funds \$ 421,438

The PERS pension expense represents the changes in net pension asset (liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (152,185)

Capital outlays are reported in the governmental fund as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense.

Capital Asset Additions 650

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 not revenue.

Debt Principal Issuance (330,929)

Change in Net Position of Governmental Activities \$ (61,026)

See accompanying notes to the basic financial statements

KNOVA LEARNING
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NOTES TO THE BASIC FINANCIAL STATEMENTS

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KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements have been prepared in conformity with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

KNOVA Learning is a non-profit corporation organized under provisions of Oregon Revised Statutes Chapter 338 for the purpose of operating a charter school. It is governed by a board. Generally accepted accounting principles require that these basic financial statements present the School and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate entities that are included in the School's reporting because of the significance of their operational or financial relationships with the School. All significant activities and entities with which the School exercises oversight responsibility have been considered for inclusion in the basic financial statements. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Position and Statement of Activities display information about the School as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions."

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function.

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.

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for the general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period, which is 60 days. Grant revenue is not considered available and, therefore, is not recognized until received. Expenditures are recorded when the liability is incurred.

Revenues susceptible to accrual are interest, state, county and local shared revenue, and local grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

There is one major governmental fund:

GENERAL FUND

This fund accounts for all financial resources and expenditures, except those required to be accounted for in another fund (there are no other funds). The principal revenue sources are payments of state school support from Reynolds School District, fees, fundraising and donations.

GRANTS

Unreimbursed expenditures due from grantor agencies, if any, are reflected in the government-wide 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 is recorded as liability in the balance sheet and statement of net position. No material grants were received during the year ended June 30, 2020.

FUND BALANCES

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* is followed. 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 non-spendable, restricted, committed, assigned, and unassigned.

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (CONTINUED)

FUND BALANCE (CONTINUED)

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents prepaid items and the rent deposit.
- Restricted fund balance 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).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance 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.
- Unassigned fund balance 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.

There were no restricted, committed or assigned fund balances at year end.

The governing body has not established a policy on the order in which unrestricted resources are to be used when these amounts are available for expenditure. As a result of this, the default approach assumes that committed amounts should be reduced first, followed by assigned amounts, and then the unassigned amounts.

NET POSITION

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

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and 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. There was no restricted net position at June 30, 2020.

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

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BUDGET

A budget is prepared for the General Fund on the modified accrual basis of accounting in the main program categories as listed below. Modified accrual basis differs from accrual in that no depreciation expense is recognized, capital assets are expensed when purchased, inventory is expensed when purchased, debt proceeds are recorded as revenue rather than a liability, pension costs are not recorded until paid, and debt principal is an expenditure when paid. The budget is prepared on a basis consistent with generally accepted accounting principles in the United States of America, except as stated above.

Expenditures are made at the following levels for each fund:

LEVEL OF CONTROL

- Instruction
- Support Services
- Enterprise and Community Services
- Facilities Acquisition and Construction
- Debt Service
- Contingency

A budgetary schedule is shown on page 25 of this report.

D. CAPITAL ASSETS

Capital assets, which include buildings and improvements, and furniture, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and a life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Depreciation is recorded on capital assets using the straight line method over the useful life of the asset, or in the case of tenant improvements, over the useful life or the remaining term of the lease, whichever is shorter.

Furniture and fixtures	3 to 7 years
Building improvements	5 years
Site improvements	30 years

E. SUPPLY INVENTORY

Detailed supply inventory records are not maintained. Inventories are not considered to be material by management at year end.

F. CASH AND CASH EQUIVALENTS

The Cash and Cash Equivalents are considered to be cash on hand, demand deposits, and short term investments with original maturities of three months or less from the date of acquisition.

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. RETIREMENT PLANS

Substantially all of the School's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

H. ESTIMATES

The preparation of the basic 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 disclosure of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

I. PREPAID EXPENSES

Prepaid expenses are reported for purchases of services paid for during the year but not used until next year, as well as prepayment of lease expenses.

J. DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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 a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. At June 30, 2020, there were deferred outflows representing PERS pension related deferrals in the Statement of Net Position.

In addition to liabilities, the basic financial statements 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2020 there were deferred inflows representing PERS pension related deferrals in the Statement of Net Position.

K. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

K. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY (CONTINUED)

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

L. UNEARNED REVENUE

Unearned revenue represents money received by the School for services that have yet to be performed. At June 30, 2020, the balance represents overpayment of State School Funds received from Reynolds School District. This money is received throughout the year and amounts earned are adjusted on a continual basis.

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. The total bank balance per the bank statements as of June 30, 2020 was \$1,017,465, of which \$250,000 was covered by federal depository insurance, and the balance was collateralized by the Oregon Public Funds Collateralization Program.

Cash and Cash Equivalents at June 30, 2020 consisted of :

Wells Fargo Checking	\$ 487,486
Wells Fargo Saving	<u>524,545</u>
	<u>\$ 1,012,031</u>

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

CREDIT RISK – DEPOSITS

In the case of deposits, this is the risk that in the event of a bank failure, deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2020, all cash deposits were fully insured.

INTEREST RATE RISK - INVESTMENTS

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 were no investments.

CREDIT RISK - INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE.

CONCENTRATION OF CREDIT RISK

At June 30, 2020 there were no investments.

3. CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2020 are as follows:

	Balance 7/1/2019	Adjustments	Additions	Deletions	Balance 6/30/2020
Capital Assets					
Furniture & Fixtures	\$ 58,484	\$ (17,071)	\$ 650	\$ -	\$ 42,063
Site & Site Improvements	43,502	(43,502)	-	-	-
Totals	<u>101,986</u>	<u>(60,573)</u>	<u>650</u>	<u>-</u>	<u>42,063</u>
Accumulated Depreciation					
Furniture & Fixtures	33,820	(17,071)	-	-	16,749
Site & Site Improvements	43,502	(43,502)	-	-	-
Totals	<u>77,322</u>	<u>(60,573)</u>	<u>-</u>	<u>-</u>	<u>16,749</u>
Net Capital Assets	<u>\$ 24,664</u>				<u>\$ 25,314</u>

The School has updated its capital asset inventory and removed assets that the School no longer owns, and have fully depreciated from its capital asset register. The adjustment reflect the updated balance on assets that the School still own and have possession. New playground addition was completed but not placed in service as of June 30, 2020 and thus no depreciation was recorded.

4. ACCOUNTS RECEIVABLE

Accounts Receivable of \$2,932 consists primarily of funds due from the School's landlord, Portland Charter Partners.

KNOVA LEARNING
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NOTES TO BASIC FINANCIAL STATEMENTS

5. PREPAID EXPENSES

Prepaid expenses are items which have been paid for but have a benefit extending into the next fiscal year. The prepaid balance of \$ 64,071 consist of \$28,893 rent deposit paid to the School's landlord, Portland Charter Partners, and other subscriptions and dues that will be expensed during the 2020-2021 fiscal year.

6. LONG-TERM OBLIGATIONS (NOTE PAYABLE)

On May 4, 2020, the School received \$330,929 in a direct borrowing under the Paycheck Protection Program with a 1 percent interest rate from Heritage Bank. The School may apply for forgiveness of the loan to the extent it is used for payroll, utilities, and rent obligations. The School expects to receive full forgiveness, and does not plan to make any payments on this loan. In the event that the full forgiveness is not granted, the outstanding balance begins to be paid back in monthly increments starting seven months after the note date. Any remaining balance matures on the two year anniversary of the receipt of the loan, which is May 4, 2022. In the event any balance is not paid by the maturity date, the interest would be increased to 4 percent.

7. OPERATING LEASES

Classroom and office space are leased under a facilities lease. In 2015-16, the School moved into the current leased facility at 740 SE 182nd Avenue, Portland, Oregon 97233. For the first year of the new lease the monthly rent was \$28,893. For the subsequent years of the five-year lease, the annual rent is to be calculated by taking the sum of all unweighted funding received by the Tenant from State and Federal sources and then multiplying this total funding sum by 14 percent to determine the annual rent for that particular lease year. This payment adjustment occurs in November each year. However, the minimum monthly rent to be paid by the Tenant will not fall below \$28,893.

In March 2020, the School and its landlord extended the lease for one year. The extended lease will expire on July 31, 2021. The School will continue to pay the monthly in the amount of \$28,893, which was set at the base rent in the existing lease. Beginning August 1, 2020, the rent decreased to \$26,000 a month until the lease expires in July 2021.

The School entered into a 5-year lease for a Xerox copier in January 2018. Monthly payments are \$309 for the life of the lease. In May of 2019 the School entered into an additional 5-year lease with Konica Minolta. Monthly payments for this lease are \$1,834 for the life of the lease.

The total lease expense for 2019-20 was \$372,436.

Future minimum lease payments are scheduled as follows:

<u>Year</u>	<u>Building Lease</u>	<u>Equipment</u>	<u>Total</u>
2020-2021	314,893	25,716	340,609
2021-2022	26,000	25,716	51,716
2022-2023	-	23,862	23,862
2023-2024	-	18,340	18,340
	<u>\$ 340,893</u>	<u>\$ 93,634</u>	<u>\$ 434,527</u>

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. OTHER LIABILITIES (SHORT-TERM OBLIGATIONS)

In March 2020, the School entered into a settlement with the landlord, Portland Charter Partners, in regards to previous dispute on certain life safety improvements to the leased premises under the Lease. Under the settlement, the School will pay the Landlord a total of \$60,000 in 12 equal, monthly payments of \$5,000 each month. The monthly payment started on April 1, 2020, with last payment scheduled for March 1, 2021. The balance owing at June 30, 2020 was \$45,000.

9. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple- employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

a. **PERS Pension (Chapter 238)**. The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.

i. **Pension Benefits**. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

ii. **Death Benefits**. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:

- o member was employed by PERS employer at the time of death,
- o member died within 120 days after termination of PERS covered employment,
- o member died as a result of injury sustained while employed in a PERS-covered job, or
- o member was on an official leave of absence from a PERS-covered job at the time of death.

iii. **Disability Benefits**. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

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MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
- Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were \$325,386, excluding amounts to fund employer specific liabilities.

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2020, the School reported a net pension liability of \$2,013,254 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2017. The School’s proportion of the net pension liability was based on a projection of the School’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the School’s proportion was .012 percent and .013 percent, respectively. Pension expense for the year ended June 30, 2020 was \$152,185.

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 32.03%
- (2) OPSRP general services – 26.58%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 111,025	\$ -
Changes in assumptions	273,121	-
Net difference between projected and actual earnings on pension plan investments	-	57,074
Net changes in proportionate share	4,449	227,735
Differences between School contributions and proportionate share of contributions	61,724	1,971
Subtotal - Amortized Deferrals (below)	450,319	286,780
School contributions subsequent to measuring date	325,386	-
Deferred outflow (inflow) of resources	\$ 775,705	\$ 286,780

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to pension as deferred outflows of resources, \$450,319, and deferred inflows of resources, (\$286,780), net to \$163,539 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2021	\$ 107,584
2022	(18,543)
2023	44,645
2024	30,167
2025	(314)
Thereafter	-
Total	\$ 163,539

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MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Date Scale.

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Equity	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

Source: PERS CAFR FY2019; p.100

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017, the PERS Board reviewed its long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Asset Class	Target	Annual Return (Geometric)
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		2.50%

Source: PERS CAFR FY2019, page 74

Discount Rate – The discount rate used to measure the total pension liability, as of the measurement dates June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the School’s proportionate share of the net pension liability to changes in the discount rate – The following presents the School’s proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the School’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	\$ 3,224,048	\$ 2,013,254	\$ 999,987

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NOTES TO BASIC FINANCIAL STATEMENTS

9. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the School are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

Employees of the School pay six (6) percent of their covered payroll. The School did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700.

<https://www.oregon.gov/pers/emp/pages/GASB.aspx>

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MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. OTHER POST-EMPLOYMENT BENEFIT PLAN – (RHIA)

Plan Description:

As a member of Oregon Public Employees Retirement System (OPERS) the School contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy:

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to 60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of 60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the School currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. Consistent with GASB Statement 75, the OPERS Board of Trustees sets the employer contribution rates as a measure of the proportionate relationship of the employer to all employers consistent with the manner in which contributions to the OPEB plan are determined. The basis for the employer's portion is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the plan with the total actual contributions made in the fiscal year of all employers. The School's contributions to RHIA for the year ended June 30, 2020 were not considered material to the basic financial statements by management.

At June 30, 2020, the School's net OPEB liability/(asset) and deferred inflows and outflows for RHIA were not considered material to the basic financial statements by management and were not accrued in the government wide statements.

KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. LINE OF CREDIT

There is a line of credit with Wells Fargo bank with a limit of \$100,000, and interest rate of 11.5% and an expiration date of November 2022. At June 30, 2020, there is currently a \$0 balance on this line.

12. COMMITMENTS & CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon through the Reynolds School District. State funding is determined through state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate they can cause increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

The School operates under authority of the Reynolds School District who grants a charter to the School and exercises some oversight as required by Oregon law. The effect of non-renewal of the charter has not been determined.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the School expects the reduction of economic activity to negatively impact funds received from the State of Oregon.

13. 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. Commercial insurance is purchased to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for the last three fiscal years.

14. TAX STATUS

The School is established pursuant to Section 501(c)(3) of the Internal Revenue Code, and, accordingly, the change in net position is exempt from income taxes. A favorable determination letter has been obtained from the Internal Revenue Service and management believes that the School continues to qualify and to operate in accordance with applicable provisions of the Internal Revenue Code.

U.S. Generally Accepted Accounting Principles requires management to evaluate tax positions taken by the School and recognize a tax liability (or asset) if the School has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The School is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The School's management believes it is no longer subject to income tax examinations for years prior to 2016.

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REQUIRED SUPPLEMENTARY INFORMATION

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REQUIRED SUPPLEMENTARY INFORMATION
At June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.01163892 %	\$ 2,013,254	\$ 1,096,828	183.6 %	80.2 %
2019	0.01264728	1,915,896	1,093,910	175.1	82.1
2018	0.01262643	1,702,048	1,136,247	149.8	83.1
2017	0.01349135	2,025,365	1,324,370	152.9	80.5
2016	0.01966195	1,128,883	645,106	175.0	91.9
2015	0.01765475	(400,183)	542,444	(73.8)	103.6
2014	0.01765475	900,948	548,485	164.3	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ 325,386	\$ 325,386	\$ -	\$ 1,196,624	27.2 %
2019	262,438	262,438	-	1,096,828	23.9
2018	265,794	265,794	-	1,093,910	24.3
2017	229,061	229,061	-	1,136,247	20.2
2016	197,668	197,668	-	1,324,370	14.9
2015	146,682	146,682	-	645,106	22.7
2014	174,700	174,700	-	542,444	32.2

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

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MULTNOMAH COUNTY, OREGON
OTHER INFORMATION

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KNOVA LEARNING
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GENERAL FUND
 - ACTUAL AND BUDGET -
 For the Year Ended June 30, 2020

	GENERAL FUND			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES:				
Local Sources	\$ 226,070	\$ 226,070	\$ 28,658	\$ (197,412)
State Sources	2,838,526	2,838,526	2,770,070	(68,456)
Total Revenues	<u>3,064,596</u>	<u>3,064,596</u>	<u>2,798,728</u>	<u>(265,868)</u>
EXPENDITURES:				
Instruction	1,454,994	1,454,994	1,238,569	216,425
Support Services	1,159,342	1,159,342	1,416,511	(257,169)
Enterprise & Community Services	398,500	398,500	53,139	345,361
Total Expenditures	<u>3,012,836</u>	<u>3,012,836</u>	<u>2,708,219</u>	<u>304,617</u>
Excess of Revenues Over, (Under) Expenditures	51,760	51,760	90,509	38,749
Other Financing Sources, (Uses):				
Loan Proceeds	-	-	330,929	330,929
Total Financing Sources, (Uses)	<u>-</u>	<u>-</u>	<u>330,929</u>	<u>330,929</u>
Net Change in Fund Balance	51,760	51,760	421,438	369,678
Beginning Fund Balance	420,852	420,852	420,852	-
Ending Fund Balance	<u>\$ 472,612</u>	<u>\$ 472,612</u>	<u>\$ 842,290</u>	<u>\$ 369,678</u>

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KNOVA LEARNING

MULTNOMAH COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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PAULY, ROGERS AND CO., P.C.
12700 SW 72nd Ave. ♦ Tigard, OR 97223
(503) 620-2632 ♦ (503) 684-7523 FAX
www.paulyrogersandcocpas.com

October 8, 2020

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of KNOVA Learning Oregon as of and for the year ended June 30, 2020, and have issued our report thereon dated October 8, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of its 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 the basic 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.

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:

- **Deposits of public funds with financial institutions (ORS chapter 295).**
- **Insurance and fidelity bonds in force or required by law.**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **Programs funded from outside sources (ORS 297.465).**

In connection with our testing nothing came to our attention that caused us to believe that KNOVA Learning Oregon 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 internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the basic 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 internal control over financial reporting.

This report is intended solely for the information and use of the Board of Directors, management and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020



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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

PREPARED BY:

CHRISTINA WEINARD, DIRECTOR OF FINANCIAL SERVICES

REGINA SAMPSON, SENIOR ACCOUNTANT

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
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MULTNOMAH COUNTY, OREGON
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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
T A B L E O F C O N T E N T S (CONTINUED)

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Reynolds School District
Administration Offices
1204 NE 201st Avenue
Fairview, OR 97024
503.661.7200 • FAX 503.667.6932

December 17, 2020

To Board of Education and Citizens of the Reynolds School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Reynolds School District (Multnomah County School District No. 7) for the fiscal year ended June 30, 2020. This report is prepared in conformance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB).

The District's Finance Department prepared this report, and management assumes the responsibility for the completeness, reliability, and accuracy of all the information presented.

The District's management has established a comprehensive framework that is designed both to protect the assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statement in conformity with generally accepted accounting principles in the United States of America (GAAP). Since the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Awards

The District submitted the Comprehensive Annual Financial Report to Government Finance Officers Association (GFOA) and Association of School Business Officials International (ASBO) for submission for the financial rewards. For the 2018-19 Comprehensive Annual Financial Report the District did receive the Certificate of Achievement for Excellence in Financial Reporting from GFOA and ASBO. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The District will be submitting the 2019-20 Comprehensive Annual Financial Report to both GFOA and ASBO for consideration of the award.

Independent Audit

The provisions of Oregon Revised Statutes require an independent audit of the financial records and fiscal affairs of the District. The auditors selected by the Board of Education, Pauly, Rogers and Company, P.C., have completed their audit of the financial statements and, accordingly, have issued an unmodified (“clean”) opinion on the Reynolds School District’s financial statements for the year ended June 30, 2020. The independent auditor’s report is located at the front of the financial section of this report.

The Single Audit Act of 1984 and the Single Audit Act Amendments of 1996 require state and local governments that expend \$750,000 or more in federal assistance in a year have a special form of audit conducted for that year. Reynolds School District has issued a report on these requirements and the requirements of the implementing circular, U.S. Office of Management and Budget’s Circular A-133, Audits of State and Local Government. Pauly, Rogers and Company, P.C. has also provided various required reports. These reports are in the Single Audit Section of this report.

Management’s Discussion and Analysis

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of 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. The District MD&A can be found immediately following the independent auditor’s report.

PROFILE OF THE DISTRICT

Mission Statement:

Each graduate embraces lifelong learning and applies skills in technology, global literacy, creativity, and critical-thinking to enhance family, career, and community.

Vision:

Each and every child prepared for a world yet to be imagined.

General Background

Reynolds School District was confirmed in 1954 as a consolidation of the Fairview, Troutdale, and Wilkes elementary school districts. In 1975, Rockwood School District merged with Reynolds.

The District has 11 elementary, three middle, one high school, one alternative school and six alternative programs, serving 10,859 students from a diverse geographic

region and from various backgrounds. The students of Reynolds speak more than 68 languages.

The District also has three sponsored charter schools. In May of 1999, the State of Oregon passed Oregon's Charter School Law (ORS 338) which permits parents, teachers, or community members to contract with the school District or the State as a sponsor for the operation of a charter school. The charter schools are financed by a portion of the State School Funds distributed to the District and any revenue they can raise themselves. The District is allowed to withhold 5 – 20% of its State School Funds, per Average Daily Membership Weighted (ADMw). The District is legally required to provide Special Education and English Language Development to its students that meet state and federal requirements and has provided 5.8 full-time equivalent teachers and specialists working at the Charter Schools. The District has no equity interest in any of the charter schools, and all are considered legally separate organizations.

The high school consistently ranks as one of the largest, in terms of student population, in the state. Reynolds High School students may also attend the Center for Advanced Learning, a charter school partnership between four neighboring districts (Centennial, Corbett, Gresham-Barlow and Reynolds), where students can choose to focus on health sciences, engineering or computer science.

District Structure

The District, a fiscally independent entity, is organized with a seven-member elected Board of Directors and a board appointed budget committee. The School Board sets district policies, employs staff and dedicates resources. It is the chief governing body and is exclusively responsible for its public policies and accountable for fiscal oversight. The chief administrative officer of the District is the superintendent who is appointed by the Board.

District management includes a superintendent, two chief officers, and 51.5 principals, vice-principals, and district administrators. The District employs 1,179.16 full-time equivalent (FTE) personnel, including principals, vice-principals, administrators, teachers, supervisors, secretarial staff, bus drivers, maintenance personnel, cafeteria staff and other support staff.

Under Oregon State law, school districts are independent municipal corporations empowered to provide elementary and secondary educational services for the children residing within their boundaries. The District discharges this responsibility by building, operating and maintaining school facilities, developing, and maintaining approved educational programs and courses of study, including career/technical educational programs, and programs for English language learners and special needs students, and providing for transportation and feeding of students in accordance with District, State, and Federal programs. This report includes all funds of the District.

Geography and Population

The District spans from 141st Avenue to the Sandy River and from the Columbia River on the North to SE Market Street and SE Stark Street to the South. The district serves Portland, Gresham, Fairview, Wood Village, and Troutdale, and is a mix of urban and rural residential, high tech manufacturing and farmland.

APPROPRIATIONS AND BUDGETARY CONTROLS

The Board is required to adopt a final budget by no later than the close of the fiscal year. The Oregon Department of Revenue govern the District's budget to ensure that the District remains in compliance with Oregon Budget Law. The annual budget serves as a management tool to enhance performance efficiency and effectiveness, a financial system to account for revenues and expenditures, and a control mechanism to ensure public money is spent as it is authorized. The budget also provides the authority to levy property taxes.

The entire Board, together with seven appointed residents of the school district, serves as the District's Budget Committee. The role of the Budget Committee is to help assure that the District Budget Document and fiscal practices address the budget goals set by the Board of Education.

Consistent with Oregon Budget Law and Oregon Department of Education Chart of Accounts, expenditures are appropriated for each legally adopted annual operating budget as follows:

- Instruction
- Support Services
- Community Services
- Facilities Acquisition and Construction
- Debt Service
- Operating Contingencies
- Fund Transfers
- Unappropriated Ending Fund Balance

Budgetary appropriations may not be legally over-expended except in the case of reimbursable grant expenditures and trust monies which could not be reasonably estimated at the time the budget was adopted. After budget approval, the Board may approve supplemental appropriations if any occurrence, condition or need exists which had not been anticipated at the time the budget was adopted. Supplemental budgets must be submitted to the Board for approval by the Board.

Cash Management

Through the year, cash not required for current operations is invested in the State of Oregon Local Government Investment Pool.

FACTORS AFFECTING FINANCIAL CONDITION

Statewide Revenue

Over the past two decades, several citizen initiatives have changed how Oregon funds public education starting with Measure 5 in 1990. The property tax limitations enacted under Measure 5 and the later Measures 47 and 50 shifted the primary burden of paying for K–12 education from local property taxpayers to the state General Fund. This shift led the Legislature in 1991 to establish a school funding equalization formula. That funding formula, largely based on student enrollment numbers and student demographics, determines how much money each school district will receive from the State School Fund to fill the gap between the district's local revenue (property taxes) and its equalization target under the formula. This shift affected how funds are provided to public schools, making them more dependent on the overall economy of Oregon.

Global Pandemic

Starting in March of 2020, The COVID-19 pandemic started making impacts and creating uncertainty during unprecedented challenges at the local, state, national, and global levels. The sudden stop of economic activity due to the outbreak of COVID-19 has made the revenue outlook less clear. Economists have had a particularly difficult time forecasting turning points in the business cycle. It became clear overnight that Oregon is in a severe recession, the deepest on record. Recovery will take years.

Job Growth Factor

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the District operates.

According to the Office of Economic Analysis (OEA), as of May 2020 the job loss in Oregon is approximately 370,000, equal to nearly 19% of all jobs in the state. There is projected to be an initial spike to the growth rate once some restrictions are lifted. After that initial rebound, growth will continue but at a slow pace due to the uncertainty.

Oregon Forecast Summary											
	Quarterly					Annual					
	2020:3	2020:4	2021:1	2021:2	2021:3	2019	2020	2021	2022	2023	2024
Personal Income (\$ billions)											
Nominal Personal Income	239.7	230.3	249.9	227.2	229.5	224.3	238.3	234.5	239.9	253.1	266.1
% change	(19.3)	(14.8)	38.6	(31.7)	4.2	4.2	6.2	(1.6)	2.3	5.5	5.1
Real Personal Income (base year=2012)	214.9	205.6	221.8	200.6	201.6	204.2	214.3	206.5	207.4	215.3	222.6
% change	(22.5)	(16.1)	35.4	(33.1)	2.0	2.6	4.9	(3.6)	0.4	3.8	3.4
Nominal Wages and Salaries	111.8	112.4	111.9	111.6	112.6	112.5	111.8	112.4	118.1	126.8	136.1
% change	18.5	2.1	(1.5)	(1.1)	3.6	5.0	(0.6)	0.6	5.0	7.3	7.4
Other Indicators											
Per Capita Income (\$1,000)	56.2	53.9	58.4	53.0	53.5	53.0	55.9	54.7	55.5	58.1	60.5
% change	(19.8)	(15.3)	38.0	(32.1)	3.5	3.2	5.5	(2.2)	1.5	4.6	4.3
Average Wage rate (\$1,000)	61.7	61.8	61.2	60.7	60.6	57.5	61.1	60.8	62.1	64.6	67.3
% change	(0.7)	0.1	(3.5)	(3.2)	(0.7)	3.6	6.2	(0.5)	2.2	4.0	4.1
Population (Millions)	4.3	4.3	4.3	4.3	4.3	4.24	4.27	4.29	4.32	4.36	4.40
% change	0.6	0.6	0.4	0.6	0.7	1.0	0.7	0.6	0.8	0.8	0.8
Housing Starts (Thousands)	19.6	18.9	19.0	19.0	18.8	20.7	18.9	18.9	18.9	20.6	21.4
% change	22.2	(13.6)	2.9	0.1	(5.1)	5.9	(8.8)	(0.1)	0.0	9.4	3.9
Unemployment Rate	9.0	8.0	8.5	8.3	8.0	3.8	8.5	8.1	6.9	5.2	4.1
Point Change	(4.6)	(1.0)	0.5	(0.2)	(0.3)	(0.3)	4.7	(0.4)	(1.3)	(1.7)	(1.0)

<https://www.oregon.gov/das/OEA/Documents/forecast0620.pdf>

K-12 Revenue

Although Oregon had an improving economy prior to the pandemic, K-12 funding was far from stable. The 2019-21 Biennium budget from Governor Kate Brown is at \$9 billion with a 49/51 split between 2019-20 and 2020-21. For the 2021-23 Biennium the proposed budget from Governor Kate Brown is \$9.1 Billion, which do not meet the needs of the State's K-12 Education System. At this funding level, Reynolds School District will be forced to reduce its operating budget.

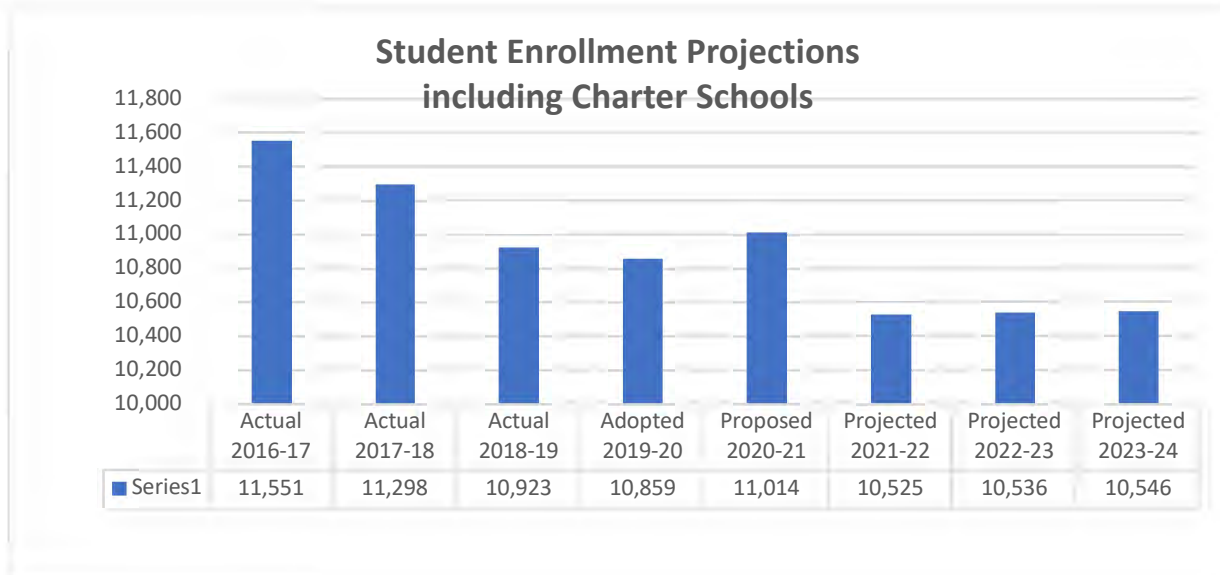
In May 2019, the voters in Oregon voted in favor of House Bill 3427, The Student Success Act. After the impacts of COVID-19, this will bring about three million to Reynolds School District in the 2020-21 school year for the Student Investment Account. This is one-third of our original estimate. For 2021-22, we are estimating that we will get about seventy percent of our original estimate of 10 million.

The Legislature must deal with the long-term funding of the Public Employees Retirement System (PERS). Senate Bill 1049 was passed in the Spring of 2019 and this will provide some changes to the current PERS system. Starting in July 2020, a portion of contributors' 6% is redirected to an Employee Pension Stability Account. Even with this change, the outlook on the PERS system is still not positive. This is not a short-term problem. Funding PERS obligations will affect public agencies and schools for at least the next six years.

The District continues to meet the goal of using current year revenues for current year expenses while maintaining 5% ending fund balance per Board Policy. The goal of the District will be to continue the practice of only spending down fund balances on one-time expenditures such as capital and other non-labor costs.

The District's largest source of revenue comes from the State School Fund and is determined using projected student enrollment in the District and projected transportation expenditures.

Enrollment in our schools has been declining in recent years and was projected to have a small increase for 2020-21 prior to the pandemic. Since the pandemic, the District had students transfer out of the district to online schools and there was a smaller incoming Kindergarten class. The following chart displays student population for four years based on actual enrollment as of October each year and the projected enrollment for 2020-21 through 2023-24:



Due to the important relationship between funding and enrollment, the District will continue to carefully review future projections.

LONG-TERM FINANCIAL PLANNING

The District maintains 28 facilities totaling 1.4 million square feet. As is true of many school districts in the State of Oregon, funding for capital improvements is limited due to prioritization of limited District resources for direct support of student learning in the classroom. As a result, our facilities, some over 100 years old, are in dire need of improvements and/or replacement to meet current building codes, as well as expansions to serve our existing student population who experience over-crowding due to shortages of classroom and common spaces.

On May 19, 2015, the Reynolds School District successfully passed their \$125 million general obligation bond thanks to the votes of devoted citizens. A bond premium was realized during the bond sale that increased the project budget by another \$14 million.

A major component of this bond program was to include the construction of three new elementary schools at the existing sites of Fairview Elementary, Troutdale Elementary, and Wilkes Elementary. The bond program also included additions & renovations to be constructed at Reynolds High School. The final element of the Bond Program is the design and construction of secure vestibules in 12 other schools within the District. The district has completed the majority of the projects and is doing the final bond work during the 2020-21 fiscal year.

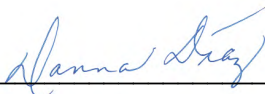
On September 17, 2015, the Reynolds Citizen Oversight Committee met for the first time. The Committee is made up of board members, community members, district's staff and Project Manager. The Committee meets monthly to monitor and report on the expenditures of the 2015 G.O. Bonds proceeds, and to inform the public on those expenditures. The Committee will promptly inform the Board of any wasteful spending.

For schools that are not part of the 2015 G.O. Bonds proceeds, the District will continue to annually increase capital improvements to sites and facilities to maintain District's assets. During the 2019-20 and 2020-21 fiscal years the district is working on a new Facilities Master Plan.

ACKNOWLEDGMENTS

We wish to express our appreciation to the entire Finance Department staff and members of other District departments who assisted in the preparation of this Comprehensive Annual Financial Report. We also wish to extend our appreciation to the members of the Board of Directors, the administrators, and employees of the District and citizens for their support and dedication to the financial operations of the District.

Respectfully submitted,

Signed: 

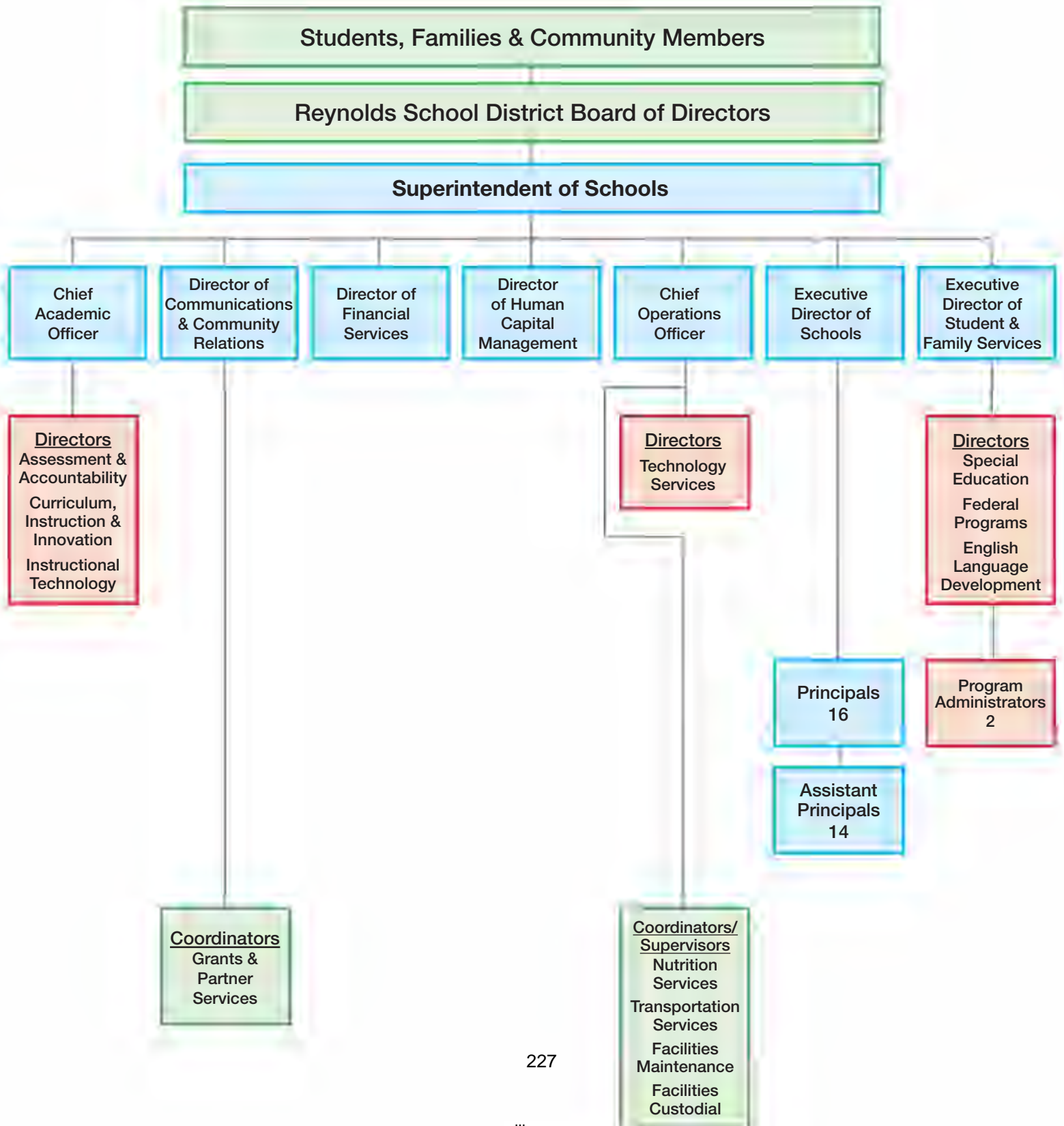
Dr. Danna Diaz, Superintendent

Signed: 

Christina Weinard, Director of Finance

REYNOLDS SCHOOL DISTRICT ORGANIZATIONAL CHART 2019-20

Reynolds School District
Organizational Chart
Administrators 2019-2020



MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BOARD OF DIRECTORS AS OF JUNE 30, 2020

<u>NAME</u>	<u>TERM EXPIRATION</u>
Yesenia Delgado, Chair	June 30, 2023
Valerie Tewksbury, Vice Chair	June 30, 2021
Diego Hernandez	June 30, 2021
John Lindenthal	June 30, 2021
Joe Teeny	June 30, 2021
Ana Gonzalez Muñoz	June 30, 2023
Ricki Ruiz	June 30, 2023

The above Board Members receive mail at the address below:

Dr. Danna Diaz, Superintendent

Administrative Office
1204 N.E. 201st Avenue
Fairview, Oregon 97024



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Reynolds School District #7
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Reynolds School District No. 7

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.

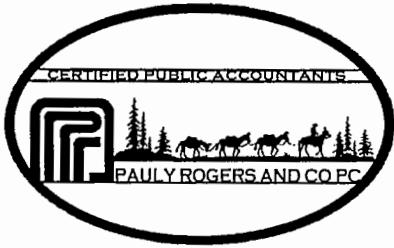


A handwritten signature in black ink that reads 'Claire Hertz'. The signature is written in a cursive style and is positioned above a horizontal line.

Claire Hertz, SFO
President

A handwritten signature in black ink that reads 'David J. Lewis'. The signature is written in a cursive style and is positioned above a horizontal line.

David J. Lewis
Executive Director



PAULY, ROGERS, AND CO., P.C.
12700 SW 72nd Ave. Tigard, OR 97223
(503) 620-2632 (503) 684-7523 FAX
www.paulyrogersandcoco.com

December 14, 2020

To the Board of Directors
Multnomah County School District No. 7
Multnomah County, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 7 (the District), as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic 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 basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic 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 basic 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 basic 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 basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Multnomah County School District No. 7 thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the 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 schedules of changes in Total OPEB liability and Related Ratios for Health Care and Stipends, the schedules of net pension liability and contributions for PERS, and net OPEB asset and contributions for RHIA, or management's discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance on them.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have 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 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, and in our opinion are 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 Title 2 U.S. Code of Federal Regulations (CRF) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 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

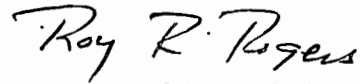
The introductory and statistical sections listed in the table of contents, and the other information, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Reports on Legal and Other Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 14, 2020 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 ²³²compliance. 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 14, 2020, 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.

A handwritten signature in black ink that reads "Roy R. Rogers". The signature is written in a cursive style with a prominent initial "R".

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

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MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

As management of Reynolds School District # 7 (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ending June 30, 2020.

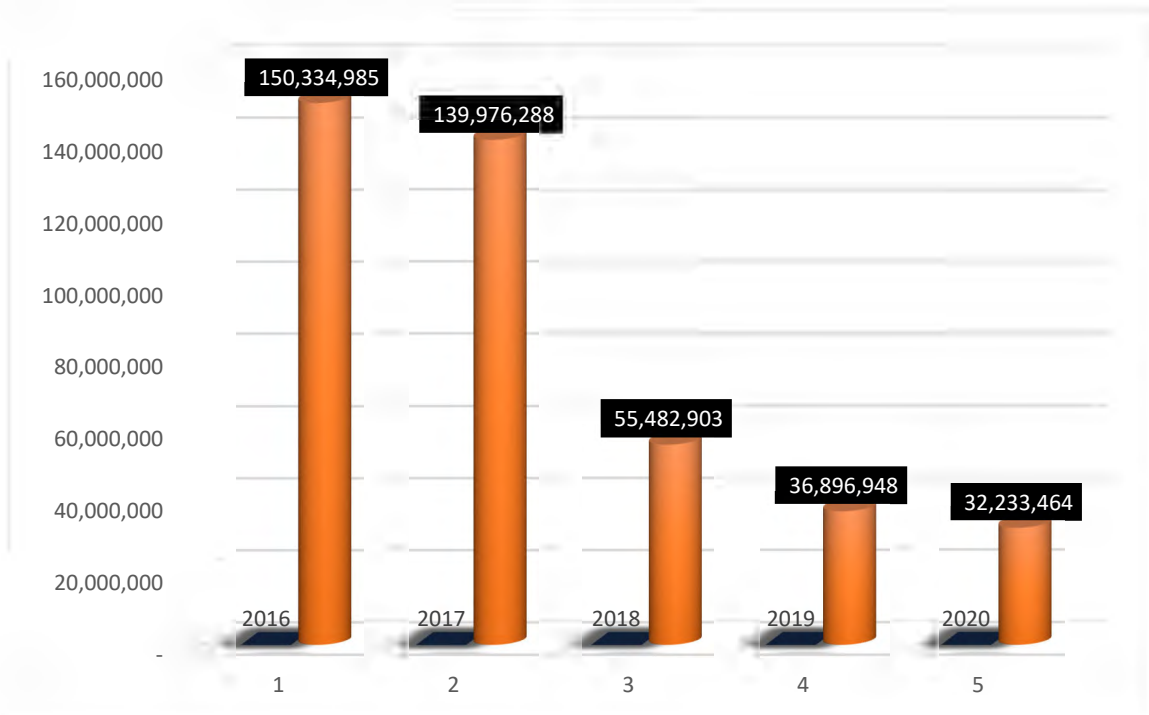
The focus of the Management's Discussion and Analysis (MD&A) is on the current year activities, resulting changes and currently known facts. The MD&A should be read in conjunction with the District's financial statements, including the accompanying notes. Additionally, as a required part of the MD&A, comparative information for the current year is presented for financial analysis to enhance the understanding of the District's financial performance.

NEW ACCOUNTING STANDARDS IMPLEMENTED

During the year, the District did not implement any new accounting standards. GASB delayed any new implementations for the year. There is more information in GASB 95 of the postponement of the effective dates of certain authoritative. The delay is to provide some relief to government during the COVID-19 pandemic.

Financial Highlights

- The government-wide financial statements, the assets and deferred outflows of resources of the District trailed its liabilities and deferred inflows of resources by (\$25.34) million net position. This is because the Net Pension Liability, the Net Other Post Employment Benefit Obligation, the Pension Related Deferrals for PERS RHIA, Stipends and Healthcare have increased.
- At June 30, 2020, the District's total net position decreased by \$760,542 in the District's financial position as compared to the prior year. In another words, the gap between Assets and Liabilities in 2018-19 was smaller and the gap has increased in the current year.
- At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$32,233,464. This represents a decrease of \$4,663,484 from the prior year, a 12.64% decrease of in the District's financial position as compared to the prior year. The District has completed its fifth year of a \$125 million capital spending bond approved by the voters in May 2015.



- At June 30, 2020, the General Fund had a fund balance of \$19,090,770, including a GASB 54 reporting requirement of \$131,981 from Early Retirement Fund.
- GASB 54 requires the Early Retirement Fund's ending fund balance be reported with the General Fund, rather than reporting with Other Government funds as in prior years.

This Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements are designed to provide readers with a broad overview of the District's finances in a manner similar to private-sector businesses.

- The *Statement of Net Position* presents information on all of the District's assets plus deferred outflow and liabilities plus deferred inflows, 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).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). As is typical for a school district, the Reynolds School District has governmental activities, such as regular and special education programs, child nutrition services, transportation,

administration, and facilities improvements and construction. These activities are primarily financed through property taxes, Oregon's State School Fund, and other intergovernmental revenues. The District does not have any business-type activities.

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

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 the District are governmental funds. The School Board sets appropriations within every fund each year (for instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, transfers, contingency, and unappropriated ending fund balance and other GASB 54 classifications) that establish the legal limits for expenditures of the District.

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 balances of available resources at the end of the fiscal year. Such information may be useful in evaluating a government'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 fund balance sheet and the governmental fund 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 nine major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The District classifies these nine funds as major funds.

The District adopts an annual appropriated budget for all of its funds as stated above. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their budgets.

The basic governmental fund financial statements can be found beginning on pages 7 to 12 of this report.

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 13 to 44 of this report.

Required Supplementary Information (RSI), Supplementary Information (SI), & Other information (OI) is included on the basic financial statements and accompanying notes. The State of Oregon requires governmental entities to provide financial information prepared in accordance with Oregon's Budgetary Law (Budgetary Basis). The District also includes additional supplemental information to assist the users of the financial statements in gaining an understanding of the District's financial position. Other information (both required and additional) can be found on pages 45 to 69 of this report.

Additionally, the Federal Government and the State of Oregon require Governmental entities to include additional auditor reports and schedules. The 2019-2020 Auditors' Comments and Disclosure includes the auditor's report on internal accounting control and other matters. The Grant Compliance review includes a schedule of Federal Awards, on pages 91 and 92, along with reports on internal control, program compliance and schedule of prior and current year audit findings relative to Federal awards.

The required auditors' comments, disclosures and grant compliance review information can be found on pages 93 to 98 of this report.

Government-Wide Financial Analysis

Net Position

Net position may serve over time as a useful indicator of a government's financial position. The table below condenses the Statement of Net Position shown in the Basic Financial Statements.

Governmental Activities			
	2020	2019	Increase/Decrease
Assets			
Current and other Assets	\$ 43,790,947	\$ 54,250,464	\$ (10,459,517)
Net Capital Assets	225,521,802	224,147,050	1,374,752
Total Assets	269,312,749	278,397,514	(9,084,765)
Deferred Outflows of Resources			
Pension Related Deferrals	44,272,655	47,105,462	(2,832,807)
Total Assets and Pension Related Deferrals	313,585,404	325,502,976	(11,917,572)
Liabilities			
Current Liabilities	19,299,999	24,051,010	(4,751,011)
Long Term Liabilities	299,090,472	312,549,792	(13,459,320)
Total Liabilities	318,390,471	336,600,802	(18,210,331)
Deferred Inflows of Resources			
Pension Related Deferrals	20,543,284	13,489,984	7,053,300
Total Liabilities and Pension Related Deferrals	338,933,755	350,090,786	(11,157,031)
Net Position			
Net Investment in Capital Assets	72,508,688	64,070,731	8,437,957
Restricted for OPEB-RHIA Assets	1,153,426	675,690	477,736
Restricted for Debt Service	6,091,874	7,149,466	(1,057,592)
Restricted for State and Local Programs	485,654	485,653	-
Restricted for Food Service	896,806	1,673,766	(776,960)
Unrestricted	(106,484,799)	(98,643,116)	(7,841,683)
Total Net Position	\$ (25,348,351)	\$ (24,587,810)	\$ (760,542)

Net investment in capital assets. As shown in the table above, the District's current net investment in capital assets is \$72.51 million, an increase of \$8.44 million over the prior year. The increase is the result of capital asset additions from bond capital projects and seismic capital grants. The \$72.51 million net position component includes land, construction in process, building, improvements, vehicles and equipment, net of depreciation where applicable, and net of the related debt that was incurred to acquire those assets. Information about capital assets and their related debt is available in Note 7 – Capital Assets and Note 9 – Long Term Obligations.

Restricted net position decreased by a total of \$1.36 million in 2019-20, primarily due to decreases in Debt Service, Food Service, OPEB-RHIA Assets, a small increase to OPEB-RHIA Assets and not a significant change to State and Local Programs.

Unrestricted net position has decreased by \$7.84million, from a negative \$98.64 million to negative \$106.48 million. The decrease in unrestricted net position results from the OPEB reporting requirement and further explanation can be found in note 10 – Defined Benefit Pension Plan and Note 11 – Other Post Employment Benefit Plan.

Statement of Activities

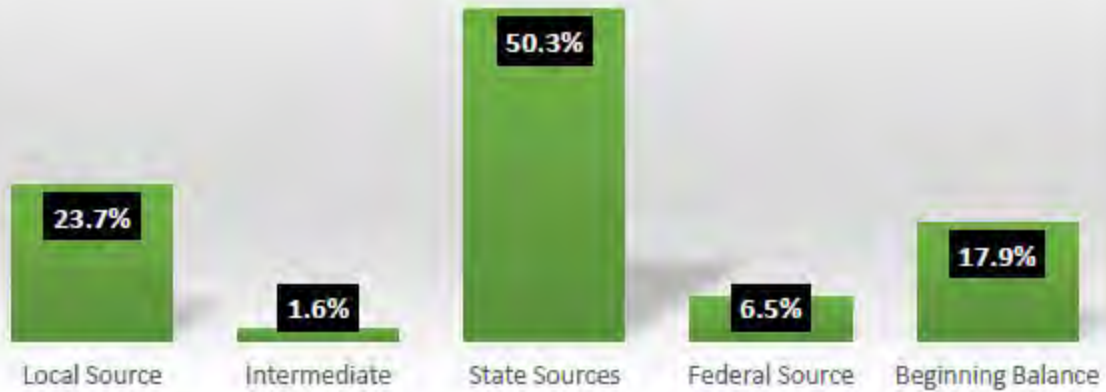
	2020	2019	Increase/Decrease
Revenues			
Program Revenues			
Charges for Services	\$ 704,667	\$ 325,455	\$ 379,212
Operating Grants and Contributions	17,239,689	19,600,230	(2,360,541)
General Revenues			
Property Taxes	35,266,193	37,465,827	(2,199,634)
State Support	100,194,901	99,169,007	1,025,894
Intermediate Sources	3,110,116	972,780	2,137,336
Miscellaneous	3,961,223	2,594,700	1,366,523
Total Revenues	160,476,789	160,127,999	348,790
Expenses			
Instruction	87,064,036	86,538,680	525,356
Support Services	56,016,345	54,708,811	1,307,534
Enterprise and Community Services	6,511,098	8,074,080	(1,562,982)
Interest on Long-Term Debt	11,205,390	11,083,529	121,861
(Gain) Loss on Sale of Assets	440,462	-	440,462
Total Expenses	161,237,331	160,405,100	832,231
Increase (decrease) in net position	(760,542)	(277,101)	(483,441)
NET POSITION - BEGINNING, RESTATED	(24,587,809)	(24,310,709)	(277,100)
NET POSITION - ENDING	\$ (25,348,351)	\$ (24,587,809)	\$ (760,542)

Revenues

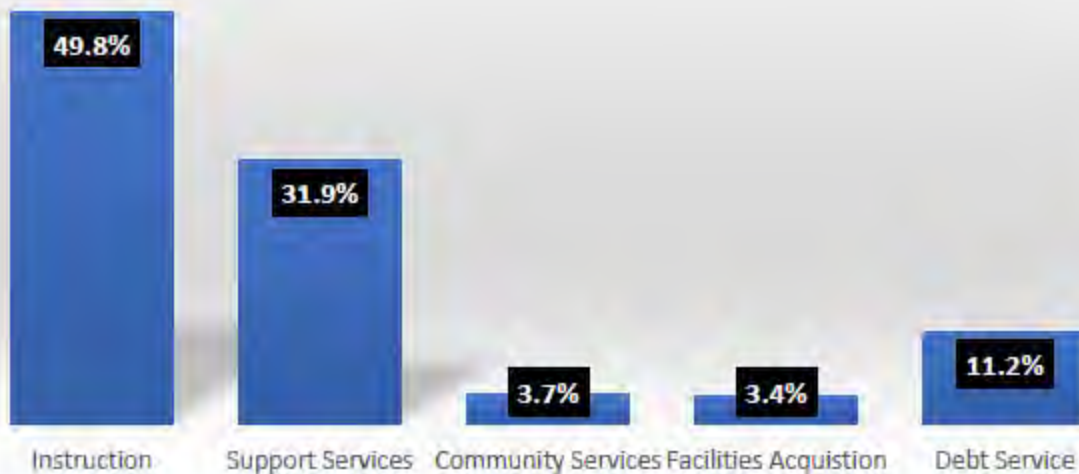
Total revenues increased by \$348,790 from the prior year, this a net result of an increase in the State School Fund funding received, Charges for Services, Intermediate Sources and Miscellaneous, offset by a decrease in the Operating Grants and Contributions as well as Property Taxes.

General Fund revenues account for approximately 78.02% of all funds revenues. Property taxes are split between General Fund tax levies, and Debt Service requirements. The State School Fund (SSF) is the largest revenue source at \$100,194,901 or 48.6% of total revenues. Each Oregon school district receives funding from the state based upon an Average Daily Membership (ADMw) formula, weighted for various demographic considerations. The formula is allocated by multiplying a dollar rate per student established by the legislature every biennium. All General Fund Ad Valorem Taxes, County School Fund, State School Support, Common School Fund, and Federal Forest Fees are included in the SSF formula. As a safety net, each district may utilize the highest ADMw from the current or most recent fiscal years in the calculation.

Revenues by Source - Governmental Activities



Expenditures by Function - Governmental Activities



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 relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* and any unused *budgeted contingencies* may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$32,233,464.

General Fund

The General Fund is the primary operating fund of the District. At the end of the current fiscal year, the total ending fund balance was \$19,090,770. This amount represents \$18,958,789 of the General Fund and \$131,981 of the Early Retirement Fund. GASB 54 requires the Early Retirement Fund's ending fund balance be reported with the General Fund, instead of reporting with Other Government Funds as in prior years.

Federal Programs Fund

Revenues and expenditures in the Federal Programs Fund increased from \$8,373,131 in 2018-19 fiscal year to \$8,613,977 in 2019-20 fiscal year due to an increase in Federal Grants.

Special Revenue Funds (Other Governmental Funds)

The Special Revenue Fund consists of Nutrition Services, State and Local Programs and Self Insurance Funds. This fund has decreased in total fund balance from \$6,072,318 in 2018-19 fiscal year to \$2,785,573 in 2019-20 fiscal year, primarily due to a decrease in contracts and revenues.

Debt Service Fund

This fund provides for the payment of principal and interest on long-term general obligation of governmental funds. Revenue source for this fund is property taxes. This fund has decreased in total fund balance from \$3,149,520 in 2018-19 fiscal year to \$1,280,893 in 2019-20 fiscal year, primarily due to decreased revenues.

PERS Bond Fund

This fund provides for the payment of principal and interest of PERS UAL pension obligation bond. The Revenue sources are charged to other funds. This fund has decreased in total fund balance from \$231,988 in 2018-19 fiscal year to \$180,784 in 2019-20 fiscal year, primarily due to increased expenditures and decreased revenues.

2015 GO Bond Debt Service Fund

This fund provides for the payment of principal and interest on long-term general obligation of governmental funds. Revenue source for this fund is property taxes. This Fund supports school building improvements. This fund has increased in total fund balance from \$3,767,948 in 2018-19 fiscal year to \$4,630,197 in 2019-20 fiscal year, primarily due to revenues being greater than expenditures.

2015 GO Bond Projects Fund

This fund manages the capital expenditures for specifically authorized projects funded by the 2015 General Obligation bonds. This fund has decreased in total fund balance from \$4,133,898 in 2018-19 fiscal year to \$2,473,020 in 2019-20 fiscal year, primarily due finishing out the bond projects which is projected to be done 2020-21.

Capital Projects Fund

This fund provides for the payment of principal and interest on the 2010 Full Faith and Credit Refunding Obligation. Revenue source for this fund is excise tax and interest earning. This fund has increased in total fund balance from \$484,863 in 2018-19 fiscal year to \$1,559,383 in 2019-20 fiscal year, primarily due to increased revenues.

2016 School Improvement Project Fund

The School Improvement Projects or Qualified Zone Academy Bond (QZAB) is a tax credit bond program whereby bond investors take a tax credit in lieu of interest payments for qualified bonds under the IRS Tax Code. Project accounted for under the QZAB include roof resurfacing exterior block sealing, HVAC replacement, and major abatement work. This fund has decreased in total fund balance from \$1,055,756 in 2018-19 fiscal year to \$232,844 in 2019-20 fiscal year, primarily due completing the projects.

Capital Asset and Debt Administration

Capital assets

The District's investment in capital assets for its governmental activities as of June 30, 2020 amounts to \$225,521,802 net of accumulated depreciation. This investment in capital assets includes land, buildings, equipment, and vehicles.

Capital Assets (Net of Depreciation) includes the following:

	<u>2020</u>	<u>2019</u>	<u>Increase/Decrease</u>
Land	17,752,046	18,236,549	(484,503)
Construction in Progress	-	-	-
Buildings and Improvements	203,898,242	202,387,729	1,510,513
Vehicles and Equipment	3,871,514	3,522,772	348,742
	<u>225,521,802</u>	<u>224,147,050</u>	<u>1,374,752</u>

Additional information on the District's capital assets can be found in Note 7 Capital assets on page 23 of this report

Long-term debt. At the end of the fiscal year, the District had a total outstanding long-term debt of \$206,969,064 consisting of general obligation debt and pension obligation debt, net of unamortized premium/discount.

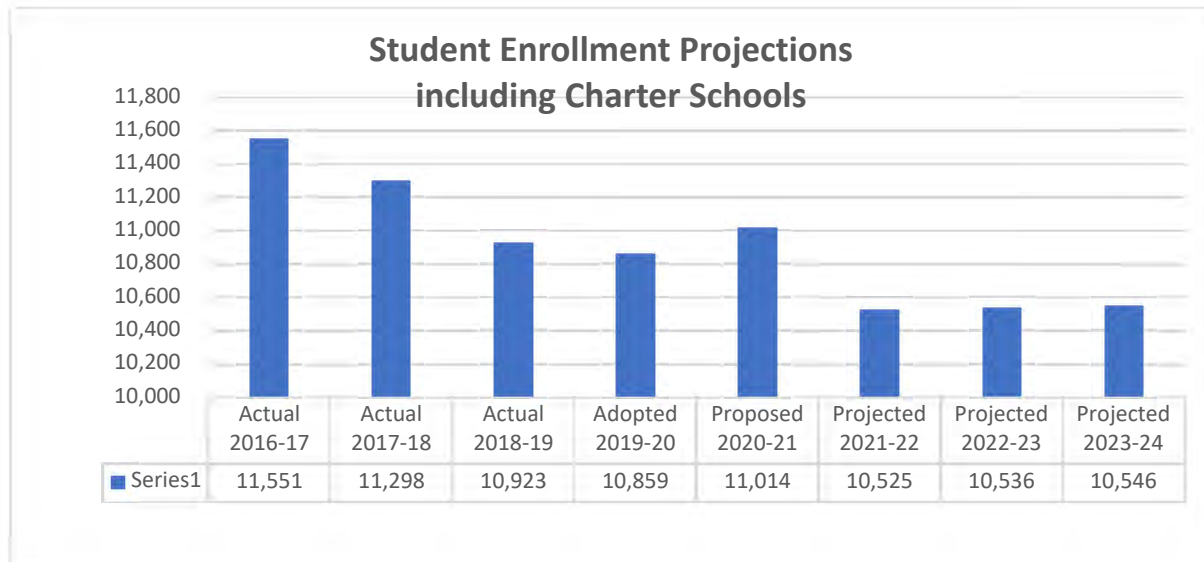
Long-Term Debt for the year ended June 30, 2020

	2020	2019	Increase/Decrease
Bond Payable	187,461,022	193,550,728	(6,089,706)
Notes Payable	19,508,042	20,635,722	(1,127,680)
	206,969,064	214,186,450	(7,217,386)

Additional information on the District's long-term debt can be found in note 9 on pages 24 to 27 of this report

Economic Factors and Next Year's Budgets

- Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income from federal, county and other sources. The State School Fund formula determines the largest segment of resources. Most funding provided by the State to the District is based on the District's average daily membership of students.
- Starting in March of 2020, The COVID-19 pandemic started making impacts and creating uncertainty during unprecedented challenges at the local, state, national, and global levels. The sudden stop of economic activity due to the outbreak of COVID-19 has made the revenue outlook less clear. Economists have had a particularly difficult time forecasting turning points in the business cycle. It became clear overnight that Oregon is in a severe recession, the deepest on record. Recovery will take years.
- Enrollment in our schools has been declining in recent years, and the projected enrollment for 2020-21 anticipates that there will be a decline in overall enrollment due to the COVID-19 pandemic.



- The Oregon state economy is currently in a severe recession, with the unemployment rate has spiked because of the state closers. There is projected to be an initial spike to the growth rate once some restrictions are lifted. After that initial rebound, growth will continue but at a slow pace due to the uncertainty.

- The costs of salaries and related benefits are expected to increase in 2020-21. The utility costs continue to escalate.
- The District has also analyzed its financial holdings and does not anticipate any liquidity problems in the next 12 months.
- School Board policy mandates that the District budget a minimum of 5% fund balance be maintained unless the Board takes formal action to waive or lower the requirement. The reserve is maintained to absorb economic downturns, state revenue-sharing reductions and other revenue shortfalls, and will prudently be used when needed to provide stability of core programs and legally required activities to every child.
- In spite of the uncertainty in today's economy and continued funding challenges, the District, through prudent fiscal management, maintains a healthy financial position to provide the quality education deserved by every child.

The District's Budget Committee and School Board considered all of these factors while preparing the District's budget for the 2020-21 fiscal year.

Requests for Information

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be address to the Director of Finance Service at 1204 NE 201st Ave, Fairview OR 97024. Electronic copies of this report may be found at the district website:

<https://www.reynolds.k12.or.us/fs>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF NET POSITION

June 30, 2020

	Governmental Activities
ASSETS	
Cash and Investments	\$ 32,442,554
Receivables:	
Accounts and Grants	7,351,678
Property Taxes	1,072,282
Supply Inventories & Assets Held for Resale	373,320
Other Prepaid Expenses	228,351
Equity in CAL	1,169,336
Total OPEB Asset - RHIA	1,153,426
Capital Assets, Non-Depreciable	17,752,046
Capital Assets, Depreciable, Net	207,769,756
Total Assets	269,312,749
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Deferrals - PERS	42,896,585
OPEB Related Deferrals - Stipends	264,028
OPEB Related Deferrals - Health Care	1,105,707
OPEB Related Deferrals - RHIA	6,335
Total Deferred Outflows	44,272,655
TOTAL ASSETS AND PENSION RELATED DEFERRALS	313,585,404
LIABILITIES	
Accounts Payable	1,964,244
Accrued Salaries and Benefits	6,243,882
Unearned Revenue	70,442
Accrued Vacation Payable	192,923
Bond & Note Interest Payable	249,349
Noncurrent liabilities:	
Due within one year	10,579,159
Due in more than one year	196,389,905
Proportionate share of Net Pension Liability (PERS)	87,585,114
Total OPEB Liability - Stipends	2,155,674
Total OPEB Liability - Health Care	12,959,779
Total Liabilities	318,390,471
DEFERRED INFLOWS OF RESOURCES	
Pension Related Deferrals - PERS	18,047,122
OPEB Related Deferrals - Stipends	241,280
OPEB Related Deferrals - Health Care	2,027,578
OPEB Related Deferrals - RHIA	227,304
Total Deferred Inflows	20,543,284
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	338,933,755
NET POSITION	
Net Investment in Capital Assets	72,508,688
Restricted for OPEB-RHIA Asset	1,153,426
Restricted for Debt Service	6,091,874
Restricted for State & Local Programs	485,654
Restricted for Food Service	896,806
Unrestricted	(106,484,799)
Total Net Position	\$ (25,348,351)

The notes to the basic financial statements are an integral part of this statement

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the year ended June 30, 2020

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Instruction	\$ 87,064,036	\$ 215,878	\$ 2,865,978	\$ (83,982,180)
Support Services	56,016,345	173,901	1,537,478	(54,304,966)
Community Services	6,511,098	314,888	12,836,233	6,640,023
Interest on Long-Term Debt	11,205,390	-	-	(11,205,390)
(Gain) Loss on Sale of Assets	440,462			(440,462)
Total Governmental Activities	\$ 161,237,331	\$ 704,667	\$ 17,239,689	(143,292,975)
General Revenues:				
				27,262,355
				8,003,838
				53,009
				100,194,901
				3,110,116
				1,193,463
				(37,989)
				2,752,740
Total General Revenues				142,532,433
		Change in Net Position		(760,542)
		Net Position - Beginning		(24,587,809)
		Net Position - Ending		\$ (25,348,351)

The notes to the basic financial statements are an integral part of this statement

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2020

	GENERAL FUND	FEDERAL PROGRAMS FUND	DEBT SERVICE FUND	PERS BOND FUND	2015 GO BOND DEBT SERVICE FUND
ASSETS:					
Cash & Equity in Pooled Cash	\$ 18,745,838	\$ -	\$ 5,959,639	\$ 101,506	\$ 6,419,290
Receivables:					
Accounts and Grants	2,344,004	2,693,763	22,237	-	30,027
Property Taxes	800,452	-	113,066	-	158,764
Interfund Receivable	5,657,034	-	-	79,278	-
Prepaid	228,351	-	-	-	-
Inventory & Property Held for Resale	-	-	-	-	-
Total Assets	\$ 27,775,679	\$ 2,693,763	\$ 6,094,942	\$ 180,784	\$ 6,608,081
LIABILITIES, AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 1,727,702	\$ 59,307	\$ -	\$ -	\$ -
Accrued Salaries and Benefits	6,243,882	-	-	-	-
Interfund Payable	-	2,634,160	4,713,934	-	1,835,171
Total Liabilities	7,971,584	2,693,467	4,713,934	-	1,835,171
Deferred Inflows of Resources:					
Deferred Grants	-	296	-	-	-
Unavailable Revenue:					
Property Taxes	713,325	-	100,115	-	142,713
Total Deferred Inflows of Resources	713,325	296	100,115	-	142,713
Fund Balances (Deficit):					
Nonspendable	228,351	-	-	-	-
Restricted:					
Debt Service	-	-	1,280,893	180,784	4,630,197
State & Local Programs	-	-	-	-	-
Food Service	-	-	-	-	-
Committed:					
Early Retirement	131,981	-	-	-	-
Self Insurance	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	18,730,438	-	-	-	-
Total Fund Balances (Deficit)	19,090,770	-	1,280,893	180,784	4,630,197
Total Liabilities and Fund Balances	\$ 27,775,679	\$ 2,693,763	\$ 6,094,942	\$ 180,784	\$ 6,608,081

The notes to the basic financial statements are an integral part of this statement

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2020

	2015 GO BONDS PROJECTS FUND	CAPITAL PROJECTS FUND	2016 SCHOOL IMPROVEMENT PROJECT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash & Equity in Pooled Cash	\$ 272,509	\$ 519,701	\$ -	\$ 424,071	\$ 32,442,554
Receivables:					
Accounts and Grants	25	-	-	2,261,622	7,351,678
Property Taxes	-	-	-	-	1,072,282
Interfund Receivable	2,224,046	1,042,191	232,844	622,114	9,857,507
Inventory & Property Held for Resale	-	-	-	373,320	373,320
Total Assets	\$ 2,496,580	\$ 1,561,892	\$ 232,844	\$ 3,681,127	\$ 51,325,692
LIABILITIES, AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 23,560	\$ 2,509	\$ -	\$ 151,166	\$ 1,964,244
Accrued Salaries and Benefits	-	-	-	-	6,243,882
Interfund Payable	-	-	-	674,242	9,857,507
Total Liabilities	23,560	2,509	-	825,408	18,065,633
Deferred Inflows of Resources:					
Deferred Grants	-	-	-	70,146	70,442
Unavailable Revenue:					
Property Taxes	-	-	-	-	956,153
Total Deferred Inflows of Resources	-	-	-	70,146	1,026,595
Fund Balances (Deficit):					
Nonspendable	-	-	-	373,320	601,671
Restricted:					
Debt Service	-	-	-	-	6,091,874
State & Local Programs	-	-	-	485,654	485,654
Food Service	-	-	-	896,806	896,806
Committed:					
Early Retirement	-	-	-	-	131,981
Self Insurance	-	-	-	410,005	410,005
State & Local Programs	-	-	-	619,788	619,788
Assigned	2,473,020	1,559,383	232,844	-	4,265,247
Unassigned	-	-	-	-	18,730,438
Total Fund Balances (Deficit)	2,473,020	1,559,383	232,844	2,785,573	32,233,464
Total Liabilities and Fund Balances	\$ 2,496,580	\$ 1,561,892	\$ 232,844	\$ 3,681,127	\$ 51,325,692

The notes to the basic financial statements are an integral part of this statement

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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2020

TOTAL FUND BALANCES-GOVERNMENTAL FUNDS	\$	32,233,464
Capital assets are not financial resources and therefore are not reported in the governmental funds.		
Cost	308,504,834	
Accumulated Depreciation	(82,983,032)	225,521,802
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.		
		956,153
The Net PERS Pension Asset (Liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		(87,585,114)
The Net RHIA Asset is the difference between the total OPEB liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		1,153,426
The Net OPEB Stipends Obligation is the difference between the total pension stipend liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		(2,155,674)
The OPEB Liability for health care is the difference between the total healthcare benefit liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		(12,959,779)
Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.		
Net PERS Pension and OPEB Related Deferrals		
Deferred Outflows - PERS	42,896,585	
Deferred Inflows - PERS	(18,047,122)	
Deferred Outflows - OPEB Stipends	264,028	
Deferred Inflows - OPEB Stipends	(241,280)	
Deferred Outflows - OPEB Health Care	1,105,707	
Deferred Inflows - OPEB Health Care	(2,027,578)	
Deferred Outflows - OPEB RHIA	6,335	
Deferred Inflows - OPEB RHIA	(227,304)	23,729,371
Equity interest in the Center for Advanced Learning (CAL) is not reported in the governmental funds:		
		1,169,336
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	(192,923)	
Bond & Note Interest Payable	(249,349)	
Debt Obligations	(206,969,064)	(207,411,336)
TOTAL NET POSITION	\$	(25,348,351)

The notes to the basic financial statements are an integral part of this statement

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2020

REVENUES:	GENERAL FUND	FEDERAL PROGRAMS FUND	DEBT SERVICE FUND	PERS BOND FUND	2015 GO BOND DEBT SERVICE FUND
Local Sources	\$ 29,110,769	\$ -	\$ 3,365,623	\$ 8,444,276	\$ 5,045,299
Intermediate Sources	1,846,228	-	-	-	-
State Sources	101,114,110	-	-	-	-
Federal Sources	53,009	8,613,977	-	-	-
Total Revenues	132,124,116	8,613,977	3,365,623	8,444,276	5,045,299
EXPENDITURES:					
Current:					
Instruction	80,510,718	5,181,673	-	-	-
Support Services	49,059,205	3,143,127	-	-	-
Community Services	33,218	289,177	-	-	-
Facilities Acquisition	-	-	-	-	-
Debt Service - Principle	200,000	-	4,985,000	2,147,823	200,000
Debt Service - Interest	-	-	249,250	6,347,667	3,983,050
Total Expenditures	129,803,141	8,613,977	5,234,250	8,495,490	4,183,050
Revenues over (under) expenditures	2,320,975	-	(1,868,627)	(51,214)	862,249
Other Financing Sources, (Uses):					
Sale of capital assets	-	-	-	-	-
Bond Issuance - Principal	-	-	-	-	-
Transfers In	175,000	-	-	-	-
Transfers Out	(1,405,852)	-	-	-	-
Total other financing sources (Uses)	(1,230,852)	-	-	-	-
Net Change in Fund Balance	1,090,123	-	(1,868,627)	(51,214)	862,249
Fund balance, beginning	18,000,647	-	3,149,520	231,998	3,767,948
Fund balance, ending	\$ 19,090,770	\$ -	\$ 1,280,893	\$ 180,784	\$ 4,630,197

The notes to the basic financial statements are an integral part of this statement
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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the year ended June 30, 2020

REVENUES:	2015 GO BOND PROJECTS FUND	CAPITAL PROJECTS FUND	2016 SCHOOL IMPROVEMENT PROJECTS FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
Local Sources	\$ 72,848	\$ 1,090,776	\$ -	\$ 1,710,225	\$ 48,839,816
Intermediate Sources	-	-	-	1,536,725	3,382,953
State Sources	-	-	-	2,612,816	103,726,926
Federal Sources	-	-	-	4,725,317	13,392,303
Total Revenues	72,848	1,090,776	-	10,585,083	169,341,998
EXPENDITURES:					
Current:					
Instruction	-	-	-	2,241,045	87,933,436
Support Services	-	-	822,912	3,261,704	56,286,948
Community Services	-	19,808	-	6,200,348	6,542,551
Facilities Acquisition	3,788,678	36,860	-	2,219,583	6,045,121
Debt Service - Principal	-	780,000	-	-	8,312,823
Debt Service - Interest	-	859,588	-	-	11,439,555
Total Expenditures	3,788,678	1,696,256	822,912	13,922,680	176,560,434
Revenues over (under) expenditures	(3,715,830)	(605,480)	(822,912)	(3,337,597)	(7,218,436)
Other Financing Sources, (Uses):					
Sale of capital assets	-	500,000	-	-	500,000
Bond Issuance - Principal	2,054,952	-	-	-	2,054,952
Transfers In	-	1,180,000	-	50,852	1,405,852
Transfers Out	-	-	-	-	(1,405,852)
Total other financing sources (Uses)	2,054,952	1,680,000	-	50,852	2,554,952
Net Change in Fund Balance	(1,660,878)	1,074,520	(822,912)	(3,286,745)	(4,663,484)
Fund balance, beginning	4,133,898	484,863	1,055,756	6,072,318	36,896,948
Fund balance, ending	\$ 2,473,020	\$ 1,559,383	\$ 232,844	\$ 2,785,573	\$ 32,233,464

The notes to the basic financial statements are an integral part of this statement
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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH 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, 2020

TOTAL NET CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS \$ (4,663,484)

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	\$ 8,150,498	
Less current year depreciation	<u>(5,835,284)</u>	2,315,214

The amount by which cost of assets disposed exceeded accumulated depreciation in the current period

Proceeds from Sale of Capital Assets	(500,000)	
Loss on Disposal of Capital Assets	<u>(440,462)</u>	(940,462)

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.

Proceeds from Bond Issuance	(2,054,952)	
Principal Payments on Bond Payables	7,532,822	
Principal Payments on Note Payables	<u>1,065,715</u>	6,543,585

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	750,525	
Amortization of note premiums	61,965	
Accretion of discount on pension obligation bonds	<u>(138,689)</u>	673,801

Net Pension Expense - Stipends (45,352)

Net OPEB Expense - Health Care (725,471)

Net OPEB Expense - RHIA 446,654

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. (51,549)

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. (57,854)

Changes in equity in the Center for Advanced Learning (CAL) is not reported in the governmental funds: (37,989)

The PERS Pension Expense represents the changes in Net Pension Asset (Liability) from year to year due to Changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (4,149,091)

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. (68,544)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (760,542)

The notes to the basic financial statements are an integral part of this statement

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

Multnomah County School District No. 7 (the District) is a municipal corporation governed by an elected 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. The District does not have any business type activities.

The District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts, which provide services within the District's boundaries. However, the District is not financially accountable for any of these entities, and therefore, none of them are considered component units, as defined by GASB Statement 61, or included in these basic financial statements.

The basic 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. 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. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. The District has a negotiated indirect cost rate with Oregon Department of Education that is applied to grant funds as allowable by the grant, no other de minimus rate is applied. 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. 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.

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. 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.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

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, pension costs, and 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 a 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.

FEDERAL PROGRAMS FUND

This fund accounts for expenditures of federal grant funds. The principal revenue source is federal grant monies.

DEBT SERVICE FUND

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

PERS BOND FUND

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

2015 GO BOND DEBT SERVICE FUND

This fund accounts for the payment of principal and interest for the two general obligation bonds the District received in 2015 and are to be used to finance several specific capital projects as dictated by the bonds' ballot measure. The principal revenue source is the proceeds from the bond and associated interest.

2015 GO BOND PROJECTS FUND

This fund accounts for major capital outlay expenditures relating to the acquisition, construction and remodeling of facilities as authorized in the 2015 general obligation bonds' ballot measure. Principal financing sources include the proceeds from the issuance of debt and earnings from investments which are accounted for in the 2015 Go Bond Debt Service fund.

CAPITAL PROJECTS FUND

This fund accounts for major capital outlay expenditures relating to the acquisition, construction and remodeling of facilities. Principal financing sources include the proceeds from the issuance of debt, sales of property and earnings from investments.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

2016 SCHOOL IMPROVEMENT PROJECTS FUND

This fund accounts for major capital outlay expenditures relating to the acquisition, construction and rehabilitation of Qualified Zone Academy Bond eligible facilities. Principal financing sources include the proceeds from the issuance of debt.

Three non-major funds are reported as a combined total on the fund financial statements. These funds are not considered major because of the level of activity within them.

FUND BALANCE

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions* is followed. 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 five classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaids.
- Restricted fund balance 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).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance 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 Clerk and the Deputy Clerk.
- Unassigned fund balance 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 Board of Directors therefore adopted Policy DBDB whereby the Superintendent or designee is directed to manage the adopted budget in such a way as to ensure an ending fund balance of at least 5 percent of total adopted revenues.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

Special Revenue Fund Rolled into the General Fund for GASB 54 Purposes

Financial statements must report as Special Revenue funds only those which have a substantial portion of revenue inflows from restricted or committed revenue sources. The Retirement Fund is combined into the General Fund because there are no restricted or committed revenues.

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. There is net position restricted for grants, debt service, and the OPEB RHIA asset.
- 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.

As a general rule the effect of internal activity has been eliminated from the government-wide financial statements; however, the effects of interfund services provided and used between functions are reported as expenses and program revenues at amounts approximating their external exchange value.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the basic financial statements 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 a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. At June 30, 2020 there were deferred outflows representing PERS pension related deferrals, OPEB related deferrals for stipends, OPEB related deferrals for health care and OPEB related deferrals reported for RHIA reported in the statement of net position.

In addition to liabilities, the basic financial statements 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 a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2020, there were deferred inflows representing PERS pension related deferrals, OPEB related deferrals for stipends, OPEB related deferrals for health care, and OPEB related deferrals for RHIA reported in the statement of net position. The governmental funds balance sheet reports unavailable revenues from two sources – property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

D. ASSETS, LIABILITIES, AND NET POSITION OR EQUITY

CASH AND INVESTMENTS

For the purpose of the Statement of Net Position and the balance sheet, money in the Oregon State Local Government Investment Pool, 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.

OTHER POST-EMPLOYMENT BENEFITS (HEALTH CARE)

Eligible employees who elect supplemental retirement may be entitled to payment of group medical insurance premiums. The costs of these premiums are recorded as expenditures as due and funded on a current basis.

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.

SUPPLY INVENTORIES AND PREPAID ITEMS

District operating supplies, maintenance supplies, and food and other cafeteria supplies are stated at average invoice cost. Commodities purchased from the United States Department of Agriculture in the Food Service Fund are included in inventories at USDA wholesale value. Inventory is accounted for on the consumption method in the government wide statements. Under the consumption method, inventory is expensed when used. In the fund financial statements, inventories are expensed when purchased. Donated commodities consumed during the year are reported as revenues and expenditures. The amount of unused donated commodities at balance sheet date is considered immaterial by management for reporting purposes. Prepaid assets are recognized as expenditures when their use benefits the District.

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, 2020 management considers all accounts, including those from the public fully collectible.

PREPAID ITEMS

Prepaid Items are recognized as expenditures in governmental funds proportionately over the periods that service is provided, which follows the Consumption Method.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

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, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at their acquisition 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

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, as well as bond issuance costs, 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 while discounts on debt issuance are reported as other financing uses.

RETIREMENT PLANS

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

USE OF ESTIMATES

The preparation of the basic 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 disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

E. FAIR VALUE INPUTS AND METHODOLOGIES AND HIERARCHY

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based upon the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market–corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund’s own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

A budget is prepared and legally adopted for all funds on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - CONTINUED

BUDGETARY INFORMATION – CONTINUED

The budget process begins early in each fiscal year with the establishment of the budget committee. In the fall, public input is invited as the Board decides the budget priorities for the next year. Recommendations are developed through late winter with the budget committee approving the budget in the spring. Public notices of the budget hearing are published generally in the spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption; however, budgeted expenditures for each fund may not be increased by more than ten percent. The budget is then adopted, appropriations are made and the tax levy declared no later than June 30th.

Expenditures are appropriated at the following levels for each fund: Instruction, Support Services, Enterprise and Community Services, Facilities Acquisition and Construction, Interfund Transactions, Debt Service, and Operating Contingency.

Expenditures cannot legally exceed the above appropriation levels except in the case of grants, which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to a need that exists which was not determined at the time the budget was adopted. There was one supplemental appropriation during the year. 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 with 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 not reported as revenue in the governmental funds unless received within 60-days of year end. Inventories of supplies are budgeted as expenditures when purchased, and debt, accrued vacation, pension costs, and OPEB liabilities are expensed as paid instead of when incurred.

NOTE 4. JOINT VENTURE

The District has entered into an intergovernmental property agreement to build and operate a Center for Advanced Learning (CAL), a charter school. However, payment and ownership is shared with the following Districts along with their share of ownership: Reynolds School District No. 7, 19.305%; Centennial School District No. 28J, 16.369%; Mt. Hood Community College, 15.058%; and Gresham-Barlow School District No. 10J, 49.268%. The District's equity in CAL at June 30, 2020 was \$1,169,336.

The Center for Advanced Learning issues a publicly available financial report which may be obtained by writing: Administrator, The Center for Advanced Learning, 1484 NW Civic Drive, Gresham, OR 97030.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 5. 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. The total bank balance per the bank statements as of June 30, 2020 was \$2,969,347, of which \$250,000 was insured by FDIC with the remaining amount collateralized by the Oregon Public Funds Collateralization Program (PFCP).

Credit Risk - Deposits

In the case of deposits, this is the risk 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, 2020, none of the bank balances were exposed to custodial credit risk.

INVESTMENTS

The types of investments that may be invested in are restricted by State of Oregon Revised Statutes. Authorized investments include general obligations of the United States government and its agencies, obligations of the States of Oregon, California, Idaho and Washington that have a rating of AA or better, A-1 rated commercial paper and banker's acceptances, corporate bonds rated AA or better, time deposits, repurchase agreements and the Oregon State Treasurer's Local Government Investment Pool.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund's compliance with all portfolio guidelines can be found in their annual report when issued. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. The audited financial reports of the Oregon Short Term Fund can be found here:

[http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-\(OSTF\).aspx](http://www.oregon.gov/treasury/Divisions/Investment/Pages/Oregon-Short-Term-Fund-(OSTF).aspx)

If the link has expired please contact the Oregon Short Term Fund directly.

The Board has established investment policies to approve only certain depositories and investment instruments and has limited investments to those with maturities of no more than 36 months. The District holds investments in Municipal Bonds, US Agency Securities and US Treasuries through an investment account with a depository approved by the Board. The fair value of these securities is determined based on a level 1 classification due to their availability on open markets. At June 30, 2020, the District appeared to be in compliance with all policies regarding depositories, instruments and maturities.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 5. CASH AND INVESTMENTS - CONTINUED

Interest Rate Risk - Investments

Oregon Revised Statutes require investments to not exceed a maturity of 18 months from the date of anticipated use of the funds, 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 36 months, within the time frame of the anticipated use of funds.

Credit Risk - Investments

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. Municipal bond investments held by the District are rated AA+/AAA.

Concentration of Credit Risk

At June 30, 2020, 84% of total investments were in the State Treasurer's Investment Pool, and 16% in treasury obligations and US government agency securities. State statutes do not limit the percentage of investments in these instruments.

Cash and Investments at June 30, 2020 (recorded at fair value) consisted of:

Cash and Investments	2020
Deposits with financial institutions	\$ 1,360,404
Oregon Local Government Investment Pool	26,072,250
Other Investments	5,009,900
Total Cash and Investments	\$ 32,442,554

There were the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18-59
Oregon local government investment pool (LGIP)	\$ 26,072,250	\$ 26,072,250	\$ -	\$ -
US Agency Securities	5,009,900	5,009,900	-	-
Total	\$ 31,082,150	\$ 31,082,150	\$ -	\$ -

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 6. ARTS TAX

In November 2012, voters in the District of Portland passed Ballot Measure 26-146 to restore school arts and music education, funded through an income tax of \$35 per person per year. In December of 2012, the District entered into an intergovernmental agreement with the District of Portland to receive a portion of this tax, to be used to provide arts and music education, through certified arts and music teachers, to all K-5 students. Revenues and expenditures for the year ended June 30, 2020 are as follows:

	Arts Tax Revenues	Arts Tax Expenditures	Music FTE Funded	Art FTE Funded	Total FTE
Alder Elementary	\$ 78,580	\$ 69,818	1.34	0.25	1.59
Glenfair Elementary	119,091	105,812	0.67	0.25	0.92
Margaret Scott Elementary	84,961	75,488	0.67	0.25	0.92
Wilkes Elementary	102,320	90,911	0.67	0.25	0.92
	<u>\$ 384,952</u>	<u>\$ 342,029</u>	<u>3.35</u>	<u>1</u>	<u>4.35</u>

NOTE 7. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020 occurred as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Construction in Process	\$ -	\$ -	\$ -	\$ -
Land	18,236,549	-	(484,503)	17,752,046
Total Capital Assets Not being Depreciated:	<u>18,236,549</u>	<u>-</u>	<u>(484,503)</u>	<u>17,752,046</u>
Capital Assets Being Depreciated:				
Buildings and Improvement	269,218,487	7,025,016	(701,817)	275,541,686
Vehicles and Equipment	14,085,620	1,125,482	-	15,211,102
Total Capital Assets Being Depreciated:	<u>283,304,107</u>	<u>8,150,498</u>	<u>(701,817)</u>	<u>290,752,788</u>
Accumulated Depreciation				
Buildings and Improvement	66,830,758	5,058,544	(245,858)	71,643,444
Vehicles and Equipment	10,562,848	776,740	-	11,339,588
Total Accumulated Depreciation	<u>77,393,606</u>	<u>5,835,284</u>	<u>(245,858)</u>	<u>82,983,032</u>
Total Capital Assets Being Depreciated, Net	<u>205,910,501</u>	<u>2,315,214</u>	<u>(455,959)</u>	<u>207,769,756</u>
Governmental Activities	<u>\$ 224,147,050</u>			<u>\$ 225,521,802</u>

During 2019-20, deletions were made for the sale of buildings and land, resulting in proceeds of \$500,000 and a loss on sale of assets of \$440,462.

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

Instruction	\$ 4,450,660
Support Services	1,223,869
Community Services	160,755
	<u>\$ 5,835,284</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 8. INTERFUND TRANSFERS AND INTERFUND RECEIVABLE/PAYABLES

	Transfers Out	Transfers In
General Fund	\$ 1,405,852	\$ 175,000
Food Service Fund	-	50,852
Capital Projects Fund	-	1,180,000
	\$ 1,405,852	\$ 1,405,852

During the year ended June 30, 2020, \$1,405,852 was transferred to other funds including \$50,852 transferred to the Nutrition Services Fund to match free and reduced meal and free milk programs as required, \$1,180,000 transferred to the Capital Projects Fund for payment of Full Faith and Credit Refunding obligations, and \$175,000 transferred to the Early Retirement Fund for payment of insurance benefits and stipends as required by negotiated contracts. The Early Retirement Fund is rolled into the General Fund for reporting purposes.

	Receivable	Payable
General Fund	\$ 5,525,053	\$ -
Federal Program Funds	-	2,634,160
State & Local Program Funds	-	674,242
Nutrition Services Fund	260,615	-
Retirement Fund	131,981	-
Self Insurance Fund	361,499	-
Debt Service Fund	-	4,713,934
2015 GO Bond Debt Fund	-	1,835,171
PERS Bond Fund	79,278	-
Capital Projects Fund	1,042,191	-
2015 GO Bond Project Fund	2,224,046	-
QZAB Project Fund	232,844	-
Trust Funds	-	-
	\$ 9,857,507	\$ 9,857,507

The internal balances are recorded to show legal and operational commitments between funds.

NOTE 9. LONG-TERM OBLIGATIONS

BONDS PAYABLE

General Obligation Bonds

In August 2015, \$122,945,047 of general obligation bonds were issued to fund the replacement of three elementary school buildings, construction and renovation at Reynolds High School and various renovation, construction and equipment improvements to all schools. Principal and interest payments are made semiannually on June 15 and December 15 with interest rates ranging from 2% to 5%.

Pension Obligation Bonds

In April 2003, \$80,978,772 of 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 \$20 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.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. LONG-TERM OBLIGATIONS CONTINUED

Advance Refunding Bonds

On March 1, 2005, \$32,500,000 in Series 2005 General Obligation Refunding Bonds were issued to provide resources to purchase U.S. Government State and Local Government Series securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt services payments of general obligation bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. This advance refunding was undertaken to reduce total debt service payments by \$2,015,234 and resulted in an economic gain of \$1,542,768.

Qualified Zone Academy Bonds Series 2016

\$4,000,000 of Qualified Zone Academy bonds were issued on August 4, 2016. \$3,920,000 in proceeds were received after paying issuance costs, and annual payments totaling \$200,000 will be made through July 1, 2030.

General Obligation Bond, Series 2020

On June 11, 2020, \$2,054,952 in Series 2020 General Obligation Bonds were issued to provide resources to finance capital costs on a project including: furnishing, renovating and equipping classroom facilities, and other site improvements. Principal and interest payments are made semiannually on June 15 and December 15 with an interest rate of 2.07%.

Changes in bonds outstanding are as follows:

<u>Issue Date</u>	<u>Interest Rates</u>	<u>Original Issue</u>	<u>Outstanding June 30, 2019</u>	<u>Issued</u>	<u>Matured and Redeemed</u>	<u>Outstanding June 30, 2020</u>
<u>Bonds Payable</u>						
March 1, 2005	3.0-5.0	\$ 32,500,000	\$ 4,985,000	\$ -	\$4,985,000	\$ -
April 21, 2003	1.5-6.27	80,978,772	51,064,881	-	2,147,822	48,917,059
August 20, 2015	2.0-5.0	122,945,047	122,325,047	-	200,000	122,125,047
June 11, 2020	2.07	2,054,952	-	2,054,952	-	2,054,952
<u>Direct Borrowings</u>						
August 4, 2016	N/A	4,000,000	3,600,000	-	200,000	3,400,000
Subtotal			181,974,928	2,054,952	7,532,822	176,497,058
Premium			12,130,550	-	750,525	11,380,025
Accretion on pension obligation bonds			(554,750)	-	(138,689)	(416,061)
Total			<u>\$ 193,550,728</u>	<u>\$ 2,054,952</u>	<u>\$8,144,658</u>	<u>\$ 187,461,022</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. LONG-TERM OBLIGATIONS – CONTINUED

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

Fiscal Year Ending June 30,	Principal	Interest	Total Requirements
2020-21	\$ 8,848,918	\$ 10,795,575	\$ 19,644,493
2021-22	9,432,380	10,942,688	20,375,068
2022-23	9,418,761	11,089,054	20,507,815
2023-24	15,776,235	5,471,581	21,247,816
2024-25	17,313,227	4,685,105	21,998,332
2025-30	77,062,690	11,905,220	88,967,910
2030-35	32,487,625	35,107,375	67,595,000
2035-38	6,157,222	8,577,777	14,734,999
	<u>\$ 176,497,058</u>	<u>\$ 98,574,375</u>	<u>\$ 275,071,433</u>

NOTES PAYABLE

Full Faith & Credit Obligations (Bond Anticipation) Notes Payable - Series 2010 - Refunding

In June 2010, \$23,850,000 in Full Faith and Credit Obligations were issued. \$25,399,121, which includes the premium of \$1,549,121, was deposited into escrow. From the amount deposited, \$18,757,731 was used to purchase United States Treasury Securities and the remaining \$6,509,408 was held uninvested as cash. The amount in escrow was sufficient to retire the following securities: Series 2006 Full Faith and Credit Obligations, Series 2007 Full Faith and Credit Obligations, 2003 Financing Agreement Note and 2007 Financing Agreement Note. Principal payments are due annually on June 1, through 2035 with interest rates of ranging from 2-5%. The refunding resulted in an economic gain of \$1,542,768, but increased total debt service payments by \$245,157. All four refunded securities were considered defeased on June 3, 2010, the issuance date of the refunding bonds.

2018 Financing Agreement Notes Payable

In June 2018 the District entered a \$2,000,000 financing agreement with US Bank National Association to finance capital costs for furnishing, equipping and performing site improvements for the District's transportation facility. The note is to be paid biannually with the principal of \$285,714 and the first installment of interest due in July and the remainder paid in January, totaling \$2,201,528 with the first payment made in January 2019. The last payment will be made in July 2024.

Changes in Full Faith & Credit obligations (BAN) notes payable are as follows:

Name	Interest Rates	Original Issue	Outstanding June 30, 2019	Issued	Matured and Redeemed	Outstanding June 30, 2020
Full Faith and Credit Obligation	2-5%	\$23,850,000	\$ 17,930,000	\$ -	\$ 780,000	\$ 17,150,000
Financing Agreement	2.5%	2,000,000	1,714,286	-	285,715	1,428,571
Sub-Total			19,644,286	-	1,065,715	18,578,571
Premium			991,436	-	61,965	929,471
Total			<u>\$ 20,635,722</u>	<u>\$ -</u>	<u>\$ 1,127,680</u>	<u>\$ 19,508,042</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 9. LONG-TERM OBLIGATIONS – CONTINUED

Following are the annual requirements to amortize all notes payable outstanding at year end:

Fiscal Year Ending June 30,	Principal	Interest	Total Requirements
2020-21	\$ 1,095,714	\$ 867,448	\$ 1,963,162
2021-22	1,185,715	826,368	2,012,083
2022-23	1,165,714	781,688	1,947,402
2023-24	1,210,714	730,320	1,941,034
2024-25	1,245,714	683,902	1,929,617
2025-30	5,570,000	2,636,312	8,210,653
2030-35	7,105,000	1,100,750	8,205,750
	<u>\$18,578,571</u>	<u>\$ 7,626,788</u>	<u>\$ 26,209,701</u>

Total long-term liability activity for the year ended June 30, 2020 was as follows:

	Beginning Balance	Adjustments	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	\$ 181,974,928	\$ -	\$ 2,054,952	\$ 7,532,822	\$ 176,497,058	\$ 8,848,918
Premium	12,130,550	-	-	750,525	11,380,025	711,251
Accretion	(554,750)	-	-	(138,689)	(416,061)	(138,689)
Total	<u>193,550,728</u>	<u>-</u>	<u>2,054,952</u>	<u>8,144,658</u>	<u>187,461,022</u>	<u>9,421,480</u>
Notes Payable	19,644,286	-	-	1,065,715	18,578,571	1,095,714
Premium	991,436	-	-	61,965	929,471	61,965
Total	<u>20,635,722</u>	<u>-</u>	<u>-</u>	<u>1,127,680</u>	<u>19,508,042</u>	<u>1,157,679</u>
Total long-term debt	<u>\$ 214,186,450</u>	<u>\$ -</u>	<u>\$ 2,054,952</u>	<u>\$ 9,272,338</u>	<u>\$ 206,969,064</u>	<u>\$ 10,579,159</u>

The District has no significant default or termination clauses on any bonds or notes payable and are not subject to any acceleration clauses under GASB 88.

NOTE 10. DEFINED BENEFIT PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

If the link is expired please contact Oregon PERS for this information.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match contribution if a greater benefits results.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

- ii. **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following contributions are met:
- member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv. **Benefit Changes After Retirement.** Members may choose to continue participation in their variable account after retiring and may experience annual benefit fluctuations due to changes in the fair value of the underlying global equity investments of that account. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes (COLA). The COLA is capped at 2.0 percent.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
- Police and fire:* 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
- General service:* 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
- A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

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MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

- ii. **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member. The surviving spouse may elect to delay payment of the death benefit, but payment must commence no later than December 31 of the calendar year in which the member would have reached 70½ years.
- iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member’s salary determined as of the last full month of employment before the disability occurred.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2020 were \$16,393,674, excluding amounts to fund employer specific liabilities. In addition, approximately \$12,715 in employee contributions were paid or picked up by the District in 2019-2020.

Pension Asset or Liability – At June 30, 2020, the District reported a net pension liability of \$87,585,114 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2017. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement dates of June 30, 2019 and 2018, the District’s proportion was .51 percent and .61 percent, respectively. Pension expense for the year ended June 30, 2020 was \$4,149,091.

The rates in effect for the year ended June 30, 2020 were:

- (1) Tier 1/Tier 2 – 15.44%
- (2) OPSRP general services – 9.99%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 4,830,061	\$ -
Changes in assumptions	11,881,920	-
Net difference between projected and actual earnings on pension plan investments	-	2,482,949
Net changes in proportionate share	4,374,306	
Differences between District contributions and proportionate share of contributions	<u>5,416,624</u>	<u>11,317,682</u>
Subtotal - Amortized Deferrals (below)	26,502,911	18,047,122
District contributions subsequent to measurement date	<u>16,393,674</u>	<u>-</u>
Deferred outflow (inflow) of resources	<u>\$ 42,896,585</u>	<u>\$ 18,047,122</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to pension as deferred outflows of resources, \$26,502,911, and deferred inflows of resources, (\$18,047,122), net to \$8,455,789 and will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ 7,434,150
2022	(495,516)
2023	656,574
2024	901,615
2025	(41,034)
Thereafter	-
Total	<u>\$ 8,455,789</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2020. Oregon PERS produces an independently audited CAFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

Actuarial Methods and Assumptions:

Valuation date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with <i>Moro</i> decision, blend based on service
Mortality	Healthy retirees and beneficiaries: RP-2014 Health annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	14.0%	21.0%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

(Source: June 30, 2019 PERS CAFR; p. 100)

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

Long-Term Expected Rate of Return - To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. The table below shows Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		2.50%

(Source: June 30, 2019 PERS CAFR; p. 74)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2019 and 2018 was 7.20 percent for both years, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District’s proportionate share of the net pension liability to changes in the discount rate – The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	\$ 140,259,789	\$ 87,585,114	\$ 43,503,668

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 10. DEFINED BENEFIT PENSION PLAN - CONTINUED

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA)

Plan Description: As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy: Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 dollars shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.06% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2021. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (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) of the plan over a period not to exceed thirty years. The District's contributions subsequent to measurement date for RHIA are included in the PERS contributions (see Note 10) for all reporting years, and equaled the required contributions each year.

At June 30, 2020, the District reported a net OPEB liability/(asset) of (\$1,153,426) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2019, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2016. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2019 and 2018, the District's proportion was .60 percent and .61 percent, respectively. OPEB Income for the year ended June 30, 2020 was \$446,654.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) - CONTINUED

Components of OPEB Expense/(Income):

<u>Employer OPEB Expense for Measurement Period</u>	
Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (150,007)
Net Amortization of employer-specific deferred amounts from:	
Changes in proportionate share (per paragraph 64 of GASB 75)	(495)
Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (150,502)</u>

Components of Deferred Outflows/Inflows of Resources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ -	\$ 152,102
Changes in assumptions	-	1,195
Net difference between projected and actual earnings on pension plan investments	-	71,195
Net changes in proportionate share	6,335	2,812
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	<u>6,335</u>	<u>227,304</u>
District contributions subsequent to measurement date	N/A	-
Deferred outflow (inflow) of resources	<u>\$ 6,335</u>	<u>\$ 227,304</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2021.

Subtotal amounts related to OPEB as deferred outflows of resources, \$6,335, and deferred inflows of resources (\$227,304), net to (\$220,969) and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ (114,682)
2022	(100,666)
2023	(12,955)
2024	7,334
2025	-
Thereafter	-
Total	<u>\$ (220,969)</u>

District contributions subsequent to measurement date for RHIA are included in the PERS contributions (see Note 10) and are not booked separately as RHIA deferred outflows.

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2019. That independently audited report was dated March 1, 2019 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2019/GASB-75-RHIA-YE-06-30-2019.pdf>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) - CONTINUED

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2017 rolled forward to June 30, 2019
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Mortality	Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation. Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2019 and 2018, was 7.20 percent for both years. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2015, revised as of June 7, 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 11. OTHER POST-EMPLOYMENT BENEFIT PLAN - (RHIA) - CONTINUED

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		<i>2.50%</i>

(Source: June 30, 2019 PERS CAFR; p. 74)

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate -- The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability	\$ (894,203)	\$ (1,153,426)	\$ (1,374,303)

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

NOTE 12. OTHER POST EMPLOYMENT BENEFITS

POST RETIREMENT HEALTH CARE

The District, as a result of collective bargaining agreements, offers post-employment health care benefits under a single-employer, defined benefit plan for all employees who have completed a specified number of years of continuous service, are eligible for full OPERS benefits, elect early retirement and were hired prior to July 1, 2006.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. OTHER POST EMPLOYMENT BENEFITS – (CONTINUED)

For eligible licensed employees the District will provide medical coverage for the lesser of seven years or until eligible for Medicare (age 65). For administrators, managers, supervisor and confidential employees, coverage is until Medicare eligibility date regardless of retirement age, assuming full OPERS coverage. For eligible classified employees with 15 years of service, coverage is provided up to the lesser of five years or until eligible for Medicare (age 65).

The District’s post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. The plan is currently unfunded in accordance with GASB statement 75. In accordance with the terms of the plan, benefit payments are recognized when due and payable in the governmental statements. The activities of the plan are reported in the General Fund.

Annual OPEB Cost and Total OPEB Liability: The annual other postemployment benefit (OPEB) cost is calculated based on the Total OPEB Liability, an amount actuarially determined in accordance with the parameters of GASB Statement 75. For detailed information and a table showing the components of the District’s annual OPEB costs and liabilities, see page 47.

Actuarial Methods and Assumptions: The Total OPEB Liability for the current year was determined as part of the July 1, 2019 actuarial valuation using the entry age normal method. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about mortality, claim cost and the healthcare cost trend. The actuarial assumptions included; (a) a rate of return on investment of present and future assets of 3.50% compounded annually; (b) no future increase in benefit payable from this program; (c) a general inflation rate of 2.5% per year, and (d) no post-retirement benefit increases and a payroll increase of 3.5%. Amounts determined regarding the funded status of the plan and the annual required contribution of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant’s years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year. The present value of benefits accrued as of the valuation date is called the accrued liability.

At July 1, 2019, the following employees were covered by the benefit terms:

Active	1,169
Retired Members	63
Spouses of Ineligible Retirees	10
Total	1,242

Total OPEB Liability

The District’s total OPEB liability of \$12,959,779 was measured as of June 30, 2019, and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs

The District’s total OPEB liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. OTHER POST EMPLOYMENT BENEFITS – CONTINUED

Actuarial assumptions:

Valuation Date	July 1, 2019
Actuarial Cost Method	Entry Age Normal
Investment Return Assumption (Interest Discount)	The 3.50% investment return assumption is the rate in the 20-Year General Obligation Municipal Bond Index published by Bond Buyer.
Plan Participation	100% assumed will elect coverage at retirement if eligible for district paid insurance; 55% assumed if only eligible for self-pay insurance.
Medical Care Cost Trend	5.25% in 2020 and fluctuating between 4.75% and 5.50% thereafter
Dental premiums annual trend rate	4.00% per year
Inflation rate	2.5% for all future years
Annual salary rate increases	3.5% for all future years
Health care premium	
Beginning in 2018, a 40% excise tax will be imposed under the Affordable Care Act on employers in the aggregate value of medical coverage exceeds a threshold limit. This excise tax is not included in the calculations because it is believed to be immaterial in regard to the OPEB plan.	

Changes in Total OPEB Liability

Changes of assumptions: Interest Discount, the investment return assumption was decreased from 3.87% to 3.50%.

Total OPEB Liability at June 30, 2019	\$ 13,434,460
Changes for the year:	
Service Cost	1,341,286
Interest	553,418
Changes of Benefit Terms	-
Changes from economic/demographic gains or losses	(1,673,191)
Changes of assumptions or other inputs	264,020
Benefit Payments	<u>(960,214)</u>
Net Changes	<u>(474,681)</u>
Total OPEB Liability at June 30, 2020	<u>\$ 12,959,779</u>

Sensitivity of the total OPEB Liability to changes in discount rate: the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using a discount rate 1 percentage point higher and lower than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	<u>2.50%</u>	<u>3.50%</u>	<u>4.50%</u>
Total OPEB Liability	\$ 13,808,405	\$ 12,959,779	\$ 12,155,331

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. OTHER POST EMPLOYMENT BENEFITS - CONTINUED

Sensitivity of the total OPEB Liability to changes in the healthcare cost trend rates: the following presents the total OPEB liability of the District, as well as what the District's total OPEB Liability would be if it were calculated using health care cost trend rates that are 1 percentage point higher and lower than the current healthcare cost trend rates.

	<u>1% Decrease</u>	<u>Current Healthcare Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 11,672,514	\$ 12,959,779	\$ 14,465,298

OPEB Expense and Deferred Inflows of Resources Related to OPEB: For the year ended June 30, 2020, the District recognized OPEB expense of \$725,471 in the government wide Statement of Activities. At June 30, 2020, the District reported deferred inflows of resources relating to the following sources:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ -	\$ (1,461,395)
Changes in assumptions	230,600	(566,183)
Subtotal - Amortized Deferrals (below)	230,600	(2,027,578)
Contributions made subsequent to measurement date	875,107	-
Deferred outflow (inflow) of resources	<u>\$ 1,105,707</u>	<u>\$ (2,027,578)</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB health care liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to OPEB health care as deferred outflows of resources, \$230,600, and deferred inflows of resources, (\$2,027,578), net to (\$1,796,978) and will be recognized in OPEB health care expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2021	\$ (294,126)
2022	(294,126)
2023	(294,126)
2024	(294,126)
2025	(261,319)
Thereafter	(359,155)
Total	<u>\$ (1,796,978)</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. OTHER POST EMPLOYMENT BENEFITS - CONTINUED

EARLY RETIREMENT PLAN - STIPENDS

The District also operates a single-employer early retirement stipend plan.

At July 1, 2019, the following employees were covered by the benefit terms:

Active	1169
Retired Members	63
Spouses of Ineligible Retirees	10
Total	1242

The following table shows the changes in total OPEB pension liability for the year ending June 30, 2020:

Total OPEB Pension Liability at June 30, 2019	\$ 2,269,973
Changes for the year:	
Service Cost	174,473
Interest	90,686
Changes of Benefit Terms	-
Changes from economic/demographic gains or losses	(134,012)
Changes of assumptions or other inputs	(41,255)
Benefit Payments	(204,191)
Net Changes	(114,299)
Total OPEB Pension Liability at June 30, 2020	\$ 2,155,674

Actuarial Methods and Assumptions: The total pension liability above was determined by an actuarial valuation as of the valuation date calculated based on the discount rate and actuarial assumptions listed below, and was then projected forward/backwards to the measurement date. The unfunded accrued liability is amortized over an open period of 4 years as a percentage of payroll, and is still open.

Valuation Date	July 1, 2019
Measurement Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal
Investment return assumption (interest discount)	3.50% per year
Demographic Assumptions	Based on Oregon PERS valuation assumptions as of December 31, 2018
Inflation Rate	2.5% per year
Salary Increases	3.5% per year

Sensitivity Analysis: The following presents the total pension liability of the plan, calculated using the discount rate as of the measurement date, as well as what the plan's total pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	2.50%	3.50%	4.50%
Total Pension Liability	\$ 2,263,093	\$ 2,155,674	\$ 2,049,221

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
 MULTNOMAH COUNTY, OREGON
 NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 12. OTHER POST EMPLOYMENT BENEFITS - CONTINUED

EARLY RETIREMENT PLAN – STIPENDS - CONTINUED

For the year ended June 30, 2020, the District recognized a pension expense of \$45,352. At June 30, 2020, the District reported deferred outflows and inflows of resources related to the early retirement plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ (126,843)
Changes in assumptions	72,405	(114,437)
Subtotal - Amortized Deferrals (below)	72,405	(241,280)
Contributions made subsequent to measurement date	191,623	-
Deferred outflow (inflow) of resources	\$ 264,028	\$ (241,280)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB stipend liability in the fiscal year ended June 30, 2021.

Subtotal amounts related to OPEB health care as deferred outflows of resources, \$72,405, and deferred inflows of resources, (\$241,280), net to (\$168,875) and will be recognized in OPEB health care expense as follows:

Year ending June 30,	Amount
2021	\$ (28,184)
2022	(28,184)
2023	(28,184)
2024	(28,184)
2025	(28,180)
Thereafter	(27,959)
Total	\$ (168,875)

NOTE 13. TAX ABATEMENTS

As of June 30, 2020, the District had material tax abatements through one program: Enterprise Zone.

Enterprise Zone (ORS 285C.175):

The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

For the fiscal year ended June 30, 2020, the District had abated taxes totaling \$1,822,447 under this program.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 14. OPERATING LEASES

In December 2015, the district entered into a 5 year lease agreement with Copiers Northwest Inc. to lease printers and equipment. The district pays quarterly at a minimum of \$61,488 with overage charges per copy. In the fiscal year ended June 30, 2020 the district paid approximately \$258,000 in payments and overages. The lease ends in December 2020.

In May 2018, the district entered into a 3 year lease agreement with MailFinance Neopost West to lease a stacker, inserter, and other document preparation equipment. Monthly payments for this agreement are \$1,193. The district paid Neopost \$15,968 in the fiscal year ended June 30, 2020, and will continue to do so until the lease ends in May 2021.

Future Lease Obligations are as follows:

Year	Equipment
2020-21	\$ 138,943
Total	<u>\$ 138,943</u>

NOTE 15. 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 16. 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 pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil 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.

The COVID-19 outbreak in the United States has caused substantial disruption to business and local governments due to mandated and voluntary suspension of operations and stay at home orders. There is considerable uncertainty around the duration of the outbreak and the long-term impact to the overall economy. However, the District expects the reduction of economic activity to negatively impact funds received.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON
NOTES TO BASIC FINANCIAL STATEMENTS

NOTE 17. 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 was 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.

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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

REYNOLDS SCHOOL DISTRICT
MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

At June 30, 2020

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.51 %	\$ 87,585,114	\$ 65,446,087	133.8 %	80.2 %
2019	0.61	91,931,245	63,752,102	144.2	82.1
2018	0.63	85,519,165	63,884,244	133.9	83.1
2017	0.55	82,744,959	64,947,816	127.4	80.5
2016	0.47	26,851,775	61,541,587	43.6	91.9
2015	0.48	(10,827,948)	57,457,850	(18.8)	103.6
2014	0.48	24,377,398	55,916,694	43.6	92.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ 16,393,674	\$ 16,393,674	\$ -	\$ 68,860,681	23.8 %
2019	14,616,246	14,616,246	-	65,446,087	22.3
2018	13,901,399	13,901,399	-	63,752,102	21.8
2017	9,462,011	9,462,011	-	63,884,244	14.8
2016	8,727,974	8,727,974	-	64,947,816	13.4
2015	5,438,439	5,438,439	-	61,541,587	8.8
2014	5,136,148	5,136,148	-	57,457,850	8.9

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

REYNOLDS SCHOOL DISTRICT
MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
 At June 30, 2020

OPEB - RHIA

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB - RHIA ASSET/LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset/ (liability) (NOA/(L))	(b) Employer's proportionate share of the net OPEB asset/ (liability) (NOA/(L))	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.597 %	\$ 1,153,426	\$ 65,446,087	1.8 %	144.4 %
2019	0.605	675,690	63,752,102	1.1	124.0
2018	0.625	260,793	63,884,244	0.4	108.9
2017	(0.680)	(184,566)	64,947,816	(0.3)	90.0

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2020	\$ n/a	\$ n/a	\$ n/a	\$ 68,860,681	n/a %
2019	n/a	n/a	n/a	65,446,087	n/a
2018	n/a	n/a	n/a	63,752,102	n/a
2017	n/a	n/a	n/a	63,884,244	n/a

The amounts presented for each fiscal year were actuarially determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
Multnomah County, Oregon

SCHEDULE OF CHANGES IN TOTAL LIABILITY AND RELATED RATIOS
 OPEB HEALTH CARE AND PENSION STIPENDS
 June 30, 2020

PLAN I (OPEB): (HEALTH CARE)
 SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total OPEB Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2020	\$ 13,434,460	\$ 1,341,286	\$ 553,418	\$ -	\$ (1,409,171)	\$ (960,214)	\$ 12,959,779	\$ N/A	N/A
2019	12,791,606	1,317,100	489,002	-	(256,385)	(906,863)	13,434,460	N/A	N/A
2018	12,936,650	1,363,361	389,515	-	(623,313)	(1,274,607)	12,791,606	N/A	N/A

PLAN II (PENSION): (STIPENDS)
 SCHEDULE OF CHANGES IN TOTAL OPEB PENSION LIABILITY AND RELATED RATIOS

Year Ended June 30,	Total Pension Liability - Beginning	Service Cost	Interest	Changes of Benefit Terms	Changes of Assumptions	Benefit Payments	Total Pension Liability - End of Year	Estimated Covered Payroll	Total Pension Liability as a % of Covered Payroll
2020	\$ 2,269,973	\$ 174,473	\$ 90,686	\$ -	\$ (175,267)	\$ (204,191)	\$ 2,155,674	\$ N/A	N/A
2019	2,220,351	170,978	82,590	-	(33,776)	(170,170)	2,269,973	N/A	N/A
2018	2,266,585	135,644	66,380	-	(101,044)	(147,214)	2,220,351	N/A	N/A
2017	2,083,076	118,075	82,194	-	116,961	(133,721)	2,266,585	N/A	N/A

The amounts presented for each fiscal year are actuarially determined and rolled forward.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10 year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 28,436,712	\$ 28,436,712	\$ 29,110,769	\$ 674,057
Intermediate Sources	1,896,800	1,896,800	1,846,228	(50,572)
State Sources	101,604,369	101,604,369	101,114,110	(490,259)
Federal Sources	65,000	65,000	53,009	(11,991)
Total Revenue	<u>132,002,881</u>	<u>132,002,881</u>	<u>132,124,116</u>	<u>121,235</u>
EXPENDITURES:				
Instruction	82,025,777	83,425,777 (1)	80,510,718	2,915,059
Support Services	53,722,249	55,212,249 (1)	48,848,000	6,364,249
Community Services	163,029	163,029 (1)	33,218	129,811
Debt Service	285,715	285,715 (1)	200,000	85,715
Contingency	1,620,145	1,620,145 (1)	-	1,620,145
Total Expenditures	<u>137,816,915</u>	<u>140,706,915</u>	<u>129,591,936</u>	<u>11,114,979</u>
Excess of Revenues Over (Under) Expenditures	(5,814,034)	(8,704,034)	2,532,180	11,236,214
OTHER FINANCING SOURCES (USES)				
Loan Issuance	-	-	-	-
Transfers Out	(1,415,000)	(1,415,000) (1)	(1,405,852)	9,148
Total Other Financing Sources (Uses)	<u>(1,415,000)</u>	<u>(1,415,000)</u>	<u>(1,405,852)</u>	<u>9,148</u>
Net Change in Fund Balance	(7,229,034)	(10,119,034)	1,126,328	11,245,362
Beginning Fund Balance	<u>12,200,000</u>	<u>15,090,000</u>	<u>17,832,461</u>	<u>2,742,461</u>
Ending Fund Balance	<u>\$ 4,970,966</u>	<u>\$ 4,970,966</u>	<u>\$ 18,958,789</u>	<u>\$ 13,987,823</u>
Reconciliation to Governmental Fund Balance as required by GASB 54:				
Ending Fund Balance Retirement Fund			131,981	
			<u>\$ 19,090,770</u>	

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (BUDGETARY BASIS)
For the Year Ended June 30, 2020

FEDERAL PROGRAMS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Federal Sources	\$ 9,353,810	\$ 10,192,838	\$ 8,613,977	\$ (1,578,861)
Total Revenues	<u>9,353,810</u>	<u>10,192,838</u>	<u>8,613,977</u>	<u>(1,578,861)</u>
EXPENDITURES:				
Instruction	5,983,781	6,520,520 (1)	5,181,673	1,338,847
Support Services	3,031,620	3,303,554 (1)	3,143,127	160,427
Community Services	338,409	368,764 (1)	289,177	79,587
Total Expenditures	<u>9,353,810</u>	<u>10,192,838</u>	<u>8,613,977</u>	<u>1,578,861</u>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation Level

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7

MULTNOMAH COUNTY, OR

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

NOTE 1: BUDGETARY BASIS OF ACCOUNTING

The district budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America.

NOTE 2: PENSION AND OPEB PLAN SCHEDULES

Actuarial Assumptions for Valuations Performed. The information presented in the required supplementary schedules was determined as part of the actuarial valuation at the date indicated, which the most recent actuarial valuation. The actuarial assumptions used are disclosed in the notes to the financial statements.

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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SUPPLEMENTARY INFORMATION

DEBT SERVICE FUND

General Obligation Bond Fund 300

Provides for the payment of principal and interest on long-term general obligation debt of governmental funds. Principal revenue source are property taxes.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)

For the Year Ended June 30, 2020

DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	\$ 2,534,250	\$ 2,534,250	\$ 3,365,623	\$ 831,373
Total Revenues	2,534,250	2,534,250	3,365,623	831,373
EXPENDITURES:				
Debt Service	5,234,250	5,234,250 (1)	5,234,250	-
Total Expenditures	5,234,250	5,234,250	5,234,250	-
Excess of Revenues Over (Under) Expenditures	(2,700,000)	(2,700,000)	(1,868,627)	831,373
Beginning Fund Balance	2,700,000	2,700,000	3,149,520	449,520
Ending Fund Balance	\$ -	\$ -	\$ 1,280,893	\$ 1,280,893

(1) Appropriation Level

PERS BOND FUND

PERS UAL Fund 350

Provides for the payment of principal and interest on PERS UAL pension obligation bonds. Revenue source are charged to other funds.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

<u>PERS BOND FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 8,731,213	\$ 8,731,213	\$ 8,444,276	\$ (286,937)
Total Revenues	<u>8,731,213</u>	<u>8,731,213</u>	<u>8,444,276</u>	<u>(286,937)</u>
EXPENDITURES:				
Debt Service	<u>8,495,490</u>	<u>8,495,490 (1)</u>	<u>8,495,490</u>	<u>-</u>
Total Expenditures	<u>8,495,490</u>	<u>8,495,490</u>	<u>8,495,490</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	235,723	235,723	(51,214)	(286,937)
Beginning Fund Balance	<u>140,000</u>	<u>140,000</u>	<u>231,998</u>	<u>91,998</u>
Ending Fund Balance	<u>\$ 375,723</u>	<u>\$ 375,723</u>	<u>\$ 180,784</u>	<u>\$ (194,939)</u>

(1) Appropriation Level

2015 GO BOND DEBT SERVICE FUND

General Obligation Bond Fund 315

Provides for the payment of principal and interest on long-term general obligation debt of governmental funds. Principal revenue source are property taxes. This fund supports school building improvements.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

2015 GO BOND DEBT SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	\$ 5,060,000	\$ 5,060,000	\$ 5,045,299	\$ (14,701)
Total Revenues	5,060,000	5,060,000	5,045,299	(14,701)
EXPENDITURES:				
Debt Service	4,183,050	4,183,050 (1)	4,183,050	-
Total Expenditures	4,183,050	4,183,050	4,183,050	-
Excess of Revenues Over (Under) Expenditures	876,950	876,950	862,249	(14,701)
Beginning Fund Balance	3,224,280	3,224,280	3,767,948	543,668
Ending Fund Balance	\$ 4,101,230	\$ 4,101,230	\$ 4,630,197	\$ 528,967

(1) Appropriation Level

2015 GO BOND PROJECTS FUND

Capital Projects Fund 415

With the passage of Measure 26-164, for General obligation Bond Levy May 19, 2015 bond election, the district has completed work on three elementary schools: Fairview, Wilkes and Troutdale. These schools were all built between 1926 and 1913. Reynolds High School has added 18 new classrooms. The bond has also upgrading security at several school vestibules. The fund manages the capital expenditures for specifically authorized projects funded by the 2015 General Obligation bonds.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

2015 GO BOND PROJECTS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 75,000	\$ 75,000	\$ 72,848	\$ (2,152)
Bond Proceeds	2,000,000	2,000,000	2,054,952	54,952
Total Revenues	<u>2,075,000</u>	<u>2,075,000</u>	<u>2,127,800</u>	<u>52,800</u>
EXPENDITURES:				
Facilities Acquisition and Construction	5,575,000	5,575,000 (1)	3,788,678	1,786,322
Total Expenditures	<u>5,575,000</u>	<u>5,575,000</u>	<u>3,788,678</u>	<u>1,786,322</u>
Excess of Revenues Over (Under) Expenditures	(3,500,000)	(3,500,000)	(1,660,878)	1,839,122
Beginning Fund Balance	<u>3,500,000</u>	<u>3,500,000</u>	<u>4,133,898</u>	<u>633,898</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,473,020</u>	<u>\$ 2,473,020</u>

(1) Appropriation Level

CAPITAL PROJECTS FUND

Capital Project Fund 400– Full faith and Credit Refunding Obligation, Series 2010

Provides for the payment of principal and interest on the 2010 FFCRO Series. Accounts for activities related to the acquisition, construction and equipping of facilities. Revenue sources are the excise tax, interest earnings on the capital projects fund.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

CAPITAL PROJECTS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 125,588	\$ 125,588	\$ 1,090,776	\$ 965,188
Intermediate Sources	-	-	-	-
Total Revenues	<u>125,588</u>	<u>125,588</u>	<u>1,090,776</u>	<u>965,188</u>
EXPENDITURES:				
Support Services	-	150,000 (1)	19,808	130,192
Facilities Acquisition and Construction	1,000	419,000 (1)	36,860	382,140
Debt Service	1,639,588	1,786,588 (1)	1,639,588	147,000
Total Expenditures	<u>1,640,588</u>	<u>2,355,588</u>	<u>1,696,256</u>	<u>659,332</u>
Excess of Revenues Over (Under) Expenditures	(1,515,000)	(2,230,000)	(605,480)	1,624,520
OTHER FINANCING SOURCES (USES):				
Sale of Asset	-	715,000	500,000	(215,000)
Transfers In	1,180,000	1,180,000	1,180,000	-
Total Other Financing Sources (Uses)	1,180,000	1,895,000	1,680,000	(215,000)
Net Change in Fund Balance	(335,000)	(1,050,000)	574,520	1,624,520
Beginning Fund Balance	<u>335,000</u>	<u>335,000</u>	<u>484,863</u>	<u>149,863</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,559,383</u>	<u>\$ 1,559,383</u>

(1) Appropriation Level

2016 SCHOOL IMPROVEMENT PROJECT FUND

School Improvement Projects Fund 417 – Qualified Zone Academy Bond

The QZAB is a tax credit bond program whereby bond investors take a tax credit in lieu of interest payments for qualified bonds under the IRS Tax Code. Projects accounted for under the QZAB Bond include roof resurfacing exterior block sealing, HVAC replacement, and major abatement work.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

2016 SCHOOL IMPROVEMENT PROJECTS FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES:				
Support Services	1,010,000	1,010,000 (1)	822,912	187,088
Total Expenditures	1,010,000	1,010,000	822,912	187,088
Net Change in Fund Balance	(1,010,000)	(1,010,000)	(822,912)	187,088
Beginning Fund Balance	1,010,000	1,010,000	1,055,756	45,756
Ending Fund Balance	\$ -	\$ -	\$ 232,844	\$ 232,844

SPECIAL REVENUE FUNDS

Nutrition Service Fund 297

Accounts for revenues and expenditure for the food dispensing programs. Principal revenue sources are sales of food and subsidies under the National School Lunch and Breakfast Programs received through the State of Oregon, and a transfer from the General Fund for "match". Fresh Fruit and Vegetable Program: Accounts for revenues and expenditures for a series of grants within Nutrition Services to provide produce for individual schools.

State and Local Programs Funds 251-296

Accounts for revenues and expenditures of grants that are generally restricted for specific education projects. Principal revenue source are state and local grants.

Driver's Education

Accounts for revenues and expenditures to support the driver's education class at the high school. The principal source of revenue is received from ODOT and class fees.

E-Rate

Accounts for revenues and expenditures from the Schools and Libraries Program related to telecommunications and internet access.

Energy Efficient Schools - SB 1149

Accounts for revenues received under the Senate Bill 1149 which introduces competition into the retail electricity market of Oregon's two largest utilities, Portland General Electric and PacifiCorp.

Together We Are Greater Than

Formerly, the I Have a Dream – 2017 Alder Montessori Fund. The organization had a name change in 2018. Provides funding for Alder Montessori. (Funding no longer received from this award but remains for history purposes.)

Mt Hood Cable Regulatory Commission Grant

Accounts for revenues and expenditures relating to enhancement of technology projects throughout the district such as communications involving video, data applications. Funding source are through Multnomah County, Comcast, Frontier and Cascade Access. (Funding no longer received from this award but remains for history purposes.)

Other Contracts & Grants

Accounts for various grants received throughout the district.

Contract Fuel Sales

Accounts for revenues received from local city governments for fuel provided at an average monthly cost plus an administration fee.

Student Activities

Accounts for revenues and expenditures of all schools' student body funds. The revenue sources are participation fees, donations and fund-raising activities. Individual accounts are kept at each school; this fund summarizes all activity at year-end.

Non-ASB

Accounts for revenues and expenditures generated by fees at the school level, including donations, early childhood department, graphics department, etc.

Reynolds Education Foundation

Accounts for revenues and expenditures received from REF for classroom supplies. (Funding no longer received from this award but remains for history purposes.)

Project Lead the Way

Accounts for revenues and expenditures received from the State Board of Higher Education on behalf of the Oregon University System for the engineering and technology program. (Funding no longer received from this award but remains for history purposes.)

Four Corners Tuition

Accounts for revenue and expenditures received from other school districts as tuition payment for students attending Treatment Program. (Funding no longer received from this award but remains for history purposes.)

Seismic Rehab Grant

Accounts for revenues and expenditures for reinforcing the structure within RMS to better withstand seismic activity. (Funding no longer received from this award but remains for history purposes.)

Multnomah County Agreement

Accounts for revenues and expenditures to be used for attendance TOSA to support attendance work at Glenfair Elementary and Alder Elementary. Funding source through Multnomah County. (Funding no longer received from this award but remains for history purposes.)

PPS / Columbia Regional Autism

Accounts for revenues and expenditures for autism services. The primary source of revenue comes from the Columbia Regional Program who receives autism funding from the state.

MYC Fees for Service

Accounts for revenue and expenditures related to the Multnomah Youth Cooperative program at Reynolds Learning Academy. The primary source of revenue is local state entities that pay a fee for the services provided by students.

Outdoor School (Measure 99)

Accounts for the revenue and expenditures to provide outdoor school.

CTE Pathways

Accounts for revenues and expenditures from ODE for incentivization of high school programs to attract and graduate students from traditionally underserved populations through their CTE Programs of Study. In 2016, CTE Pathways funds were awarded to RHS Graphic Arts, Computer Information Systems, and Construction Manufacturing.

Student Monitoring and Mentorship Grant

Accounts for the revenues and expenditures for serving at-risk students rising from 8th to 9th grade. Interventions are instrumental to maintain a smooth path toward students achieving credits to stay on track to graduate. (Funding no longer received from this award but remains for history purposes.)

Career Education (Measure 98)

Accounts for revenues and expenditures dedicated to improving graduation rates through Career and Technical Education (CTE).

PEEK-8 Physical Education Expansion K-8

Accounts for additional revenues and expenditures allocated to hire licensed physical education teachers to support activities related to meeting the physical education instructional requirements for students as described in OAR 581-020-0250.

Seismic Rehab Grant 2016-17

Accounts for the revenues and expenditures related to facility upgrades to meet seismic standards. State of Oregon competitive grant through Oregon Department of Education. (Funding no longer received from this award but remains for history purposes.)

Closing the Achievement Gap

Accounts for revenues and expenditures relating to closing the academic achievement gap for African American learners' links between home, school and community and promoting equity for our school toward Oregon Department of Education 40-40-20 goal. (Funding no longer received from this award but remains for history purposes.)

MYC PIC (Partners in Conservation)

Accounts for revenues and expenditures from East Metro Soil and Conservation District, to provide funding for service learning projects for students at RLA. (Funding no longer received from this award but remains for history purposes.)

Educator Effectiveness

Accounts for the revenues and expenditures related to improving student achievement through effective teachers and leaders, through collaboration with educational partners and stakeholders to create a supportive state policy infrastructure focused on educator effectiveness leading to improved student learning. (Funding no longer received from this award but remains for history purposes.)

Summative Assessment

Accounts for revenues and expenditures to successfully transition from the state test (OAKS) to the Smarter Balanced summative assessment system for students in Grades K-9.

Miller Family Grant

Accounts for revenues and expenditures to expand teacher training, tutor wages, and technical assistance in order to enhance AVID programming at middle school levels.

Improvement Planning Grant

(Funding no longer received from this award but remains for history purposes.)

Summer Works Grant

The Youth Work Experience Program allows students with disabilities to learn employability skills and transition seamlessly into competitive employment. Reynolds School District received and implemented the Summer Work experience during the summer of 2017. The Summer Work experience allowed students to gain positive work skills and training in a professional environment which contributed to their successful placement today.

Youth Transition Program

Accounts for the revenues and expenditures related to an intergovernmental agreement in association with a youth transition program. The primary source of revenue is State of Oregon Department of Human Services.

RLA Playground

Accounts for revenues and expenditures to improve the RLA playground and for enhancing services to the teen parents and children by partnering with Mt. Hood as an Early Childhood Head Start Program. This is a one-time grant from MHCC. (Funding no longer received from this award but remains for history purposes.)

HB3499 ELD Transformation & Target

Accounts for revenues and expenditures to improve outcomes for English Language Learners (ELLs). This is an implementation grant. (Funding no longer received from this award but remains for history purposes.)

MHCC – Early Head Start

Accounts for revenues and expenditures to support RLA Teen Parent Day Care Center. To be used for facility improvements, staff training requirements, curriculum purchase and furniture replacement. Additionally, a separate reimbursement contract will be specifically dedicated to redesign and improve the outdoor playground space dedicated to the Teen Parent Day Care Center. Funding source through the Department of Health and Human Services for Early Head Start Partnership through MHCC. (Funding no longer received from this award but remains for history purposes.)

Verizon Innovative Learning

Accounts for revenues and expenditures as part of a grant awarded to select US middle schools to create innovative learning environments and document the process so others can learn from the experiences of the schools awarded the grant. The grant provides a device for every middle school student and teacher, professional development and coaching to enhance the learning environment.

School Based Health Center

Accounts for revenues and expenditures for construction of a school based health center located at Reynolds High School.

Student Investment Account

The Student Investment Account (SIA) comes from the Student Success Act. Oregon Governor Kate Brown signed House Bill 3427, the Student Success Act, into law on May 2019. The purpose of the Student Success Act was to correct underinvestment in our schools and our children and includes sweeping provisions for new and improved services for children and families.

Self Insurance Fund 299

Accounts for costs incurred by the District under its general liability, including but not limited to property liability, Boiler and Machinery/Equipment Breakdown, Crime, Business Auto and Public Entity Liability. Primary source of revenue are insurance claim payments, rebates and General Fund transfers.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON**

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2020**

	SPECIAL REVENUE FUNDS			
	NUTRITION SERVICE FUND	STATE AND LOCAL PROGRAMS FUND	SELF INSURANCE FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS:				
Cash	\$ 77,368	\$ 346,703	\$ -	\$ 424,071
Receivables:				
Accounts/Grants	650,758	1,493,698	117,166	2,261,622
Inter-Fund Receivable	260,615	-	361,499	622,114
Prepaid Expenses	-	-	-	-
Inventories	373,320	-	-	373,320
Total Assets	<u>1,362,061</u>	<u>1,840,401</u>	<u>478,665</u>	<u>3,681,127</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts Payable	41,218	41,288	68,660	151,166
Inter-Fund Payable	-	674,242	-	674,242
Total Liabilities	<u>41,218</u>	<u>715,530</u>	<u>68,660</u>	<u>825,408</u>
Deferred Inflows of Resources				
Deferred Grants	50,717	19,429		70,146
Unavailable Revenue:	-	-	-	-
Property Taxes	-	-	-	-
Total Liabilities and Deferred Revenue	<u>91,935</u>	<u>734,959</u>	<u>68,660</u>	<u>895,554</u>
Fund Balances:				
Nonspendable	373,320	-	-	373,320
Restricted	896,806	485,654	-	1,382,460
Committed	-	619,788	410,005	1,029,793
Assigned	-	-	-	-
Total Fund Balances	<u>1,270,126</u>	<u>1,105,442</u>	<u>410,005</u>	<u>2,785,573</u>
Total Liabilities and Fund Balances	<u>\$ 1,362,061</u>	<u>\$ 1,840,401</u>	<u>\$ 478,665</u>	<u>\$ 3,681,127</u>

* Note: State and Local Programs Fund includes Fund 260 which is the accounting for the ASB funds within District System.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

	SPECIAL REVENUE FUNDS			
	NUTRITION SERVICE FUND	STATE AND LOCAL PROGRAMS FUND	SELF INSURANCE FUND	NONMAJOR GOVERNMENTAL FUNDS
REVENUES:				
Local Sources	\$ 369,826	\$ 1,169,632	\$ 170,767	\$ 1,710,225
Intermediate Sources	28,701	1,508,024	-	1,536,725
State Sources	71,614	2,541,202	-	2,612,816
Federal Sources	4,725,317	-	-	4,725,317
Total Revenues	<u>5,195,458</u>	<u>5,218,858</u>	<u>170,767</u>	<u>10,585,083</u>
EXPENDITURES:				
Instruction	-	2,241,045	-	2,241,045
Support Service	-	2,964,678	297,026	3,261,704
Community Services	5,958,779	241,569	-	6,200,348
Facilities Acquisition and Construction	-	2,219,583	-	2,219,583
Total Expenditures	<u>5,958,779</u>	<u>7,666,875</u>	<u>297,026</u>	<u>13,922,680</u>
Excess of Revenues Over (Under) Expenditures	<u>(763,321)</u>	<u>(2,448,017)</u>	<u>(126,259)</u>	<u>(3,337,597)</u>
Other Financing Sources, -Uses:				
Sale of Assets	-	-	-	-
Transfers In	50,852	-	-	50,852
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>50,852</u>	<u>-</u>	<u>-</u>	<u>50,852</u>
Net Change in Fund Balance	(712,469)	(2,448,017)	(126,259)	(3,286,745)
Beginning Fund Balance	<u>1,982,595</u>	<u>3,553,459</u> *	<u>536,264</u>	<u>6,072,318</u>
Ending Fund Balance	<u>\$ 1,270,126</u>	<u>\$ 1,105,442</u>	<u>\$ 410,005</u>	<u>\$ 2,785,573</u>

* Note: State and Local Programs Fund includes Fund 260 which is the accounting for the ASB funds within District System.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

NUTRITION SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE TO FINAL BUDGET
REVENUES:				
Local Sources	\$ 317,000	\$ 983,623	\$ 369,826	\$ (613,797)
Intermediate Sources	-	1,000	28,701	27,701
State Sources	18,000	142,842	71,614	(71,228)
Federal Sources	5,582,169	5,519,748	4,725,317 (2)	(794,431)
Total Revenues	5,917,169	6,647,213	5,195,458	(1,451,755)
EXPENDITURES:				
Enterprise and Community Services	8,336,169	8,389,808 (1)	5,958,779	2,431,029
Contingencies	300,000	300,000 (1)	-	300,000
Total Expenditures	8,636,169	8,689,808	5,958,779	2,731,029
Excess of Revenues Over (Under) Expenditures	(2,719,000)	(2,042,595)	(763,321)	1,279,274
OTHER FINANCING SOURCES (USES):				
Transfers In	60,000	60,000	50,852 (2)	(9,148)
Total Other Financing Sources (Uses)	60,000	60,000	50,852	(9,148)
Net Change in Fund Balance	(2,659,000)	(1,982,595)	(712,469)	1,270,126
Beginning Fund Balance	2,659,000	1,982,595	1,982,595	-
Ending Fund Balance	\$ -	\$ -	\$ 1,270,126	\$ 1,270,126

(1) Appropriation Level

(2) Included in this transfer from the General Fund is the required state appropriated general purpose revenues of \$50,852 the District must transfer to the Food Service Fund for National School Lunch Support in order to meet the general cash assistance match for 2019-2020

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

STATE AND LOCAL PROGRAMS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 1,192,695	\$ 1,492,957	\$ 1,169,632	\$ (323,325)
Intermediate Sources	356,747	3,981,259	1,508,024	(2,473,235)
State Sources	<u>2,352,459</u>	<u>3,966,245</u>	<u>2,541,202</u>	<u>(1,425,043)</u>
Total Revenues	<u>3,901,901</u>	<u>9,440,461</u>	<u>5,218,858</u>	<u>(4,221,603)</u>
EXPENDITURES:				
Instruction	2,333,341	3,546,526 (1)	2,241,045	1,305,481
Support Services	4,181,662	6,227,867 (1)	2,964,678	3,263,189
Community Services	445,131	584,131 (1)	241,569	342,562
Facilities Acquisition and Construction	-	2,331,872 (1)	2,219,583	112,289
Contingencies	<u>72,319</u>	<u>94,899 (1)</u>	<u>-</u>	<u>94,899</u>
Total Expenditures	<u>7,032,453</u>	<u>12,785,295</u>	<u>7,666,875</u>	<u>5,118,420</u>
Excess of Revenues Over (Under) Expenditures	(3,130,552)	(3,344,834)	(2,448,017)	896,817
Beginning Fund Balance	<u>3,130,552</u>	<u>3,344,834</u>	<u>3,553,459</u> *	<u>208,625</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,105,442</u>	<u>\$ 1,105,442</u>

(1) Appropriation Level

* Note: State and Local Programs Fund includes Fund 260 which is accounting for the ASB funds within District System.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET (BUDGETARY BASIS)
 For the Year Ended June 30, 2020

SELF-INSURANCE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE TO FINAL BUDGET</u>
REVENUES:				
Local Sources	\$ 150,000	\$ 150,000	\$ 170,767	\$ 20,767
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>170,767</u>	<u>20,767</u>
EXPENDITURES:				
Support Services	625,000	575,000 (1)	297,026	277,974
Community Services	<u>-</u>	<u>50,000 (1)</u>	<u>-</u>	<u>50,000</u>
Total Expenditures	<u>625,000</u>	<u>625,000</u>	<u>297,026</u>	<u>327,974</u>
Excess of Revenues Over (Under) Expenditures	(475,000)	(475,000)	(126,259)	348,741
Beginning Fund Balance	<u>475,000</u>	<u>475,000</u>	<u>536,264</u>	<u>61,264</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 410,005</u>	<u>\$ 410,005</u>

(1) Appropriation Level

RETIREMENT FUND

Early Retirement Fund 298

Accounts for stipends and post-retirement health care benefits as a result of collective bargaining agreements. Principal revenue source is a transfer from the General Fund.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET (BUDGETARY BASIS)
For the Year Ended June 30, 2020

	<u>RETIREMENT FUND</u>			VARIANCE TO FINAL BUDGET POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
EXPENDITURES:				
Support Services	\$ 325,000	\$ 325,000 (1)	\$ 211,205	\$ 113,795
Total Enterprise and Comm. Services	<u>325,000</u>	<u>325,000</u>	<u>211,205</u>	<u>113,795</u>
Excess of Revenues Over (Under) Expenditures	(325,000)	(325,000)	(211,205)	(113,795)
OTHER FINANCING SOURCES (USES):				
Transfers In	<u>175,000</u>	<u>175,000</u>	<u>175,000</u>	<u>-</u>
Net Change in Fund Balance	(150,000)	(150,000)	(36,205)	113,795
Beginning Fund Balance	<u>150,000</u>	<u>150,000</u>	<u>168,186</u>	<u>18,186</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,981</u>	<u>\$ 131,981</u>

(1) Appropriation Level

Note: This fund's activities have been combined with the General Fund activities in accordance with GASB 54, due to its financing resources being derived primarily from General Fund transfers.

**MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the year ended June 30, 2020**

GENERAL FUND

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2019	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2020
Current:						
2019-20	\$ 28,244,785	\$ 740,816	\$ (276,050)	\$ 7,802	\$ 26,806,967	\$ 428,754
Prior Years:						
2018-19	410,071	(79)	(26,742)	13,644	223,388	173,664
2017-18	198,841	(39)	(53,203)	10,259	61,453	94,483
2016-17	87,417	17	(16,551)	11,142	43,386	38,605
2015-16	38,933	(1)	(12,667)	8,335	26,556	8,046
Prior Years	<u>77,331</u>	<u>-</u>	<u>(18,543)</u>	<u>1,829</u>	<u>3,717</u>	<u>56,900</u>
Total Prior	<u>812,593</u>	<u>(102)</u>	<u>(127,706)</u>	<u>45,209</u>	<u>358,500</u>	<u>371,698</u>
Total All Years	<u>\$ 29,057,378</u>	<u>\$ 740,714</u>	<u>\$ (403,756)</u>	<u>\$ 53,011</u>	<u>\$ 27,165,467</u>	<u>\$ 800,452</u>

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 27,165,467
Accrual of Receivables:	
June 30, 2019	(87,893)
June 30, 2020	87,885
Change from Prior year Unavailable Revenue, see page 12	(57,854)
Taxes in Lieu	<u>154,750</u>
Total Revenue	<u>\$ 27,262,355</u>

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED

For the year ended June 30, 2020

DEBT SERVICE FUNDS

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2019	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED 6/30/2020
Current:						
2019-20	\$ 8,295,681	\$ 221,687	\$ 71,504	\$ 2,335	\$ 8,021,905	\$ 125,928
Prior Years:						
2018-19	173,192	(33)	(16,134)	5,676	92,925	69,842
2017-18	85,201	(17)	(24,639)	4,396	26,332	38,643
2016-17	32,333	8	(4,306)	4,916	19,143	13,792
2015-16	13,511	-	(2,447)	3,786	12,061	2,789
Prior Years	20,031	-	1,687	855	1,737	20,836
Total Prior	324,268	(42)	(45,839)	19,629	152,198	145,902
Total All Years	\$ 8,619,949	\$ 221,645	\$ 25,665	\$ 21,964	\$ 8,174,103	\$ 271,830

RECONCILIATION TO REVENUE:

	<u>TOTAL</u>
Cash Collections by County Treasurers Above	\$ 8,174,103
Accrual of Receivables:	
June 30, 2019	(34,961)
June 30, 2020	29,361
Taxes in Lieu	(164,665)
Total Revenue	\$ 8,003,838

RECONCILIATION TO RECEIVABLES BY FUND:

	<u>TOTAL</u>
Debt Service Fund	\$ 113,066
2015 GO Bond Debt Service Fund	158,764
Total Debt Service Funds Receivables	\$ 271,830

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

OTHER INFORMATION

Schedules Required by The Department of Education

MULTNOMAH COUNTY, OREGON

OTHER SUPPLEMENTAL INFORMATION

FORM 3211-C

For The Year Ended June 30, 2020

A. Energy bills for heating - all funds:

Objects 325, 326 and 327

Function 2545	\$	1,781,809
Function 2550		56,624

B. Replacement of equipment - General Fund:

Include all General Fund expenditures in Object 542, except for the following exclusions:

Amount

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		-

2019 - 20 DISTRICT AUDIT REVENUE SUMMARY
Multnomah County School District No. 7

	Fund 100	Fund 200	Fund 300	Fund 400
Revenue from Local Sources				
1110 Ad Valorem Taxes Levied by District	\$ 27,273,730	\$ -	\$ 8,050,317	\$ -
1120 Local Option Ad Valorem Taxes Levied by District	\$ -	\$ -	\$ -	\$ -
1130 Construction Excise Tax	\$ -	\$ -	\$ -	\$ 915,598
1190 Penalties and Interest on Taxes	\$ 33,742	\$ -	\$ 9,976	\$ -
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	\$ -	\$ -	\$ -	\$ -
1313 Regular Day School Tuition - Other Districts Outside	\$ -	\$ -	\$ -	\$ -
1320 Adult/Continuing Education Tuition	\$ -	\$ -	\$ -	\$ -
1330 Summer School Tuition	\$ -	\$ -	\$ -	\$ -
1411 Transportation Fees - From Individuals	\$ 220,070	\$ -	\$ -	\$ -
1412 Transportation Fees - Other Dist Within State	\$ -	\$ 92,174	\$ -	\$ -
1413 Transportation Fees - Other Districts Outside	\$ -	\$ -	\$ -	\$ -
1420 Summer School Transportation Fees	\$ -	\$ -	\$ -	\$ -
1500 Earnings on Investments	\$ 637,174	\$ 13,069	\$ 452,136	\$ 48,446
1600 Food Service	\$ -	\$ 325,754	\$ -	\$ -
1700 Extracurricular Activities	\$ 57,239	\$ -	\$ -	\$ -
1800 Community Services Activities	\$ -	\$ -	\$ -	\$ -
1910 Rentals	\$ 4,177	\$ -	\$ -	\$ 172,265
1920 Contributions and Donations From Private Sources	\$ -	\$ 39,062	\$ -	\$ -
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	\$ -	\$ -	\$ -	\$ -
1970 Services Provided Other Funds	\$ -	\$ -	\$ 8,342,769	\$ -
1980 Fees Charged to Grants	\$ 426,597	\$ -	\$ -	\$ -
1990 Miscellaneous	\$ 458,040	\$ 1,240,166	\$ -	\$ 27,316
Total Revenue from Local Sources	\$ 29,110,769	\$ 1,710,225	\$ 16,855,198	\$ 1,163,625
Revenue from Intermediate Sources				
2101 County School Funds	\$ 3,557	\$ -	\$ -	\$ -
2102 General ESD Revenue	\$ 1,457,719	\$ -	\$ -	\$ -
2103 Excess ESD Local Revenue	\$ -	\$ -	\$ -	\$ -
2105 Natural Gas, Oil, and Mineral Receipts	\$ -	\$ -	\$ -	\$ -
2110 Intermediate "I" Tax	\$ 384,952	\$ -	\$ -	\$ -
2199 Other Intermediate Sources	\$ -	\$ 1,263,887	\$ -	\$ -
2200 Restricted Revenue	\$ -	\$ 272,838	\$ -	\$ -
2800 Revenue in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -
2900 Revenue for/on Behalf of the District	\$ -	\$ -	\$ -	\$ -
Total Revenue from Intermediate Sources	\$ 1,846,228	\$ 1,536,725	\$ -	\$ -
Revenue from State Sources				
3101 State School Fund - General Support	\$ 99,054,471	\$ -	\$ -	\$ -
3102 State School Fund - School Lunch Match	\$ -	\$ -	\$ -	\$ -
3103 Common School Fund	\$ 1,140,429	\$ -	\$ -	\$ -
3104 State Managed County Timber	\$ -	\$ -	\$ -	\$ -
3106 State School Fund - Accrual	\$ -	\$ -	\$ -	\$ -
3199 Other Unrestricted Grants-in-Aid	\$ 919,210	\$ -	\$ -	\$ -
3204 Driver Education	\$ -	\$ 59,475	\$ -	\$ -
3222 State School Fund (SSF) Transportation Equipment	\$ -	\$ -	\$ -	\$ -
3299 Other Restricted Grants-in-Aid	\$ -	\$ 2,553,341	\$ -	\$ -
3800 Revenue in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -
3900 Revenue for/on Behalf of the District	\$ -	\$ -	\$ -	\$ -
Total Revenue from State Sources	\$ 101,114,110	\$ 2,612,816	\$ -	\$ -
Revenue from Federal Sources				
4100 Unrestricted Revenue Direct From the Federal Government	\$ -	\$ 366,974	\$ -	\$ -
4200 Unrestricted Revenue From the Federal Government Through the State	\$ -	\$ -	\$ -	\$ -
4300 Restricted Revenue From the Federal Government	\$ 39,361	\$ -	\$ -	\$ -
4500 Restricted Revenue From the Federal Government Through the State	\$ 13,648	\$ 12,972,320	\$ -	\$ -
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	\$ -	\$ -	\$ -	\$ -
4801 Federal Forest Fees	\$ -	\$ -	\$ -	\$ -
4802 Impact Aid to School Districts for Operation (PL 874)	\$ -	\$ -	\$ -	\$ -
4803 Coos Bay Wagon Road Funds	\$ -	\$ -	\$ -	\$ -
4899 Other Revenue in Lieu of Taxes	\$ -	\$ -	\$ -	\$ -
4900 Revenue for/on Behalf of the District	\$ -	\$ -	\$ -	\$ -
Total Revenue from Federal Sources	\$ 53,009	\$ 13,339,294	\$ -	\$ -
Revenue from Other Sources				
5100 Long Term Debt Financing Sources	\$ -	\$ -	\$ -	\$ 2,054,952
5200 Interfund Transfers	\$ -	\$ 225,852	\$ -	\$ 1,180,000
5300 Sale of or Compensation for Loss of Fixed Assets	\$ -	\$ -	\$ -	\$ 500,000
5400 Resources - Beginning Fund Balance	\$ 17,832,461	\$ 6,240,504	\$ 7,149,466	\$ 5,674,517
Total Revenue from Other Sources	\$ 17,832,461	\$ 6,466,356	\$ 7,149,466	\$ 9,409,469
Grand Totals	\$ 149,956,577	\$ 25,665,416	\$ 24,004,664	\$ 10,573,094

2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
Multnomah County School District No. 7

Fund: 100 General Fund

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
Instruction Expenditures								
1111 Elementary, K-5 or K-6	\$ 24,550,897	\$ 14,804,786	\$ 8,434,948	\$ 697,089	\$ 614,074	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ 10,255,250	\$ 6,083,781	\$ 3,301,219	\$ 475,418	\$ 377,720	\$ -	\$ 17,112	\$ -
1122 Middle/Junior High School Extracurricular	\$ 9,358	\$ 150	\$ 54	\$ 4,231	\$ 4,673	\$ -	\$ 250	\$ -
1131 High School Programs	\$ 10,463,954	\$ 5,977,011	\$ 3,264,983	\$ 665,656	\$ 549,515	\$ -	\$ 6,789	\$ -
1132 High School Extracurricular	\$ 631,174	\$ 332,206	\$ 102,508	\$ 105,879	\$ 83,031	\$ -	\$ 7,550	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ 156,585	\$ 82,129	\$ 45,414	\$ 1,358	\$ 27,121	\$ -	\$ 563	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ 10,974,644	\$ 3,663,175	\$ 2,452,782	\$ 4,806,742	\$ 51,945	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ 5,722,250	\$ 3,340,480	\$ 2,132,461	\$ 238,614	\$ 10,695	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ 309,018	\$ -	\$ -	\$ 309,018	\$ -	\$ -	\$ -	\$ -
1272 Title I/AD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ 12,040,173	\$ 1,055,711	\$ 586,433	\$ 10,373,017	\$ 25,012	\$ -	\$ -	\$ -
1291 English Language Learner - ORS336.079	\$ 5,397,415	\$ 3,364,571	\$ 1,875,927	\$ 97,551	\$ 50,566	\$ -	\$ 8,800	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1295 English Language Learner - Non ORS336.079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ 80,510,718	\$ 38,704,000	\$ 22,196,729	\$ 17,774,573	\$ 1,794,352	\$ -	\$ 41,064	\$ -
Support Services Expenditures								
2110 Attendance and Social Work Services	\$ 1,859,340	\$ 706,879	\$ 464,585	\$ 667,148	\$ 20,728	\$ -	\$ -	\$ -
2120 Guidance Services	\$ 2,712,457	\$ 1,687,796	\$ 953,685	\$ 42,260	\$ 27,548	\$ -	\$ 1,168	\$ -
2130 Health Services	\$ 821,111	\$ 34,482	\$ 30,013	\$ 756,616	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ 1,103,953	\$ 699,964	\$ 376,342	\$ 19,795	\$ 7,852	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ 2,226,944	\$ 1,330,409	\$ 703,664	\$ 182,649	\$ 10,222	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ 671,062	\$ 427,254	\$ 237,898	\$ 765	\$ 5,145	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ 1,180,126	\$ 670,034	\$ 336,678	\$ 100,931	\$ 72,483	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ 1,080,289	\$ 578,862	\$ 284,813	\$ 19,379	\$ 193,835	\$ -	\$ 3,400	\$ -
2220 Educational Media Services	\$ 1,064,143	\$ 598,118	\$ 418,097	\$ 12,628	\$ 35,300	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ 249,185	\$ 168,044	\$ 81,141	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ 261,597	\$ 96,577	\$ 50,023	\$ 103,065	\$ 5,802	\$ -	\$ 6,130	\$ -
2310 Board of Education Services	\$ 270,364	\$ 44,616	\$ 21,092	\$ 166,931	\$ 13,118	\$ -	\$ 24,607	\$ -
2320 Executive Administration Services	\$ 489,573	\$ 300,483	\$ 110,545	\$ 37,855	\$ 36,255	\$ -	\$ 4,435	\$ -
2410 Office of the Principal Services	\$ 8,575,292	\$ 5,350,848	\$ 3,041,399	\$ 73,006	\$ 104,072	\$ -	\$ 5,967	\$ -
2490 Other Support Services - School Administration	\$ 20,296	\$ -	\$ -	\$ 20,296	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ 1,705,032	\$ 732,255	\$ 422,099	\$ 354,318	\$ 145,679	\$ -	\$ 50,681	\$ -
2540 Operation and Maintenance of Plant Services	\$ 10,846,007	\$ 2,925,769	\$ 1,861,299	\$ 4,682,271	\$ 655,908	\$ 605,960	\$ 114,800	\$ -
2550 Student Transportation Services	\$ 9,034,040	\$ 3,400,518	\$ 2,370,737	\$ 983,983	\$ 432,323	\$ 966,343	\$ 880,136	\$ -
2570 Internal Services	\$ 201,548	\$ 102,125	\$ 70,151	\$ -	\$ 29,272	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ 191,235	\$ 118,341	\$ 72,894	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ 440,329	\$ 236,011	\$ 119,745	\$ 47,950	\$ 30,374	\$ -	\$ 6,249	\$ -
2640 Staff Services	\$ 1,463,836	\$ 520,768	\$ 702,489	\$ 114,769	\$ 90,592	\$ -	\$ 35,218	\$ -
2660 Technology Services	\$ 1,882,174	\$ 831,715	\$ 474,816	\$ 124,946	\$ 421,782	\$ 26,242	\$ 2,673	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2680 Interpretation and Translation Services	\$ 498,067	\$ 303,392	\$ 168,782	\$ 20,122	\$ 5,771	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 48,848,000	\$ 21,865,260	\$ 13,372,987	\$ 8,531,683	\$ 2,344,061	\$ 1,598,545	\$ 1,135,464	\$ -
Enterprise and Community Services Expenditures								
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ 33,218	\$ 16,050	\$ 15,728	\$ -	\$ 1,440	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ 33,218	\$ 16,050	\$ 15,728	\$ -	\$ 1,440	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures								
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures								
5100 Debt Service	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ -
5200 Transfers of Funds	\$ 1,405,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,405,852
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 1,605,852	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000	\$ 1,405,852
Grand Total	\$ 130,997,788	\$ 60,585,309	\$ 35,585,444	\$ 26,306,256	\$ 4,139,852	\$ 1,598,545	\$ 1,376,527	\$ 1,405,852

2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
Multnomah County School District No. 7

Funds - 200 Special Funds								
	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
Instruction Expenditures								
1111 Elementary, K-6 or K-6	\$ 92,446	\$ 44,207	\$ 26,558	\$ 1,644	\$ 17,072	\$ -	\$ 2,965	\$ -
1113 Elementary Extracurricular	\$ 60,979	\$ -	\$ -	\$ -	\$ 60,913	\$ -	\$ 66	\$ -
1121 Middle/Junior High Programs	\$ 22,939	\$ 2,944	\$ 827	\$ 9,975	\$ 6,943	\$ -	\$ 2,250	\$ -
1122 Middle/Junior High School Extracurricular	\$ 43,101	\$ -	\$ -	\$ -	\$ 43,101	\$ -	\$ -	\$ -
1131 High School Programs	\$ 924,800	\$ 475,453	\$ 239,290	\$ 6,962	\$ 129,408	\$ -	\$ 73,687	\$ -
1132 High School Extracurricular	\$ 255,399	\$ -	\$ -	\$ 8,703	\$ 245,828	\$ -	\$ 868	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ 752,509	\$ 399,331	\$ 132,605	\$ 17,475	\$ 3,089	\$ -	\$ 9	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ 631,457	\$ 287,777	\$ 215,109	\$ 126,646	\$ 1,925	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ 1,060	\$ 815	\$ 245	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title IA/D	\$ 3,965,248	\$ 2,396,284	\$ 1,338,221	\$ 114,428	\$ 116,315	\$ -	\$ -	\$ -
1280 Alternative Education	\$ 289,040	\$ 113,521	\$ 66,340	\$ 58,871	\$ 50,308	\$ -	\$ -	\$ -
1291 English Language Learner-ORS 336.079	\$ 280,718	\$ 57,277	\$ 28,496	\$ 132,989	\$ 54,789	\$ -	\$ 7,167	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1295 English Language Learner - Non ORS 336.079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ 103,022	\$ 58,758	\$ 34,264	\$ 10,000	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ 7,422,718	\$ 3,836,367	\$ 2,781,955	\$ 487,693	\$ 729,691	\$ -	\$ 87,012	\$ -
Support Services Expenditures								
2110 Attendance and Social Work Services	\$ 273,346	\$ 147,162	\$ 99,007	\$ 348	\$ 26,876	\$ -	\$ 5	\$ -
2120 Guidance Services	\$ 448,656	\$ 235,236	\$ 121,264	\$ 61,934	\$ 30,222	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ 953	\$ -	\$ -	\$ -	\$ 953	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ 741	\$ -	\$ -	\$ -	\$ 741	\$ -	\$ -	\$ -
2190 Service Director, Student Support Services	\$ 654,568	\$ 286,357	\$ 145,711	\$ 556	\$ 155,646	\$ -	\$ 66,498	\$ -
2210 Improvement of Instruction Services	\$ 2,380,659	\$ 716,535	\$ 415,227	\$ 167,332	\$ 1,081,065	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ 2,192	\$ 1,649	\$ 943	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ 541	\$ 400	\$ 126	\$ -	\$ -	\$ -	\$ 15	\$ -
2240 Instructional Staff Development	\$ 519,980	\$ 103,909	\$ 45,214	\$ 329,563	\$ 28,271	\$ -	\$ 13,023	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ 481	\$ -	\$ -	\$ -	\$ 481	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ 315,710	\$ 221,472	\$ 94,238	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ 639,724	\$ 238,599	\$ 120,699	\$ 60,000	\$ 194	\$ -	\$ 220,232	\$ -
2510 Direction of Business Support Services	\$ 18,562	\$ -	\$ -	\$ 18,562	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ 6,389	\$ 4,898	\$ 1,491	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ 722,033	\$ 89,527	\$ 26,256	\$ 425,293	\$ 163,026	\$ -	\$ 17,931	\$ -
2550 Student Transportation Services	\$ 78,419	\$ 45,709	\$ 15,681	\$ 12,393	\$ 4,636	\$ -	\$ -	\$ -
2570 Internal Services	\$ 2,539	\$ 1,835	\$ 704	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ 1,779	\$ 1,338	\$ 441	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ 5,093	\$ 1,175	\$ 357	\$ -	\$ 3,561	\$ -	\$ -	\$ -
2640 Staff Services	\$ 37,797	\$ 24,308	\$ 13,484	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ 271,092	\$ 12,471	\$ 3,928	\$ 40,699	\$ 213,994	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2680 Interpretation and Translation Services	\$ 23,582	\$ 18,141	\$ 5,441	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ 211,205	\$ 177,507	\$ 33,698	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 6,616,636	\$ 2,328,028	\$ 1,144,010	\$ 1,116,678	\$ 1,709,616	\$ -	\$ 317,704	\$ -
Enterprise and Community Services Expenditures								
3100 Food Services	\$ 5,983,850	\$ 2,080,775	\$ 1,413,582	\$ 196,526	\$ 2,130,692	\$ 72,216	\$ 90,659	\$ -
3200 Other Enterprise Services	\$ 89,175	\$ -	\$ -	\$ -	\$ 89,175	\$ -	\$ -	\$ -
3300 Community Services	\$ 277,163	\$ 128,047	\$ 75,312	\$ 21,272	\$ 52,532	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ 139,337	\$ 72,202	\$ 42,565	\$ 157	\$ 24,413	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ 6,489,525	\$ 2,281,024	\$ 1,531,459	\$ 217,855	\$ 2,296,812	\$ 72,216	\$ 90,659	\$ -
Facilities Acquisition and Construction Expenditures								
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement	\$ 2,119,583	\$ -	\$ -	\$ 20,768	\$ -	\$ 2,198,815	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ 2,119,583	\$ -	\$ -	\$ 20,768	\$ -	\$ 2,198,815	\$ -	\$ -
Other Uses Expenditures								
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 22,722,859	\$ 8,446,419	\$ 4,665,424	\$ 1,624,026	\$ 4,736,116	\$ 72,216	\$ 408,376	\$ -

2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
Multnomah County School District No. 7

***** Fund: 300 Debt Service Funds *****								
Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1113 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title IA/D	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Language Learner - ORS 336.079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Connections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1295 English Language Learner - Non ORS 336.079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
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 Director, 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 Director of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Director of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning, Research, Development, Evaluation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2760 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2880 Interpretation and Translation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ 17,912,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,912,790	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 17,912,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,912,790	\$ -
Grand Total	\$ 17,912,790	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,912,790	\$ -

2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
Multnomah County School District No. 7

Fund: 400 Capital Projects Funds								
	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
Instruction Expenditures								
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title IA/D	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Language Learner - ORS 336.070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1295 English Language Learner - Non ORS 336.070	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Expenditures								
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 Director, 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 Director of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ 842,720	\$ -	\$ -	\$ 110,642	\$ -	\$ 732,078	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Director of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2760 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2680 Interpretation and Translation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 842,720	\$ -	\$ -	\$ 110,642	\$ -	\$ 732,078	\$ -	\$ -
Enterprise and Community Services Expenditures								
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures								
4110 Service Area Director	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement	\$ 842,721	\$ -	\$ -	\$ 110,641	\$ -	\$ 732,079	\$ 1	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ 842,721	\$ -	\$ -	\$ 110,641	\$ -	\$ 732,079	\$ 1	\$ -
Other Uses Expenditures								
5100 Debt Service	\$ 3,825,537	\$ 158	\$ 50	\$ 469,209	\$ 366,767	\$ 2,937,527	\$ 51,826	\$ -
5200 Transfer of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 3,825,537	\$ 158	\$ 50	\$ 469,209	\$ 366,767	\$ 2,937,527	\$ 51,826	\$ -
Grand Total	\$ 5,510,978	\$ 158	\$ 50	\$ 690,492	\$ 366,767	\$ 4,401,584	\$ 51,827	\$ -

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

STATISTICAL SECTION

STATISTICAL SECTION

This part of Multnomah County School District NO. 7's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	70
Revenue Capacity These schedules contain information to help the reader assess the government's most significant locate revenue sources, the property tax.	74
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.	81
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.	83
Operating Information These Schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	87

Sources: Unless Otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	<u>2019-2020</u>	<u>2018-2019</u>	<u>2017-2018</u>	<u>2016-2017</u>	<u>2015-2016*</u>
Governmental activities:					
Invested in capital assets, net or related debt	\$ 72,508,688	\$ 64,070,731	\$ 35,148,756	\$ (64,722,847)	\$ (84,665,144)
Restricted	8,627,760	9,984,575	7,928,217	7,284,100	5,845,304
Unrestricted	<u>(106,484,799)</u>	<u>(98,643,116)</u>	<u>(67,387,682)</u>	<u>32,478,107</u>	<u>51,109,620</u>
Total primary government net position	<u>\$ (25,348,351)</u>	<u>\$ (24,587,810)</u>	<u>\$ (24,310,709)</u>	<u>\$ (24,960,640)</u>	<u>\$ (27,710,220)</u>

	<u>2014-2015</u>	<u>2013-2014</u>	<u>2012-2013</u>	<u>2011-2012</u>	<u>2010-2011</u>
Governmental activities:					
Invested in capital assets, net or related debt	\$ 44,378,505	\$ 36,972,412	\$ 32,698,203	\$ 30,190,718	\$ 27,693,771
Restricted	4,738,094	3,672,338	2,264,243	1,300,464	1,142,164
Unrestricted	<u>(58,747,877)</u>	<u>(3,522,531)</u>	<u>130,349</u>	<u>8,500,101</u>	<u>12,370,361</u>
Total primary government net position	<u>\$ (9,631,278)</u>	<u>\$ 37,122,219</u>	<u>\$ 35,092,795</u>	<u>\$ 39,991,283</u>	<u>\$ 41,206,296</u>

Source:
Multnomah County School District No.7 Statement of Net Position

Note:
*Restated due to implementation of GASB Statement No. 73 in Fiscal Year 2016-2017

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
General Fund (1)					
Non spendable	\$ 228,351	\$ 4,552	\$ 21,191	\$ 16,880	\$ 26,816
Unassigned	18,730,438	17,827,909	13,599,572	9,476,816	7,980,779
Unreserved	-	-	-	-	-
Committed-Early retirement	131,981	168,186	175,072	-	263,428
Total general fund	<u>19,090,770</u>	<u>18,000,647</u>	<u>13,795,835</u>	<u>9,493,696</u>	<u>8,271,023</u>
All Other Government Funds (1)					
Nonspendable	373,320	319,504	174,569	0	245,974
Restricted for:					
Debt service	6,091,874	7,149,466	4,631,352	3,861,213	3,045,881
Pers bond	-	-	-	-	-
State & local programs	485,654	485,653	85,860	426,170	347,971
Food service	896,806	1,673,766	3,211,005	2,996,717	2,451,452
Committed:					
Self insurance	410,005	536,264	157,908	170,959	(1,122,766)
State & local programs	619,788	-	-	-	-
Assigned:					
Capital projects(2)	4,265,247	5,674,517	33,426,372	123,027,533	135,181,703
Planning activities	-	-	-	-	1,913,748
State & local programs	-	3,057,131	-	-	-
Reserved, Reported in:					
Debt service	-	-	-	-	-
Capital projects(2)	-	-	-	-	-
Unassigned	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Total all other governmental funds	<u>13,142,694</u>	<u>18,896,301</u>	<u>41,687,066</u>	<u>130,482,592</u>	<u>142,063,963</u>
Total Fund Balance (Deficit)	<u>\$ 32,233,464</u>	<u>\$ 36,896,948</u>	<u>\$ 55,482,901</u>	<u>\$ 139,976,288</u>	<u>\$ 150,334,986</u>

	2014-2015	2013-2014	2012-2013(1)	2011-2012(1)	2010-2011(1)
General Fund (1)					
Non spendable	\$ 39,915	\$ 86,957	\$ 323,733	\$ 16,603	\$ -
Unassigned	8,698,353	12,151,829	11,226,313	17,969,505	17,969,505
Unreserved	-	-	-	-	-
Committed-Early retirement	282,662	665,660	962,023	894,447	888,238
Total general fund	<u>9,020,930</u>	<u>12,904,446</u>	<u>12,512,069</u>	<u>18,880,555</u>	<u>18,857,743</u>
All Other Government Funds (1)					
Nonspendable	242,871	240,372	237,464	222,567	222,567
Restricted for:					
Debt service	2,295,228	1,930,050	872,242	19,060	122,608
Pers bond	96,643	96,657	96,676	94,593	92,967
State & local programs	481,133	105,573	70,183	76,372	59,265
Food service	1,865,109	1,540,058	1,225,142	1,110,439	816,199
Committed:					
Self insurance	61,189	797,443	765,670	388,914	329,121
Assigned:					
Capital projects(2)	686,060	534,346	1,076,289	1,708,440	2,692,076
Planning activities	1,005,263	1,413,919	1,045,559	786,104	-
State & local programs	-	-	-	-	443,570
Reserved, Reported in:					
Debt service	-	-	-	-	-
Capital projects(2)	-	-	-	-	-
Unassigned	-	(240,371)	(115,244)	(206,702)	(354,144)
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Total all other governmental funds	<u>6,733,496</u>	<u>6,418,047</u>	<u>5,273,981</u>	<u>4,199,787</u>	<u>4,424,229</u>
Total Fund Balance (Deficit)	<u>\$ 15,754,426</u>	<u>\$ 19,322,493</u>	<u>\$ 17,786,050</u>	<u>\$ 23,080,342</u>	<u>\$ 23,281,972</u>

(1) GASB 54 implemented-requiring new fund balance categories. Over time all fund balances will be reported under new GASB 54 fund balance categories.

(2) Assigned/Reserved for capital project fluctuate from years when bonds are sold in anticipation of capital construction to years where capital expenditures are made

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MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 CHANGES IN FUND BALANCES
 LAST TEN FISCAL YEARS
 (modified accrual basis of accounting)

REVENUES:	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
Local sources	\$ 48,839,816	\$ 52,840,401	\$ 48,921,526	\$ 46,622,204	\$ 43,626,462
Intermediate sources	3,382,953	2,111,829	3,459,282	4,217,842	3,327,941
State sources	103,726,926	103,417,650	98,828,419	90,498,980	89,503,854
Federal sources	13,392,303	13,806,371	14,138,691	13,496,389	14,940,162
Miscellaneous	-	-	-	-	-
Total Revenues	<u>169,341,998</u>	<u>172,176,251</u>	<u>165,347,918</u>	<u>154,835,415</u>	<u>151,398,419</u>
EXPENDITURES:					
Current:					
Instruction	87,933,436	84,824,634	81,853,902	79,793,504	79,544,300
Support services	56,239,249	53,348,530	50,613,339	45,786,843	49,048,899
Community services	6,542,551	7,904,523	6,308,833	6,423,478	6,303,944
Facilities acquisition	6,045,121	25,460,791	92,423,904	7,216,535	2,908,147
Capital outlay	-	-	-	13,979,135	120
Debt service (3)					
Principal	8,312,823	10,503,619	7,504,054	7,015,603	7,036,611
Interest	11,487,254	8,721,119	11,137,272	10,985,034	10,126,070
Contingency	-	-	-	-	-
Total Expenditures	<u>176,560,434</u>	<u>190,763,216</u>	<u>249,841,304</u>	<u>171,200,132</u>	<u>154,968,091</u>
Excess of revenues over(under)expenditures	(7,218,436)	(18,586,965)	(84,493,386)	(16,364,717)	(3,569,672)
Other Financing Sources(uses)					
Sale of fixed assets	500,000	-	-	6,019	-
Bond proceeds - Principal	2,054,952	-	-	2,000,000	122,918,047
Bond proceeds - Premium	-	-	-	4,000,000	14,963,285
Transfer in	1,405,852	1,634,267	2,042,470	1,640,038	1,785,538
Transfer out	(1,405,852)	(1,634,267)	(2,042,470)	(1,640,038)	(1,785,538)
Total other financing sources(uses)	<u>2,554,952</u>	<u>-</u>	<u>-</u>	<u>6,006,019</u>	<u>137,881,332</u>
Net Change in Fund Balance	<u>\$ (4,663,484)</u>	<u>\$ (18,586,965)</u>	<u>\$ (84,493,386)</u>	<u>\$ (10,358,698)</u>	<u>\$ 134,311,660</u>
Debt services as a percentage of noncapital expenditures	15.43%	13.16%	13.43%	13.64%	12.72%

REVENUES:	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Local sources	\$ 39,991,516	\$ 38,530,637	\$ 37,487,290	\$ 34,668,929	\$ 34,290,748
Property taxes	-	-	-	-	-
Charges for services	-	-	-	-	-
Earnings from investments	-	-	-	-	-
Intergovernmental-state and intermediate	-	-	-	-	-
Intermediate sources	2,568,301	1,685,151	1,331,199	428,478	551,164
State sources	83,521,907	80,213,848	70,391,258	69,601,801	63,381,118
Federal sources	14,460,075	13,969,114	11,981,194	13,010,525	20,928,492
Miscellaneous	-	-	-	-	-
Total Revenues	140,541,799	134,398,750	121,190,941	117,709,733	119,151,522
EXPENDITURES:					
Current:					
Instruction	76,100,060	69,220,002	64,303,986	61,648,389	62,119,506
Support services	46,931,640	42,520,086	41,892,511	38,209,858	38,437,385
Community services	6,205,011	6,064,330	5,219,134	5,001,905	5,307,455
Facilities acquisition	-	-	-	-	151
Capital outlay	395,299	395,077	1,310,707	428,706	146,432
Debt service (3)					
Principal	8,315,101	8,217,897	7,171,884	7,842,073	7,702,333
Interest	6,798,487	6,444,915	7,052,048	5,962,915	5,855,727
Contingency	-	-	-	-	-
Total Expenditures	144,745,598	132,862,307	126,950,270	119,093,846	119,568,989
Excess of revenues over(under)expenditures	(3,634,328)	1,536,443	(5,759,329)	(1,384,113)	(417,467)
Other Financing Sources(uses)					
Sale of fixed assets	-	-	-	-	-
Bond proceeds - Principal	-	-	-	-	-
Bond proceeds - Premium	-	-	-	-	-
Transfer in	2,104,038	1,512,000	1,221,612	905,000	1,361,230
Transfer out	(2,104,038)	(1,512,000)	(1,221,612)	(905,000)	(1,125,667)
Total other financing sources(uses)	-	-	-	-	235,563
Net Change in Fund Balance	\$ (4,203,799)	\$ 1,536,443	\$ (5,759,329)	\$ (1,384,113)	\$ (181,904)
Debt services as a percentage of noncapital expenditures	11.69%	12.45%	12.77%	13.17%	12.81%

(1) Revenues are recognized when susceptible to accrual.

(2) Includes state replacement/transportation reimbursement and basic school support.

(3) Restated to split out Principal and Interest to comply with GASB 44

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

PROPERTY VALUE ASSESSED VALUATION(1)

ASSESSMENT YEAR	FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	TOTAL	TOTAL DIRECT TAX RATE(2)
2019	2019-2020	\$ 6,144,803,000	\$ 381,606,240	\$ 203,651,600	\$ 34,539,120	\$ 6,764,599,960	5.74 %
2018	2018-2019	5,885,468,070	389,933,280	197,091,400	34,954,880	6,507,447,630	6.26
2017	2017-2018	5,626,909,630	393,593,720	235,732,253	32,406,050	6,288,641,653	6.29
2016	2016-2017	5,421,521,380	363,234,124	191,471,500	35,339,570	6,011,566,574	6.05
2015	2015-2016	5,241,684,480	346,408,946	147,579,800	30,494,280	5,766,167,506	5.97
2014	2014-2015	5,124,794,780	336,867,935	143,189,250	26,341,960	5,631,193,925	5.81
2013	2013-2014	4,843,711,490	287,376,223	136,396,360	26,695,760	5,294,179,833	6.02
2012	2012-2013	4,725,916,280	281,603,418	137,325,400	25,628,140	5,170,473,238	5.99
2011	2011-2012	4,690,143,800	269,291,585	133,792,203	31,264,220	5,124,491,808	5.78
2010	2010-2011	4,641,108,010	270,473,980	121,268,200	32,171,640	5,065,021,830	5.60

(1) Source: Multnomah County.Shelly Shelton <shelly.a.shelton@multco.us>

(2) per \$1,000 of assessed value.

FISCAL YEAR	FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	Total	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
2019	2019-2020	\$ 6,144,803,000	\$ 381,606,240	\$ 203,651,600	\$ 34,539,120	\$ 6,764,599,960	90.84 %	5.64 %	3.01 %	0.51 %
2018	2018-2019	5,885,468,070	389,933,280	197,091,400	34,954,880	6,507,447,630	90.44	5.99	3.03	0.54
2017	2017-2018	5,626,909,630	393,593,720	235,732,253	32,406,050	6,288,641,653	89.48	6.26	3.75	0.52
2016	2016-2017	5,421,521,380	363,234,124	191,471,500	35,339,570	6,011,566,574	90.18	6.04	3.19	0.59
2015	2015-2016	5,241,684,480	346,408,946	147,579,800	30,494,280	5,766,167,506	90.90	6.01	2.56	0.53
2014	2014-2015	5,124,794,780	336,867,935	143,189,250	26,341,960	5,631,193,925	91.01	5.98	2.54	0.47
2013	2013-2014	4,843,711,490	287,376,223	136,396,360	26,695,760	5,294,179,833	91.49	5.43	2.58	0.50
2012	2012-2013	4,725,916,280	281,603,418	137,325,400	25,628,140	5,170,473,238	91.40	5.45	2.66	0.50
2011	2011-2012	4,690,143,800	269,291,585	133,792,203	31,264,220	5,124,491,808	91.52	5.25	2.61	0.61
2010	2010-2011	4,641,108,010	270,473,980	121,268,200	32,171,640	5,065,021,830	91.63	5.34	2.39	0.64

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

PROPERTY VALUE TRUE CASH VALUATION(1)

ASSESSMENT YEAR	FISCAL YEAR	REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY	TOTAL	
2019	2019-2020	\$ 10,587,872,190	\$ 405,412,040	\$ 234,416,421	\$ 65,525,850	\$ 11,293,226,501	59.90 %
2018	2018-2019	10,111,730,100	410,098,360	222,800,584	67,442,170	10,812,071,214	60.19
2017	2017-2018	9,012,880,030	405,731,152	266,741,142	57,028,690	9,742,381,014	64.55
2016	2016-2017	7,956,510,240	377,714,504	212,276,505	45,731,770	8,592,233,019	69.97
2015	2015-2016	7,118,441,620	362,161,236	181,401,855	39,130,860	7,701,135,571	74.87
2014	2014-2015	7,778,266,940	367,587,665	162,477,988	34,599,530	8,342,932,123	67.50
2013	2013-2014	7,114,104,950	352,281,346	155,652,905	34,858,930	7,656,898,131	69.14
2012	2012-2013	7,025,130,990	351,525,375	154,246,934	33,603,270	7,564,506,569	68.35
2011	2011-2012	7,093,887,970	339,389,202	142,223,180	39,619,160	7,615,119,512	67.29
2010	2010-2011	7,512,693,890	311,255,620	123,448,708	40,609,810	7,988,008,028	63.41

(1) Source: Multnomah County.Shelly Shelton <shelly.a.shelton@multco.us>

RATIO OF ASSESSED VALUATION TO TRUE CASH VALUATION

ASSESSMENT YEAR	FISCAL YEAR	RATIO OF ASSESSED VALUATION TO TRUE CASH VALUATION			
		REAL PROPERTY	PERSONAL PROPERTY	PUBLIC UTILITY PROPERTY	MANUFACTORY
2019	2019-2020	93.75%	3.59%	2.08%	0.58%
2018	2018-2019	93.52	3.79	2.06	0.62
2017	2017-2018	92.51	4.16	2.74	0.59
2016	2016-2017	92.60	4.40	2.47	0.53
2015	2015-2016	92.43	4.70	2.36	0.51
2014	2014-2015	93.23	4.41	1.95	0.41
2013	2013-2014	92.91	4.60	2.03	0.46
2012	2012-2013	92.87	4.65	2.04	0.44
2011	2011-2012	93.16	4.46	1.87	0.52
2010	2010-2011	94.05	3.90	1.55	0.51

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 LARGEST TAXPAYERS WITHIN DISTRICT
 CURRENT AND NINE YEARS AGO

	<u>2019</u>		<u>2010</u>	
<u>PRIVATE ENTERPRISES</u>	<u>ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION</u>	<u>ASSESSED VALUATION</u>	<u>PERCENTAGE OF TOTAL DISTRICT'S ASSESSED VALUATION</u>
Boeing CO	\$ 4,066,012	0.06%	2,681,663	0.05
Boeing Company The Inc	529,398	0.01	241,068	0.00
Cascade Corporation	629,918	0.01	408,447	0.01
Catellus Development Corp	-	-	406,365	0.01
CPF/BDI Townsend LLC	-	-	383,208	0.01
Comcast Corporation	601,202	0.01	-	0.00
Fedex Ground Package System Inc	1,668,590	0.02	-	0.00
Henningsen Cold Storage Co	-	-	402,362	0.01
New Albertson's Inc	-	-	993,430	0.02
Owens Corning Foam	-	-	458,947	0.01
RREEF CPIF 17505 NE SAN RAFAEL LLC	833,019	0.01	-	0.00
Townsend Farms Inc	612,395	0.01	434,110	0.01
U S Nat'l Bak of Oregon	711,601	0.01	657,145	0.01
US Bancorp	534,224	0.01	361,262	0.01
 <u>PUBLIC UTILITIES</u>				
Portland General Electric Co.	<u>1,327,263</u>	0.02	<u>781,528</u>	0.02
SUB TOTAL	11,513,623		8,209,534	
All OTHER TAXPAYERS	<u>6,753,086,337</u>	<u>99.83</u>	<u>5,056,812,296</u>	<u>99.84</u>
TOTAL	<u>\$ 6,764,599,960</u>	<u>99.94%</u>	<u>\$ 5,065,021,830</u>	<u>100.00%</u>

Source: Multnomah County: dcm.dart.application.support@multco.us

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS

	Dollars per \$1,000 True Cash Value				
	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
DIRECT:					
Reynolds School District #7 Permanent Rate	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46
Reynolds School District #7 Bond	1.27	1.80	1.83	1.59	1.51
Weighted Average Direct (1)	5.74	6.26	6.29	6.05	5.97
Overlapping:					
City of Fairview	3.49	3.49	3.49	3.49	3.49
City of Gresham	3.61	3.61	3.61	3.61	3.61
City of Portland	7.24	7.28	7.23	7.06	4.58
City of Troutdale	3.77	3.77	3.77	3.77	3.77
Metro	0.10	0.10	0.10	0.10	0.10
Mt Hood Community College	0.49	0.49	0.49	0.49	0.49
Multnomah County	4.34	4.34	4.34	4.34	4.34
Multnomah ESD	0.46	0.46	0.46	0.46	0.46
Port of Portland	0.07	0.07	0.07	0.07	0.07
Rockwood Water PUD	0.00	0.00	0.00	0.00	0.00
	23.56	23.60	23.55	23.39	20.90
Totals*	\$ 29.30	\$ 29.87	\$ 29.84	\$ 29.44	\$ 26.87

	Dollars per \$1,000 True Cash Value				
	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
DIRECT:					
Reynolds School District #7 Permanent Rate	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46	\$ 4.46
Reynolds School District #7 Bond	1.35	1.56	1.52	1.32	1.13
Weighted Average Direct (1)	5.81	6.02	5.99	5.78	5.60
Overlapping:					
City of Fairview	3.49	3.49	3.49	3.49	3.49
City of Gresham	3.61	3.61	3.61	3.61	3.61
City of Portland	4.58	4.58	4.58	4.58	4.58
City of Troutdale	3.77	3.77	3.77	3.77	3.77
Metro	0.10	0.10	0.10	0.10	0.10
Mt Hood Community College	0.49	0.49	0.05	0.49	0.49
Multnomah County	4.34	4.34	4.34	4.34	4.34
Multnomah ESD	0.46	0.46	0.46	0.46	0.46
Port of Portland	0.07	0.07	0.07	0.07	0.07
Rockwood Water PUD	0.00	0.00	0.00	0.00	0.00
	20.90	20.90	20.46	20.90	20.90
Totals*	\$ 26.71	\$ 26.92	\$ 26.45	\$ 26.68	\$ 26.50

*Numbers in totals do not reflect the actual tax rate for any one property, but are the results of the potential combination of taxing units within District boundaries.

(1) This is a weighted average rate as limited by ballot measure 5. Actual rates may vary by tax codes and lots because of differing compression.

Source: Multnomah County Departments of Assessment and Taxation. <https://multco.us/assessment-taxation/reports-and-data>

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 PROPERTY TAX LEVIES AND COLLECTION
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30	TOTAL TAX LEVY FOR FISCAL YEAR			COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY			TOTAL COLLECTIONS TO DATE	
	GENERAL FUND	DEBT SERVICE FUND	TOTAL	CURRENT YEAR	PERCENTAGE OF LEVY	COLLECTIONS IN SUBSEQUENT YEARS	AMOUNT	PERCENTAGE OF LEVY
2019-2020	\$ 28,244,785	\$ 8,295,681	\$ 36,540,466	\$ 34,828,872	95 %	\$ 509,382	\$ 35,338,254	97 %
2018-2019	27,397,656	11,396,874	38,794,530	37,068,788	96	1,227,794 (2)	38,296,582	99
2017-2018	26,418,350	11,319,952	37,738,302	35,880,974	95	483,816	36,364,790	96
2016-2017	25,270,192	9,346,815	34,617,007	32,934,681	95	505,947	33,440,628	97
2015-2016	24,240,220	8,411,994	32,652,214	31,006,462	95	556,610	31,566,662	97
2014-2015	24,521,780	6,424,434	30,946,214	29,341,706	95	582,181	29,928,351	97
2013-2014	22,161,422	7,843,056	30,004,478	28,383,146	95	641,236	29,024,382	97
2012-2013	21,561,091	7,511,441	29,072,532	27,448,672	94	693,388	28,142,060	97
2011-2012	21,528,899	6,468,756	27,997,655	26,284,880	94	480,176	26,765,056	96
2010-2011	21,544,198	5,492,395	27,036,593	25,522,290	94	760,380	26,282,670	97

Source: Multnomah County Departments of Assessment and Taxation

- (1) Tax collections include discounts, interest and other adjustments.
 (2) This number includes the COMAST pay off from litigation.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
RATIOS OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS

FISCAL YEAR	GENERAL BONDED DEBT OUTSTANDING							RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUATION(3)		RATIO OF NET GENERAL BONDED DEBT TO TRUE CASH VALUE(3)	
	GENERAL OBLIGATION BONDS	PENSION OBLIGATION BONDS	FULL FAITH & CREDIT OBLIGATION BOND	TOTAL	LESS GO BOND DEBT SERVICE FUND	LESS PERS BOND FUND	NET GENERAL BONDED DEBT		%		%
2019-2020	\$ 124,179,999	\$ 48,917,059	\$ -	\$ 173,097,058	\$ 5,911,090	\$ 180,783	\$ 167,005,185	2.47	%	1.48	%
2018-2019	127,310,047	51,064,881	17,930,000	196,304,928	6,917,468	231,998	189,155,462	2.80		1.67	
2017-2018	132,010,047	53,223,817	18,680,000	203,913,864	4,482,333	149,019	199,282,512	3.06		1.84	
2016-2017	136,300,047	55,395,492	19,400,000	211,095,539	3,739,462	121,751	207,234,326	3.30		2.13	
2015-2016	140,200,047	57,576,475	20,090,000	217,866,522	2,943,206	102,675	214,820,641	3.57		2.50	
2014-2015	21,320,000	59,755,777	20,760,000	101,835,777	2,295,228	96,624	99,443,925	1.72		1.29	
2013-2014	26,685,000	61,933,567	21,410,000	110,028,567	1,930,050	96,657	108,001,860	1.92		1.29	
2012-2013	31,665,000	64,106,549	22,040,000	117,811,549	872,242	96,676	116,842,631	2.21		1.53	
2011-2012	36,280,000	66,253,579	22,655,000	125,188,579	19,060	94,593	125,074,926	2.42		1.65	
2010-2011	40,580,000	68,360,186	23,260,000	132,200,186	122,608	92,967	131,984,611	2.58		1.73	

Legal Debt Margin Calculation for Fiscal Year 2019-2020:

Real Market Value	\$ 11,293,226,501
Debt Limit (7.95%)(1)	897,811,507
Amount of Debt Applicable to Debt Limit	(124,179,999)
Legal Debt Margin	<u>\$ 773,631,508</u>

FISCAL YEAR	RATIO OF TOTAL GENERAL BONDED DEBT TO PERSONAL INCOME(3)	TOTAL GENERAL BONDED DEBT PER CAPITA	NET GENERAL BONDED DEBT PER CAPITA	LEGAL DEBT LIMIT(1)	LEGAL DEBT MARGIN(2)	RATIO OF LEGAL DEBT MARGIN TO DEBT LIMIT
2019-2020	0.37 %	\$ 213.21	\$ 206	\$ 897,811,507	\$ 730,806,322	81.40 %
2018-2019	0.42	242	233	859,559,662	670,404,200	77.99
2017-2018	0.43	251	245	774,519,291	575,236,779	74.27
2016-2017	0.48	261	256	683,082,525	475,848,199	69.66
2015-2016	0.52	271	267	612,240,278	397,419,637	64.91
2014-2015	0.25	129	126	663,263,104	563,819,179	85.01
2013-2014	0.29	141	139	608,723,401	500,721,541	82.26
2012-2013	0.34	154	152	601,378,272	484,535,641	80.57
2011-2012	0.37	165	165	605,402,001	480,327,075	79.34
2010-2011	0.42	176	176	635,046,638	503,062,027	79.22

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements

(1) 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 bases 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 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 real market value. Allowable percent of real market value: (A) Kindergarten through eighth grade, 9*.0055=4.95% (B) Ninth through twelfth grade, 4*.0075=3.00% or 7.95% of real market value. Real market value data can be found on Table of Assessed Value and Actual Value of Taxable Property.

(2) The legal debt margin is the District's available borrowing authority under ORS 328.245 and is calculated by subtracting the net debt applicable to the legal debt limit from the legal debt limit.

(3) Demographic and Economic Statistics can be found on Personal Income and Population and Assessed Value and True Cash Value Pages.

Sources: U.S. Census Bureau, American Community Survey and Multnomah Counties Department of Assessment and Taxation.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
 MULTNOMAH COUNTY, OREGON
 OVERLAPPING GROSS BONDED DEBT
 June 30, 2020

REYNOLDS SCHOOL DISTRICT			
Real Market Value of Subject Issuer Is: \$11,334,567,160 as of 1/1/2019			
Net Property-tax Backed Debt of Subject Issuer is:	\$ 192,394,881	Ratio of Net Property-tax Backed Debt to Real Market Value is:	1.70%
Net Property-tax Backed Debt of Overlapping Issuers is:	\$ 97,689,595.00	Ratio of Total Net Property-tax Backed Debt to Real Market Value is:	2.56%

OVERLAPPING GOVERNMENT	REAL MARKET VALUATION	GROSS(1) BONDED DEBT	NET(2) DIRECT DEBT	PERCENT WITHIN SCHOOL DISTRICT(3)	OVERLAPPING	
					GROSS(1) BONDED DEBT	NET(2) DIRECT DEBT
City of Fairview	\$ 1,267,487,944	\$ 6,873,607	\$ 6,873,607	100.00%	\$ 6,873,607	\$ 6,873,607
City of Gresham	14,717,764,007	71,322,297	42,165,297	28.40	20,257,743	11,976,250
City of Portland	155,462,455,921	838,525,454	463,339,299	1.74	14,587,827	8,060,714
City of Troutdale	2,471,300,077	10,570,000	10,570,000	97.62	10,318,793	10,318,793
City of Wood Village	5,559,992,362	3,435,000	3,435,000	100.00	3,435,000	3,435,000
Corbett Water District	488,372,308	687,091	687,091	4.88	33,498	33,498
Metro	343,477,186,246	979,745,000	964,085,000	3.30	32,330,605	31,813,841
Mt. Hood Community College	50,497,985,205	52,317,708	20,510,000	22.45	11,743,023	4,603,593
Multnomah County	179,585,686,475	322,191,877	322,191,877	6.31	20,335,140	20,335,140
Multnomah Cty RFPD 10	1,097,029,714	1,679,672	1,679,672	14.24	239,158	239,158
Multnomah ESD	182,181,992,270	25,230,000	-	6.22	1,569,710	-
Port of Portland	373,404,176,191	56,255,000	-	3.04	1,707,621	-
Rockwood Water PUD	7,229,738,405	4,375,000	-	59.63	2,608,961	-
Overlapping Gross Bonded Debt	<u>1,317,441,167,125</u>	<u>2,373,207,706</u>	<u>1,835,536,843</u>		<u>126,040,686</u>	<u>97,689,594</u>
Reynolds School District	<u>6,764,599,960</u>	<u>173,097,058</u>	<u>173,097,058</u>	100.00	<u>173,097,058</u>	<u>173,097,058</u>
Overlapping Gross Bonded Debt	<u>\$ 1,324,205,767,085</u>	<u>\$ 2,546,304,764</u>	<u>\$ 3,844,170,744</u>		<u>\$ 299,137,744</u>	<u>\$ 270,786,652</u>

Source: Municipal Debt Advisory Commission, State of Oregon.

(1) Gross bonded debt includes all bonds backed by a general obligation pledge including self-supporting general obligation bonds and limited tax debt.

(2) Net direct debt including all tax-supported bonds. Self-supporting bonds are excluded.

(3) The percentage of overlapping debt is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the overlapping district's taxable assessed value that is within the school district's boundaries and dividing it by the overlapping district's total taxable assessed value. These percentages are calculated by the State of Oregon Municipal Debt Advisory Commission.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 Last Ten Fiscal Years

FISCAL YEAR	POPULATION (3)	PERSONAL INCOME (4)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
2020	811,857	\$ 57,792,841,403	\$ 71,186 (1)	15.3% (2)
2019	807,555	51,662,523,570	63,974 (1)	3.60 (4)
2018	811,880	46,967,258,000	57,850 (4)	3.80 (4)
2017	808,781	44,261,349,006	54,726 (4)	3.80 (4)
2016	803,741	41,838,737,755	52,055 (4)	4.60 (4)
2015	790,230	40,299,359,310	50,997 (4)	5.10 (4)
2014	778,604	37,338,733,424	47,956 (4)	6.00 (4)
2013	766,649	34,789,764,971	45,379 (4)	7.00 (4)
2012	760,235	33,763,556,820	44,412 (4)	7.70 (4)
2011	749,699	31,695,774,322	42,278 (4)	8.50 (4)

Sources:

- (1) <https://datausa.io/profile/geo/multnomah-county-or>
- (2) <https://fred.stlouisfed.org/series/ORMULT1URN>
- (3) <https://worldpopulationreview.com/us-cities/fairview-or-population/>
- (4) U.S Censs Bureau, American Community Survey & Proximity One

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 Principal Industries In Multnomah County Area
 CURRENT AND NINE YEARS AGO

Industry	2019			2010		
	Employees (2)	Rank	Percentage of Total City of Fairview Employment	Employees (2)	Rank	Percentage of Total City of Fairview Employment
Reynolds School District (1)	1,145	1	32 %	1,166	1	33 %
Townsend Farms Inc.	438	2	12	175	3	5
Communications Test Design Inc.	328	3	9	-	-	-
Hyster-Yale Group Inc. (4)	298	4	8	-	-	-
Knight Transportation Inc.	137	5	4	165	4	5
Moore Excavation Inc.	140	6	4	-	-	-
Department of Veteran's Affairs	100	7	3	-	-	-
Target Store T 1406	92	8	3	88	5	3
Conner Manufacturing Services	55	9	2	39	8	1
Thermo King NW Inc.	47	10	1	35	9	1
NW Materials Handling Group	-	-	-	223	2	6
TruGreen LandCare, LLC	-	-	-	45	6	1
SWCA Environmental Consultants	-	-	-	43	7	1
La Petite Academy	-	-	-	22	10	1
Subtotal of Largest Industries	2,780		77	2,001		57
All Other	835		23	1,516		43
Total Fairview Employment (3)	3,615		100 %	3,517		100 %

Sources:

City of Fairview 2019 Comprehensive Annual Financial Report

(1) Source Reynolds School District Adopted Budget, Rank Adjusted for 2019

(2) FTE employee information provided by individual employers per City of Fairview

(3) Total Fairview Employment data provided by the State of Oregon Employment Department Workforce and Economic Research section. Total employment is an estimate and varies due to seasonal employment. In addition, this figure captures only those employers for whom workers's compensation insurance is provided. Adjusted for Reynolds School District total employment.

(4) Formerly known as Nacco Materials Handling Group

Note:

Data for 2020 is not available until December.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION - General Fund
 LAST TEN FISCAL YEARS

	2019-2020	2018-19	2017-2018	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Instruction:										
Primary K-5	220.42	208.53	199.34	208.28	197.70	200.42	187.24	177.50	178.73	114.10
Intermediate program 4-5	-	-	-	-	-	-	-	-	-	55.80
Middle/Junior high programs	85.46	80.13	91.50	88.50	92.00	90.50	94.71	88.00	87.26	84.96
High school programs	85.00	83.50	87.83	90.99	98.99	98.83	96.51	91.50	92.49	89.21
High school programs extracurricular	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Programs for the talented and gifted	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	1.70
Restrictive programs for student with disabilities	31.00	35.88	35.88	35.14	40.50	38.94	35.47	32.19	72.56	109.54
Transition programs	6.00	5.06	5.84	5.84	8.34	10.13	11.71	13.25	-	-
Life skills	33.25	30.88	30.06	36.34	30.41	30.97	38.36	40.19	-	-
Functional living skills	16.72	16.28	15.50	13.56	8.59	9.50	8.50	4.25	-	-
Less restrictive programs for students with disabilities	62.84	57.12	56.31	57.12	57.29	50.86	42.09	38.80	98.85	76.95
Less restrictive charter schools	3.88	3.85	2.70	2.70	3.90	4.20	3.60	3.60	-	-
Alternative Education	15.35	15.35	15.35	15.85	18.60	18.60	17.75	2.00	6.00	6.00
Reynolds learning academy west	-	-	-	-	-	-	-	21.12	12.20	12.00
English second language programs	50.20	48.15	71.33	78.08	80.18	68.21	53.12	45.13	45.12	49.75
Total Instruction	611.62	586.23	613.14	633.89	638.00	622.66	590.56	559.03	594.71	601.01
Support services										
Attendance and social work services	2.50	2.50	2.50	2.50	2.50	2.50	2.50	3.00	1.00	1.00
Student safety	16.16	16.16	16.16	16.16	17.94	15.09	15.20	12.64	14.50	13.89
Guidance services	25.50	25.50	25.50	25.50	27.00	27.00	27.90	27.00	31.00	27.50
Health services	2.16	3.16	3.06	3.25	1.63	0.00	1.90	1.00	-	2.00
Psychological services	11.00	10.00	10.00	11.00	9.30	9.30	9.29	9.30	3.00	3.00
Speech pathology and audiology services	20.25	19.25	19.40	21.88	17.54	18.38	17.97	16.10	16.81	18.65
Other student treatment services	7.40	6.60	6.60	6.94	7.00	8.14	7.93	8.88	6.60	7.02
Service direction-Student support services	8.42	8.42	8.42	8.55	7.55	8.75	8.31	8.31	2.60	7.10
Director of instruction	-	-	-	-	-	-	-	-	-	3.00
Teaching and Learning	4.50	4.50	4.50	4.50	4.50	4.75	4.50	4.50	4.50	-
Educational media services	14.06	13.69	13.69	13.75	14.25	14.19	14.18	13.59	13.11	11.30
Assessment & testing	2.00	2.50	2.50	1.50	5.00	5.50	3.00	1.00	-	2.00
Instructional Staff Development	1.00	-	-	-	-	-	-	-	-	-
Board of education services	0.50	0.50	0.50	0.50	0.50	0.50	0.50	-	-	-
Office of the Superintendent	1.75	1.75	1.50	1.50	1.50	1.50	1.50	2.00	2.00	2.00
Building Administration	88.98	88.98	93.72	94.70	98.48	96.23	89.08	83.62	80.04	76.57
Direction of business support services	-	-	-	-	-	-	-	-	-	4.50
Fiscal services	10.40	9.40	10.15	11.40	10.90	10.70	10.40	10.69	9.86	5.00
Operation and maintenance of plant services	-	-	-	-	-	12.20	10.20	11.00	11.00	11.00
Risk Management	1.00	1.00	-	-	-	-	-	-	-	-
Facilities Direction	1.89	2.88	3.22	3.07	3.95	-	-	-	-	-
Facilities Upkeep	54.75	52.00	54.10	53.00	53.00	-	-	-	-	-
Grounds maintenance	4.25	4.00	4.00	4.00	5.00	5.00	5.00	4.50	4.50	4.00
Maintenance Services	8.00	-	-	-	-	-	-	-	-	-
Building fixed costs	-	-	-	-	-	-	-	45.00	45.00	45.00
Custodial Services	-	-	-	-	-	43.25	46.00	-	-	-
Safety Program	-	-	-	1.00	1.00	-	-	-	-	-
Transportation	77.73	73.73	76.58	80.65	74.30	86.12	83.55	85.50	90.50	90.50
Transportation-special Ed	10.57	11.51	10.94	12.15	12.35	0.28	0.28	0.71	0.71	0.71
Distributive services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Print, publish, duplication services	1.00	1.00	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.00
Grant Development	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-	-
Communication	2.25	2.25	1.50	1.50	1.50	1.50	1.50	1.00	1.00	1.00
Staff services	6.00	6.00	6.00	6.50	6.50	6.90	6.50	6.00	6.00	5.00
Recruitment Services	-	-	-	0.00	1.50	-	-	-	-	-
Technology services	12.20	11.20	10.20	10.20	9.45	9.70	8.20	9.00	11.83	9.83
Other Support Services	-	-	-	0.25	0.25	-	-	-	-	-
Interpretation & Translation Services	6.00	4.63	-	-	-	-	-	-	-	-
Total Support Services	404.22	385.11	388.25	399.44	397.89	390.98	377.89	366.34	357.56	353.57
Community services										
Community services										
Custody and care of children services	2.50	2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00	-
Total Community Services	2.50	2.50	2.50	2.50	2.50	2.00	2.00	2.00	2.00	0.00
Total FTE	1018.34	973.84	1003.89	1035.83	1038.39	1015.64	970.45	927.37	954.27	954.58

Source:
Reynolds School District Adopted Budget

Note:
FTE: Full Time Equivalent staff. One FTE is defined as a regular position scheduled to work eight hours per day.

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 LICENSED PROFESSIONAL SALARY PLAN
 YEAR ENDED JUNE 30, 2020

LEVEL	BACHELORS	BACHELORS +20	BACHELORS +40	BA+60 MASTERS	BA+90 MASTERS +24	BA+120 MASTERS +45
0	\$ 41,453	\$ 42,647	\$ 43,602	\$ 46,342	\$ 48,007	\$ 49,167
1	43,204	44,486	45,442	48,405	50,093	51,317
2	44,975	46,341	47,311	50,492	52,201	53,489
3	46,827	48,286	49,259	52,679	54,404	55,759
4	48,644	50,187	51,174	54,818	56,563	57,990
5	50,488	52,126	53,114	56,998	58,759	60,255
6	52,336	54,064	55,058	59,175	60,959	62,529
7	54,213	56,041	57,038	61,395	63,195	64,830
8	56,132	58,036	59,041	63,637	65,454	67,166
9	57,945	60,048	61,069	65,905	67,751	69,526
10		61,448	64,177	68,201	70,063	71,919
11			65,672	70,495	72,382	74,305
12				72,849	74,781	76,776
13				74,556	77,270	79,256
14						81,102

LICENCED STAFF PER LEVEL AND EDUCATION IN FULL-TIME EQUIVALENT EMPLOYEES-JUNE 2020

LEVEL	BACHELORS	BACHELORS +20	BACHELORS +40	BA+60 MASTERS	BA+90 MASTERS+24	BA+120 MASTERS+45	TOTAL
0	5.5	0	1	12	0	2	20.5
1	5	1	0	11	1	2	20
2	3	1	0	9	1	3	17
3	1	1	1	13	1	3	20
4	1	0	0	19	2	1	23
5	3	1	0	17	2	5	28
6	2	2	0	17	10.5	4	35.5
7	2	2	0	19	4	2	29
8	0	0	0	9	4	7	20
9	2.6	0	0	12.4	5.5	7	27.5
10	1	2	0	14.6	4	1.5	23.1
11	1	0	0	7.5	2	7	17.5
12	1	0	0	11.8	7	5	24.8
13	0	0	0	10.5	11	9.5	31
14	1	3	3	73.3	70.5	151.5	302.3
Total	29.1	13	5	256.1	125.5	210.5	639.2

Source:
 Reynolds School District Human Capital Management

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

FISCAL YEAR	ADMw (1)	STUDENT ENROLLMENT(2)	COST PER PUPIL(3)	LICENSED STAFF	PUPIL-TEACHER RATIO	Number of students graduated (4)	
						Reynolds High School	Reynolds Learning Academy
2019-2020	13,092.29	9,800	\$ 15,996	639.2	15.33	TBD	TDB
2018-2019	13,246.23	9,837	17,438	601.3	16.36	450	32
2017-2018	13,646.74	10,104	13,683	617.6	16.59	436	32
2016-2017	14,027.36	10,284	12,123	647.7	15.88	458	63
2015-2016	14,079.67	10,416	9,915	674.1	15.45	484	59
2014-2015	13,689.86	10,648	12,137	659.5	16.15	460	63
2013-2014	13,396.97	10,669	11,042	623.95	17.10	461	62
2012-2013	13,140.49	10,373	10,741	587.83	17.65	363	28
2011-2012	13,317.37	10,367	10,115	564.18	18.38	451	32
2010-2011	13,235.30	10,351	10,227	563.9	18.36	373	17

FISCAL YEAR	NUMBER OF TYPE A LUNCHES SERVED			NUMBER OF BREAKFASTS SERVED		
	PAID	FREE	REDUCED PRICE	PAID	FREE	REDUCED PRICE
2019-2020	99,798	693,389	29,773	32,748	445,102	9,407
2018-2019	120,378	878,563	43,283	42,951	515,536	13,149
2017-2018	79,675	959,572	44,360	12,059	578,691	13,076
2016-2017	57,826	891,329	35,804	10,040	593,551	13,503
2015-2016	70,660	1,074,545	40,851	9,056	611,734	13,297
2014-2015	155,314	997,287	82,964	54,295	536,811	38,012
2013-2014	149,208	988,894	82,264	53,939	526,816	37,933
2012-2013	159,531	950,443	85,141	39,314	513,836	37,871
2011-2012	159,423	939,127	78,322	32,463	511,679	34,465
2010-2011	184,563	926,037	84,385	23,713	401,643	29,344

Sources:

Reynolds School District and Nutrition Service

(1) ADMw is from ODE ADMW Breakout report excluding Charter Schools.

<https://www.oregon.gov/ode/schools-and-districts/grants/Pages/School-District-and-ESD-payment-Statements.aspx>

(2) Enrollment is the ODE Student Enrollment Report number excluding Charter Schools for 2018-19 and 2019-2020

<https://www.oregon.gov/ode/reports-and-data/students/Pages/Student-Enrollment-Reports.aspx>

(3) Cost per pupil is calculated by the District using total expenditures on the Statement of revenues, expenditures and changes in fund balances, excluding capital outlay and debt services.

(4) Graduated Students are not formally available from ODE Graduation Rate Report as Oregon Certificate Awarded until January, 2021.

<https://www.oregon.gov/ode/reports-and-data/students/Pages/Cohort-Graduation-Rate.aspx>

TBD = Data not yet finalized

MULTNOMAH COUNTY SCHOOL DISTRICT NO.7
MULTNOMAH COUNTY, OREGON
 CAPITAL ASSET INFORMATION
 LAST TEN FISCAL YEARS

	2019-2020	2018-2019	2017-2018	2016-2017	2015-2016
SCHOOLS					
ELEMENTARY					
Buildings	11	11	11	11	11
SQUARE FEET	694,429	694,429	599,731	599,731	599,731
CAPACITY	6,139	6,139	5,599	5,599	5,599
ENROLLMENT	4,647	4,809	4,961	5,131	5,179
MIDDLE					
Buildings	3	3	3	3	3
SQUARE FEET	411,811	411,811	411,811	411,811	411,811
CAPACITY	2,416	2,416	2,416	2,416	2,416
ENROLLMENT	2,388	2,307	2,244	2,318	2,299
HIGH					
Buildings	2	2	2	2	2
SQUARE FEET	365,416	365,416	334,837	334,837	334,837
CAPACITY	2,495	2,495	2,495	2,495	2,495
ENROLLMENT	2,765	2,721	3,045	2,910	3,097
AMINISTRATIVE					
Buildings	1	1	1	1	1
SQUARE FEET	12,500	12,500	12,500	12,500	12,500

	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
SCHOOLS					
ELEMENTARY					
Buildings	11	11	11	11	11
SQUARE FEET	599,731	599,731	599,731	599,731	599,731
CAPACITY	5,599	5,599	5,599	5,599	5,599
ENROLLMENT	5,202	4,670	4,580	4,579	4,595
MIDDLE					
Buildings	3	3	3	3	3
SQUARE FEET	411,811	411,811	411,881	411,881	411,881
CAPACITY	2,416	2,416	2,416	2,416	2,416
ENROLLMENT	2,448	2,431	2,424	2,425	2,446
HIGH					
Buildings	2	2	2	2	2
SQUARE FEET	334,837	334,837	334,837	334,837	334,837
CAPACITY	2,495	2,495	2,495	2,495	2,495
ENROLLMENT	3,129	2,938	2,799	2,821	2,708
AMINISTRATIVE					
Buildings	1	1	1	1	1
SQUARE FEET	12,500	12,500	12,500	12,500	12,500

Sources:

Reynolds School District Facilities Services Department

Enrollment is the ODE Student Enrollment Report number excluding Charter Schools for 2018-19 and 2019-2020

<https://www.oregon.gov/ode/reports-and-data/students/Pages/Student-Enrollment-Reports.aspx>

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MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

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December 14, 2020

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of Multnomah County School District No. 7 as of and for the year ended June 30, 2020, and have issued our report thereon dated December 14, 2020. 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 basic 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 the basic 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 Multnomah County School District No. 7 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 basic 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.

Roy R Rogers
ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

GRANT COMPLIANCE REVIEW

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended June 30, 2020

Federal Grantor	Program Title	Pass through Grantor	CFDA Number	Pass Through Entity Number	Grant Period	Expenditures	Passed Through to Subrecipients
	Timber Reserve Fund		10.665	N/A	7/1/19-9/30/20	\$ 5,122	NA
	Timber Reserve Fund		10.665	N/A	7/1/18-9/30/19	4,633	NA
US Department of Education - Special Revenue Fund:							
	Title IA - YR 19/20	Oregon State Department of Education	84.010	50473	7/1/19-9/30/20	4,023,600	NA
	Title IA - YR 18/19	Oregon State Department of Education	84.010	53357	7/1/18-9/30/21	261,426	NA
	PPD District Engagement Part 19-20	Oregon State Department of Education	84.010	54423	7/1/19-9/30/21	237,221	NA
	PPD District Engagement Part 18-19	Oregon State Department of Education	84.010	51480	7/1/18-9/30/19	111,650	NA
					Total	4,633,897	
	IDEA Post School Outcome	Oregon State Department of Education	84.027	57432	7/1/2019-9/30/2020	690	NA
	IDEA Extended Assessment	Oregon State Department of Education	84.027	54706	7/1/2019-9/30/2020	381	NA
	IDEA Part B 19-20 Supplemental	Oregon State Department of Education	84.027	56739	7/1/19-9/30/20	25,972	NA
	IDEA Part B YR 19-20	Oregon State Department of Education	84.027	54176	7/1/19-9/30/20	1,453,527	NA
	IDEA Part B YR 18-19	Oregon State Department of Education	84.027	49947	7/1/2018-9/30/20	223,507	NA
					Total	1,704,076	
	IDEA Preschool Grant, Section 619 2019-20	Oregon State Department of Education	84.173	54072	7/1/19-9/30/2021	10,749.61	NA
					Total	10,750	
					Total IDEA Cluster	1,714,826	
	Title X - Education for Homeless Children & Youth	Oregon State Department of Education	84.196	46128	7/1/17-6/30/19	157.69	NA
						158	
	Title III English Language Acquisition YR 19-20	Oregon State Department of Education	84.365	53455	7/1/19-9/30/20	126,994	NA
	Title III English Language Acquisition YR 18-19	Oregon State Department of Education	84.365	50282	7/1/19-9/30/21	402,808	NA
	Title III English Language Acquisition YR 17-18	Oregon State Department of Education	84.365	44249	7/1/17-9/30/18	28,134	NA
					Total	557,937	
	Title IIA Improving Teacher Quality YR 19-20	Oregon State Department of Education	84.367	53619	7/1/19-9/30/20	240,047	NA
	Title IIA Improving Teacher Quality YR 19-20	Oregon State Department of Education	84.367	53619	7/1/19-9/30/20	214,000	NA
	Title IIA Improving Teacher Quality YR 18-19	Oregon State Department of Education	84.367	49396	7/1/19-9/30/21	421,152	NA
					Total	875,199	
	SIG Implementation - Glenfair Yr4	Oregon State Department of Education	84.377	46870	7/1/19-9/30/2020	209,926	NA
	SIG Implementation - Glenfair Yr3	Oregon State Department of Education	84.377	46864	7/1/19-9/30/21	190,114	NA
	SIG Implementation - Glenfair Yr2	Oregon State Department of Education	84.377	46144	7/1/2017-12/31/18	25,293	NA
						425,333	
	Title IV Student Support and Academic Enrichment	Oregon State Department of Education	84.424	54609	7/1/19-9/30/20	147,440	NA
	Title IV Student Support and Academic Enrichment	Oregon State Department of Education	84.424	54609	7/1/19-9/30/20	49,000	NA
	Title IV Student Support and Academic Enrichment	Oregon State Department of Education	84.424	50812	7/1/19-9/30/21	187,873	NA
						384,313	
	LEA ESSER Fund - Formula	Oregon State Department of Education	84.425	57900	3/13/2020-9/30/2022	368,317	NA
	LEA ESSER Fund - Formula	Oregon State Department of Education	84.425	57900	3/13/2020-9/30/2022	73,157	NA
						441,474	
	Fresh Fruit and Vegetable Program - Woodland	Oregon State Department of Education	10.582	50622	10/1/18-9/30/19	2,499	NA
	Fresh Fruit and Vegetable Program - Alder	Oregon State Department of Education	10.582	50614	10/1/18-9/30/19	2,385	NA
	Fresh Fruit and Vegetable Program - Davis	Oregon State Department of Education	10.582	50615	10/1/18-9/30/19	2,091	NA
	Fresh Fruit and Vegetable Program - Fairview	Oregon State Department of Education	10.582	50616	10/1/18-9/30/19	1,897	NA
	Fresh Fruit and Vegetable Program - Glenfair	Oregon State Department of Education	10.582	50617	10/1/18-9/30/19	2,456	NA
	Fresh Fruit and Vegetable Program - Hartley	Oregon State Department of Education	10.582	50618	10/1/18-9/30/19	2,078	NA
	Fresh Fruit and Vegetable Program - Margaret Scott	Oregon State Department of Education	10.582	50619	10/1/18-9/30/19	2,077	NA
	Fresh Fruit and Vegetable Program - Salish Ponds	Oregon State Department of Education	10.582	50620	10/1/18-9/30/19	2,314	NA
	Fresh Fruit and Vegetable Program - Wilkes	Oregon State Department of Education	10.582	50621	10/1/18-9/30/19	2,329	NA
	Fresh Fruit and Vegetable Program - Woodland	Oregon State Department of Education	10.582	54832	10/1/19-9/30/2020	12,020	NA
	Fresh Fruit and Vegetable Program - Alder	Oregon State Department of Education	10.582	54961	10/1/19-9/30/2020	11,737	NA
	Fresh Fruit and Vegetable Program - Davis	Oregon State Department of Education	10.582	54962	10/1/19-9/30/2020	10,330	NA
	Fresh Fruit and Vegetable Program - Fairview	Oregon State Department of Education	10.582	54963	10/1/19-9/30/2020	9,822	NA
	Fresh Fruit and Vegetable Program - Glenfair	Oregon State Department of Education	10.582	54964	10/1/19-9/30/2020	12,614	NA
	Fresh Fruit and Vegetable Program - Hartley	Oregon State Department of Education	10.582	54965	10/1/19-9/30/2020	11,767	NA
	Fresh Fruit and Vegetable Program - Margaret Scott	Oregon State Department of Education	10.582	54966	10/1/19-9/30/2020	10,991	NA
	Fresh Fruit and Vegetable Program - Salish Ponds	Oregon State Department of Education	10.582	54967	10/1/19-9/30/2020	12,501	NA
	Fresh Fruit and Vegetable Program - Wilkes	Oregon State Department of Education	10.582	54968	10/1/19-9/30/2020	10,996	NA
					Total	122,905	

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
 For the Year Ended June 30, 2020

Federal Grantor	Program Title	Pass through Grantor	CFDA Number	Pass Through Entity Number	Grant Period	Expenditures	Passed Through to Subrecipients
<u>Department of Health and Human Services</u>							
	Foster Care Transportation	Oregon State Department of Education	93.658	57246	7/1/2019-6/30/2021	3,892	
					Total	<u>3,892</u>	
<u>Direct Federal Grants</u>							
	Title VII Indian Education 19/20		84.060A	S060A192099	7/1/19-6/30/20	1,060	NA
					Total	<u>1,060</u>	
<u>US Department of Agriculture - Special Revenue Fund:</u>							
	USDA Commodities	Oregon State Department of Education	10.555	N/A	7/1/19-6/30/2020	366,975	NA
	National School Lunch Program	Oregon State Department of Education	10.555	N/A	7/1/19-6/30/2020	2,277,654	NA
	Summer Feeding Program	Oregon State Department of Education	10.559	N/A	7/1/19-6/30/2020	887,289	NA
	National School Breakfast	Oregon State Department of Education	10.553	N/A	7/1/19-6/30/2020	816,967	NA
					Total Child Nutrition Cluster	<u>4,348,884</u>	
	Child Care	Oregon State Department of Education	10.558	N/A	7/1/19-6/30/2020	180,371	NA
					Total	<u>4,529,256</u>	
Total Federal Financial Assistance						<u>\$ 13,700,005</u>	
Total Federal Awards expended, above						13,700,005	
Accruals/Deferrals						<u>(307,702)</u>	
Total Federal Revenue Recognized						<u>13,392,303</u>	

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December 14, 2020

To the Board of Directors
Multnomah County School District No. 7
Multnomah 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 basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information and fiduciary funds of Multnomah County School District No. 7 as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 14, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the basic 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 basic 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 basic 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 basic 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 14, 2020

To the Board of Directors
Multnomah County School District No. 7
Multnomah County, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

We have audited Multnomah County School District No. 7's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2020. 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) Those standards and the Uniform Guidance 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, Multnomah County School District No. 7, 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, 2020.

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 the Uniform Guidance, 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

For the Year Ended June 30, 2020

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 515(d)(2) of the Uniform Guidance? 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 section 200.516(a) of the Uniform Guidance? yes no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER NAME OF FEDERAL PROGRAM CLUSTER

84.027, 84.173 IDEA – Special Education Cluster
84.010 Title IA

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

MULTNOMAH COUNTY SCHOOL DISTRICT NO. 7
MULTNOMAH COUNTY, OREGON

SCHEDULE OF FINDINGS
AND QUESTIONED COSTS

For the Year Ended June 30, 2020

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS:

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The schedule of expenditures of federal awards in this report includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the District.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule of expenditures of federal awards are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The District has elected not to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance, since they already have a negotiated indirect cost rate with the Oregon Department of Education, and therefore is not allowed to use the de minimis rate.

VII. **8:00p - Board Reports**

A. Board Announcements

370

To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Board Announcements

Policy: [Board Meetings - BD/BDA](#), [Conduct of Board Meetings - BDDF](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

- A. Individual Board Members – Announcements and Reports
 - a. Oregon Board Members are now required to go through the same child abuse and sexual harassment training as all District staff. These trainings will be taken through the Safe Schools online platform.
 - b. The Oregon Center for Educational Equity will be joining the February and April Work Sessions to provide equity training for the Board.
 - c. There are four board positions opening up at the end of June (positions 1-4). Candidates wishing to run for the Reynolds School Board must file with Multnomah County between February 8 and March 18.
- B. Budget Committee Vacancies
 - a. Position 10 – term expiring June 30, 2023
 - b. Position 12 – term expiring June 30, 2021
 - c. Position 14 – term expiring June 30, 2022
- C. Policy DBEA outlines that the budget committee consists of seven members appointed by the Board plus the elected Board Members. To be eligible for appointment, the appointive member must:
 - i. Live and be registered to vote in the district
 - ii. Not be an officer, agent or employee of the district.
- D. Upcoming Board Meetings
 - a. Work Session: February 10, 2021
 - b. Business Meeting: February 24, 2021

i. Individual Board Members - Announcements and Reports

ii. Upcoming Board Meetings

VIII. **8:10p - Superintendent's Reports**

372

To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Superintendent's Reports

Policy: [Board Meetings - BD/BDA](#), [Conduct of Board Meetings - BDDF](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

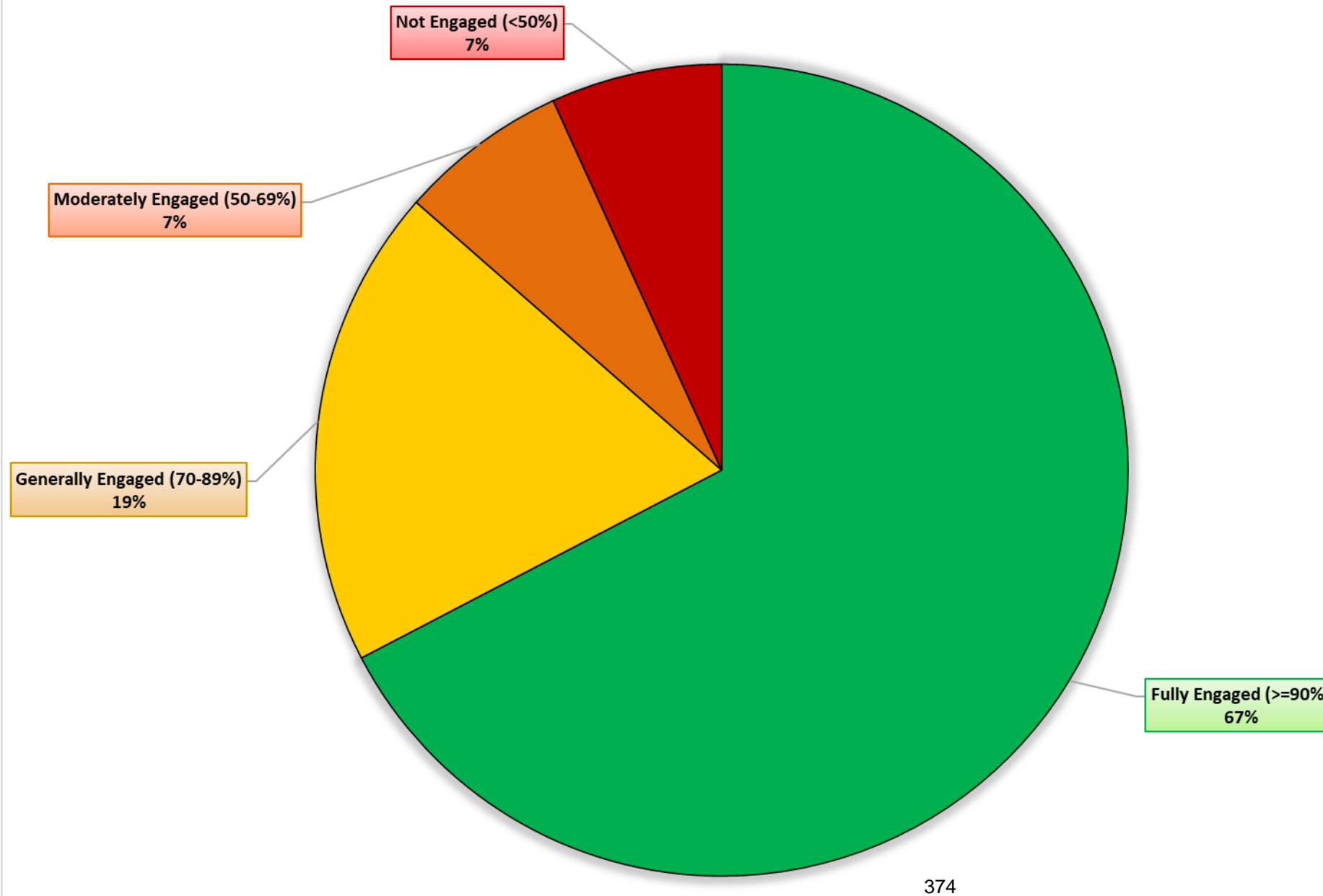
Superintendent Diaz will provide announcements and reports to the board:

- A. Announcements / Reports
- B. Student Achievement
 - a. CDL Update
 - b. Ready Schools Safe Learners Update
- C. Communications
- D. Fiscal Responsibility
 - a. Financial Report
 - b. Enrollment Report

- A. Announcements/Reports
- B. Student Achievement
 - i. CDL Update

374

STUDENT ENGAGEMENT TOTAL % OF ACTIVE STUDENTS



Engagement Key

*Percentages for
Active Students
Over 4 Weeks*

Fully Engaged

- 90% or More Days Present

Generally Engaged

- 70% - 89% Days Present

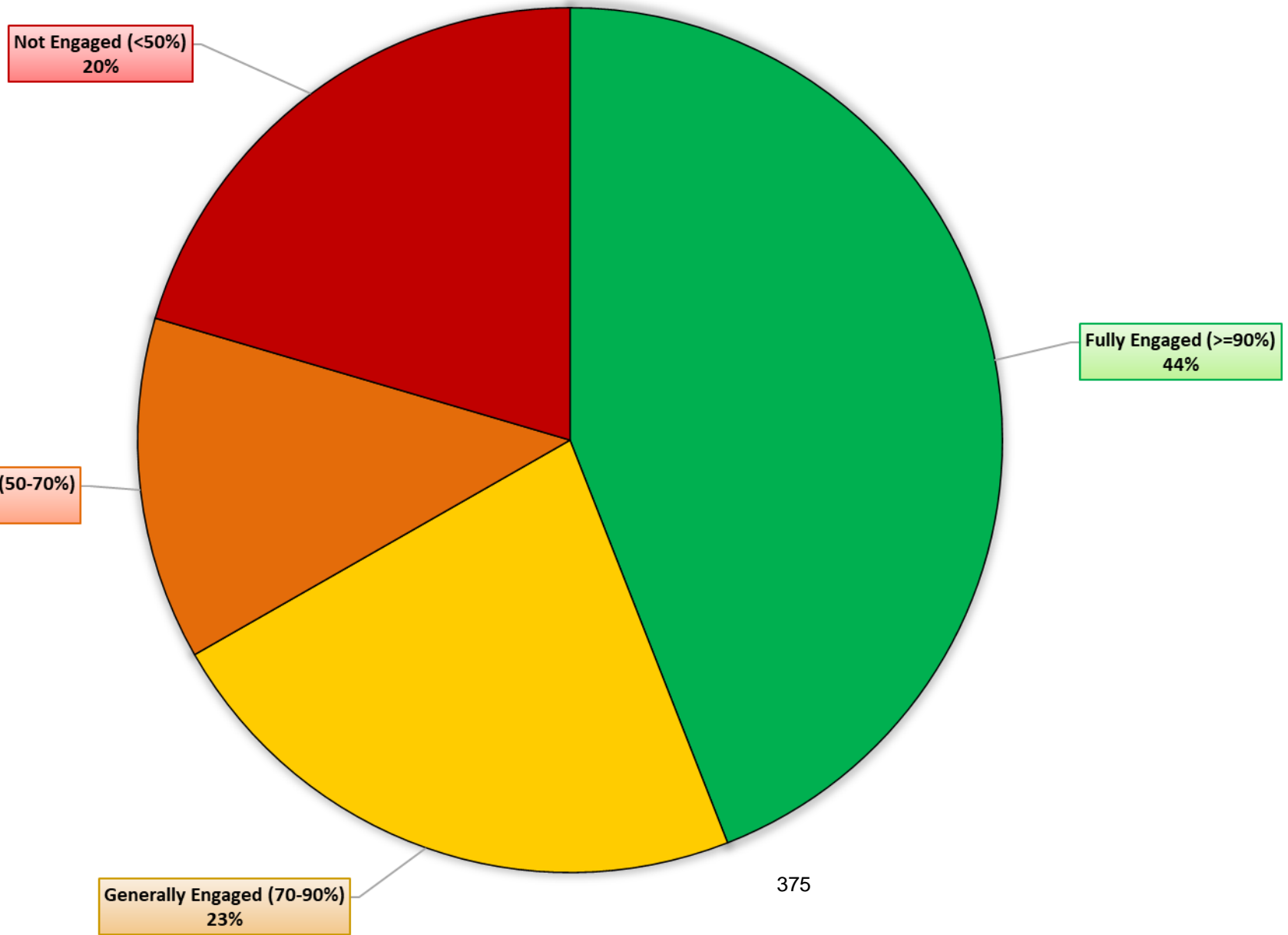
Moderately Engaged

- 50% - 69% Days Present

Not Engaged

- 49% or Less Days Present

STUDENT ENGAGEMENT TOTAL % OF ACTIVE STUDENTS



Engagement Key

*Percentages for
Active Students
Over 4 Weeks*

Fully Engaged

- 90% or More Days Present

Generally Engaged

- 70% - 89% Days Present

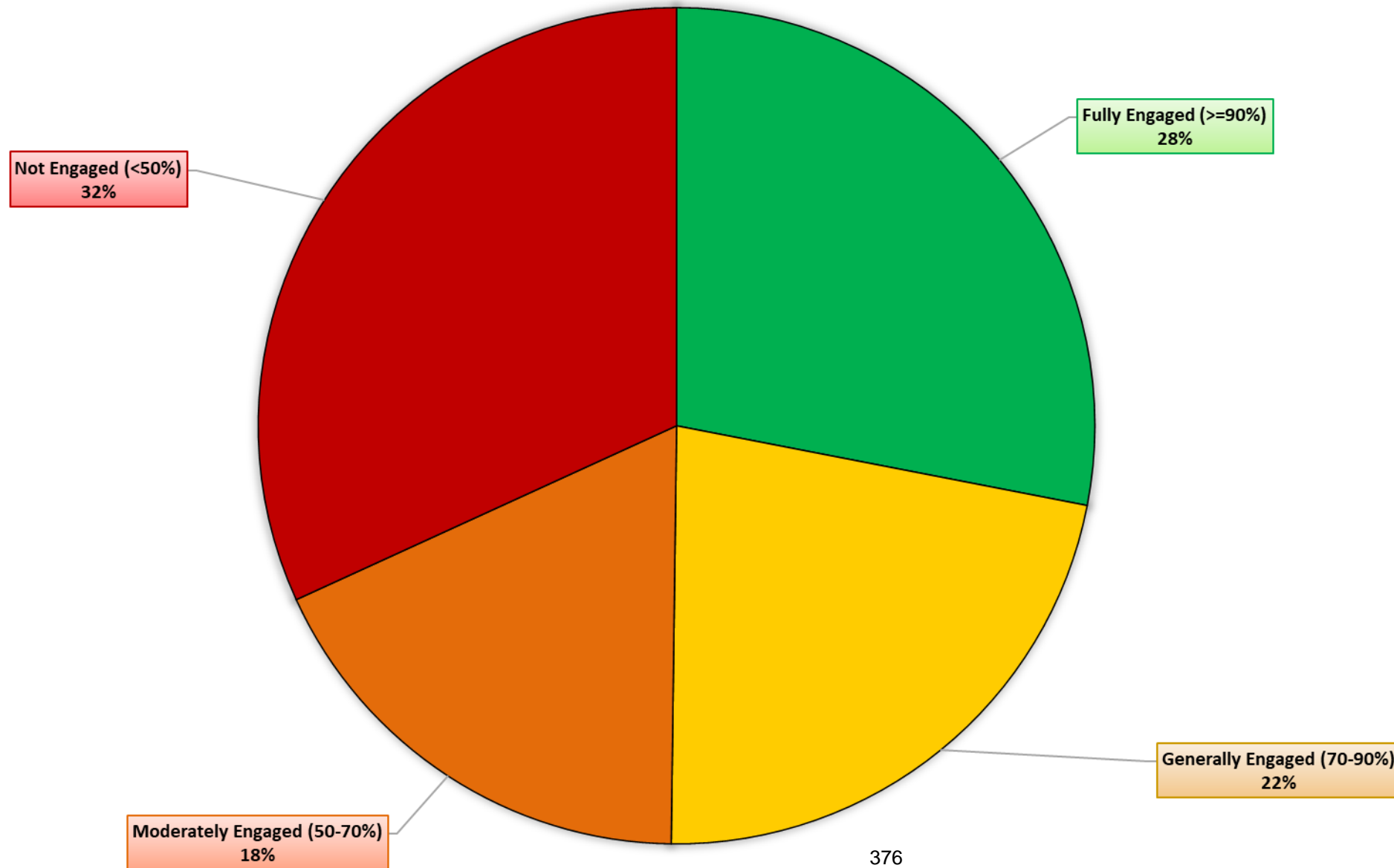
Moderately Engaged

- 50% - 69% Days Present

Not Engaged

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STUDENT ENGAGEMENT TOTAL % OF ACTIVE STUDENTS



Engagement Key

*Percentages for
Active Students
Over 4 Weeks*

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- 90% or More Days Present

Generally Engaged

- 70% - 89% Days Present

Moderately Engaged

- 50% - 69% Days Present

Not Engaged

- 49% or Less Days Present

- ii. "Ready Schools Safe Learners" Update
- C. Communications
- D. Fiscal Responsibility
 - i. Financial Report

378



Fiscal Year 2020-21
December 2020 Board Report - Estimated Annual

GENERAL FUND

	Working Budget	12/31/2020 MTD	Fiscal Year Projected*	Budget Versus FY Projected
RESOURCES				(Under) / Over
Beginning Balance	14,522,218	18,958,789	18,958,789	4,436,571
Local Sources	29,887,141	6,950,311	28,611,062	(1,276,079)
Intermediate Sources	1,001,800	-	678,164	(323,636)
State Sources	104,883,164	8,523,454	101,674,282	(3,208,882)
Federal Sources	65,000	3,162	69,524	4,524
Other Financing Sources	-	1,232,761	1,232,761	1,232,761
Total Resources	150,359,323	35,668,476	151,224,582	(367,502)
REQUIREMENTS				Under / (Over)
Instruction	83,220,180	6,893,420	82,072,011	1,148,169
Support Services	56,216,054	3,376,563	55,440,454	775,600
Community Services	462,610	305,499	170,610	292,000
Other Uses	3,869,368	-	3,869,368	-
Contingency	1,620,145	-	-	1,620,145
Unappropriated End Balance	4,970,966	-	-	4,970,966
Total Expenditures	150,359,323	10,575,482	141,552,443	8,806,880
PERIOD NET ACTIVITY		<u>25,092,995</u>		
PROJECTED ENDING FUND BALANCE			<u>9,672,139</u>	
(Total Resources minus Requirements)				-
PROJ ACTUAL SPEND DOWN/ (ADD BACK) IN CASH RESERVE			9,286,650	

- | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Notes :</p> <ul style="list-style-type: none"> 1) <i>Beginning Balance is a pre-audit estimate.</i> 2) <i>Revenues estimate is based on ODE projection as of 12/16/2020</i>
 <i>Based on \$9.0 Billion Legislative Approved Budget with 49/51 split, and</i>
 <i>Total ADMw (including Charters): 14,246.13</i> 2) <i>Expenditures estimate is based on actuals to date and projected summer payroll and project costs.</i> 3) <i>The projection is an estimate which can and may vary up to 10%.</i> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Multnomah County School District #7

FINANCIAL STATEMENT - General Fund By Function For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

Include Pre Encumbrance

	<u>Budget</u>	<u>Range To Date</u>	<u>Year To Date</u>	<u>Balance</u>	<u>Encumbrance</u>	<u>Budget Balance</u>	
INCOME							
Revenues							
Beginning Fund Balance (+)	\$14,522,218.00	\$18,958,789.26	\$18,958,789.26	(\$4,436,571.26)	\$0.00	(\$4,436,571.26)	-30.6%
Local Sources (+)	\$29,887,141.00	\$6,950,310.58	\$26,653,213.31	\$3,233,927.69	\$0.00	\$3,233,927.69	10.8%
Intermediate (+)	\$1,001,800.00	\$0.00	\$0.00	\$1,001,800.00	\$0.00	\$1,001,800.00	100.0%
State (+)	\$104,883,164.00	\$8,523,454.00	\$59,674,411.00	\$45,208,753.00	\$0.00	\$45,208,753.00	43.1%
Federal (+)	\$65,000.00	\$3,161.90	\$50,551.59	\$14,448.41	\$0.00	\$14,448.41	22.2%
Other Financing Sources (+)	\$0.00	\$1,232,760.67	\$1,232,760.67	(\$1,232,760.67)	\$0.00	(\$1,232,760.67)	0.0%
Sub-total : Revenues	\$150,359,323.00	\$35,668,476.41	\$106,569,725.83	\$43,789,597.17	\$0.00	\$43,789,597.17	29.1%
Total : INCOME	\$150,359,323.00	\$35,668,476.41	\$106,569,725.83	\$43,789,597.17	\$0.00	\$43,789,597.17	29.1%
EXPENSES							
Expenditures							
Instruction (-)	\$83,220,180.00	\$6,893,419.83	\$28,586,501.49	\$54,633,678.51	\$47,679,137.26	\$6,954,541.25	8.4%
Support Services (-)	\$56,216,054.00	\$3,376,562.89	\$19,368,613.91	\$36,847,440.09	\$21,747,014.00	\$15,100,426.09	26.9%
Enterprise & Community (-)	\$462,610.00	\$305,498.98	\$343,847.90	\$118,762.10	\$101,546.11	\$17,215.99	3.7%
Other Uses Transfers (-)	\$3,869,368.00	\$0.00	\$3,675,913.00	\$193,455.00	\$0.00	\$193,455.00	5.0%
Operating Contingency (-)	\$1,620,145.00	\$0.00	\$0.00	\$1,620,145.00	\$0.00	\$1,620,145.00	100.0%
Unappropriated Ending Fund Balance (-)	\$4,970,966.00	\$0.00	\$0.00	\$4,970,966.00	\$0.00	\$4,970,966.00	100.0%
Sub-total : Expenditures	(\$150,359,323.00)	(\$10,575,481.70)	(\$51,974,876.30)	(\$98,384,446.70)	(\$69,527,697.37)	(\$28,856,749.33)	19.2%
Total : EXPENSES	(\$150,359,323.00)	(\$10,575,481.70)	(\$51,974,876.30)	(\$98,384,446.70)	(\$69,527,697.37)	(\$28,856,749.33)	19.2%
NET ADDITION/(DEFICIT)	\$0.00	\$25,092,994.71	\$54,594,849.53	(\$54,594,849.53)	(\$69,527,697.37)	\$14,932,847.84	0.0%

End of Report

Multnomah County School District #7

FINANCIAL STATEMENT - General Fund by Object For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

Include Pre Encumbrance

	<u>Budget</u>	<u>Range To Date</u>	<u>Year To Date</u>	<u>Balance</u>	<u>Encumbrance</u>	<u>Budget Balance</u>	
INCOME							
Revenues							
Beginning Fund Balance (+)	\$14,522,218.00	\$18,958,789.26	\$18,958,789.26	(\$4,436,571.26)	\$0.00	(\$4,436,571.26)	-30.6%
Local Sources (+)	\$29,887,141.00	\$6,950,310.58	\$26,653,213.31	\$3,233,927.69	\$0.00	\$3,233,927.69	10.8%
Intermediate (+)	\$1,001,800.00	\$0.00	\$0.00	\$1,001,800.00	\$0.00	\$1,001,800.00	100.0%
State (+)	\$104,883,164.00	\$8,523,454.00	\$59,674,411.00	\$45,208,753.00	\$0.00	\$45,208,753.00	43.1%
Federal (+)	\$65,000.00	\$3,161.90	\$50,551.59	\$14,448.41	\$0.00	\$14,448.41	22.2%
Other Financing Sources (+)	\$0.00	\$1,232,760.67	\$1,232,760.67	(\$1,232,760.67)	\$0.00	(\$1,232,760.67)	0.0%
Sub-total : Revenues	\$150,359,323.00	\$35,668,476.41	\$106,569,725.83	\$43,789,597.17	\$0.00	\$43,789,597.17	29.1%
Total : INCOME	\$150,359,323.00	\$35,668,476.41	\$106,569,725.83	\$43,789,597.17	\$0.00	\$43,789,597.17	29.1%
EXPENSES							
Expenditures							
Salaries (-)	\$65,532,384.00	\$4,988,142.53	\$22,396,689.11	\$43,135,694.89	\$37,538,003.93	\$5,597,690.96	8.5%
Benefits (-)	\$39,601,902.30	\$3,017,304.88	\$12,919,207.33	\$26,682,694.97	\$21,668,473.23	\$5,014,221.74	12.7%
Purchased Services (-)	\$25,507,961.96	\$1,993,892.79	\$8,970,868.68	\$16,537,093.28	\$8,970,500.61	\$7,566,592.67	29.7%
Supplies and Materials (-)	\$5,442,458.74	\$531,724.57	\$1,936,577.21	\$3,505,881.53	\$1,043,246.46	\$2,462,635.07	45.2%
Capital Outlay (-)	\$2,452,177.00	\$3,745.00	\$909,985.46	\$1,542,191.54	\$282,830.50	\$1,259,361.04	51.4%
Other Objects (-)	\$1,695,415.00	\$40,784.53	\$1,365,748.11	\$329,666.89	\$24,642.64	\$305,024.25	18.0%
Transfers (-)	\$3,535,913.00	\$0.00	\$3,475,913.00	\$60,000.00	\$0.00	\$60,000.00	1.7%
Contingencies (-)	\$1,620,145.00	\$0.00	\$0.00	\$1,620,145.00	\$0.00	\$1,620,145.00	100.0%
Unappropriated Ending Fund Balance (-)	\$4,970,966.00	\$0.00	\$0.00	\$4,970,966.00	\$0.00	\$4,970,966.00	100.0%
Sub-total : Expenditures	(\$150,359,323.00)	(\$10,575,594.30)	(\$51,974,988.90)	(\$98,384,334.10)	(\$69,527,697.37)	(\$28,856,636.73)	19.2%
Total : EXPENSES	(\$150,359,323.00)	(\$10,575,594.30)	(\$51,974,988.90)	(\$98,384,334.10)	(\$69,527,697.37)	(\$28,856,636.73)	19.2%
NET ADDITION/(DEFICIT)	\$0.00	\$25,092,882.11	\$54,594,736.93	(\$54,594,736.93)	(\$69,527,697.37)	\$14,932,960.44	0.0%

End of Report

Operating Statement with Encumbrance



Fiscal Year 2020-21
December 2020 Board Report - Estimated Annual
December 2019 and 2020 Respectively

GENERAL FUND								
FY 2019-20					FY 2020-21			
Revised Budget	12/31/2019 MTD	Fiscal Year Projected	Monthly %	Working Budget	12/31/2020 MTD	Fiscal Year Projected	Monthly %	
RESOURCES								
Beginning Balance	15,090,000	-	17,832,461	0.0%	14,522,218	18,958,789	18,958,789	130.6%
Local Sources	28,436,712	16,538,368	28,436,712	58.2%	29,887,141	6,950,311	28,611,062	23.3%
Intermediate Sources	1,896,800	-	1,360,838	0.0%	1,001,800	-	678,164	0.0%
State Sources	101,604,369	8,146,663	100,004,408	8.0%	104,883,164	8,523,454	101,674,282	8.1%
Federal Sources	65,000	3,089	44,149	4.8%	65,000	3,162	69,524	4.9%
Other Financing Source	-	-	-		-	1,232,761	1,232,761	0.0%
Total Resources	147,092,881	24,688,120	147,678,568	16.8%	150,359,323	35,668,476	151,224,582	23.7%
REQUIREMENTS								
Instruction	83,425,777	6,370,285	82,604,454	7.6%	83,220,180	6,893,420	82,072,011	8.3%
Support Services	55,212,249	4,017,500	54,668,687	7.3%	56,216,054	3,376,563	55,440,454	6.0%
Community Services	163,029	13,142	163,029	8.1%	462,610	305,499	170,610	66.0%
Other Uses	1,700,715	-	1,700,715	0.0%	3,869,368	-	3,869,368	0.0%
Contingency	1,620,145	-	-	0.0%	1,620,145	-	-	0.0%
Unappropriated End Balance	4,970,966	-	-	0.0%	4,970,966	-	-	0.0%
Total Expenditures	147,092,881	10,400,926	139,136,885	7.1%	150,359,323	10,575,482	141,552,443	7.0%
PERIOD NET ACTIVITY		14,287,194				25,092,995		
PROJECTED ENDING FUND BALANCE			8,541,683				9,672,139	
AVAILABLE PROJECTED ENDING FUND BALANCE			8,541,683				9,672,139	
PROJ. ACTUAL SPEND DOWN/(ADD BACK) IN CASH RESERVE			9,290,778				9,286,650	

Beginning Fund Balance - Projected Ending Fund Balance = Proj. Actual Spend Down/(Add Back)



Fiscal Year 2020-21
Board Report by **Major Object**

Two Year Comparison as of Month Ending December 2019 and 2020 Respectively

GENERAL FUND				
	2019-20 EST YTD July - December	2020-21 EST YTD July - December	Compare to Prior Year July - December	Change %
REVENUES			<u>+ / (-)</u>	<u>+ / (-)</u>
Local Sources	25,947,368	26,653,213	705,846	2.7%
Intermediate Sources	1,902	-	(1,902)	0.0%
State Sources	57,794,010	59,674,411	1,880,401	3.3%
Federal Sources	25,609	50,552	24,942	97.4%
Debt Financing Source	-	1,232,761	1,232,761	0.0%
Total Revenues	<u>83,768,890</u>	<u>87,610,937</u>	<u>3,842,047</u>	<u>4.6%</u>
EXPENDITURES			<u>+ / (-)</u>	<u>+ / (-)</u>
Salaries	22,988,286	22,396,689	(591,597)	-2.6%
Benefits/Employer Costs	13,028,459	12,919,207	(109,252)	-0.8%
Purchased Services	9,868,032	8,970,869	(897,164)	-9.1%
Supplies and Materials	2,229,461	1,936,577	(292,883)	-13.1%
Capital Outlay	388,067	909,985	521,919	0.0%
Other Objects (Debts, Dues & Fees)	1,275,984	1,365,748	89,764	7.0%
Transfers	1,355,000	3,475,913	2,120,913	0.0%
Total Expenditures	<u>51,133,289</u>	<u>51,974,989</u>	<u>841,700</u>	<u>1.6%</u>
PERIOD NET ACTIVITY	<u>32,635,601</u>	<u>35,635,948</u>	<u>3,000,347</u>	<u>9.2%</u>



REYNOLDS SCHOOL DISTRICT
Fiscal Year 2020-21
GENERAL FUND
Monthly Projections - As of December 31, 2020

	Budget 2020-21	TOTAL Projected FY 2020-21	Projected FY 2020-21 Difference	* Actuals							TOTAL Projected FY 2020-21
				July-December 2020	January 2021	February 2021	March 2021	April 2021	May 2021	June 2021	
REVENUES											
			<i>(Under) / Over</i>								
Local (Taxes, Misc)	29,887,141	28,611,062	(1,276,079)	26,653,213	227,789	215,429	375,282	122,290	240,588	776,470	28,611,062
Intermediate	1,001,800	678,164	(323,636)	-	175,000	-	150,000	2,000	1,164	350,000	678,164
State	104,883,164	101,674,282	(3,208,882)	59,674,411	8,570,888	8,196,663	8,196,663	8,196,663	8,246,663	592,331	101,674,282
Federal	65,000	69,524	4,524	50,552	3,162	3,162	3,162	3,162	3,162	3,162	69,524
Other Financing Sources	-	1,232,761	1,232,761	1,232,761	-	-	-	-	-	-	1,232,761
Total Revenues	135,837,105	132,265,793	(3,571,312)	87,610,937	8,976,839	8,415,254	8,725,107	8,324,115	8,491,577	1,721,963	132,265,792
EXPENDITURES											
			<i>Under / (Over)</i>								
Salaries	65,533,109	64,160,147	1,372,962	22,396,689	5,602,552	5,627,026	5,648,147	5,643,689	5,661,202	13,580,841	64,160,147
Associated Payroll Costs	39,601,902	38,581,918	1,019,984	12,919,207	3,592,383	3,595,839	3,594,152	3,589,410	3,595,229	7,695,699	38,581,918
Purchased Services	25,520,237	25,032,263	487,974	8,970,869	2,623,970	1,969,687	2,549,552	2,635,020	2,156,553	4,126,613	25,032,263
Supplies and Materials	5,429,459	4,861,849	567,610	1,936,577	481,415	318,002	816,888	415,326	294,268	599,373	4,861,849
Capital Outlay	2,452,177	3,684,938	(1,232,761)	909,985	164,761	275,337	234,656	244,729	226,451	1,629,018	3,684,938
Other (Debts, Dues & Fees)	1,695,415	1,695,415	-	1,365,748	45,264	45,264	45,264	45,264	45,264	103,347	1,695,415
Transfers	3,535,913	3,535,913	-	3,475,913	-	-	-	60,000	-	-	3,535,913
Total Expenditures	143,768,212	141,552,443	2,215,769	51,974,989	12,510,344	11,831,155	12,888,661	12,633,438	11,978,966	27,734,890	141,552,443
SURPLUS / (DEFICIT)											
			<i>Under / (Over)</i>								
(Revenues minus Expenditures)	(7,931,107)	(9,286,650)	(1,355,543)								
Assumptions: FY 2020-21											
Beg. Fund Balance	14,522,218	18,958,789	4,436,571	Revenues: ODE estimates as of 12/16/2020 - Based on \$9.0 Billion Legislative Approved Budget with 49/51 split, total ADMw: 14,246.13 2020-21 Estimate (including Charters) Expenditures: Estimate is a preliminary amount until audit is complete. Beginning Fund Balance : Audited amount.							
End Fund Balance	6,591,111	9,672,139	3,081,028								

(Sum of Surplus/Deficit and Beg. Fund Balance)

*Source of Actual figures - iVisions financial accounting system
The projection is an estimate which can and may vary up to 10%



Fiscal Year 2020-21

2015 Capital Bond Projects December 2020 Board Report - Estimated Annual

BOND CAPITAL PROJECTS FUND

	Working Budget	12/31/2020 MTD	Fiscal YTD	Fiscal Year Projected	Budget Versus FY Projected
RESOURCES					(Under) / Over
Beginning Balance	2,892,700	2,473,020	2,473,020	2,473,020	(419,680)
Bond Sale Proceeds	-	-	-	-	-
Local Sources <i>(Incl. Interest Earnings)</i>	2,500	-	-	-	(2,500.00)
Total Resources	2,895,200	2,473,020	2,473,020	2,473,020	(422,180)
REQUIREMENTS					Under / (Over)
Salaries	-	-	-	-	-
Employer Costs/Benefits	-	-	-	-	-
Purchased Services	442,200	5,686	51,537	442,200	-
Supplies and Materials	52,500	-	-	52,500	-
Capital Outlay	2,400,500	36,512	808,668	1,978,320	422,180
Other Objects	-	-	5,000	-	-
Contingencies	-	-	-	-	-
Total Expenditures	2,895,200	42,198	865,205	2,473,020	422,180
PERIOD NET ACTIVITY		2,430,822	1,607,816		
PROJECTED ENDING FUND BALANCE-ROLL TO 2020-21				-	
(Total Resources minus Requirements)					

Notes : 1) *Beginning Balance is Audited number.*
 2) *The projections are estimates which can and may vary up to 10%.*

Multnomah County School District #7

2015 Bond Capital Fund Report by Function For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
INCOME					
Revenues					
Beginning Fund Balance (+)	\$2,473,020.40	\$2,473,020.40	\$2,892,700.00	\$419,679.60	85.5%
Local Sources (+)	\$0.00	\$0.00	\$2,500.00	\$2,500.00	0.0%
Sub-total : Revenues	<u>\$2,473,020.40</u>	<u>\$2,473,020.40</u>	<u>\$2,895,200.00</u>	<u>\$422,179.60</u>	85.4%
Total : INCOME	<u>\$2,473,020.40</u>	<u>\$2,473,020.40</u>	<u>\$2,895,200.00</u>	<u>\$422,179.60</u>	85.4%
EXPENSES					
Expenditures					
Facilities Acquisition & Contstruction (-)	\$42,198.29	\$865,204.85	\$2,895,200.00	\$2,029,995.15	29.9%
Sub-total : Expenditures	<u>(\$42,198.29)</u>	<u>(\$865,204.85)</u>	<u>(\$2,895,200.00)</u>	<u>(\$2,029,995.15)</u>	29.9%
Total : EXPENSES	<u>(\$42,198.29)</u>	<u>(\$865,204.85)</u>	<u>(\$2,895,200.00)</u>	<u>(\$2,029,995.15)</u>	29.9%
NET ADDITION/(DEFICIT)	<u>\$2,430,822.11</u>	<u>\$1,607,815.55</u>	<u>\$0.00</u>	<u>(\$1,607,815.55)</u>	0.0%

End of Report

Multnomah County School District #7

2015 Bond Capital Fund Report by Object For the Period 12/01/2020 through 12/31/2020

Fiscal Year: 2020-2021

	<u>12/01/2020 - 12/31/2020</u>	<u>Year To Date</u>	<u>Budget</u>	<u>Budget Balance</u>	
INCOME					
Revenues					
Beginning Fund Balance (+)	\$2,473,020.40	\$2,473,020.40	\$2,892,700.00	\$419,679.60	85.5%
Local Sources (+)	\$0.00	\$0.00	\$2,500.00	\$2,500.00	0.0%
Sub-total : Revenues	\$2,473,020.40	\$2,473,020.40	\$2,895,200.00	\$422,179.60	85.4%
Total : INCOME	\$2,473,020.40	\$2,473,020.40	\$2,895,200.00	\$422,179.60	85.4%
EXPENSES					
Expenditures					
Purchased Services (-)	\$5,685.82	\$51,537.22	\$442,200.00	\$390,662.78	11.7%
Supplies and Materials (-)	\$0.00	\$0.00	\$52,500.00	\$52,500.00	0.0%
Capital Outlay (-)	\$36,512.47	\$808,667.63	\$2,400,500.00	\$1,591,832.37	33.7%
Other Objects (-)	\$0.00	\$5,000.00	\$0.00	(\$5,000.00)	0.0%
Sub-total : Expenditures	(\$42,198.29)	(\$865,204.85)	(\$2,895,200.00)	(\$2,029,995.15)	29.9%
Total : EXPENSES	(\$42,198.29)	(\$865,204.85)	(\$2,895,200.00)	(\$2,029,995.15)	29.9%
NET ADDITION/(DEFICIT)	\$2,430,822.11	\$1,607,815.55	\$0.00	(\$1,607,815.55)	0.0%

End of Report

2020-2021 Enrollment by Grade Data Excluding Charters					
Grade	6-Oct-2020	29-Oct-2020	12-Nov-2020	3-Dec-2020	15-Dec-2020
Kndgtn	568	597	601	605	605
1st	697	716	714	713	711
2nd	681	701	699	701	700
3rd	699	707	706	705	705
4th	708	722	723	724	723
5th	768	791	792	793	793
6th	804	780	780	780	782
7th	849	821	816	816	815
8th	729	715	718	721	721
9th	758	834	826	813	813
10th	701	741	735	735	729
11th	608	677	675	660	660
12th	730	809	812	794	796
SPED SC	65	77	77	80	80
Total	9,365	9,688	9,674	9,640	9,633

Pd	Change	Rept Date vs March 2020	
Chg	10/6 to Current	3/2020 Data	Change
-	37	757	-152
(2)	14	726	-15
(1)	19	730	-30
-	6	736	-31
(1)	15	795	-72
-	25	801	-8
2	(22)	818	-36
(1)	(34)	725	90
-	(8)	778	-57
-	55	729	84
(6)	28	659	70
-	52	679	-19
2	66	682	114
-	15	170	-90
(7)	268	Total	-152

2019-2020 Enrollment by Grade Data Excluding Charters					
Grade	3-Oct-2019	24-Oct-2019	14-Nov-2019	5-Dec-2019	18-Dec-2019
Kndgtn	760	752	751	756	756
1st	729	736	724	727	729
2nd	736	732	730	730	731
3rd	751	750	742	737	736
4th	795	797	795	803	806
5th	798	804	802	808	806
6th	839	831	840	836	832
7th	746	753	750	739	744
8th	783	793	794	786	779
9th	748	797	756	748	746
10th	651	701	666	672	669
11th	717	767	715	702	702
12th	718	751	717	714	713
SPED SC	169	166	166	171	163
Total	9,940	10,130	9,948	9,929	9,912

Pd	Change
Chg	10/3 to Current
-	(4)
2	-
1	(5)
(1)	(15)
3	11
(2)	8
(4)	(7)
5	(2)
(7)	(4)
(2)	(2)
(3)	18
-	(15)
(1)	(5)
(8)	(6)
(17)	(28)

Unit Change in Data 2020-2021 as Compared to 2019-2020 Excluding Charters					
Grade	10/6/2020 vs 10/3/2020	10/29/2020 vs 10/24/2019	11/12/2020 vs 11/14/2019	12/3/2020 vs 12/5/2019	12/15/2020 vs 12/18/2019
Kndgtn	(192)	(155)	(150)	(151)	(151)
1st	(32)	(20)	(10)	(14)	(18)
2nd	(55)	(31)	(31)	(29)	(31)
3rd	(52)	(43)	(36)	(32)	(31)
4th	(87)	(75)	(72)	(79)	(83)
5th	(30)	(13)	(10)	(15)	(13)
6th	(35)	(51)	(60)	(56)	(50)
7th	103	68	66	77	71
8th	(54)	(78)	(76)	(65)	(58)
9th	10	37	70	65	67
10th	50	40	69	63	60
11th	(109)	(90)	(40)	(42)	(42)
12th	12	58	95	80	83
SPED SC	(104)	(89)	(89)	(91)	(83)
Total	(575)	(442)	(274)	(289)	(279)

2020-2021 Enrollment by School Data Excluding Charters

School	6-Oct-2020	29-Oct-2020	12-Nov-2020	3-Dec-2020	15-Dec-2020
Alder	429	431	431	434	434
Davis	397	421	423	421	420
Fairview	287	293	290	291	291
Glenfair	380	419	419	420	419
Hartley	405	412	411	411	411
M Scott	401	402	405	409	407
Salish Ponds	340	376	376	376	376
Sweetbriar	301	301	302	300	300
Troutdale	381	379	379	378	377
Wilkes	431	430	432	434	435
Woodland	378	376	373	376	376
Lee MS	805	797	794	796	795
RMS	1002	961	963	963	964
WMMS	592	579	578	577	578
RHS	2,573	2,765	2,749	2,707	2,706
RLA	153	217	219	216	228
Cornerstone/Tutoring/Outside Plc	110	129	130	131	116
Total	9,365	9,688	9,674	9,640	9,633

PD	Change	Rept Date vs March 2020	
Chg	10/3 to Current	3/1/2020	Change
-	5	440	-6.00
(1)	23	427	-7.00
-	4	321	-30.00
(1)	39	452	-33.00
-	6	442	-31.00
(2)	6	399	8.00
-	36	419	-43.00
-	(1)	345	-45.00
(1)	(4)	432	-55.00
1	4	495	-60.00
-	(2)	445	-69.00
(1)	(10)	790	5.00
1	(38)	951	13.00
1	(14)	596	-18.00
(1)	133	2,411	295.00
12	75	211	17.00
(15)	6	209	-93.00
(7)	268	9,785	-152.00

2019-2020 Enrollment by School Data Excluding Charters

School	3-Oct-2019	24-Oct-2019	14-Nov-2019	5-Dec-2019	18-Dec-2019
Alder	434	434	433	439	436
Davis	413	420	420	428	428
Fairview	327	327	326	324	324
Glenfair	463	469	460	458	456
Hartley	442	434	433	436	438
M Scott	401	401	394	398	398
Salish Ponds	427	427	421	425	428
Sweetbriar	341	337	336	341	341
Troutdale	430	432	430	429	431
Wilkes	507	507	505	497	496
Woodland	456	455	453	456	456
Lee MS	816	810	807	800	796
RMS	986	983	993	984	975
WMMS	594	599	596	597	594
RHS	2,562	2,700	2,533	2,503	2,485
RLA	180	195	189	204	200
Cornerstone/Tutoring	161	200	219	210	230
Total	9,940	10,130	9,948	9,929	9,912

PD	Change
Chg	10/3 to Current
(3)	2
-	15
-	(3)
(2)	(7)
2	(4)
-	(3)
3	1
-	-
2	1
(1)	(11)
-	-
(4)	(20)
(9)	(11)
(3)	-
(18)	(77)
(4)	20
20	69
(17)	(28)

Unit Change in Data 2020-2021 as Compared to 2019-2020 Excluding Charters

School	10/6/2020 vs 10/3/2019	10/29/2020 vs 10/24/2019	11/12/2020 vs 11/14/2019	12/3/2020 vs 12/5/2019	12/15/2020 vs 12/18/2019
Alder	(5.00)	(3.00)	(2.00)	(5.00)	(2.00)
Davis	(16.00)	1.00	3.00	(7.00)	(8.00)
Fairview	(40.00)	(34.00)	(36.00)	(33.00)	(33.00)
Glenfair	(83.00)	(50.00)	(41.00)	(38.00)	(37.00)
Hartley	(37.00)	(22.00)	(22.00)	(25.00)	(27.00)
M Scott	0.00	1.00	11.00	11.00	9.00
Salish Ponds	(87.00)	(51.00)	(45.00)	(49.00)	(52.00)
Sweetbriar	(40.00)	(36.00)	(34.00)	(41.00)	(41.00)
Troutdale	(49.00)	(53.00)	(51.00)	(51.00)	(54.00)
Wilkes	(76.00)	(77.00)	(73.00)	(63.00)	(61.00)
Woodland	(78.00)	(79.00)	(80.00)	(80.00)	(80.00)
Lee MS	(11.00)	(13.00)	(13.00)	(4.00)	(1.00)
RMS	16.00	(22.00)	(30.00)	(21.00)	(11.00)
WMMS	(2.00)	(20.00)	(18.00)	(20.00)	(16.00)
RHS	11.00	65.00	391216.00	204.00	221.00
RLA	(27.00)	22.00	30.00	12.00	28.00
Cornerstone/Tutoring/Outside Plc	(51.00)	(71.00)	(89.00)	(79.00)	(114.00)
Total	(575)	(442)	(274)	(289)	(279)

ACTUAL ATTENDANCE COUNT REPORT 2020-2021

Elementary Enrollment By Classroom December 15, 2020														PROJECTIONS		2019-2020				
														2020-21 Projected		@ March 2020				
														Projected	Diff	2019-2020	YOY Chg			
School	SPED SC	Kndgtn	x	1st Grade	x	2nd Grade	x	3rd Grade	x	4th Grade	x	5th Grade	Total	Added FTE	Grade					
Alder		14		27		27		29		29		15				Alder				
<i>Bilingual Classrooms</i>		18		19		24		21		20		18								
		18		19		26		19		18		30								
												31								
Montessori Kinder		12																		
Total		0		62		65		77		69		67		94	434	-	438	-4	440	-37
# of Classes		3		3		3		3		3		4								
Average Class Size		16.67		21.67		25.67		23.00		22.33		23.50								
Davis	SPED SC	22		21		24		24		25		23				Davis				
		21		22		25		23		23		22								
		21		22		25		27		24		26								
Total		0		64		65		74		72		71	420	-		429	-9	427	-21	
# of Classes		3		3		3		3		3		3								
Average Class Size		21.33		21.67		24.67		24.67		24.00		23.67								
Fairview	SPED SC	13		16		16		22		21		16				Fairview				
		14		16		15		22		23		16								
		14		14		16				21		16								
Total		0		41		46		47		44		65	291	-		314	-23	321	-22	
# of Classes		3		3		3		2		3		3								
Average Class Size		13.67		15.33		15.67		22.00		21.67		16.00								
Glenfair	SPED SC	21		20		28		25		19		21				Glenfair				
		21		19		29		23		20		23								
		20		19		29		23		20		20								
				19																
Total		0		62		77		86		71		64	419	-		458	-39	452	-23	
# of Classes		3		4		3		3		3		3								
Average Class Size		20.67		19.25		28.67		23.67		19.67		21.33								

ACTUAL ATTENDANCE COUNT REPORT 2020-2021

Elementary Enrollment By Classroom														PROJECTIONS		2019-2020			
December 15, 2020														2020-21 Projected		@ March 2020			
School	SPED SC	Kndgtn	x	1st	x	2nd	x	3rd	x	4th	x	5th	Total	Added FTE		Projected	Diff	2019-2020	YOY Chg
				Grade		Grade		Grade		Grade		FTE		Grade					
Hartley																			
	SPED SC	23		21		15		25		24		27							
		22		19		16		25		22		28							
		23		20		15		20		24		27							
						15													
Total	0	68		60		61		70		70		82	411	-	-	424	-13	442	-9
# of Classes		3		3		4		3		3		3							
Average Class Size		22.67		20.00		15.25		23.33		23.33		27.33							
M Scott																			
	SPED SC	20		20		29		23		22		24							
		20		20		27		24		22		25							
		20		20				23		22		25							
				21															
Total	0	60		81		56		70		66		74	407	-	-	408	-1	399	-5
# of Classes		3		4		2		3		3		3							
Average Class Size		20.00		20.25		28.00		23.33		22.00		24.67							
Salish Ponds																			
	SPED SC	18		17		19		22		21		23							
		18		17		21		20		21		23							
		17		17		20		21		21		23							
				17															
Total	0	53		68		60		63		63		69	376	-	-	429	-53	424	-15
# of Classes		3		4		3		3		3		3							
Average Class Size		17.67		17.00		20.00		21.00		21.00		23.00							
Sweetbriar																			
	SPED SC	18		19		21		18		24		33							
		19		18		20		19		23		32							
				16		11	x	9											
Total	0	37		53		52		46		47		65	300	-	-	340	-40	345	10
# of Classes		2		3		2.5	x	2.5		2		2							
Average Class Size		18.50		17.67		20.80		18.40		23.50		32.50							

ACTUAL ATTENDANCE COUNT REPORT 2020-2021

Elementary Enrollment By Classroom December 15, 2020														PROJECTIONS		2019-2020							
														2020-21 Projected		@ March 2020							
														Projected	Diff	2019-2020	YOY Chg						
School	SPED SC	Kindgtn	x	1st Grade	x	2nd Grade	x	3rd Grade	x	4th Grade	x	5th Grade	Total	Added FTE	Grade								
Troutdale	SPED SC	21		18		18		26		25		22				Troutdale							
		19		18		15		23		22		24											
		19		19		17		8	x	15		24											
										9	x	15											
Total	0	59		55		50		57		71		85	377	-		427	-50	431	-10				
# of Classes		3		3		3		2.5		3.5		3.5											
Average Class Size		19.67		18.33		16.67		22.80		20.29		24.29											
Wilkes	SPED SC	18		19		19		20		26		22				Wilkes							
		9		17		17		20		26		24											
		3		18		16		20		25		22											
				20		18		20															
Total	12	53		75		70		80		77		68	435	-		483	-48	495	10				
# of Classes		3		4		4		4		3		3											
Average Class Size		17.67		18.75		17.50		20.00		25.67		22.67											
Woodland	SPED SC	15		22		24		19		20		21				Woodland							
		6		15		22		17		19		21											
		10		16		21		19		20		21											
		6																					
Total	22	46		65		65		56		59		63	376	-		440	-64	445	-8				
# of Classes	3	3		3		3		3		3		3											
Average Class Size		15.33		21.67		21.67		18.67		19.67		21.00											
SPED Outside Placements/Tutoring		0		1		2		5		7		10	25			26	-1	40	-14				
Grade Totals	34	605		711		700		705		723		793	4,271	-		4,616	-345	4,661	(144)				
Total # of Classes		32		37		33.5		32		32.5		33.5											
Total Average Class Size		18.53		19.22		20.90		22.03		22.25		23.67											

ACTUAL ATTENDANCE COUNT REPORT 2020-2021																			
Elementary Enrollment By Classroom December 15, 2020															PROJECTIONS		2019-2020		
															2020-21 Projected		@ March 2020		
															Projected	Diff	2019-2020	YOY Chg	
School	SPED SC	Kindgtn	x	1st Grade	x	2nd Grade	x	3rd Grade	x	4th Grade	x	5th Grade	Total	Added FTE	FTE	Grade			
ACTUAL ATTENDANCE COUNT REPORT 2020-2021																			
Secondary Enrollment By Grade Level (Actual Attendance Count) December 15, 2020															PROJECTIONS				
															@ March 2020				
School	SPED SC	6th grade	7th grade	x	8th grade	x	9th grade	x	10th grade	x	11th Grade	x	12th Grade	Total	Added FTE	Projected	Diff	2019-2020	YOY Chg
SPED Outside Placements/Tutoring		12	6		9		11		4		6		8	56		0	56	130	36
HB Lee MS	14	266	282		233									795		780	15	790	65
Reynolds MS	23	304	345		292									964		996	-32	951	5
Walt Morey MS	9	200	182		187									578		608	-30	596	-3
RHS + Middle College					802		712		576		616			2706		2721	-15	2411	54
Out of Dist Placement																0	0	0	0
RLA									13		78		137	228		210	18	211	21
Cornerstone - SPED													29	29		30	-1	29	0
Cornerstone 1- SPED													6	6		11	-5	10	-1
Total	46	782	815		721		813		729		660		796	5,362	-	5356	6	5,128	177
Total Reynolds:														9,633	-	9,972	-339	9,789	33
Comprehensive School		Targeted School				New Classroom Pending													
Charter School Data																			
															Added FTE				
															FTE	Grade			
	Kindgtn	1st Grade	x	2nd Grade	x	3rd Grade	x	4th Grade	x	5th Grade	x	6th-8th Grade	Total						
Arthur Academy	29	31		30		30		26		22			168			184	-16	179	-20
Rockwood Preparatory Academy	65	49		55		45		43		37			294			303	-9	293	-3
MLA	48	47		48		48		48		47		286	572			555	17	556	22
													1034	-		1042	-8	1028	-1
Total														10,667	-	11,014	-347	10,817	32
SPED SC: Special Education Department Self-Contained Classroom where students spend 100% of their day.															-192				

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Consent Agenda

Policy: [Board Meetings - BD/BDA](#), [Conduct of Board Meetings - BDDF](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

- A. Approval of Personnel Order
- B. Approval of Prior Meeting Minutes
- C. Acceptance of Grants
 - I. Acceptance of the 10 Million Project Grant
 - II. Acceptance of Early Indicator and Intervention System Grant from ODE
- D. Approval of Resolutions
 - I. Resolution 2020-2021-012 Proclaiming the Celebration of Black History Month
 - II. Resolution 2020-2021-014 Proclaiming the Celebration of National School Counseling Week
 - III. Resolution 2020-2021-015 Proclaiming the Celebration of National School Bus Driver Day
- E. Intergovernmental Agreements
 - I. IGA Between David Douglas and Reynolds on behalf of RAHS or Open School

Staff Recommendation:

Staff recommends the Board approve all Consent Agenda items as presented.

Motion:

I move that the Board approve all Consent Agenda items as presented.

- A. Approval of Personnel Order
- B. Approval of Prior Meeting Minutes

**Reynolds School District
Board of Education Work Session**

January 13, 2021

7:00 PM

Virtual Meeting

I. 6:00p - Executive Session

II. 7:00p - Call to Order and Land Acknowledgement

- Chair Tewksbury called the January 13, 2021 Work Session to order at 7:04p.
- Ana Gonzalez Muñoz read the land acknowledgement into the record.

III. 7:05p - Public to be Heard

IV. 7:20p - Strategic Plan Presentation

- Marginalized Students
 - Committee is planning on revisions based on community feedback and further group discussions. They are planning to add a goal specifically about elevating black students
- Culturally Responsive Teaching
- Student and Staff Wellness
- Professional Development
- Thoughts from the Board:
 - Living document - see revisions regularly. Continue updates for accountability.
 - Appreciates intentional concentration on black students. Would like to see different methods of outreach to families (like phone banking)
 - Doesn't think surveys are the best way to gather data
 - Financial Impacts. What are they? How can we layer them into our budget? What's the process? Prioritizing resources. Definitions throughout plan, make it more accessible for the community. Data: being intentional with how we plan to collect moving forward. How will we collect it? How will we organization and prioritize? Keep lens of how we will support students, family, and staff as we recover over the next couple of years.
- Mission and Vision
 - Discuss how to get student voice at Board Leadership Meeting
 - Board is leaning towards option 3 for the vision statement.

V. 8:05p – Budget Update

VI. 8:35p – CDL Update

- Staff recommends continuing CDL until after Spring Break. This item will be brought to the Board on January 27 for action.

VII. 9:05p - Adjourn

**Reynolds School District
Board of Education Business Meeting**

December 16, 2020

7:00 PM

Virtual Meeting

Attendance Taken at 7:04 PM.

Yesenia Delgado: Present, Ana Gonzalez Muñoz: Absent, Diego Hernandez: Absent, John Lindenthal: Present, Ricki Ruiz: Present, Joe Teeny: Absent, Valerie Tewksbury: Present.

Attendance Update Taken at 7:42 PM. Diego Hernandez: Present.

Attendance Update Taken at 8:30 PM. Diego Hernandez: Absent.

Attendance Update Taken at 8:45 PM. Diego Hernandez: Present.

I. 6:00p - Executive Session

The Reynolds School Board and the Superintendent will recess into Executive Session at 6:00p, under ORS 192.660(2)(b) Personnel, ORS 192.660(2)(d) Negotiations, ORS 192.660(2)(e) Real Estate, and ORS 192.660(2)(h) Legal Counsel. Executive Session is closed to the public.

II. 7:00p - Call to Order

- Chair Tewksbury called the December 16, 2020 Meeting to order at 7:02p

A. Land Acknowledgement

- Vice Chair Delgado read the Land Use Acknowledgement into the record.

B. Pledge of Allegiance

C. Consider Approval of the December 16 Business Meeting Agenda

I move to approve the December 16, 2020 agenda as presented. This motion, made by John Lindenthal and seconded by Yesenia Delgado, Passed.

Yea: 4, Nay: 0

III. 7:10p - Board Recognition

A. Student Recognition

- Abel Perez - first grade student at Davis Elementary.

B. Volunteer/Community Partner Recognition

- Tina Moe - SUN Site Coordinator at Woodland Elementary

C. Staff Recognition

- Karen Roney: PE Instructor at Woodland Elementary

IV. 7:20p - Public to be Heard

Members of the public will address the board with comments and the board will listen only. Public Comment will be limited to 7 speakers with 3 minutes each. Forms must be turned in before the meeting start time.

- Chair Tewksbury read a public comment into the record.

V. 7:40p - Bargaining Group Updates

- REA: Evan Selby

- RAA: Lisa McDonald
- OSEA: Suzi Mutschler

VI. 7:50p - Presentation to the Board

A. Middle School Virtual Classroom Demonstration

- Annie Cooper, math and science teacher at Reynolds Middle School

VII. 8:00p - Board Reports

A. Board Announcements

i. Individual Board Members - Announcements and Reports

- YD: Hopes families, students, and staff find ways to experience joy and rest during break
- JL: Happy Holidays
- RR: School Board Elections coming up in May
- DH: Special Session on Monday regarding School Liability Issue
- VT: Thank you to whole Board for attending last week's budget priority meeting

ii. Upcoming Board Meetings

- Budget Committee Vacancies
- Work Session: January 13, 2021
- Business Meeting: January 27, 2021

VIII. 8:10p - Superintendent's Reports

A. Announcements/Reports

- Multnomah County is requesting use of RHS as a winter weather shelter location this year.
 - Unanimous support of the Board: Dr. Diaz has approval to move forward on creating an agreement with Mult Co.
 - Question on the idea of using the gym - double check liability if something were to happen, especially to the gym floor.
 - The county has a rigorous procedure for any animals that would be brought in. RHS has floor coverings and the county has some as well.
 - Consider what the plan would be when students are back in person and have games/activities.

B. Student Achievement

i. CDL Update

- Data has only changed a percent or two over different grade levels. We are not losing kids but are not gaining engagement either.
- Why is the high school level so much lower than the others?
 - If one or two periods are missed in secondary, it reduces a student's "engagement level" whereas elementary students are either there or not. Assistant Principal Anderson and Ms. Summers are looking at ways to potentially adjust the metrics.

C. Communications

- Family Survey going out at the end of this week to assess feelings on Hybrid learning. Sending out links and utilizing partners and family liaisons to help reach as many families as possible.

- Each bargaining group also surveying their members.
- School Based Health Center opening in January. Virtual tour was recorded and can be shared with the Board.

D. Fiscal Responsibility

i. Financial Update

- The Bond oversight committee will present a close-out report in March.

ii. Enrollment

IX. 8:50p - Consent Agenda

I move that the Board approve all Consent Agenda items as presented. This motion, made by John Lindenthal and seconded by Ricki Ruiz, Passed.

Yea: 5, Nay: 0

A. Approval of Personnel Order

B. Approval of Prior Meeting Minutes

C. Acceptance of Grants

i. CDL Grant from ODE

D. Intergovernmental Agreements

i. IGA with Gresham-Barlow School District regarding Open School

ii. IGA with Multnomah County Health Department

E. Interagency Agreement with Mt. Hood Community College regarding Middle College

X. 8:55p - Action Items

A. OSBA Elections and Resolution Approval

I move that the Board vote for Katrina Doughty for position 17 on the OSBA Board. This motion, made by Yesenia Delgado and seconded by Ricki Ruiz, Passed.

Yea: 4, Nay: 0

I move that the Board vote for Sonja Mckenzie for position 19 on the OSBA Board. This motion, made by Ricki Ruiz and seconded by Yesenia Delgado, Passed.

Yea: 4, Nay: 0

I move that the Board approve OSBA Resolution 1-2021-22 Legislative Priorities and Principals as recommended by the Legislative Policy Committee. This motion, made by Yesenia Delgado and seconded by John Lindenthal, Passed.

Yea: 4, Nay: 0

B. Approval of Resolution 2020-2021-010 Black Lives Matter

I move that the Board approve the Resolution 2020-2021-010 Black Lives Matter. This motion, made by John Lindenthal and seconded by Yesenia Delgado, Passed.

Yea: 4, Nay: 0

C. Policy Adoption: All Students Belong - ACB

I move that the Board approve and adopt the policy "All Students Belong - ACB" with the instructional language removed from the bracketed area. This motion, made by John Lindenthal and seconded by Yesenia Delgado, Passed.

Yea: 5, Nay: 0

D. Resolution 2020-2021-012: A Resolution Authorizing the Budget Increase of State and Other Program Funds to Appropriate Seismic Rehabilitation Grant for Reynolds High School Gym Project

I move that the Board approve Resolution 2020-2021-012: A resolution authorizing the budget increase of State and Other Program Funds Revenue and Expenditure Appropriations to include the Seismic Rehabilitation Grant for Reynolds High School Gym project. This motion, made by John Lindenthal and seconded by Yesenia Delgado, Passed.

Yea: 5, Nay: 0

XI. 9:15p - Board Discussion

- Ricki Ruiz is interested in presenting some ideas of services that could go along with the School Based Health Center at a future meeting.
- Diego Hernandez: Mental Health Supports was our number 1 budget priority next year. It would be nice to have a presentation on how that's going, perhaps from some counselors or social workers. The Board agrees.

XII. 9:30p - Adjourn

- Chair Tewksbury adjourned the December 16, 2020 Business Meeting at 8:54p.

C. Grant Acceptance

- i. Acceptance of the T-Mobile 10 Million Project Grant

405

To: Board of Directors

From: Dr. Nicole MacTavish, Chief Academic Officer

Prepared by: Chris Greenhalgh, Director of Instructional Technology

Subject: T-Mobile 10 Million Project Grant Acceptance

Policy: [Funding Proposals and Applications - DD](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #3: We believe that high-quality first-time instruction will eliminate the opportunity gap. We commit to setting high expectations and providing intentional professional development for instructional leaders.

Summary:

Staff is requesting the Board authorize a grant acceptance for the T-Mobile 10 Million Project. This grant will provide up to 891 T-Mobile hotspots to students participating in the National School Lunch Program and who do not have internet or reliable internet at home. Each hotspot comes with 100GB of data per year through August 31st, 2025. These hotspots will support student access to learning at home during comprehensive distance learning (CDL), hybrid learning, as well as brick and mortar learning.

District’s legal counsel has reviewed the proposed grant contract and approves of it as to form.

Previous Board Action:

In April 2019 the Reynolds School Board accepted the Sprint 1 Million Project grant, which provided up to 400 hotspots at Reynolds High School (RHS) and Reynolds Learning Academy (RLA). Now that Sprint and T-Mobile have become one company we were asked to apply for the T-Mobile 10 Million Project. The Sprint hotspots at RHS and RLA will still be supported but we cannot request additional devices.

Background:

In spring of 2020, Reynolds School District purchased 750 T-Mobile hotspots to support student learning during CDL. We have used all but 20 of these devices to date and we continue to provide hotspots to families upon request.

Financial Implications:

Each hotspot comes with 100GB of data per year through August 31st, 2025 at no cost to the district. If needed, the district can increase the data plan per device. Replacement of lost or broken hotspots are the responsibility of the district at a cost of \$90 each.

Alternatives:

Reynolds School District could purchase hotspots from a vendor or discontinue the distribution of hotspots to families in need of internet access.

Staff Recommendation:

Staff recommends the Board authorize the acceptance of this grant.

Motion:

I move that the Board authorize the grant acceptance of 891 T-Mobile Hotspots with 100GB of data per year through August 31, 2025, from the T-Mobile 10 Million Project.

T-Mobile Project 10Million Agreement (Program)

This T-Mobile Project 10Million Agreement (“**Agreement**”), which will be effective as of the date the second Party signs this Agreement below (“**Agreement Effective Date**”), is made by and between T-Mobile USA, Inc., a Delaware corporation (“**T-Mobile**” or “**Contractor**”), and Reynolds School District 7, an Oregon School District, with its principal place of business at 1204 NE 201st Ave, Fairview, Oregon 97024 (“**Customer**”).

1. Underlying Agreement. Customer agrees to accept/purchase wireless mobile Services and/or Devices from T-Mobile, and T-Mobile agrees to provide the Services and Devices to Customer based on the prices listed below. The terms of Customer’s acceptance/purchase and use of the Services will be governed by this Agreement and the Master Agreement NASPO Contract

(a) The NASPO Wireless Voice Service, Wireless Broadband Service, Accessories and Equipment Agreement No. 1907 (“**NASPO 1907 Agreement**”) will expire on December 31, 2020. If Customer elects NASPO 1907 Agreement as the Master Agreement in Section 1 above, Customer agrees that this Agreement will be governed by the NASPO ValuePoint Wireless Data, Voice and Accessories Master Agreement No. MA176 and applicable Participating Addendum (“**NASPO MA176 Agreement**”), effective on or before January 1, 2021.

(b) The terms and conditions of this Agreement or the Master Agreement will not be modified or superseded by any terms and conditions in a Customer-generated Purchase Order. Purchase Orders will have no force or effect other than to denote quantity, the products or services purchased, delivery destinations, requested delivery dates and any other information required by this Agreement.

2. Term; Termination. Unless terminated under the terms of this Section 2, the term of this Agreement will continue for as long as there is a line of Service that is active under this Agreement (“**Term**”). Subject to the termination rights below, each line of Service activated under this Agreement (regardless of rate plan selected) will have a service term of 60 months from date of activation of such line of Service (“**Base Service Period**”). During a line’s Base Service Period, such line may be migrated from its then-current rate plan listed in Section 4 below to any other rate plan listed in Section 4 below (a “**Plan Migration**”). Plan Migrations will be implemented by T-Mobile by no later than the first day of the second billing month after the billing month during which the Plan Migration was ordered by Customer.

This Agreement and/or any active line of Service hereunder may be terminated: (i) for cause pursuant to the terms of this Agreement and/or the Master Agreement (and if this Agreement is terminated for cause by T-Mobile, then T-Mobile also may, at its option, terminate all or a portion of the then-existing lines of Service); or (ii) upon mutual written agreement by the parties (and in the event this Agreement is terminated upon mutual written agreement of the parties, T-Mobile also may, at its option, terminate all or a portion of the then-existing lines of Service, unless otherwise agreed in writing by the parties); or (iii) by Customer for convenience upon 30 days’ prior written notice to T-Mobile (and in the event this Agreement is terminated by Customer for convenience, T-Mobile may, at its option, terminate all or a portion of the then-existing lines of Service, unless otherwise agreed in writing by the parties); or (iv) after August 31, 2025, by T-Mobile upon 30 days’ prior written notice

to Customer (and in the event this Agreement is terminated pursuant to this subclause, T-Mobile may, at its option, terminate all or a portion of the then-existing lines of Service, unless otherwise agreed in writing by the parties).

In the event the Master Agreement is terminated or expires and is not renewed prior to the expiration of the Term of this Agreement, T-Mobile may enter into a follow-on master agreement for the period after termination or expiration of the Master Agreement (a “**New Master Agreement**”), in which case the New Master Agreement will be substituted for the existing Master Agreement for the remainder of the Term, and the terms and conditions of the New Master Agreement shall supersede and replace the terms of the existing Master Agreement. In the event that the Master Agreement is terminated or expires and is not renewed prior to the expiration of the Term, and T-Mobile does not enter into a New Master Agreement, then Customer and T-Mobile will (i) mutually agree to amend this Agreement in order to transition it under another available master agreement to be substituted for the Master Agreement; or (ii) enter into a mutually agreeable alternative agreement to be substituted for the Master Agreement.

3. Eligibility and Related Rules. The following end-user eligibility and related requirements apply with respect to the Services and Devices provided under this Agreement:

- a. An eligible end-user recipient of the Devices and Services (“**Eligible Student**”) must be a K-12 student: (i) enrolled in a school within Customer’s school district (if Customer is a school district) or enrolled in the school (if Customer is a school); and (ii) participating in the National School Lunch Program at the time of such student’s receipt of the Device and activation of Service, as evidenced by [a National School Lunch Program Letter or other official authorization documentation] (and T-Mobile may from time to time make commercially reasonable requests to Customer to have Customer confirm/verify to T-Mobile that each Eligible Student identified by Customer does or did in fact meet the eligibility requirements of an Eligible Student);
- b. Customer may allocate a maximum of one free hotspot Device (with associated line of Service) to a maximum of one Eligible Student per household (subject to the right to provide Supplemental Devices, as noted in Section 4 below); and
- c. (i) Each line of Service under this Agreement comes with a Device and can only be linked to such Device, unless otherwise requested by Customer in writing and agreed to in writing by T-Mobile in accordance with 3(c)(ii) below. Any Customer-provided devices must be compatible with T-Mobile’s Service.
 - (ii) Pursuant to this Section 3 and in connection with the Line Limit in Section 5 below, Customer has specifically requested and T-Mobile approves that Customer will utilize 0 Customer-provided devices in lieu of receiving a free hotspot Device from T-Mobile. Customer certifies that such Customer-provided devices are compatible with T-Mobile’s Service. T-Mobile agrees, as needed and requested, to provide up to one SIM/eSIM card for each such Customer-provided device.

4. Offer/Pricing.

Rate Plan	Service Commitment	Monthly Recurring Charge/Line	Features ¹	Device Cost (Hotspot) ³	Device Cost (Tablet or other Wi-Fi enabled device) ⁴
Project 10Million Core Plan	Month-to-Month	\$0	Up to 100GB of high- speed data per year per line	\$0	[at T-Mobile Cost]
Project 10Million \$12 100GB per Month Plan²	Month-to-Month	\$12	Up to 100GB of high- speed data per month per line	\$0	[at T-Mobile Cost]
Project 10Million Month-to-Month Unlimited Plan²	Month to Month	\$15	Unlimited on device 4G LTE data	\$0	[at T-Mobile Cost]

¹ During congestion, customers may notice speeds lower than other customers due to data prioritization. Video typically streams at DVD quality (480p). Limited time offer; subject to change. Available lines are limited. Intended for student mobile connectivity. Must verify student National School Lunch Program eligibility. 1 offer per household. Confirm your program can accept free equipment and/or service. Roaming not available. Annual data service ends at earlier of 100GB or 365 days. Monthly data service ends at 100GB on \$12 plan. Roaming not available. **Video streams** at up to 1.5Mbps. Optimization may affect speed of video downloads; does not apply to video uploads. For best performance, leave any video streaming applications at their default automatic resolution setting. **Coverage** not available in some areas. **Network Management:** Service may be **slowed, suspended, terminated, or restricted** for misuse, abnormal use, interference with our network or ability to provide quality service to other users, or significant roaming. During congestion the small fraction of customers using >50GB/mo. may notice reduced speeds until next monthly cycle due to data prioritization. See T-Mobile.com/OpenInternet for details. See **Terms and Conditions** www.T-Mobile.com for additional information.

² Monthly Regulatory Programs (RPF) & Telco Recovery Fee (TRF) totaling \$1.16 per data only line (\$0.15 for RPF & \$1.01 for TRF) apply to the \$12 and \$15 rate plans above.

³ This free hotspot offer is subject to inventory availability. Specific hotspot device type(s) provided to Customer is at T-Mobile's discretion.

⁴ For each free Hotspot provided in connection with Project 10Million, Customer is entitled to purchase up to a maximum of five tablets or other Wi-Fi enabled devices ("**Supplemental Devices**") at a price equal to T-Mobile's cost for the Supplemental Devices. Supplemental Devices must only be allocated to the household that was allocated the initial, free hotspot Device. This Supplemental Device offer is subject to inventory availability and specific type of Supplemental Devices offered are at T-Mobile's discretion. Please contact your Account Representative for more details.

* Prices do not include applicable taxes and surcharges, and do not include any applicable CALNET administrative fee of 2.5%, which will be paid by Customer (provided that prices for Project 10Million Core Plan and associated free hotspot devices do include applicable taxes and surcharges).

5. Total Line Eligibility and Line Limits. Customer is eligible for a combined total of 891 lines of Service using the plans in Section 4 above (with an accompanying free hotspot Device for each line of Service) pursuant to this Agreement (the "**Line Limit**"), based on a maximum of one free hotspot Device (with associated line of Service) to a maximum of one Eligible Student per household. Line Limits are based on the number of students eligible for the National School Lunch Program ("**Qualifying Headcount**"). Customer certifies and attests to T-Mobile that any information provided by Customer to T-Mobile regarding Qualifying Headcount is true and accurate. Notwithstanding anything in this Agreement to the contrary, T-Mobile reserves the right to establish Project 10Million Program participation limits at the Customer or overall Program level in its sole discretion.

6. **Device Warranties.** T-Mobile is not the manufacturer of Devices and does not provide direct product warranties. As a general matter, however, to the extent that Customer receives/purchases any Devices from T-Mobile, T-Mobile passes through any warranty provided by the Device manufacturer, which warranty is typically one (1) year from the date of receipt/purchase.
7. **Seed Stock/Replacement Devices.** In addition to the Line Limit, Customer also may request, subject to T-Mobile's approval, a limited surplus of Devices in connection with an order placed by Customer under this Agreement ("**Seed Stock**"). The Seed Stock amount, if approved, will not exceed a maximum of 1% of the total number of free hotspot Devices ordered pursuant to this Agreement. Seed Stock will be provided to Customer on an as-needed basis and is to be used solely for the replacement of any Devices that are lost, stolen, damaged, or defective.
8. **Additional Stipulations.**
 - a. **Ordering; Activation.** All lines of Service (and accompanying free hotspot Devices) within Customer's Line Limit (i.e., the entire Line Limit) must be ordered by Customer in no event later than 30 days after the Agreement Effective Date), and in accordance with the terms of the Master Agreement. Customer's failure to order its total Line Limit within this 30-day period may, in T-Mobile's sole discretion, result in termination of the unordered portion of the Line Limit.
 - b. **Customer Certifications; Student ID Numbers.** Customer, and not T-Mobile, is solely responsible for identifying and verifying Eligible Students. Customer certifies and attests to T-Mobile that: (i) Customer will allocate Devices and Services only to Eligible Students that have been verified with reasonable certainty by Customer as being eligible under the Project 10Million program (i.e., each end-user recipient of a Device/Service meets the eligibility requirements in Section 3 above); and (ii) Customer has not, and will not, allocate more than one line of Service and one associated free hotspot Device per Eligible Student household (subject to right to purchase and distribute Supplemental Devices). For each line of Service/free hotspot Device, Customer will provide T-Mobile a Student ID # ("**Student ID Number**") associated with such line of Service/Device.
 - c. **No Duplication of Devices/Services.** A student may not participate in Project 10Million through both the T-Mobile retail/consumer/Individual-Liable channel and pursuant to this Agreement. Customer will cooperate in a commercially reasonable manner and in good faith with T-Mobile, to help ensure that: (i) Customer will not identify or permit as an Eligible Student any student that is already participating in Project 10Million through T-Mobile's retail/consumer/Individual Liable channel; and (ii) Customer provides T-Mobile with timely Student ID Number information to assist T-Mobile in enforcing the prohibition that no Eligible Student participating in Project 10Million through this Agreement is permitted to participate in Project 10Million via T-Mobile's retail/consumer/Individual Liable channel.
 - d. **E-Rate and Related Compliance.** Customer, and not T-Mobile, is responsible for ensuring Customer's compliance with FCC, USAC or Other Funding Source rules and regulations, Customer's applications for support, or any decisions or actions by the FCC, USAC or Other Funding Sources with respect to Customer.
 - e. **Device and Account Ownership; Customer Device Management Policy.** Customer acknowledges and agrees that Customer, and not any Eligible Student, is the sole owner of the Devices. Customer is and will remain the account holder for any account(s) associated with the Devices. As such, Customer acknowledges and agrees that neither Eligible Students nor any other third parties are entitled to any information about the account including, but not limited to usage information. In addition, as between Customer and T-Mobile, Customer is solely responsible for maintaining

and implementing its own device management policy governing use of the Services and Devices by its Eligible Students (in all cases subject to the terms and conditions of this Agreement) (a “DMP”). Customer’s DMP may address, among other things, an Eligible Student’s obligation, if any, to return a Device to Customer if certain conditions established by Customer are triggered (e.g., an Eligible Student no longer is a student in Customer’s school district or school, and therefore must return his or her Device to Customer for reallocation to another Eligible Student to use for the remainder of the Base Service Period associated with the returned Device; or an Eligible Student must return his or her Device in the event Customer terminates this Agreement and the Eligible Student’s line of Service also has been terminated as a result). Customer’s DMP will, in any event, contain an acknowledgement and agreement from Eligible Students that (i) Eligible Students do not and will not have any contractual or account relationship with T-Mobile pursuant to this Agreement, and (ii) Eligible Students are not third-party beneficiaries of this Agreement and will not have any legal or equitable right, remedy or claim under or with respect to this Agreement.

- f. **Migration to Other Rate Plans/Terms Concurrent.** In the event one or more lines of Service under this Agreement are migrated to an alternative rate plan (“ARP”) outside of this Agreement/Project 10 Million prior to the end of such line(s)’ Base Service Period (“ARP Migrated Line(s)”), and subsequently such ARP Migrated Lines are migrated back to a plan(s) under this Agreement, then such line(s) of Service are eligible only for the remaining 60-months left on their original Base Service Period, which shall have continued to run concurrently with the period of time spent on the ARP. For illustration purposes only, if a Project 10Million line of Service migrates to an ARP after 2-years, is on the ARP for 2-years and then migrates back to a Project 10M rate plan, then there will be a remainder of 1-year on the Base Service Period.
- g. **Compliance with Applicable Law.** Customer certifies and attests to T-Mobile that Customer is and will be authorized to accept and/or purchase the Services and Devices in accordance with applicable federal, state, and local laws, rules, and regulations (including, without limitation, all applicable ethics and procurement laws, rules, and regulations).
- h. **Third-Party Content.** T-Mobile is not responsible for any third-party content.
- i. **Privacy.** If Customer allows end users under the age of 13 to use the Services, Customer and T-Mobile agree to the terms and representations contained in the “COPPA Notice Addendum” attached as Exhibit A to this Agreement. Customer, and not T-Mobile, will be fully responsible for any claims relating to Customer’s failure to: (i) properly notify Eligible Students about any data collection and/or monitoring of use of the Services and Devices; or (ii) collect any necessary consent relating to an Eligible Student’s use of the Services and Devices.
- j. **Resale.** Customer acknowledges and agrees that this is an agreement for use only by Customer and Eligible Students as set forth in this Agreement. Neither Customer nor Eligible Students may resell or lease Services and/or Devices.
- k. **No Third-Party Beneficiaries.** Nothing expressed or referenced to in this Agreement will be construed to give any person or entity (including, without limitation, Eligible Students) other than Customer and T-Mobile (or their permitted successors and assigns) any legal or equitable right, remedy or claim under or with respect to this Agreement.

9. **Primary Contacts:** The primary contact individuals for this Agreement are as follows (or their named successors):

T-Mobile/Contractor

Name:	David Bezzant, Vice President, T-Mobile For Government
Address:	c/o T-Mobile USA, Inc., 12920 SE 38 th Street, Bellevue, WA 98006
Telephone:	(480) 638-2608
Email:	David.Bezzant@T-Mobile.com

For Legal Notice – send a copy to:

Name:	Legal Department – Sales & Distribution, T-Mobile USA, Inc.
Address:	12920 SE 38 th Street, Bellevue, WA 98006

Customer:

Customer Name/Contact:	Reynolds School District 7 / Chris Greenhalgh
Address:	1204 NE 201 st Ave Fairview Oregon 97024
Telephone:	503-661-7200
Email:	cgreenhalgh@rsd7.net

This Agreement is executed by each Party's authorized representative as of the date of the Agreement Effective Date.

Customer: Reynolds School District 7	Contractor: T-Mobile USA, Inc.
Signature:	Signature:
Printed Name:	Printed Name:
Title:	Title:
Date:	Date:
	Reviewed and Approved by: _____ T-Mobile USA, Inc. CSCA Representative

EXHIBIT A

COPPA Notice Addendum

T-Mobile is providing Customer with direct notice of its data collection, use and disclosure practices set forth below that relate to the Service(s). Customer has read this notice, consents on behalf of parents and guardians of children under 13 to the collection, use and disclosure practices described below, and authorizes T-Mobile to engage in such practices.

Direct Notice of T-Mobile's Data Collection, Use, and Disclosure Practices

We need your consent to collect personal information from your child(ren) in connection with the Project 10Million service. We will not collect, use, or disclose any personal information from children under 13 if you do not provide such consent. This privacy notice describes the personal information we collect and how we use it. The Federal Trade Commission has stated that a district or school may consent to such data collection, use, and disclosure on behalf of the parent or guardian to the extent such data collection, use, and disclosure is to provide services solely for the benefit of the school.

T-Mobile intends to collect the following personal information from your child(ren):

- **Data Usage:** T-Mobile tracks quantity of broadband internet data usage to have that usage total counted against the 100 GB per year of free broadband internet access. As part of delivering this service, T-Mobile also receives the IP address associated with the websites visited.
- **Unique identifiers:** T-Mobile collects a device and network identifier to authenticate the device on our network and provide the service.

T-Mobile uses this personal information only to provide internet connectivity and perform internal analytics. T-Mobile may disclose this personal information to its service providers for assistance in delivering the service, and they must treat this information as confidential and use it only for the purposes for which T-Mobile engaged them. T-Mobile will not disclose information that may be associated with your child to any other entities.

Please be advised that T-Mobile provides connectivity to the general internet through the Project 10Million service. That connectivity allows children to access websites that may involve data collection by third parties. T-Mobile is not responsible for the data collection activities of these third parties and you should carefully monitor your child's use of the service.

For more information, please visit our Project 10Million Privacy Notice in "Our Privacy Policies" at <https://www.t-mobile.com/privacy-center/our-practices>.

To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Dr. Nicole MacTavish, Chief Academic Officer

Subject: Approval of the Early Indicator and Intervention System (EIS) Grant Agreement from Oregon Department of Education

Policy: [Instructional Goal - IA](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #3: We believe that high-quality first-time instruction will eliminate the opportunity gap. We commit to setting high expectations and providing intentional professional development for instructional leaders.

Summary:

On October 2, 2020, the Oregon Department of Education (ODE) informed districts of their funding allocation for the Early Indicator and Intervention Systems (EIS) funded by the Student Success Act. The next week ODE released an “intent to utilize” form which allowed districts to signal they wished to receive their allocation. Reynolds School District submitted intent to utilize on Thursday, October 8, 2020.

On January 7, 2021 we received the EIS Grant Agreement for the 2020-21 period. The Grant Agreement has been approved by legal and needs Board approval for full execution. We have confirmation from ODE that our grant application and budget were approved. We have now received the Grant Agreement for the Comprehensive Distance Learning Funds, only for the ESSER and GEER Federal Funds, from Oregon Department of Education. It is required that the grant agreement receive approval from the local school board. Once the grant agreement is signed and returned to ODE, the district will be able to submit reimbursement requests.

Previous Board Action:

Not Applicable

Background:

A system funded under this grant must enable school districts, students, students' families, educators, school counselors and community organizations to take necessary corrective actions to assist students in graduating from high school.

The grant funds may be used towards the following eligible expenditures: (a) System software purchases and subscriptions; (b) Staffing to maintain the system and facilitate corrective action; (c) Training for staff to maintain and use the system with fidelity; (d) Data analysis and research; (e) Tribal government consultation; and (f) Student, family, staff, and community engagement.

Reynolds High School and Reynolds Learning Academy will utilize these funds to enhance their graduation plans through the addition of supports to current social-emotional learning efforts, additional student and family engagement efforts, and the addition of intervention tracking software.

This grant is effective and has a grant funding start date as of July 1, 2020 ("Effective Date"), and, unless extended or terminated earlier in accordance with its terms, will expire on June 30, 2021.

Financial Implications:

The Early Indicator and Intervention Systems (EIS) Grant is \$38,528 for school year 2020-21.

Alternatives:

The Board has the option to reject the Early Indicator and Intervention Systems (EIS) Grant Agreement or to give further direction and guidance.

Staff Recommendation:

Administration recommends the Board approve the Early Indicator and Intervention Systems (EIS) Grant Agreement and allow it to be signed and submitted to the Oregon Department of Education.

Motion:

I move to approve the Oregon Department of Education Early Indicator and Intervention Systems (EIS) Grant Agreement, Grant Number 14157.

STATE OF OREGON GRANT AGREEMENT

Grant No. 14157

This Grant Agreement (“Grant”) is between the State of Oregon acting by and through its Department of Education (“Agency”) and Reynolds SD 7 (“Grantee”), each a “Party” and, together, the “Parties”.

SECTION 1: AUTHORITY

Pursuant to ORS 327.367 and OAR 581-017-0660 to 581-017-0672, Agency is authorized to enter into a grant agreement and provide funding for the purposes described in this Grant.

SECTION 2: EFFECTIVE DATE AND DURATION

When all Parties have executed this Grant, and all necessary approvals have been obtained (“Executed Date”), this Grant is effective and has a Grant funding start date as of July 1, 2020 (“Effective Date”), and, unless extended or terminated earlier in accordance with its terms, will expire on June 30, 2021.

SECTION 3: GRANT MANAGERS

3.1 Agency’s Grant Manager is:

Gloria Espitia
Office of Education Innovation and Improvement, Programs & Practices
255 Capitol St NE
Salem OR 97310
503-551-7778
Gloria.Espitia@ode.state.or.us

3.2 Grantee’s Grant Manager is:

April Olson
1204 NE 201st Ave
Fairview OR 97024
aolson@rsd7.net

3.3 A Party may designate a new Grant Manager by written notice to the other Party.

SECTION 4: PROJECT ACTIVITIES

Grantee must perform the project activities set forth in Exhibit A (the “Project”), attached hereto and incorporated in this Grant by this reference, for the period beginning on the Effective Date and ending on the expiration date set forth in Section 2 (the “Performance Period”).

SECTION 5: GRANT FUNDS

In accordance with the terms and conditions of this Grant, Agency will provide Grantee up to \$32,528.00 (“Grant Funds”) for the Project. Agency will pay the Grant Funds from monies available through its Statewide Education Initiatives Account (“Funding Source”).

SECTION 6: DISBURSEMENT GENERALLY

6.1 Disbursement.

6.1.1 Subject to the availability of sufficient moneys in and from the Funding Source based on Agency’s reasonable projections of moneys accruing to the Funding Source, Agency will disburse Grant Funds to Grantee for the allowable Project activities described in Exhibit A that are undertaken during the Performance Period.

6.1.2 Grantee must provide to Agency any information or detail regarding the expenditure of Grant Funds required under Exhibit A prior to disbursement or as Agency may request.

6.2 Conditions Precedent to Disbursement. Agency’s obligation to disburse Grant Funds to Grantee under this Grant is subject to satisfaction of each of the following conditions precedent:

6.2.1 Agency has received sufficient funding, appropriations, expenditure limitation, allotments or other necessary expenditure authorizations to allow Agency, in the exercise of its reasonable administrative discretion, to make the disbursement from the Funding Source;

6.2.2 No default as described in Section 11 has occurred; and

6.2.3 Grantee’s representations and warranties set forth in Section 7 are true and correct on the date of disbursement(s) with the same effect as though made on the date of disbursement.

6.3 No Duplicate Payment. Grantee may use other funds in addition to the Grant Funds to complete the Project; provided, however, the Grantee may not credit or pay any Grant Funds for Project costs that are paid for with other funds and would result in duplicate funding.

SECTION 7: REPRESENTATIONS AND WARRANTIES

7.1 Organization/Authority. Grantee represents and warrants to Agency that:

7.1.1 Grantee is a(n) School District duly organized and validly existing in the State of Oregon;

7.1.2 Grantee has all necessary rights, powers and authority under any organizational documents

and under Oregon Law to (i) execute this Grant, (ii) incur and perform its obligations under this Grant, and (iii) receive financing, including the Grant Funds, for the Project;

7.1.3 This Grant has been duly executed by Grantee and when executed by Agency, constitutes a legal, valid and binding obligation of Grantee enforceable in accordance with its terms; and

7.1.4 If applicable and necessary, the execution and delivery of this Grant by Grantee has been authorized by an ordinance, order or resolution of its governing body, or voter approval, that was adopted in accordance with applicable law and requirements for filing public notices and holding public meetings.

SECTION 8: INDEMNITY/LIABILITY

Grantee must defend (subject to the approval of the Attorney General and ORS chapter 180), save, hold harmless, and indemnify the State of Oregon and Agency and their officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature whatsoever, including attorneys’ fees, resulting from, arising out of, or relating to the activities of Grantee or its officers, employees, subgrantees, contractors, subcontractors, or agents under this Grant (each of the foregoing individually or collectively a “Claim” for purposes of this Section). If legal limitations apply to the indemnification ability of Grantee, this indemnification must be for the maximum amount of funds available for expenditure, including any available contingency funds, insurance, funds available under ORS 30.260 to 30.300 or other non-appropriated funds available for payment of an indemnity obligation.

SECTION 9: GOVERNING LAW, JURISDICTION

This Grant is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively “Claim”) between Agency or any other agency or department of the State of Oregon, or both, and Grantee that arises from or relates to this Grant must be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon.

SECTION 10: ALTERNATIVE DISPUTE RESOLUTION

The Parties should attempt in good faith to resolve any dispute arising out of this Grant. This may be done at any management level, including at a level higher than persons directly responsible for administration of the Grant. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. Each Party will bear its own costs incurred for any mediation or non-binding arbitration.

SECTION 11: DEFAULT

- 11.1 Grantee.** Grantee will be in default under this Grant upon the occurrence of any of the following events:
- 11.1.1** Grantee fails to use the Grant Funds for the intended purpose described in Exhibit A or otherwise fails to perform, observe or discharge any of its covenants, agreements or obligations under this Grant;
 - 11.1.2** Any representation, warranty or statement made by Grantee in this Grant or in any documents or reports relied upon by Agency to measure the Project, the expenditure of Grant Funds or the performance by Grantee is untrue in any material respect when made; or
 - 11.1.3** A petition, proceeding or case is filed by or against Grantee under any federal or state bankruptcy, insolvency, receivership or other law relating to reorganization, liquidation, dissolution, winding-up or adjustment of debts; in the case of a petition filed against Grantee, Grantee acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal; or Grantee becomes insolvent or admits its inability to pay its debts as they become due, or Grantee makes an assignment for the benefit of its creditors.
- 11.2 Agency.** Agency will be in default under this Grant if, after 15 days written notice specifying the nature of the default, Agency fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Grant; provided, however, Agency will not be in default if Agency fails to disburse Grant Funds because there is insufficient expenditure authority for, or moneys available from, the Funding Source.

SECTION 12: REMEDIES

- 12.1 Agency Remedies.** In the event Grantee is in default under Section 11.1, Agency may, at its option, pursue any or all of the remedies available to it under this Grant and at law or in equity, including, but not limited to: (i) termination of this Grant under Section 14.2, (ii) reducing or withholding payment for Project activities or materials that are deficient or Grantee has failed to complete by any scheduled deadlines, (iii) requiring Grantee to complete, at Grantee's expense, additional activities necessary to satisfy its obligations or meet performance standards under this Grant, (iv) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, (v) exercise of its right of recovery of overpayments under Section 13 of this Grant or setoff, or both, or (vi) declaring Grantee ineligible for the receipt of future awards from Agency. These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.
- 12.2 Grantee Remedies.** In the event Agency is in default under Section 11.2 and whether or not Grantee elects to terminate this Grant, Grantee's sole monetary remedy will be, within any limits set forth in this Grant, reimbursement of Project activities completed and accepted by Agency and authorized expenses incurred, less any claims Agency has against Grantee. In no event will Agency be liable to Grantee for any expenses related to termination of this Grant or for anticipated profits.

SECTION 13: WITHHOLDING FUNDS, RECOVERY

Agency may withhold from disbursements of Grant Funds due to Grantee, or Grantee must return to Agency within 30 days of Agency’s written demand:

- 13.1 Any Grant Funds paid to Grantee under this Grant, or payments made under any other agreement between Agency and Grantee, that exceed the amount to which Grantee is entitled;
- 13.2 Any Grant Funds received by Grantee that remain unexpended or contractually committed for payment of the Project at the end of the Performance Period;
- 13.3 Any Grant Funds determined by Agency to be spent for purposes other than allowable Project activities; or
- 13.4 Any Grant Funds requested by Grantee as payment for deficient activities or materials.

SECTION 14: TERMINATION

- 14.1 **Mutual.** This Grant may be terminated at any time by mutual written consent of the Parties.
- 14.2 **By Agency.** Agency may terminate this Grant as follows:
 - 14.2.1 At Agency’s discretion, upon 30 days advance written notice to Grantee;
 - 14.2.2 Immediately upon written notice to Grantee, if Agency fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in Agency’s reasonable administrative discretion, to perform its obligations under this Grant;
 - 14.2.3 Immediately upon written notice to Grantee, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that Agency’s performance under this Grant is prohibited or Agency is prohibited from funding the Grant from the Funding Source; or
 - 14.2.4 Immediately upon written notice to Grantee, if Grantee is in default under this Grant and such default remains uncured 15 days after written notice thereof to Grantee.
- 14.3 **By Grantee.** Grantee may terminate this Grant as follows:
 - 14.3.1 If Grantee is a governmental entity, immediately upon written notice to Agency, if Grantee fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to perform its obligations under this Grant.
 - 14.3.2 If Grantee is a governmental entity, immediately upon written notice to Agency, if applicable laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project activities contemplated under this Grant are prohibited by law or Grantee is prohibited from paying for the Project from the Grant Funds or other planned Project funding; or
 - 14.3.3 Immediately upon written notice to Agency, if Agency is in default under this Grant and such

default remains uncured 15 days after written notice thereof to Agency.

- 14.4 Cease Activities.** Upon receiving a notice of termination of this Grant, Grantee must immediately cease all activities under this Grant, unless Agency expressly directs otherwise in such notice. Upon termination, Grantee must deliver to Agency all materials or other property that are or would be required to be provided to Agency under this Grant or that are needed to complete the Project activities that would have been performed by Grantee.

SECTION 15: MISCELLANEOUS

- 15.1 Nonappropriation.** Agency’s obligation to pay any amounts and otherwise perform its duties under this Grant is conditioned upon Agency receiving funding, appropriations, limitations, allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its obligations under this Grant. Nothing in this Grant may be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of Agency.
- 15.2 Amendments.** The terms of this Grant may not be altered, modified, supplemented or otherwise amended, except by written agreement of the Parties.
- 15.3 Notice.** Except as otherwise expressly provided in this Grant, any notices to be given under this Grant must be given in writing by email, personal delivery, or postage prepaid mail, to a Party’s Grant Manager at the physical address or email address set forth in this Grant, or to such other addresses as either Party may indicate pursuant to this Section. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender’s receipt of confirmation generated by the recipient’s email system that the notice has been received by the recipient’s email system.
- 15.4 Survival.** All rights and obligations of the Parties under this Grant will cease upon termination of this Grant, other than the rights and obligations that by their express terms are intended to survive termination of this Grant; provided, however, termination of this Grant will not prejudice any rights or obligations accrued to the Parties under this Grant prior to termination.
- 15.5 Severability.** The Parties agree if any term or provision of this Grant is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Grant did not contain the particular term or provision held to be invalid.
- 15.6 Counterparts.** This Grant may be executed in several counterparts, all of which when taken together constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Grant so executed constitutes an original.
- 15.7 Compliance with Law.** In connection with their activities under this Grant, the Parties must comply with all applicable federal, state and local laws.

- 15.8 Intended Beneficiaries.** Agency and Grantee are the only parties to this Grant and are the only parties entitled to enforce its terms. Nothing in this Grant provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Grant.
- 15.9 Assignment and Successors.** Grantee may not assign or transfer its interest in this Grant without the prior written consent of Agency and any attempt by Grantee to assign or transfer its interest in this Grant without such consent will be void and of no force or effect. Agency’s consent to Grantee’s assignment or transfer of its interest in this Grant will not relieve Grantee of any of its duties or obligations under this Grant. The provisions of this Grant will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.
- 15.10 Contracts and Subgrants.** Grantee may not, without Agency’s prior written consent, enter into any contracts or subgrants for any of the Project activities required of Grantee under this Grant. Agency’s consent to any contract or subgrant will not relieve Grantee of any of its duties or obligations under this Grant.
- 15.11 Time of the Essence.** Time is of the essence in Grantee’s performance of the Project activities under this Grant.
- 15.12 Records Maintenance and Access.** Grantee must maintain all financial records relating to this Grant in accordance with generally accepted accounting principles. In addition, Grantee must maintain any other records, whether in paper, electronic or other form, pertinent to this Grant in such a manner as to clearly document Grantee’s performance. All financial records and other records, whether in paper, electronic or other form, that are pertinent to this Grant, are collectively referred to as “Records.” Grantee acknowledges and agrees Agency and the Oregon Secretary of State’s Office and the federal government and their duly authorized representatives will have access to all Records to perform examinations and audits and make excerpts and transcripts. Grantee must retain and keep accessible all Records for a minimum of six (6) years, or such longer period as may be required by applicable law, following termination of this Grant, or until the conclusion of any audit, controversy or litigation arising out of or related to this Grant, whichever date is later.
- 15.13 Merger, Waiver.** This Grant and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Grant. No waiver or consent under this Grant binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given.

SECTION 16: SIGNATURES

EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES IT HAS READ THIS GRANT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. The Parties further agree that by the exchange of this Grant electronically, each has agreed to the use of electronic means, if applicable, instead of the exchange of physical documents and manual signatures. By inserting an electronic or manual signature below, each authorized representative acknowledges that it is their signature, that each intends to execute this Grant, and that their electronic or manual signature should be given full force and effect to create a valid and legally binding agreement.

IN WITNESS WHEREOF, the Parties have executed this Grant as of the dates set forth below.

STATE OF OREGON acting by and through its Department of Education

By: _____
Contract Specialist

Date

Reynolds SD 7

By: _____
Authorized Signature

Date

Printed Name

Title

Federal Tax ID Number

EXHIBIT A THE PROJECT

SECTION I. PROJECT ACTIVITIES, SCHEDULE, AND BUDGET

Grantee must use the Grant Funds as described in OAR 581-017-0666 and outlined below to implement an Early Indicator and Intervention System that assists students in graduating from high school.

A system funded under this Grant must enable school districts, students, students' families, educators, school counselors and community organizations to take necessary corrective actions to assist students in graduating from high school.

Grant Funds may be used towards the following eligible expenditures:

- (a) System software purchases and subscriptions;
- (b) Staffing to maintain the system and facilitate corrective action;
- (c) Training for staff to maintain and use the system with fidelity;
- (d) Data analysis and research;
- (e) Tribal government consultation; and
- (f) Student, family, staff, and community engagement

Grantee must expend all Grant Funds no later than June 30, 2021 and claims must be submitted to Agency for review and approval within 45 days from this date (no later than August 14, 2021).

Direct Project Costs. Agency will disburse Grant Funds only for the costs of Project activities that occur, including expenses incurred, during the Performance Period.

Indirect/Administrative Costs. Grantee will not be reimbursed for any indirect or administrative costs with Grant Funds. The information described in this paragraph overrides any other verbal or written rate(s) or information provided by Agency, including in any notice of award provided by Agency's Electronic Grants Management System ("EGMS").

SECTION II. PROJECT EVALUATION/REPORTING REQUIREMENTS

Grantee will submit a Reporting Form to Agency detailing the specific uses and summary of how Grant Funds impacted the project as instructed in Section III below.

If the Performance Period begins prior to the Executed Date, any reports for Project activities shown in this Exhibit A as due prior to the Executed Date must be provided to Agency within 30 days of the Executed Date, if not already provided to Agency despite the lack of an executed Grant. Grantee will not be in default for failure to perform any reporting requirements prior to the Executed Date.

SECTION III. DISBURSEMENT PROVISIONS

Agency will disburse the Grant Funds using EGMS, on a cost incurred basis upon receipt of Grantee's request(s) for disbursement.

With the final request for disbursement, Grantee must submit the Reporting Form located on the Agency website: <https://www.oregon.gov/ode/StudentSuccess/Pages/EIIS.aspx>.

D. Approval of Resolutions

- i. Resolution 2020-2021-012 Proclaiming the Celebration of Black History Month

427



RESOLUTION #2020-2021-012

**PROCLAIMING THE CELEBRATION OF
BLACK HISTORY MONTH**

WHEREAS, Black History Month is in the United States a historic tradition beginning in 1926 when historian Carter G. Woodson and the Association of Negro Life and History dedicated the second week in February as “Negro History Week”;

WHEREAS, in 1976, as part of the nation’s bicentennial, Black History Week was expanded and became established as Black History Month, and is now celebrated all over North America;

WHEREAS, the rich inventions, courage, resolve, and cultural influences delivered to the nation by African Americans have been traditionally recognized regionally by the state of Oregon;

WHEREAS, it is appropriate that all citizens reflect upon, cherish, and sustain the contributions that black individuals – both past and contemporary – have made to our nation: Marian Anderson; Maya Angelou; Louis Armstrong; Mary McLeod Bethune; Frederick Douglass; Duke Ellington; Louis Gossett, Jr.; Alex Haley; Kamala Harris; Zora Neale Hurston; Thurgood Marshall; Barack Obama; Colin Powell; Rosa Parks; Leontyne Price; Paul Robeson; Alice Walker; Phyllis Wheatley; and many more; and;

WHEREAS, such people have sacrificed so that we may progress and be inspired during hard times, and encouraged to celebrate and rejoice during happy times; now, therefore,

BE IT RESOLVED that Reynolds School District does hereby proclaim February 2021 as Black History Month. The struggles and achievements of Black people and their role in America’s history profoundly influences and enriches the culture of the United States. Reynolds School District acknowledges these contributions and reaffirms its ongoing commitment to building awareness and an inclusive society.

Adopted this 27th day of January 2021.

Signed:

Chair, Reynolds School District Board of Directors

Attest:

Superintendent/Clerk

ii. Resolution 2020-2021-014 Proclaiming the Celebration of National School Counseling Week

429



RESOLUTION #2020-2021-014

**RESOLUTION PROCLAIMING THE CELEBRATION OF
NATIONAL SCHOOL COUNSELING WEEK IN THE
REYNOLDS SCHOOL DISTRICT**

WHEREAS, the American School Counselor Association has designated February 1-5, 2021, as “National School Counseling Week;”

WHEREAS, 40 school counselors are employed with Reynolds School District to help students reach their full potential;

WHEREAS, school counselors are actively committed to helping student explore their abilities, strengths, interests, and talents as these traits relate to career awareness and development;

WHEREAS, school counselors help parents focus on ways to further the educational, personal, and social growth of their children;

WHEREAS, school counselors work with teachers and other educators to help students explore their potential and set realistic goals for themselves;

WHEREAS, school counselors seek to identify and utilize community resources that can enhance and complement comprehensive school counseling programs and help students become productive members of society;

WHEREAS, comprehensive developmental school counseling programs are considered an integral part of the educational process that enables all students to achieve success in school;

NOW, THEREFORE, BE IT RESOLVED, Reynolds School District publicly thanks the school counselors at each school for providing a vital support system for our school district.

BE IT FURTHER RESOLVED, the Superintendent or her designee shall celebrate National School Counseling Week from February 1-5, 2021.

Adopted this 27th day of January 2021.

Signed:

Chair, Reynolds School District Board of Directors

Attest:

Superintendent/Clerk

iii. Resolution 2020-2021-015 Proclaiming the Celebration of National School
Bus Driver Day



RESOLUTION #2020-2021-015

**RESOLUTION PROCLAIMING THE CELEBRATION OF
NATIONAL SCHOOL BUS DRIVER APPRECIATION
DAY IN THE REYNOLDS SCHOOL DISTRICT**

WHEREAS, 95 licensed school bus drivers, 13 Transportation office staff, and two Transportation supervisors transport a majority of the district's students safely to and from school each day;

WHEREAS, school bus drivers travel each year on regular routes, field trip routes, vocational routes, and special education routes;

WHEREAS, the safety and well-being of these children are of utmost concern to all Reynolds parents; school administrators entrust school bus drivers with the welfare of these children; the position of a school bus driver requires tremendous responsibility; they are to maneuver through traffic regardless of road conditions while maintaining the conduct of children on the bus and are looked to for leadership and life-saving decision-making in the event of an emergency;

WHEREAS, the National Safety Council has documented the far smaller number of accidents and fatalities per capita on school buses than automobiles;

WHEREAS, school bus drivers direct children while they are exiting the bus at their destination; school bus drivers are able to observe any suspicious activity or people along their bus route and communicate that information to proper authorities;

NOW, THEREFORE, BE IT RESOLVED, Reynolds School District publicly thanks the school bus drivers and Transportation office staff for their hard work and dedication in providing a safe ride to and from school for the students in our school district.

BE IT FURTHER RESOLVED, the Superintendent or her designee shall celebrate National School Bus Driver Appreciation Day on February 22, 2021.

Adopted this 27th day of January 2021.

Signed:

Chair, Reynolds School District Board of Directors

Attest:

Superintendent/Clerk

E. Intergovernmental Agreements

- i. IGA between David Douglas SD and Reynolds SD on behalf of RAHS or Open School

435

To: Board of Directors

From: Dr. Christopher Ortiz, Assistant Superintendent of Student & Family Services and District Operations

Prepared by: Hank Bauer, Administrative Analyst to Assistant Superintendent of Student & Family Services

Subject: Intergovernmental Agreement (IGA) between David Douglas School District and Reynolds School District

Policy: [Special Education - IBGAJ](#)
[Alternative Education Programs - IGBHA](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #2: We believe that equitable practices allow everyone within the Reynolds community to thrive. We commit to using equity as a foundation in all decision-making processes in order to eliminate inequities.

Summary:

Intergovernmental Agreement (IGA) between Reynolds School District and David Douglas School District (DDSD) on behalf of Rosemary Anderson High School (RAHS) or Open School.

The agreement states David Douglas School District will provide Speech Language Pathology (SLP) services to Reynolds School District students attending either RAHS or Open School.

The proposed IGA covers services from July 1st, 2020 through June 30th, 2021.

Staff is requesting Board authorization to enter into an Intergovernmental Agreement (IGA) with David Douglas School District (DDSD) on behalf of RAHS and Open School, for Speech Language Pathology (SLP) services to eligible Reynolds School District students through June 30th, 2021.

Cost for services will be billed at \$72 per hour.

Previous Board Action:

Not Applicable

Background:

The DDSD SLP will provide services to eligible students including developing Individualized Education Plans (IEPs), providing instruction, providing consultation to classroom teachers, maintaining special education records, and complying with all federal and state requirements for referral, screening, evaluation, and eligibility procedures.

Financial Implications:

DDSD will invoice Reynolds School District at least quarterly based on services performed. Cost for services will be billed at \$72 per hour. Reynolds shall remit payment to DDSD within 30 days of receipt of the invoice.

Alternatives:

Currently, Reynolds School District students served under this IGA require a level of support only DDSD can provide at the present time.

Staff Recommendation:

Staff recommends that the Board authorize the District to enter into an IGA with David Douglas School District on behalf of RAHS or Open School.

Motion:

I move that Board authorize the District to enter into an IGA with David Douglas School District on behalf of RAHS or Open School.

DDSD Contract ID#	2021216
Contractor Contract ID#	

INTERGOVERNMENTAL AGREEMENT (IGA)
between
David Douglas School District No. 40
and
Reynolds School District No. 7

Pursuant to authority granted in ORS Chapter 190; this Intergovernmental Agreement ("Agreement") is between **DAVID DOUGLAS SCHOOL DISTRICT NO. 40**, a public school district of the State of Oregon, hereinafter ("DDSD") and **REYNOLDS SCHOOL DISTRICT NO. 7**, a public school district of the State of Oregon ("RSD"); each separately a "Party" and collectively "the Parties."

The Parties mutually agree as follows:

Term of Agreement. The initial Agreement term shall be July 1, 2020 through June 30, 2021.

Scope of Work. The Parties shall perform the work described in Exhibit 1.

Payment for Work. RSD shall make payments to DDSD as noted in Exhibit 2.

Agreement Documents. This agreement consists of the following documents, which are listed in descending order of precedence:

- This Intergovernmental Agreement document,
- Exhibit 1 - Scope of Work,
- Exhibit 2 – Compensation,
- Exhibit 3 – RSD Insurance, and
- Exhibit 4 – DDSD Insurance.

A conflict in the Agreement documents shall be resolved in the priority listed above with this Agreement taking precedence over all other documents. These Agreement documents are the entire agreement between the Parties and shall supersede any prior representation, written or oral.

STANDARD TERMS AND CONDITIONS

1. **Relationship.** DDSD and RSD intend that the relationship between the Parties to be at all times and for all purposes under this Agreement that of independent contractors. Each Party shall be responsible exclusively for their respective officers, employees and agents.
2. **Subcontracts and Assignments.** Neither Party shall subcontract or assign any part of the Agreement without the prior written approval of the other Party.
3. **Termination.** This Agreement may be terminated as follows unless otherwise specified herein:

- a. **Mutual Agreement.** DDSD and RSD, by written mutual agreement, may terminate this Agreement at any time.
 - b. **For Convenience upon 60 days written notice.** Either Party may terminate the Agreement for convenience upon 60 calendar days written notice, except that if the services provided under the contract relate to a provision of special education services, the effective date of termination of services shall be 60 school days after the date the individualized education program team determines that the student's placement will be changed unless prohibited by law. Termination shall not prejudice any right or obligation of the parties already accrued under the Agreement prior to the effective date of termination.
 - c. **Breach.** Either Party may terminate this Agreement in the event of a material breach by the other Party. To be effective, the Party seeking termination must give the other Party written notice of the material breach, what actions the Party seeking termination wants the other Party to take/complete in order to cure the material breach, and of its intent to terminate if the material breach is not cured within 15 calendar days. The breaching Party shall give the non-breaching Party written notice of the actions it took/takes to cure the material breach before the 15 calendar days to cure expires. If the breaching Party does not entirely cure the material breach within 15 calendar days from the date of the notice from the non-breaching Party, this Agreement shall automatically terminate, unless the Parties mutually agree in writing to extend the timeline to cure.
 - d. Termination by either Party shall not constitute a waiver of any claim either Party may assert against the other Party under the terms of this Agreement. DDSD shall not be liable for indirect or consequential damages arising or resulting from early termination of this Agreement.
4. **Access to Records.** Each Party shall have access to the books, documents and other records of the other which are related to this Agreement for the purpose of examination, copying and audit, unless otherwise limited by law.
 5. **Confidentiality.** No reports, information, and/or data given to or prepared or assembled by the Parties under this Agreement shall be made accessible to any individual or organization by either Party without the prior written approval of the other Party, except as allowed by 20 USC 1232(g) (Family Educational Rights and Privacy Act, "FERPA").
 6. **FERPA Re-disclosure.** The Parties recognize that the Family Educational Rights and Privacy Act (FERPA) imposes strict penalties for improper disclosure or re-disclosure of confidential student information including but not limited to denial of access to personally identifiable information from education records for at least five years (34 CFR 99.33(e)). Therefore, consistent with the requirements of FERPA, personally identifiable information obtained by the Parties in the performance of this Agreement may not be re-disclosed to third parties without written consent of the students' parent/guardian and must be used only for the purposes identified in this Agreement.
 7. **Compliance with Applicable Law.** Each Party shall comply with all federal, state, and local laws and all regulations and administrative rules established pursuant to those laws applicable to public contracts and to the work done under this Agreement.

8. **Mutual Indemnity and Hold Harmless.** Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, as applicable to a local public body, DDSD shall indemnify, defend and hold harmless RSD, its officers, agents, and employees, from and against all liability, loss and costs arising out of or resulting from the negligent acts or omissions of DDSD, its officers, employees and agents in the performance of this Agreement. Subject to the conditions and limitations of the Oregon Constitution and the Oregon Tort Claims Act, ORS 30.260 through 30.300, as applicable to a local public body, RSD shall indemnify, defend and hold harmless DDSD, its officers, agents, and employees, from and against all liability, loss and costs arising out of or resulting from the negligent acts or omissions of RSD, its officers, employees and agents in the performance of this Agreement.
9. **Insurance.** RSD will provide proof of insurance coverage as provide in Exhibit 3.
10. **Governing Law.** The provisions of this Agreement shall be construed in accordance with the laws of the State of Oregon. Any legal action involving any question arising under this Agreement must be brought in Multnomah County Circuit Court. If the claim must be brought in a federal forum, then it shall be brought and conducted in the United States District Court for the State of Oregon. RSD AGREES TO THE JURISDICTION OF THESE COURTS.
11. **Unsupervised Contact with Students and Criminal Background Checks.** Unsupervised contact with students means contact that provides the person opportunity and probability for person communication or touch with students when not under direct DDSD supervision. As required by ORS 181.534 and 326.603, RSD will work with DDSD to ensure that RSD's employees, officers, subcontractors, and agents will have no direct, unsupervised contact with students while at any DDSD school or other DDSD location(s). RSD will work with DDSD to ensure compliance with this requirement. When unsupervised contact with students is required under a contract with DDSD, before any work begins under this Agreement, RSD shall ensure, at its expense, that any person RSD assigns to perform services under the contract meets all the State of Oregon's and DDSD's criminal background check requirements. DDSD will ensure its employees performing services under this contract will meet all the State or Oregon's and DDSD's criminal background check requirements.
12. **Licenses.** At all times during the term of this agreement, RSD and DDSD represent that they have any and all currently required licenses, certifications or other evidence of the necessary skills, abilities, and professional knowledge needed to carry out the terms of this Agreement.
13. **Merger Clause.** There are no covenants, promises, agreements, conditions, or understandings between the Parties, either oral or written, other than those contained in this Agreement and its Exhibit(s) as noted on page 1 of this agreement.
14. **Waiver, Severability.** Waiver of any default or breach under this Agreement by DDSD does not constitute a waiver of any subsequent default or a modification of any other provisions of this Agreement. If any term or provision of this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Agreement did not contain the particular term or provision held invalid.

15. **Force Majeure.** Neither DDSD nor RSD shall be held responsible for delay or default caused by any contingency beyond its control, including, but not limited to war or insurrection, strikes or lockouts by the Parties' own employees, fires, natural calamities, riots, demands or requirements of governmental agencies other than DDSD or RSD.
16. **Representations.** RSD and DDSD represents and warrant that any and all work under this Agreement shall be performed in a good workmanlike manner and in accordance with the highest of professional standards.
17. **Employee, Agent, Subcontractor, or Officer Removal.** DDSD will immediately remove any DDSD employee, agent, subcontractor, or officer from performing any service(s) under this Agreement upon receipt of notification that RSD determined, in RSD's sole discretion, that removal of the employee, RSD, subcontractor, or officer is in RSD's best interest.
18. **Modification.** No waiver, consent, modification or change in the terms of this Agreement shall bind either Party unless in writing signed by both Parties. A written waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. Handwritten revisions made to this Agreement, which are not initialed and dated by both Parties, shall be deemed to have been rejected.
19. **Joint authorship.** RSD has reviewed this Agreement and negotiated for change to any language that RSD found vague. Accordingly, anyone constructing and/or interpreting this Agreement shall not construe any of its terms strictly against either Party.
20. **Time is of the essence.** Time of the essence in all terms, provisions, covenants, and conditions contained in this Agreement and its attachments.
21. **Performance audit.** DDSD will conduct a performance audit to determine whether the terms, conditions, obligations, agreements and understandings of this Agreement are met.
22. **Notices.** All notices or demands of any kind required or desired to be given by DDSD or RSD must be in writing and shall be deemed delivered upon depositing the notice or demand in the United States mail, certified or registered, postage prepaid, addressed to the respective Party at the address listed below.

David Douglas School District
 Attn: Patt Komar
 Director of Administrative Services
 11300 NE Halsey St.
 Portland, OR 97220

Reynolds School District
 Attn: Matt Bennett
 Director of Special Education
 1204 NE 201st Ave.
 Fairview, OR 97024

SIGNATURES ON NEXT PAGE

I have read this Agreement including the attached Exhibit(s). I certify that I have the authority to sign and enter into this Agreement. I understand the Agreement and agree to be bound by its terms.

David Douglas School District
Patt Komar
Director of Administrative Services

Reynolds School District

Date

Date

Approved by Legal 12/16/2020

EXHIBIT 1

SCOPE OF WORK

The Parties agree that DDSD staff will provide Speech Language Pathology (SLP) Services to Reynolds School District students attending either Rosemary Anderson High School (RAHS) or Open School.

DDSD will ensure that the speech language pathologist is appropriately licensed.

The designated DDSD SLP will provide the following services:

1. Develop Individualized Education Plans (IEPs) for eligible students.
2. Provide appropriate SLP instruction to eligible students as per the IEP.
3. Provide consultation to classroom teachers regarding specific student needs.
4. Maintain accurate and timely special education records for each student.
5. Comply with all federal and state requirements for referral, screening, evaluation, and eligibility procedures.

Reynolds SD will:

1. Identify a liaison to coordinate with DDSD regarding the contract.
2. Provide for any other specially designed instruction or related services required by the IEP for their students and be responsible for FAPE and due process for its students.

The Parties jointly will:

1. Be mutually involved and cooperate in the planning and coordination of referral and evaluation services for children.
2. Avoid duplication of services whenever possible by coordinating efforts for Child Find, referral, screening and evaluation.
3. Arrange a meeting at any time if either district recognizes the staffing needs have changed.
4. Comply with laws and policies related to the confidentiality of information gathered about children and families.
5. Provide services in good faith and establish a system for conflict resolution.
6. Cooperate in program reviews and participate in advisory committees as requested by either Party.
7. Report all allegations of child abuse and neglect to child welfare.

DDSD Contract ID#	2021216
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EXHIBIT 2
COMPENSATION

DDSD will invoice RSD at least quarterly at the end of each calendar quarter based on services performed. Cost for services will be billed at \$72.00 per hour. RSD shall remit payment to DDSD within 30 days of receipt of the invoice.

RSD should direct billing questions to Accounts Receivable, David Douglas School District, Business Office, 11300 NE Halsey St., Portland, OR 97220, (503) 261-8220, accounts_receivable@ddouglas.k12.or.us.

**EXHIBIT 3
RSD INSURANCE REQUIREMENTS**

RSD shall at all times maintain in force, at RSD's expense, each insurance noted below:

Workers Compensation insurance in compliance with ORS 656.017, which requires subject employers to provide workers' compensation coverage in accordance with ORS Chapter 656 for all subject workers. RSD and all subcontractors of RSD with one or more employees must have this insurance unless exempt under ORS 656.027.

THIS COVERAGE IS REQUIRED. Attach Certificate of Insurance.

Professional Liability/E&O insurance with a combined single limit of not less than \$500,000, \$1,000,000, \$2,000,000 each claim, incident, or occurrence, with an annual aggregate limit of \$500,000, \$1,000,000, \$2,000,000. This is to cover damages caused by error, omission, or negligent acts related to professional services provided under this Contract. This coverage must be provided and remain in force for two years after the completion of the contract.

Required by DISTRICT Not required by DISTRICT

Commercial General Liability insurance, on an occurrence basis, with a limit of not less than \$500,000, \$1,000,000, \$2,000,000 each occurrence for Bodily Injury and Property Damage, with an annual aggregate limit of \$1,000,000, \$2,000,000, 3,000,000. This insurance must include contractual liability coverage.

Required by DISTRICT Not required by DISTRICT

Commercial Automobile Liability insurance with a combined single limit, or the equivalent of not less than \$500,000, \$1,000,000, \$2,000,000 each occurrence for Bodily Injury and Property Damage, including coverage for owned, hired or non-owned vehicles.

Required by DISTRICT Not required by DISTRICT

Additional Requirements. Coverage must be provided by an insurance company admitted to do business in Oregon or rated A- or better by Best's Insurance Rating. RSD shall pay all deductibles and retentions. A cross-liability clause or separation of insureds condition must be included in all commercial general liability policies required by this Contract. RSD's coverage will be primary in the event of loss.

Certificate(s) of Insurance Required. RSD shall furnish a current Certificate(s) of Insurance to the DISTRICT prior to contract execution. The Certificate(s) shall provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without 30 days' written notice from the RSD's insurer to the DISTRICT. The Certificate(s) shall also state the deductible or retention level. For commercial general liability, the Certificate shall also provide that the DISTRICT, its agents, officers, and employees are Additional Insureds with respect to RSD's services to be provided under this Contract. An additional insured endorsement shall be attached to the Certificate of Insurance. No work shall commence until the District receives the certificate and additional insured endorsement. If requested, complete copies of insurance policies shall be provided to the DISTRICT.

In Lieu of Insurance. In lieu of the insurance policies required by this Section, AGENCY may provide coverage through self-insurance or a self-insured retention plus insurance. If AGENCY elects to provide such coverage, it must do so in an amount and with coverage at least equal to the requirements of this Section in a form acceptable to the DISTRICT. AGENCY shall provide proof of self-insurance to DISTRICT before this Contract takes effect and thereafter upon request by the DISTRICT. AGENCY shall provide that there shall be no cancellation, termination, material change, or reduction of limits of the coverage without 30 days' written notice from the AGENCY to DISTRICT. DISTRICT will provide proof of insurance coverage to AGENCY.

**EXHIBIT 4
DDSD INSURANCE REQUIREMENTS**

DDSD shall at all times maintain in force, at DDSD's expense, each insurance noted below:

Workers Compensation insurance in compliance with ORS 656.017, which requires subject employers to provide workers' compensation coverage in accordance with ORS Chapter 656 for all subject workers. DDSD and all subcontractors of DDSD with one or more employees must have this insurance unless exempt under ORS 656.027.

THIS COVERAGE IS REQUIRED. Attach Certificate of Insurance.

Professional Liability/E&O insurance with a combined single limit of not less than \$500,000, \$1,000,000, \$2,000,000 each claim, incident, or occurrence, with an annual aggregate limit of \$500,000, \$1,000,000, \$2,000,000. This is to cover damages caused by error, omission, or negligent acts related to professional services provided under this Contract. This coverage must be provided and remain in force for two years after the completion of the contract.

Required by DISTRICT Not required

Commercial General Liability insurance, on an occurrence basis, with a limit of not less than \$500,000, \$1,000,000, \$2,000,000 each occurrence for Bodily Injury and Property Damage, with an annual aggregate limit of \$1,000,000, \$2,000,000, 3,000,000. This insurance must include contractual liability coverage.

Required Not required

Commercial Automobile Liability insurance with a combined single limit, or the equivalent of not less than \$500,000, \$1,000,000, \$2,000,000 each occurrence for Bodily Injury and Property Damage, including coverage for owned, hired or non-owned vehicles.

Required Not required

Additional Requirements. Coverage must be provided by an insurance company admitted to do business in Oregon or rated A- or better by Best's Insurance Rating. DDSD shall pay all deductibles and retentions. A cross-liability clause or separation of insureds condition must be included in all commercial general liability policies required by this Contract. DDSD's coverage will be primary in the event of loss.

Certificate(s) of Insurance Required. DDSD shall furnish a current Certificate(s) of Insurance to RSD prior to contract execution. The Certificate(s) shall provide that there shall be no cancellation, termination, material change, or reduction of limits of the insurance coverage without 30 days' written notice from the DDSD's insurer to the DISTRICT. The Certificate(s) shall also state the deductible or retention level. For commercial general liability, the Certificate shall also provide that the RSD, its agents, officers, and employees are Additional Insureds with respect to DDSD's services to be provided under this Contract. An additional insured endorsement shall be attached to the Certificate of Insurance. No work shall commence until the RSD receives the certificate and additional insured endorsement. If requested, complete copies of insurance policies shall be provided to the RSD.

X. **8:55p - Action Items**

A. Adopting Prioritized Themes for the 2021-2022 Budget

447

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Christina Weinard, Director of Financial Services
Subject: 2020-2021 Board Budget Prioritized Themes
Policy: [Budget Preparation - DBE](#)
Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

Reynolds School District hosted two live virtual sessions for staff members to gather input on budget themes for the 2021-2022 budget. A presentation with public surveys was also available virtually for students, parents, staff, and community members from October 15 to November 15. The information that was gathered was provided to the School Board at their December 9, 2020 Work Session for discussion.

Individual board members were asked to identify their top three priorities for funding for the 2021-2022 school year while in a constraint budget. Results were tabulated to determine which themes were identified the most. After careful review and discussion, the Board determined the following budget themes should be used by administration in developing the 2021-2022 Reynolds School District budget:

- Mental Health Supports
- Additional Academic Supports
- Culturally Responsive Curriculum

If the Board approve the three budget themes, the Superintendent of Schools and administration will use the prioritized themes as guidance to make recommendations to the Budget Committee and Board when developing the proposed 2021-2022 budget.

Previous Board Action:

The School Board approves the Board Budget Priorities each year to give the Superintendent of Schools and administration guidance when developing the budget.

Background:

Reynolds School District had two live Budget Goals & Priorities Input Sessions. Due to the COVID-19 pandemic, the live sessions were virtual on October 15, 2020 and November 5, 2020. The online virtual session was available on the district's website from October 15, 2020 to November 15, 2020. A total of 109 participants, including students, staff and community members, provided input during these sessions.

The School Board received the input from the Budget Goals & Priorities prior to the December 9th Board Work Session. At the December 9th Work Session, the School Board prioritized the themes for the 2021-2022 Budget, resulting in the three prioritized themes.

Financial Implications:

Implications will be to present to the Budget Committee a balanced budget.

Alternatives:

The Board could decide a different direction for the Superintendent of Schools and administration when developing the 2021-2022 budget.

Staff Recommendation:

The district recommends the School Board adopt the 2021-2022 Board's Budget Prioritized Themes.

Motion:

I move to approve the Reynolds School District 2021-2022 Board Budget Prioritized Themes and allowing the Superintendent of Schools and administration to move forward in developing the 2021-2022 to include focus in these areas:

- Mental Health Supports
- Additional Academic Supports
- Culturally Responsive Curriculum



*EACH AND EVERY CHILD PREPARED
FOR A WORLD YET TO BE IMAGINED*

2021-22 Budget Themes Board Meeting

January 27, 2021



Staff & Community Input Sessions



Total Input:
Staff = 60
Parents = 43
Students = 4
Community = 2

Reynolds School District invites our staff members to attend one of the upcoming Budget Goals & Priorities Sessions. The school board welcomes your suggestions and input on budget priorities for the 2021-22 school year budget and will consider all feedback when preparing budget goals in December 2020. Please join us so your voice can be heard!

Reynolds School District invites parents and community members to attend the upcoming Budget Goals & Priorities Session. The school board welcomes your suggestions and input on budget priorities for the 2021-22 school year budget and will consider all feedback when preparing budget goals in December 2020. Please join us so your voice can be heard!

**Budget Goals & Priorities Session 1
(STAFF ONLY)**
THURSDAY, OCTOBER 15, 2020
4:00-5:30pm
Virtual Meeting (online only)
<https://www.reynolds.k12.or.us/district/2021-22-budget>

**Budget Goals & Priorities Session 2
(STAFF ONLY)**
THURSDAY, NOVEMBER 5, 2020
4:00-5:30pm
Virtual Meeting (online only)
<https://www.reynolds.k12.or.us/district/2021-22-budget>

Budget Goals & Priorities Session
RECORDING AND SURVEY AVAILABLE ONLINE
OCTOBER 15 – NOVEMBER 15, 2020
<https://www.reynolds.k12.or.us/district/2021-22-budget>

RECORDING AND SURVEY AVAILABLE ONLINE OCTOBER 15 – NOVEMBER 15, 2020
<https://www.reynolds.k12.or.us/district/2021-22-budget>

Key Findings – Budget Input Questions

Question 1 – In the event RSD needs to budget for a constraint (current budget with fixed-cost increases not funded), what is non-negotiable or should not be changed?

(Summarized categories in order of response rate)

- **Class Size** - Maintain small class size for the elementary schools
- **Art, Music, P.E** - Create a baseline and formula to allocate FTE for Music and PE to the schools so that all students will have access and maintain current Art programs funded by the Portland Art Tax for elementary
- **Retain Current Staff Levels** - Depending on state funding, we will keep the classrooms our priority to the greatest extent possible
- **Safety** - School Resource Officers, Health and Safety Assistants, SMTs, Custodial staff and cleaning supplies/disinfectants
- **Mental Health Supports** - Counselors, Social Workers, Social Emotional Learning and Multi-Tiered System of Support (MTSS)
- **Salaries and Wages** - All bargaining agreements are open this year
- **Library Media** - Maintain current level
- **Assistant Principals** - Maintain current⁴⁵¹ level

Key Findings – Budget Input Questions (cont.)

Question 2 – In the event there is no change to the 2021-22 budget, are there new and innovative ways the General Fund should be prioritized?

(Summarized categories in order of response rate)

- **Music, Art & PE** - Create a baseline and formula to allocate FTE for Music and PE to the schools so that all students will have access and maintain current Art programs funded by the Portland Art Tax for elementary
- **Class Size** - Maintain small class size for the elementary schools
- **Technology** - Create a technology replacement cycle for student and staff devices and continue professional development cycles
- **Curriculum** - Maintain curriculum adoption cycle required by Oregon Department of Education
- **Library Media** - Maintain current level
- **Mental Health Support** - Counselors, Social Workers, Social Emotional Learning and Multi-Tiered System of Support (MTSS)

Strategic Goal Topic Areas

- During the 2019-2020 and 2020-2021 school year, the Reynolds School District Strategic Plan 2026 process gathered input from:
 - 400+ Stakeholders
 - 18 Focus Groups
 - 4 Community Meetings
 - 7 Steering Committee Meetings



Core Beliefs and Commitments (Pillars)

Throughout the process, RSD stakeholders were asked to view the District through the lens of the Board of Education’s Core Beliefs and Commitments.

 <p>PILLAR 1 EQUITY</p>	 <p>PILLAR 2 ORGANIZATIONAL CULTURE</p>	 <p>PILLAR 3 INSTRUCTIONAL PRACTICES</p>	 <p>PILLAR 4 SAFETY</p>
<p>We believe that equitable practices allow everyone within the Reynolds community to thrive.</p> <p>We commit to using equity as a foundation in all decision-making processes in order to eliminate inequities.</p>	<p>We believe that the heart of a high-performing organization is its people.</p> <p>We commit to becoming an inclusive and positive organizational culture.</p>	<p>We believe that high-quality first-time instruction will eliminate the opportunity gap.</p> <p>We commit to setting high expectations and providing intentional professional development for instructional leaders.</p>	<p>We believe that all students, families and staff deserve a safe and secure learning environment.</p> <p>We commit to providing physical and emotional safety across the Reynolds community.</p>

High-Level Architecture

Utilizing community stakeholder input, the Steering Committee and Cabinet identified four major Goal Topic Areas that were vetted through the Four Pillars of the strategic plan.



Goal Topic #1: Marginalized Students

Goal Topic #2: Culturally Responsive Instruction

Goal Topic #3: Student and Staff Wellness

Goal Topic #4: Professional Development

Budget Input Themes

- 1 Non-negotiable, do not change
- 2 New and innovative ideas

Goal Topic #1: Marginalized Students

Goal Topic #2: Culturally Responsive Instruction

Goal Topic #3: Student and Staff Wellness

Goal Topic #4: Professional Development

#1
#3

Class Size

1 2

#1
#2
#3
#4

**Art, Music,
P.E.**

1 2

#1
#2
#3

**Retain
Current
Staff Levels**

1

#1
#2
#3
#4

Safety

1

#1
#2
#3
#4

**Mental
Health
Supports**

1 2

#3

**Salaries and
Wages**

1

#1
#2
#3
#4

**Library
Media**

1 2

#1
#2
#3
#4

**Assistant
Principals**

1

#1
#2
#3
#4

Technology

2

#1
#2
#3
#4

Curriculum

2

Prioritized 2021-2022 Budget Themes

(in order of priority)

Goal Topic #1: Marginalized Students

Goal Topic #2: Culturally Responsive Instruction

Goal Topic #3: Student and Staff Wellness

Goal Topic #4: Professional Development

#1
#2
#3
#4

Mental Health Supports

#1
#2
#3
#4

Additional Academic Supports

#1
#2
#3
#4

Culturally Responsive Curriculum



To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Comprehensive Distance Learning Update

Policy: [School Day - ID](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

The safety of our students, families, and staff continues to be Reynolds School District's highest priority as we look toward offering in-person instruction in the future. Governor Brown recently issued a change to the guidance on the metrics to reopen schools on December 23rd. This change includes moving Oregon's COVID-19 Health Metrics for Returning to In-Person Instruction to advisory metrics effective January 1, 2021, rather than mandatory metrics as previously issued. This change allows school districts to determine a localized response to opening schools for any in-person instruction.

Although the mandate has changed, Reynolds School District maintains our priority for safety. The Reynolds School Board previously took action to approve continuing Comprehensive Distance Learning through the end of the first semester and directed the Superintendent of Schools to continue reviewing data to advise on any proposal to move into Hybrid Model (in-person instruction and comprehensive distance learning) no earlier than February 1, 2021.

While it is now a District decision to open schools to in-person instruction, the previously developed metrics are still considered advisory. Reynolds School District will continue using these metrics to determine when it may be safe to open for in-person instruction for our students and staff. The metrics for Multnomah County continue to remain in the "Extreme Risk" category.

The decision to offer in-person instruction while in a global pandemic is determined by multiple complex factors. District leadership are currently reviewing all input to determine the feasibility and timing of providing in-person instruction in the future. This includes careful review of current COVID-19 transmission rates in Multnomah County, survey results from families and staff, CDC and OHA health guidelines, ODE guidance, vaccine and testing availability, REA/OSEA/RAA negotiations, staffing capacity, building capacity, financial requirements, etc.

Using this collected information to determine our District's ability to open school buildings to students, I am recommending that the Reynolds School District should remain in Comprehensive Distance Learning through March 26, 2021.

This recommendation to the Board is intended to allow additional planning time to offer safe in-person instruction in the future and greater deployment of the COVID-19 vaccine to drop transmission rates.

Previous Board Action:

The Board approved continuing Comprehensive Distance Learning until at least February 1 at the October 28, 2020 Business Meeting.

Background:

Not Applicable

Financial Implications:

Not Applicable

Alternatives:

Not Applicable

Staff Recommendation:

Staff recommends continuing CDL until after Spring Break

Motion:

I move that the Board approves of Reynolds School District continuing Comprehensive Distance Learning until after Spring Break.

C. Resolution 2020-2021-013: Authorizing the Budget Increase of the Capital Projects Fund 400 to Appropriate the Refunding of the Full Faith Credit Refunding Obligations, Series 2010

463

To: Board of Directors

From: Dr. Danna Diaz, Superintendent of Schools

Prepared by: Christina Weinard, Director of Financial Services

Subject: Resolution 2020-2021-013 Amending the Adopted Budget

Policy: [Budget Transfer Authority – DBK-AR](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals:

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4:

We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

The District is requesting an amendment to the 2020-21 budget increasing Capital Projects Fund 400 revenue and expenditures in major function level 5000 in the amount of \$1,200,000. This amendment is requested to appropriate the Reissuance of the Full Faith and Credit Refunding Obligation, Series 2010.

Previous Board Action:

The Board adopted the 2020-21 budget per Resolution #2019-2020-016 and;
The Board adopted Resolution #2020-2021-003 and;
The Board adopted Resolution #2020-2021-011 and;
The Board adopted Resolution #2020-2021-012 and the Board approved the Full Faith and Credit Refunding, Series 2010 by adopting Resolution #2020-2021-008.

Background:

The District adopted Resolution 2020-2021-008 Authorizing the Issuance and Negotiated Sale of a Full Faith and Credit Agreement of the District which shall be issued in an aggregate principal amount sufficient to refund all or a portion of the Refundable Obligations and in an amount not

to exceed \$1,200,000 to finance bus purchases and to pay the costs related to the authorization, sale, issuance and delivery of the Agreement.

Financial Implications:

The proposed request to increase appropriations in the Capital Projects Fund 400 in expenditures major function 5000 by \$1,200,000 for the Refunding of the Full Faith and Credit Refunding Obligations, Series 2010 in the 2020-21 budget.

Alternatives:

The Board could decide not to adopt the resolution.

Staff Recommendation:

Staff recommends the Board adopt Resolution #2020-2021-013, as proposed.

Motion:

I move that the Board adopt Resolution 2020-2021-013 A Resolution Authorizing the Budget Increase to Capital Projects Fund 400 Revenue and Expenditures in major function 5000 appropriations to include the Refunding of the Full Faith and Credit Refunding Obligations, Series 2010 in the amount of \$1,200,000.

Resolution #2020-2021-013

**A RESOLUTION AUTHORIZING THE BUDGET INCREASE OF THE CAPITAL PROJECTS FUND 400
TO APPROPRIATE THE REFUNDING OF THE FULL FAITH AND CREDIT REFUNDING
OBLIGATIONS, SERIES 2010**

WHEREAS, the Board adopted the 2020-21 Budget through Resolution #2019-2020-016 based on assumptions and information known at that time, and Resolution #2020-2021-003 Amending the Adopted Budget, Resolution #2020-2021-011 Amending the Adopted Budget and #2020-2021-012 Amending the Adopted Budget; and

WHEREAS, Oregon Local Budget Law, ORS 294.480, allows budget changes after adoption under prescribed guidelines, and

WHEREAS, the District requires an increase to the Capital Projects Fund 400 to appropriate the Refunding of the Full Faith and Credit Refunding Obligations, Series 2010, and

WHEREAS, the Board approved the Environmental Protection Agency (EPA) 2019 Diesel Emission Reduction Act (DERA) School Bus Rebate, and the Portland General Electric (PGE) 2020 Electric School Bus Grant, and the Board approved the authorization for purchase of school buses related to the EPA, DERA and PGE grants, and;

WHEREAS, the Board desires to modify the 2020-21 Adopted Budget, increasing appropriations by \$1,200,000 in the Capital Projects Fund 400

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of Reynolds District #7 to approve the following adjustments to the 2020-21 Budget:

Major Function	Item Description	Approved Budget 2020-21	This Amendment	Adopted Budget 2020-21
GENERAL FUND				
Requirements				
1000	Instruction	83,220,180	-	83,220,180
2000	Support Services	56,216,054	-	56,216,054
3000	Community Services	462,610	-	462,610
5110	Long-Term Debt Service	333,455	-	333,455
5200	Transfers	3,535,913	-	3,535,913
6000	Contingency	1,620,145	-	1,620,145

7000	Ending Fund Balance	4,970,966	-	4,970,966
TOTAL		150,359,323	-	150,359,323

FEDERAL PROGRAMS				
Requirements				
1000	Instruction	6,156,416	-	6,156,416
2000	Support Services	4,098,605	-	4,098,605
3000	Community Services	510,181	-	510,181
TOTAL		10,765,202	-	10,765,202

STATE & OTHER PROGRAMS FUND				
Requirements				
1000	Instruction	6,554,689	-	6,554,689
2000	Support Services	14,489,992	-	14,489,992
3000	Community Services	527,413	-	527,413
4000	Building Acquisition, Construction and Improvement Services	2,500,000	-	2,500,000
6000	Contingency	242,101	-	242,101
7000	Ending Fund Balance	111,910	-	111,910
TOTAL		24,426,105	-	24,426,105

NUTRITION SERVICES				
Requirements				
3000	Community Services	8,295,050	-	8,295,050
6000	Contingency	20,000	-	20,000
TOTAL		8,315,050	-	8,315,050

EARLY RETIREMENT FUND				
Requirements				
2000	Support Services	300,000	-	300,000
TOTAL		300,000	-	300,000

INSURANCE RESERVE FUND				
Requirements				
2000	Support Services	650,000	-	650,000
3000	Community Services	-	-	0
TOTAL		650,000	-	650,000

2005 DEBT SERVICE G.O. BONDS				
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Requirements				
5000	Long-Term Debt Service	1,500,000	-	1,500,000
TOTAL		1,500,000	-	1,500,000

2015 DEBT SERVICE G.O. BONDS				
Requirements				
5000	Long-Term Debt Service	9,900,050	-	9,900,050
7000	End Fund Balance	3,961,180	-	3,961,180
TOTAL		13,861,230	-	13,861,230

DEBT SERVICE PERS BONDS				
Requirements				
5000	Long-Term Debt Service	8,910,490	-	8,910,490
7000	End Fund Balance	596,446	-	596,446
TOTAL		9,506,936	-	9,506,936

CAPITAL PROJECTS FUND				
Requirements				
2000	Support Services	-	-	0
4000	Building Acquisition, Construction and Improvement Services	1,224,377	-	1,224,377
5000	Long-Term Debt Service	1,638,398	1,200,000	2,838,398
TOTAL		2,862,775	1,200,000	4,062,775

2015 CAPITAL PROJECTS FUND				
Requirements				
4000	Building Acquisition, Construction and Improvement Services	2,895,200	-	2,895,200
TOTAL		2,895,200	-	2,895,200

SCHOOL IMPROVEMENT FUND QZAB				
Requirements				
2000	Support Services	175,000	-	175,000
TOTAL		175,000	-	175,000

TOTAL ALL FUNDS				
Requirements				
1000	Instruction	95,931,285	-	95,931,285
2000	Support Services	75,929,651	-	75,929,651

3000	Community Services	9,795,254	-	9,795,254
4000	Building Acquisition, Construction and Improvement Services	6,619,577	-	6,619,577
5110	Long-Term Debt Service	22,282,393	1,200,000	23,482,393
5200	Transfers	3,535,913	-	3,535,913
6000	Contingency	1,882,246	-	1,882,246
7000	Ending Fund Balance	9,640,502	-	9,640,502
TOTAL		225,616,821	1,200,000	226,816,821

Effective Date: Upon Adoption

Passed and adopted by the Reynolds School Board this 27th day of January 2021.

Valerie Tewksbury, Board Chair

Dr. Danna Diaz, Clerk

To: Board of Directors

From: Dr. Angela Freeman, Executive Director of Schools

Prepared by: Shaunice Silas, Principal of Reynolds Middle School

Subject: Washington D.C. Field Trip

Policy: [Fields Trips and Special Events - IICA](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

We will be leaving the week after school ends, flying to Washington D.C., spending 3 days there visiting memorials, museums, Arlington Cemetery, the Capital building, the White House, and several other cities. We then travel by train to New York City where we will spend 2 days exploring Central Park, Time Square, the 9/11 Memorial, the Statue of Liberty, Ellis Island, and attending a Broadway play before returning home. We will travel by coach bus to the various locations in New York and Washington D.C.

Previous Board Action:

Not Applicable

Background:

For the past 4 years Brad Jubitz has taken a group of kids to Washington D.C.; along with Diane Bowlby. We work with a Travel Agency called World Stride. They've been doing this since the 1960's. The trip is not school sponsored, but I do utilize the recourses here at school to communicate with the families. We do fundraisers to help offset the cost of the trip. It can cost between \$2,400-\$3,000 per student, depending on where we go. The trip we were supposed to go on last Spring Break was cancelled due to COVID-19. We are planning to take the trip to Washington D.C. and New York the week following the end of school. There are 4 students and one parent who are going; as well as Diane Bowlby or Brad Jubitz.

Financial Implications:

Item	Amount	TOTAL \$ 3,000.00
Lodging, food, instruction	*included in price	\$
Transportation	*included in price	

All funds allocated and budgeted are not from the RMS building budget. Students and family paid for the trip through fundraising and personal accounts.

Alternatives:

Should this proposal not be approved by the Reynolds School District School Board, Reynolds Middle School would work to provide the learning experience in an alternate manner.

Staff Recommendation:

On behalf of the RMS and World Stride, we request the proposal for approval be made for the World Stride weeklong trip to Washington D.C.

Motion:

I move that the Board approve the RMS field trip to Washington D.C.



SUPPORTING EDUCATIONAL TRAVEL

A Guide for School Administration

SPRING 2020

Our History & Mission

Our History

In 1964, a middle school social studies teacher from Chicago discovered the incredible educational experience of traveling to Washington, D.C., with his students. He was so encouraged by the powerful effects travel had on his students' eagerness and ability to learn, that he left teaching in 1967 to found Lakeland Tours. His vision to make educational travel easy, fun, and safe for teachers and students came to fruition as Lakeland Tours grew and became the leader in educational student travel.

Who We Are Today

For over 50 years, WorldStrides has set itself apart as the premier student travel organization in the nation. From 1998 to 2000, Lakeland Tours joined forces with other leaders in the educational student travel field—American Student Travel, Bowl Games of America, Educational Field Studies, Heritage Festivals, and Wider Horizons—to form WorldStrides, an organization that provides the highest quality educational travel programs available in the country. Since then, WorldStrides has continued to expand its program offerings by bringing Classic Festivals, the Field Studies Center of New York, the Accent Travel Group, TravelMBA, New Century Tours, Casterbridge Tours, NETC, WorldPass, Explorica, ISA, TEAN, Envision, and others into the WorldStrides family. When you choose WorldStrides, you can feel confident that you've made the best choice for your students.

Our Mission

All WorldStrides programs are united under our mission, "Igniting personal growth for students through travel at every stage of development." We strive to extend education into the worldwide classroom for students of all ages and to provide the best opportunity for learning through seeing, experiencing, and interacting.

Financial Strength

WorldStrides is backed by the financial strength of Eurazio, a worldwide leader in global investment. In addition, WorldStrides' stability and commitment to excellence are also shown through our membership in the United States Tour Operators Association (USTOA) Travelers Assistance Program, which provides the best consumer protection plan in the industry.

Accreditation

WorldStrides satisfies the same educational standards as public and private schools across the country, and is accredited by regional accrediting bodies across the United States:

- > AdvancED (parent organization for the Northwest Accreditation Commission, the North Central Association Commission on Accreditation and School Improvement, and the Southern Association of Colleges and Schools Council on Accreditation and School Improvement)
- > Western Association of Schools and Colleges
- > Middle States Association of Colleges and Schools

WorldStrides also maintains university partner relationship with the University of California San Diego. It's this relationship that allows us to offer students in grades 9 to 12 free college preparatory credit.

Our History & Mission CONT.

Professional Affiliations

WorldStrides maintains various professional partnerships to guarantee our reputation of quality, including:

EDUCATIONAL ORGANIZATIONS

- › Center for Civic Education
- › Colonial Williamsburg
- › Monticello
- › Mount Vernon
- › United States Holocaust Memorial Museum
- › Students Against Destructive Decisions (SADD)
- › National Wildlife Federation Academic Associations

ACADEMIC ASSOCIATIONS

- › National Council for the Social Studies (NCSS)
- › Association for Middle Level Education (AMLE)
- › National Science Teachers Association (NSTA)
- › International Baccalaureate Organization (IBO)
- › National Association of Elementary School Principals (NAESP)

- › National Association of Secondary School Principals (NASPP)
- › International Association for K-12 Online Learning (INACOL)

APPROVED PROFESSIONAL DEVELOPMENT PROVIDERS

- › Georgia Department of Education
- › Illinois State Board of Education
- › Michigan Institute for Educational Management
- › New Jersey Department of Education
- › Pennsylvania Department of Education
- › Texas State Board of Education
- › Washington State Board of Education (Approved provider for the FLAG Foundation)

TRAVEL ASSOCIATIONS

- › United States Tour Operators Association (USTOA)
- › Student and Youth Travel Association of North America (SYTA)
- › National Tour Association (NTA)
- › Washington, D.C. Convention and Visitors Association
- › American Society of Travel Agents (ASTA)
- › International Airlines Travel Agent Network (IATAN)
- › Airlines Reporting Corporation

The WorldStrides Team

Your group's leader will have a passionate and professional team of travel experts who will work closely with your group from the time you decide to lead a WorldStrides program until your group returns home safely. Our primary goal is to provide a safe and secure travel experience. Without a focus on safety, our programs could not exist. We strive to inspire students and enrich their lives by taking them beyond classroom walls and providing a unique, experiential educational program. WorldStrides has a staff of more than 1,800 professionals, many of whom are former educators, and all of whom are dedicated to making sure every aspect of your program is a success.

Our Customers Say It Best...

"Thank you for employing individuals like [my Account Manager] so that teachers like me have the confidence to take young adults safely across the country and back! Thank you again for the fine program you offer." Ronda, Teacher, CA

"It is [your] steadfastness to duty, attention to detail, and friendly, courteous, and solicitous demeanor that keeps me coming back year after year with WorldStrides." Michael, Teacher, LA

"I'm impressed with Stephen [my Course Leader] because he doesn't just give the students information, he makes it fun." Mrs. Newman, Parent, IN

"As a U.S. History teacher, I was singularly impressed with our tour guide. She enriched the experience with her exemplary demeanor, character, and professionalism. When coupled with the high degree of skill and motivation in sharing our nation's capital with a group of eighth-grade students, you have a one-in-a-million tour guide." Dave, Teacher, CA

At a Glance

For a group like yours, it is critical that your travel provider has the resources and experience necessary to smoothly and efficiently coordinate a youth group in the areas that you will visit. We are confident that our over 50 years as a student travel specialist provides us with this level of experience.

Educational travel requires special skills that go far beyond making simple hotel and airline reservations. When emergencies arise, this experience is important. We also realize that price is important, and our prices consistently provide the highest value for your students' money.

Not all companies are the same, have the same priorities, or provide the same experience. WorldStrides sets the bar high. In terms of safety, education, and passion for student travel, our team has consistently beaten all other competitors. WorldStrides is the standard by which every other company measures themselves.

Experience with Youth Groups

Number of years in student travel business	<input checked="" type="checkbox"/> 50+
Number of participants during this period	<input checked="" type="checkbox"/> 9 million+
Number of participants per year	<input checked="" type="checkbox"/> 450,000
Number of educators that partner with us each year	<input checked="" type="checkbox"/> 50,000+
Number of full-time staff dedicated to youth group travel programs	<input checked="" type="checkbox"/> 1,800+

Be sure your organization has the experience you deserve.

Qualifications to Coordinate Your Program

Does the organization have a 24/7 Tour Central (local support) office?	<input checked="" type="checkbox"/> Yes
Does the organization employ and train its own Course Leaders?	<input checked="" type="checkbox"/> Yes
Will a staff member stay at the hotel with the group?	<input checked="" type="checkbox"/> Yes
Does the organization provide detailed training for its staff on how to best work with students?	<input checked="" type="checkbox"/> Yes

Your group is at risk without appropriate contingency plans.

Educational Focus

Does the organization employ a full-time curriculum and academics team?	<input checked="" type="checkbox"/> Yes
Does the organization offer students the opportunity to earn high school and even college credit?	<input checked="" type="checkbox"/> Yes
Does the organization offer teachers the opportunity to earn professional development?	<input checked="" type="checkbox"/> Yes
Is the organization accredited by regional accrediting bodies across the United States?	<input checked="" type="checkbox"/> Yes
Who issues accreditation for the organization?	
> Western Association of Schools and Colleges	<input checked="" type="checkbox"/> WASC
> Middle States Association Commissions on Elementary and Secondary Schools	<input checked="" type="checkbox"/> MSA
> AdvancED (parent organization for the Northwest Accreditation Commission, North Central Association Commission on Accreditation and School Improvement, Southern Association of Colleges and Schools, and Council on Accreditation and School Improvement)	<input checked="" type="checkbox"/> AdvancED (NWAC, NCACASI, SACS, and CASI)

At a Glance CONT.

Insurance and Consumer Protection

Does the organization maintain liability insurance?

Yes

Does this coverage apply to the Program Leader (teacher)?

Yes

What are the limits of this policy?

\$55 million

What is the cost for supplemental medical and dental insurance?

\$0

Who pays if an emergency mandates an itinerary change?

WorldStrides

Does the organization maintain USTOA consumer protection?

Yes

Amount of deposits covered by consumer protection

\$1 million

Insurance and consumer protection are there to keep you safe.

Educational Travel Programs vs. School Field Trips

Because WorldStrides programs are typically non-school-sponsored, they do not follow the traditional model of a school field trip. When you let your administration know about your plans to travel, it may be helpful for you to highlight the points outlined below. These points will ensure that they don't confuse your program with a school field trip that would require a more official approval process.

NON-SCHOOL-SPONSORED STATUS

Unlike a school field trip, a WorldStrides educational travel program is not sponsored by the school and does not require the school or school district to allocate funds.

PROGRAMS DON'T OCCUR DURING SCHOOL TIME

Just like a part-time job or a camp or youth sport/activity that a student chooses to participate in, a WorldStrides program does not result in lost class time for students or the need for a substitute instructor when a teacher leads a program.

VOLUNTARY STUDENT PARTICIPATION

Since the trip is not paid for by the school and does not take place during school time, neither the school nor the students are obligated to participate. Similar to summer camp, this program is available for all students, but only some will decide to go.

Summer camps, supplemental enrichment programs, Boy Scouts and Girl Scouts, and even the Little League are all non-school-sponsored programs that are embraced by the community and promoted in schools. Most administrators are very supportive of WorldStrides educational travel programs. Below is a simple approach many of our Program Leaders have found easy and successful.

A Simple Approach to Presenting Your Program

01. Present the information packet that was sent to you by your WorldStrides representative. This shows your administrator the quality of our programs and the strengths that have made WorldStrides the nation's leader in student travel. The packet will also answer any questions they may have about our unmatched safety record and extensive liability coverage. In fact, WorldStrides can name you and your school as co-insured, protecting you with the power of the most comprehensive insurance policy in the student travel industry.
02. Explain which accredited program you have chosen and the educational value of the experience. Include the dates you plan to travel, so your administration understands that the trip won't happen during school time and will not result in missed classes for you or your students. Since the trip is not paid for by the school and is non-school-sponsored, students are never obligated to attend.
03. Offer to connect administrators with WorldStrides references so they can hear firsthand from teachers and administrators in your area who have enriched students' lives through travel with WorldStrides programs. If your

	SCHOOL FIELD TRIP	WORLDSTRIDES PROGRAM
WHEN THE TRIP OCCURS	During school time	During summer or school holidays
HOW THE TRIP IS FUNDED	With school or school district money	By individual parents and students
WHO ATTENDS	All students	Only students who choose to go
HOW FUNDS ARE COLLECTED	Teachers and school administration collect money from students	Billing and payment collection is done completely outside of school by WorldStrides
HOW PARENTS' QUESTIONS AND CONCERNS ARE HANDLED	Calls flow through the school secretary and school office	Calls are directed to the teacher after school hours or are answered by WorldStrides' customer service department

Value: Programs

All-inclusive Price | WorldStrides Offers Inclusive Travel Packages for Our Programs

- > Teachers travel free with the first 15 students (ratio can be customized)
- > For each additional 15 students who travel, teachers can bring along another adult
- > Round-trip transportation to destination city
- > Deluxe motorcoach transportation at your destination
- > Quality hotel accommodations
- > Free high school credit for middle and high school students
- > College preparatory credit for traveling high school students
- > Professional development for educators
- > Specially trained Course Leaders
- > Educational tools to support your program before you leave, on your trip, and after you return
- > Professional Night Chaperones, in addition to hotel security, when traveling on select programs
- > All reservations and logistical planning
- > Tour Central offices to assist 24 hours a day
- > 3 hearty meals (unless otherwise stated in your trip materials)
- > Comprehensive accident, illness, and accident-related dental insurance for all participants
- > 24-hour Doctors on Call program to provide in-hotel or phone consultations for participants
- > All admissions and fees (fees for checked luggage are the responsibility of each traveler)

Quality Customer Service | WorldStrides Provides All Customer Service

- > A personal Account Manager to assist you in planning your program every step of the way
- > An Account Support Representative to assist you in the rare case that your Account Manager is unavailable
- > Customer Service Department to handle all parent inquiries
- > A personal Financial Services Representative to handle all accounting and invoicing services for your group and assist in allocating fundraising monies
- > Online resources for educators and parents at www.worldstrides.com

Fundraising and Financial Assistance

Your group's personal Financial Services Representative will assist you in any fundraising that you or your school decide to do. WorldStrides offers nearly \$2.5 million in FLAG financial assistance annually, as well as the unique Gift of Education program, which has helped thousands of students raise millions of dollars over the years. You can access our fundraising website at worldstridesfundraising.com for ideas, tips on grant writing, a list of outside companies that participate in fundraising efforts, and forms to help you keep track of the money you raise.

We Take Care of the Billing

WorldStrides directly handles all financial responsibility. We set up an individual payment plan for each participant and bill each family directly. If requirements with the group differ, other payment plans can be arranged. In the event that a parent is having difficulties with a final payment, please encourage them to call our customer service department. We may be able to make special payment arrangements on a case-by-case basis. The school and the Program Leader do not need to collect money or worry about payment deadlines.

Benefits of Traveling with the Industry Leader

For over 50 years, WorldStrides has been enriching students' lives by providing top quality educational travel programs. Our staff of more than 1,800 professionals is dedicated to serve you. Our accredited programs and commitment to excellence make us the leader in educational student travel.

Safety & Security

24/7 Tour Central Office

We maintain a Tour Central office that can be reached 24 hours a day, 7 days a week, because safety is our first priority. Should your group require an extended stay due to an airline problem or weather-related issue, our Tour Central office will make arrangements to accommodate your group (hotel, meals, re-booking airline seats, and providing additional bus usage) at no additional charge to you or your students.

Extensive Emergency Manual

We have developed an extensive emergency manual that details how we will deal with all types of emergency situations, and all of our on-site staff members have been trained to carry out these plans. Set procedures, checklists, and immediate access to correct phone numbers will result in faster and more accurate responses, which is critical when dealing with an emergency situation.

Night Chaperones

Our Night Chaperones (evening security) are given extensive training on how to supervise student groups. We also complete criminal background checks on all new applicants before they begin work. Night Chaperones are available on all East Coast, West Coast, Illinois History, and Florida programs. High-quality Night Chaperones are an integral part of our safety net and allow you to get the rest you need while on tour.

On-site Coordinators

WorldStrides On-site Coordinators stay with your group at each hotel on East Coast, West Coast, and Illinois History programs. These individuals will assist with hotel check-in and check-out, be available to answer questions and make necessary adjustments to individual group itineraries, assist with any emergency that may arise, and host an adult hospitality suite each evening with refreshments and snacks. WorldStrides will have additional staff members who will meet your group upon arrival to the East Coast, as well as when the group departs for home. This helps ensure that all facets of airport arrival and departure run smoothly.

Liability Insurance

We maintain an industry-leading multi-million dollar level of liability coverage. Our insurance automatically covers teachers, chaperones, and the school. WorldStrides' insurance is truly geared to protect you. Additionally, accident, illness, and accident-related dental insurance coverage are provided for WorldStrides program participants. Limits per single occurrence are \$7,500 for accident, \$1,500 for illness, and \$750 for accident-related dental.

United States Tour Operators Association (USTOA)

As an Active Member of USTOA, WorldStrides is required to post \$1 million with USTOA to be used to reimburse, in accordance with the terms and conditions of the USTOA Travelers Assistance Program, the advance payments of WorldStrides customers in the unlikely event of WorldStrides' bankruptcy, insolvency or cessation of business. Further, you should understand that the \$1 million posted by WorldStrides may be sufficient to provide only a partial recovery of the advance payments received by WorldStrides. Complete details of the USTOA Travelers Assistance Program may be obtained by writing to USTOA at 275 Madison Avenue, Suite 2014, New York, New York 10016, or by e-mail to information@ustoa.com or by visiting their website at www.ustoa.com.

Full Refund Program

The Full Refund Program protects the investments of your students, their families, and the community. If the participant, the teacher, the school, or the school's administration cancels prior to trip departure, the participant will receive a refund of the money they've paid (less the cost of the Full Refund Program)—regardless of the reason. Participation in this program is optional, though highly recommended. Through this program, WorldStrides has returned millions of dollars to thousands of families who were forced to cancel for countless unexpected situations.

Student Supervision & Safety

Planning for a Safe Experience before Departure

BEHAVIOR CONTRACT

Safety is the number-one priority at WorldStrides. All participants are expected to demonstrate high standards of conduct, courteousness, and consideration toward others. Students and their parent/legal guardian must sign a behavior contract so everyone understands the proper rules of conduct. Students behaving inappropriately while on the program may be sent home at the parent's expense.

MEDICAL RELEASE FORM

A parent/legal guardian for each participant must complete a medical release form and provide emergency contact information and authorization for treatment in the event of an emergency. Teachers carry all medical release forms throughout the trip.

Ensuring Students' Safety While on the Program

ADULT SUPERVISION

With a chaperone-to-student ratio of 1:15 (can be customized to fit your group's needs), students receive proper attention and supervision. The Program Leader will identify the adult chaperones for the program. WorldStrides suggests selecting adults who are flexible, helpful, and comfortable with the students. Please note that at selected sites, students may be allowed the freedom to explore on their own.

COURSELEADERS

A specially trained Course Leader guides each group throughout your WorldStrides program. Course Leaders devote 100% of their attention to the students, challenging them to assess and apply what they learn through firsthand experience so they take the most away from the program. Students also follow a busy schedule, so their days are full of planned activities with adult supervision.

Emergency Services

TOUR CENTRAL

WorldStrides' Tour Central offices are located in Washington, D.C., New York City, and Williamsburg, VA, and are staffed by full-time WorldStrides employees. These individuals are available 24 hours a day, 7 days a week to handle emergencies and accommodate the needs of all traveling teachers and students.

WORLDSTRIDES NAMETAGS

Throughout the trip, all students wear WorldStrides name tags with WorldStrides' emergency contact information. The back of this badge contains the Tour Central phone number, giving every student quick access to a WorldStrides employee. In the unlikely event of a problem, help is never more than a phone call away.

DOCTORS ON CALL PROGRAM

WorldStrides has an exclusive partnership with The George Washington University Department of Emergency Medicine. A George Washington University doctor serves on our staff as the WorldStrides Medical Director, overseeing medical response planning for the organization and providing direct case management in the event of a medical response issue anywhere in the world. Our partnership gives us access to doctors who are available 24 hours a day to provide in-hotel emergency care to all our traveling students, parents, and teachers in the Washington, D.C. area and phone consultations for travelers in other locations. This program offers teachers and students the unparalleled benefit of receiving care in the comfort of their own hotel rooms while minimizing disruption to the entire group.

Student Supervision & Safety CONT.

WorldStrides Selects Its Suppliers with Safety in Mind

HOTELS

WorldStrides pre-screens its properties and selects only those which are safe, comfortable, and high quality. WorldStrides typically uses hotels such as Marriott, Holiday Inn, Ramada Inn, or comparable. For added security, WorldStrides books only hotels with inside corridors and hallways and provides additional night security (in most destinations).

TRAVEL ARRANGEMENTS

WorldStrides contracts with major airlines such as American Airlines, Delta Airlines, Southwest Airlines, United Airlines, or comparable. Typically, WorldStrides meets the group upon arrival at their destination.

SUPPLIERS

WorldStrides only works with companies who share WorldStrides' high safety and quality standards. WorldStrides thoroughly screens and regularly evaluates motor coach drivers, hotels, and restaurants by periodically visiting these venues and relying on program evaluation surveys completed by teachers after returning from their program. All participating enterprises maintain their own insurance coverage.

Doctors on Call Program

WorldStrides has an exclusive partnership with The George Washington University Department of Emergency Medicine, and a George Washington doctor serves on staff as our WorldStrides Medical Director. This means travelers in Washington, D.C., have access to in-hotel emergency medical care 24 hours a day. The Doctors on Call Program offers teachers, parents, and students the unparalleled benefit of receiving care in the comfort of their own hotel rooms while minimizing disruption to the entire traveling group. We are also able to provide phone consultations to those groups traveling to other locations. The doctors will evaluate the situation, injury, or illness over the phone and make recommendations for treatment accordingly.

How Does It Work?

George Washington's Emergency Physicians will accept our phone calls, determine whether the patient can be treated at the hotel or should go directly to the hospital, and assist us from there all the way through the process. If someone needs to go to the hospital, they will expedite the process and help save valuable time for the patient, the Program Leader, and the On-site Coordinator or Course Leader.

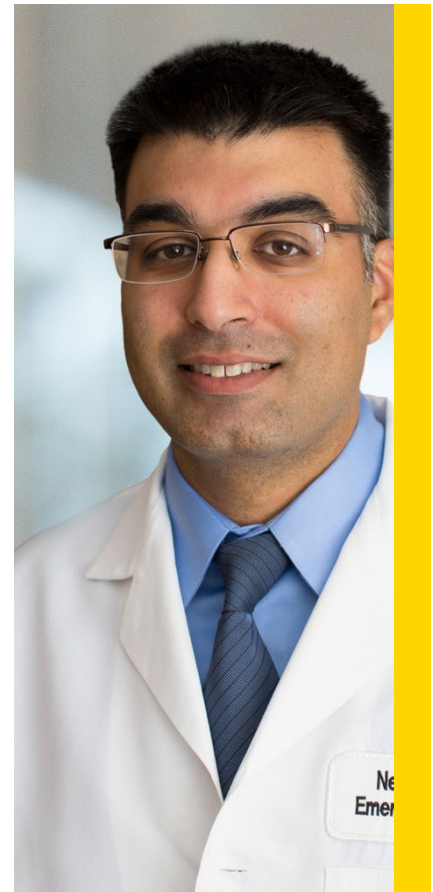
The On-site Coordinator or Course Leader and Program Leader, with the help of Tour Central, will initiate the process when it becomes necessary. The doctor on-call will contact the Program Leader and patient and determine the next steps to be taken. In Washington, D.C., if coming to the hotel makes the most sense, billing will be taken care of immediately and the patient will be treated. The insurance paperwork will be completed at the hotel and the On-site Coordinator/Course Leader will take care of the rest. If the doctor on-call determines that the patient needs to go to the hospital, then our standard emergency plan is activated.

New Crisis Support and Behavioral Health Assistance Program

We're pleased to add a new layer of support for travelers who may be experiencing emotional or mental stress through a new partnership with AXA, one of the world's leading providers of emergency assistance.

AXA's Behavioral Health Assistance Program provides seamless access to assessment, intervention, and stabilization services:

- > 24/7 telephone access to provide confidential and immediate support no matter the global location
- > Experienced, U.S.-based healthcare professionals (masters and doctoral-level clinicians) when traveling
- > Coordination with local professionals for referrals to provide additional support, if needed



Beyond Classroom Walls: Education

Accreditation

WorldStrides was the first accredited student travel organization in the nation. Accreditation recognizes educational institutions for performance, integrity and quality, and entitles them to the confidence of the educational community and the public. WorldStrides is accredited through multiple regional accrediting bodies across the nation, including AdvancED (parent organization for the Northwest Accreditation Commission, North Central Association Commission on Accreditation and School Improvement, Southern Association of Colleges and Schools, and Council on Accreditation and School Improvement), Western Association of Schools and Colleges, and Middle States Association of Colleges and Schools. This accreditation means that we have met or exceeded safety and educational standards established for schools all over the world. Accreditation means more educationally sound programs and better value for parents and students. All certificates of accreditation are available upon request.



Discovery for Credit for Students

All students in grades 6-12 who participate on WorldStrides programs are eligible to receive high school credit through our Discovery for Credit program. College preparatory credit is also available for students in grades 9-12 on select programs. Students who travel on a WorldStrides program and complete online coursework requirements are eligible to receive this credit. This helps students fulfill graduation requirements, open up their course schedules to be able to take upper-level courses, and distinctively showcase themselves to colleges and universities.

Professional Development

WorldStrides programs comply with states' requirements for professional development. WorldStrides will help educators identify opportunities to earn professional development in their state, assist in the development of a portfolio, as needed, and issue a transcript free of charge.

Course Leaders

Programs are led by caring and dynamic experts in the field who help students achieve key learning objectives through activities and group discussions. Each Course Leader uses WorldStrides unique brand of educational power or LEAP (Learning through Exploration and Active Participation). Through this method, learning becomes a real-world experience for students and adults alike. By seeing, experiencing, and interacting on a WorldStrides program, students have the unique opportunity to apply knowledge gained in the classroom. Our Course Leaders have rich and varied backgrounds that lend themselves to superlative educational experiences for students, fresh perspectives, and engaging interaction during our programs. WorldStrides Course Leaders have a passion for helping students discover a love of learning that will last a lifetime!

Curriculum and Academics Team

WorldStrides employs a full-time curriculum and academics team, who are responsible for maintaining our accreditation, developing curriculum materials, training our Course Leaders, assessing student learning, and providing educators with opportunities to grow through our professional development program.

Tour Components

In addition to safety, security, and educational content, we have also invested in the quality of our tour components, which remain consistently strong and continue to deliver exceptional service.

The Educational Value of Student Travel

Educational Value of Student Travel

Learning through personal experience takes education beyond the classroom. Through educational travel, students use knowledge acquired in the classroom to analyze the world around them and make a personal connection by applying their knowledge to their understanding and view of the future.

In the classroom, students can only read about historical events or scientific principles. Students on a WorldStrides program actually experience those educational moments right into the sights and sounds of the places we take you. For example, in our Washington D.C. tours, students don't just join a long line of tourists at the Tomb of the Unknown Soldier—they'll actually participate in the ceremony. Or, they'll take turns reciting Martin Luther King, Jr.'s famous speech on the steps of the Lincoln Memorial. These encounters open students' minds and change their outlook on learning itself!

Value for the Teacher

Only an accredited organization can help you grow professionally and allow the Program Leader and chaperones to earn professional development. Many educators teach about the space launches from Kennedy Space Center or diverse ecosystems, having never been to key places where the events took place or the environments that are home to assorted ecosystems. WorldStrides programs provide every teacher with full immersion in the curriculum and professional development opportunities. Seasoned Program Leaders (teachers leading the trip) agree that they learn something new and meaningful each time they travel.

What Do Students Learn?

WorldStrides challenges students to develop a real appreciation for the history, the people, and the vision that have shaped our country. As our nation's capital, this city brims with beautiful monuments, commemorative statues and memorials, and impressive national government centers, including the Capitol Building itself. Students of all ages flock to this special city for a face-to-face experience with our heritage. They come away with an expanded appreciation and the memories of a lifetime. They'll learn more about our country, and they'll learn more about themselves, too.

Accreditation Sets WorldStrides Apart

WorldStrides is a school, independently accredited by regional accrediting bodies across the country. We maintain both school accreditation, which verifies the high academic quality of our programs, and corporate accreditation, which assures our organization's commitment to safety, security, and financial stability. Our accredited status attests to our high academic standards. Traveling with an accredited travel study school means that your program is centered around a structured curriculum that meets state standards.

Discovery Journals and Academic Credit

Each student is provided with an interactive Discovery Journal filled with educational games, fun facts about the sites, and thought-provoking questions. The journals are designed to stimulate critical thinking and creativity, while enhancing the quality of your educational travel program. Students can earn high school or college preparatory credit by completing online coursework through our Discovery for Credit program after they return from your trip.

Earn Credit with Discovery for Credit

Your WorldStrides program is so much more than a typical field trip. Each itinerary is built around WorldStrides' accredited curriculum that allows students the option to earn high school or college preparatory credit.

What Is Involved?

Discovery for Credit is an online learning environment offered in conjunction with WorldStrides travel programs. Content and assessment for all courses are developed and maintained by the WorldStrides Curriculum & Academics team, eliminating the Program Leader's need to provide additional instruction or grading.

How Does It Work?

To access Discovery for Credit, students must log in to the Academic Credit Portal using their Trip ID and Customer Account Number. Once logged in, students can access their Discovery for Credit Dashboard to enroll in the appropriate courses and complete the required online assignments. Online instructors are available to answer questions throughout the process.

High School Credit Details

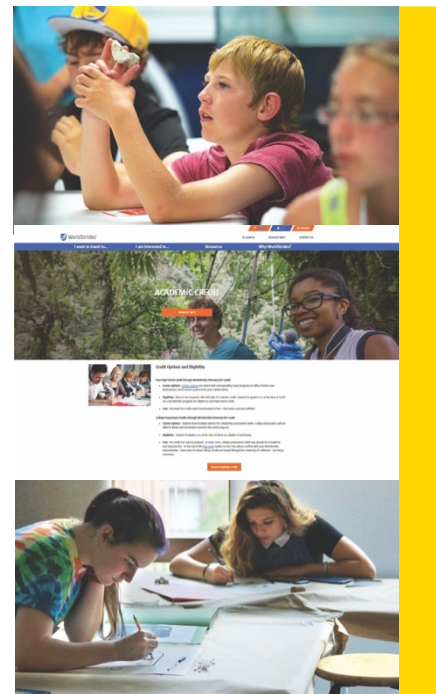
- > Available for students in grades 6-12 at the time of travel
- > Free of charge
- > Deadline for completing coursework is six months from the return date of travel
- > Upon successful completion of coursework, WorldStrides will mail an official transcript to the student

To best facilitate the transfer of credit earned, WorldStrides recommends that students and parents inquire what their high school's transfer credit policy is, in case additional paperwork is requested prior to beginning coursework.

College Preparatory Credit Details

- > Available for students in grades 9-12 at the time of travel
- > Discounted tuition rate based on the number of credits the student wishes to earn
- > The participant can request an official transcript via the partner university

FOR MORE INFORMATION ABOUT DISCOVERY FOR CREDIT, CALL YOUR WORLDSTRIDES REPRESENTATIVE OR VISIT WORLDSTRIDES.COM

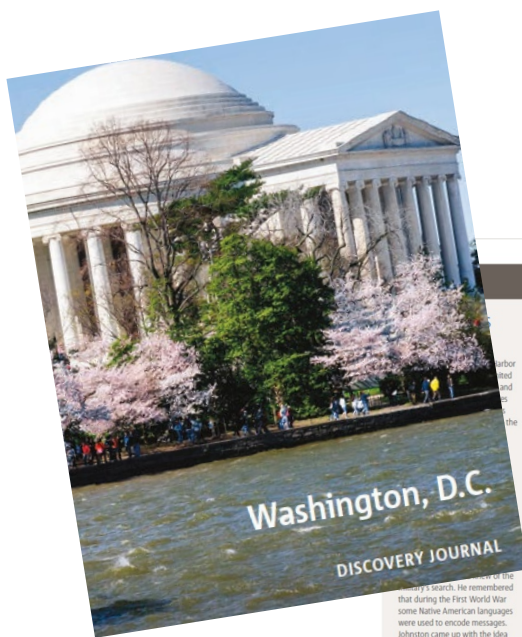


Destination Discovery Journals

On a WorldStrides program, students are immersed and engaged in their own learning. For example, *The Art of Social Protest Discovery Lesson* in Washington, D.C., exposes students to the life and legacy of Dr. Martin Luther King, Jr., the most prominent leader in the Civil Rights Movement. Imagine your students standing at the base of the Lincoln Memorial, reading Dr. King’s famous “I Have a Dream” speech and learning about other famous and impactful marches on our nation’s capital. Through the guidance of your WorldStrides Course Leader, students study how to communicate their own message “to the masses” and create their own sign of personal action. It is WorldStrides’ unparalleled commitment to experiential learning that is demonstrated in our on-site Discovery Journals.



ASK YOUR WORLDSTRIDES REPRESENTATIVE ABOUT A **DISCOVERY JOURNAL** TODAY!



World War II Memorial



were baffled. They never broke the code. Many officers believe that were it not for the Navajo code talkers, the U.S. would never have prevailed in the Pacific.

The Code
In the European Theater of Operations (ETO), U.S. troops used Native American languages informally to send messages back and forth, but the native speakers held normal conversations instead of speaking in code. Navajo Code was more complex. Even when the Japanese captured and tortured a regular Navajo soldier, he could not understand it. To him, it was a string of unrelated words.

The basic structure of the code was the English alphabet. Each letter was represented by one



three Navajo words whose English translation started with that letter. For example, “woi-la-chee” (ant), “he-la-sani” (apple), and “ho-ni” (axe) were code for the letter “A”. The code talkers would mix up which word they used to make the code even harder to break.

Washington, D.C. Discovery Journal

Code Talkers (continued)

Does your deciphered message look familiar? It should. The message is one of many famous quotes engraved on the Memorial. Find yours and respond to the questions below.



Quote: _____

Said by: _____

Date: _____

What was going on in the war? _____

What does it mean? _____

Curriculum Guide to a WorldStrides Program

Washington, D.C.

All WorldStrides programs are developed following a rigorous educational process. This document highlights the standards we follow and the high educational goals we set for our programs. Our unique approach to education is recognized through our accreditation as a supplemental school by multiple regional accrediting bodies throughout the country. We believe that, together, we make a world of difference through hands-on learning.

The Foundation of a WorldStrides Program

SUBJECTS		Students will use key questions of inquiry to learn concepts of history, geography, literature, and culture. The interrelatedness of these subjects is emphasized.
SKILLS		Students will develop tools needed to acquire, organize, and communicate knowledge. These include thinking, research, and self-management.
ATTITUDES		Students will be encouraged to make connections within their studies and learn to reflect on their experiences as they relate to the real world.
ACTIVITIES		Students will learn to take appropriate actions and become actively involved in their own education. Through this program, they will explore how they can make a difference in their school or community.

SUBJECTS: Learning About History

CULTURAL HISTORY		Students will compare cultures and study ethics and creative ideas in the arts, such as fine arts, literature, musical arts, and dramatics.
ECONOMIC HISTORY		Students will understand basic economic terms, study currency development, and be able to compare major economic theories such as feudalism, capitalism, and free markets.
INTELLECTUAL HISTORY		Students will study key historical events in American history. They will recognize historical cause and effect and the importance of individual choices, actions, and character.
POLITICAL HISTORY		Students will compare and contrast diverse forms of governments, and they will evaluate authority and civic responsibility. Foreign policy will be addressed as it relates to geography and key historic events.
SOCIAL HISTORY		Students will study and compare different ways of life throughout time as well as in the current day. They will evaluate the ideas of authority and power as it relates to key people and past and current events.

SKILLS: Learning How to Apply Knowledge

READING		Students will practice reading skills in various formats. Critical analysis of selected reading passages and comprehension of directions and maps will be developed.
WRITING		Students will give thoughtful insight and use reasoning to write about their experiences. They will learn the art of writing about travel and personal experiences.
LISTENING		Students will display sensitivity in hearing other people's viewpoints and ideas. They will deepen their respect for the traditions of others.
RESEARCH		Students' natural curiosity will be nurtured. They will acquire the skills necessary to pose well-formulated questions and to conduct purposeful, constructive research.
COMMUNICATION		Students will express their ideas and information with confidence and clear articulation.

ATTITUDES: Learning Beyond the Textbook

RESPECT		Students will develop empathy and caring for others.
RESPONSIBILITY		Students will be equipped with the ability to apply knowledge appropriately.
CURIOSITY		Students will be stimulated to inquire, thus fostering the spirit of discovery and excitement in learning.
COOPERATION		Students will be encouraged to develop diversity and flexibility of thinking, and develop sensitivity towards other people and events.
CONFIDENCE		Students will build and reinforce a sense of identity and independence.

Discover D.C. | Becoming an Historian and a World Citizen

A WorldStrides program is an inquiry-based travel program encouraging critical thinking. Students are engaged and stimulated through key discovery questions explored in their Discovery Journals and in the field. Students will critically examine historical facts as they travel. It is reflective thinking that will lead students to responsible action, cultural awareness, and self-identity.

SITE / LOCATION <small>(Not all sites will be seen on your program.)</small>	SUBJECTS					ACTIVITIES	SKILLS				
	CULTURAL	ECONOMIC	INTELLECTUAL	POLITICAL	SOCIAL	CURRICULUM FOR WASHINGTON, D.C. <small>(The following provides an overview of the educational activities included in a WorldStrides program. Changes may be made by WorldStrides at its own discretion without notice.)</small>	READING	WRITING	LISTENING	RESEARCH	COMMUNICATION
AIR & SPACE MUSEUM			•		•	Test Pilot: trace the development of flight through the most influential pioneers and flying machines and test different paper airplane designs.	•			•	
ARLINGTON CEMETERY	•				•	Students will be challenged to consider why we remember significant events with memorial stones, and how this shows honor.	•		•		
CAPITOL BUILDING	•	•			•	Working in teams, students predict how legislators will be influenced by special-interest groups.	•				•
BUREAU OF ENGRAVING & PRINTING		•		•		Consumers, Clerks, and Counterfeiters: test your knowledge of U.S. currency by working in teams to outsmart each other and make more money.			•	•	•
FDR MEMORIAL			•		•	Using FDR's "Four Freedoms" speech, students will discuss which freedoms are most essential.	•				•
FORD'S THEATER			•	•		Students will walk through the events associated with the assassination of our 16th President and discuss turning points in history.			•	•	•
HOLOCAUST MUSEUM			•	•	•	Responsibility and Remembrance: verbal discussion and written reflection on different causes and responsibilities of citizens during this time in history.		•		•	•
IWO JIMA MEMORIAL	•		•			The Power of War Photography: study famous war images of World War II and guess the story behind each picture and photographer.				•	•
JEFFERSON MEMORIAL	•				•	Students will examine the Jefferson Memorial to identify many of Thomas Jefferson's personal pursuits.		•		•	
KENNEDY CENTER	•				•	Kennedy Center Honors: team challenge to "honor" a chosen artist by creating a performance for classmates, such as liturgical dance or praise song.		•	•		
KOREAN WAR MEMORIAL		•		•		Two Koreas: participate in a simulation of divided Korea 50 years after the war with descriptions of life on each side of the DMZ.			•		•
LIBRARY OF CONGRESS	•					Fire! Saving American Treasures: students work in teams to choose which treasured documents in the American Treasures collection to save from destruction.				•	•
LINCOLN MEMORIAL	•		•			Students will determine the memorial's effectiveness in reflecting the character of Lincoln, as well as its effectiveness as a symbol of social justice and democracy.	•	•			•
MOUNT VERNON	•			•	•	Colonial House: role-play of life in early American history; could you live by these rules?	•			•	
NATIONAL ARCHIVES				•	•	But It's My Right: teams study the Bill of Rights and debate the rights that are essential to a life of liberty and happiness in school or at home.	•			•	
NATIONAL ZOO					•	Extinction: in zookeeper teams, students solve clues to revive one of the zoo's species from extinction in the wild.	•				•
NATURAL HISTORY MUSEUM					•	Survival of the Strangest: students participate in a quirky team scavenger hunt to find unique survival characteristics among the exhibits in the museum.	•		•		•
SUPREME COURT				•	•	Free Speech for All: learn about key court cases on student free speech and debate school uniform policies.	•				•
VIETNAM MEMORIAL			•	•		A Nation Divided: read and listen to various viewpoints about the Vietnam War and discuss the purposes and politics of war memorials.	•		•		•
WASHINGTON MONUMENT			•	•	•	The Art of Social Protest: listen to and recite MLK's "I Have a Dream" speech and learn how to communicate an effective message to the masses.	•		•		•
WHITE HOUSE				•	•	Powerful Parents, Paparazzi, and the Press: You are the President's child. Decide how far the press can go in reporting about you and your family.		•			•
WWII MEMORIAL	•		•			Code Talkers: learn about the secret Navajo code talkers program and work in teams to decipher famous quotes from WWII history.	•			•	

Curriculum Guide to a WorldStrides Program

Florida Splash into Science

All WorldStrides programs are developed following a rigorous educational process. This document highlights the standards we follow and the high educational goals we set for our programs. Our unique approach to education is recognized through our accreditation as a supplemental school by multiple regional accrediting bodies throughout the country. We believe that, together, we make a world of difference through hands-on learning.

The Foundation of a WorldStrides Program

SUBJECTS		Students will use methods of inquiry to learn concepts of marine life science, physical science, earth and space science, and ecology. Emphasis is placed on how these subjects are interrelated.
SKILLS		Students will develop tools needed to acquire, organize, and communicate knowledge. These include thinking, research, and self-management.
ATTITUDES		Students will be encouraged to make connections within their studies and learn to reflect on their experiences as they relate to the real world.
ACTIVITIES		Students will learn to take appropriate actions and become actively involved in their own education. Through this program, they will explore how they can make a difference in their school or community.

SUBJECTS: Learning About Science

LIFE SCIENCE		Students will study the relationships between organisms and their physical environments and the ways that marine life can be classified for identification and conservation.
PHYSICAL SCIENCE		Students will understand characteristics of matter and basic water chemical transformations. The sources and properties of water will be demonstrated in the lab activities.
EARTH SCIENCE		Students will study and compare characteristics and conditions of various geological locations and plate tectonics. They will make conclusions about investigations regarding weather and climates.
SPACE SCIENCE		Students will study the earth's composition and structure, how the sun and atmospheric processes affect the water cycle and how weather patterns affect the diversity of marine life.
ECOLOGY		Students will evaluate how ecosystems are supported or hindered by human endeavors and why energy and marine life diversity are important for conservation.

SKILLS: Learning How to Apply Science

READING		Students will practice reading skills in various scientific formats. Students will develop skills in comprehending directions, reading lab manuals, and reading maps.
WRITING		Students will give thoughtful insight and use reasoning to write about their experiences. They will practice writing lab reports and accurately taking scientific measurements.
LISTENING		Students will display sensitivity in hearing other people's viewpoints and ideas. They will deepen their respect for the traditions of others.
RESEARCH		Students' natural curiosity will be nurtured. They will acquire the skills necessary to conduct purposeful, constructive scientific inquiry and research.
COMMUNICATION		Students will express their ideas and information with confidence and clear articulation.

ATTITUDES: Learning Beyond the Science

RESPECT		Students will develop empathy and caring for others, marine life, and nature.
RESPONSIBILITY		Students will be equipped with the ability to apply knowledge appropriately.
CURIOSITY		Students will be stimulated to inquire, thus fostering the spirit of discovery and excitement in learning.
COOPERATION		Students will be encouraged to develop diversity and flexibility of thinking, and develop sensitivity towards other people and events.
CONFIDENCE		Students will build and reinforce a sense of identity and independence.

SPLASH INTO SCIENCE | Becoming a Scientist

A WorldStrides program is an inquiry-based travel program encouraging critical thinking. Students are engaged and stimulated through key discovery questions explored in their Discovery Journals and in the field. Students will critically examine historical facts as they travel. It is reflective thinking that will lead students to responsible action, scientific awareness, and self-identity.

SITE / LOCATION (Not all sites will be seen on your program.)	SUBJECTS					ACTIVITIES	SKILLS				
	LIFE SCIENCE	PHYSICAL	EARTH SCIENCE	SPACE SCIENCE	ECOLOGY		READING	WRITING	LISTENING	RESEARCH	COMMUNICATION
						CURRICULUM FOR SPLASH INTO SCIENCE The following provides an overview of the educational activities included in a WorldStrides program. Changes may be made by WorldStrides without notice.					
ORIENTATION	•	•		•		Mix-n-Match: students pair up to learn about the program objectives and activities and more about each other in this fun matching game.	•				•
EVERGLADES NATIONAL PARK	•				•	Swamp Sounds: on a night hike, learn about the different types of waves (sound, seismic, water, and light) and how land and marine animals use sonar technology to adapt to their environments.		•	•		
EVENING PROGRAM ONE	•	•			•	Common Grounds: teamwork and interaction are the keys to success as students solve crazy brainteasers that focus on the marine life seen throughout the program.	•				•
EVERGLADS SHARK VALLEY	•				•	No Shark Tales: during this tram tour, identify animals seen above the water: alligators, snakes, and birds. No, there are no sharks in the Everglades!		•	•		
EVERGLADES SAFARI PARK		•	•			Airboat Adventure: take a wild ride on an authentic airboat and study the different Florida ecosystems: the hardwood hammock and mangrove marshes.		•	•		
EVENING PROGRAM TWO			•	•		Moons and Masks: learn about water safety skills during this interactive lab that also teaches about the atmosphere, weather cycles, and biodiversity.			•	•	
DIVERS SNORKEL ONE		•	•			Rockin Reefs: during this first snorkel trip, learn about plate tectonics, water wave energy, and how tropical fish adapt to the different reefs or Florida mangroves.			•		
CURRY NATIONAL STATE PARK		•	•			Shady Deals: test the UV protection of sunglasses and study how the sun's energy interact with matter on earth, in the water, and in seagrass beds.		•		•	
TURTLE HOSPITAL	•					Rescue, Rehabilitate, and Release: go in-depth and behind the scenes at this world class sea turtle hospital. Examine x-rays, learn about conservation efforts, and feed rescued sea turtles.			•		•

Reynolds School District

INITIAL REQUEST FOR STUDENT TRAVEL OVER 100 MILES ROUND TRIP

Name of Group: **RMS D.C. Group**

School: Reynolds Middle School

Note: This initial request must be submitted and approved 30 days before any commitment can be made or before any money-making activities can be started.

Date Request Submitted: 01/20/2021

Date of Activity **06/20/2021-06/25/2021**

If sufficient space is not available on this form, supporting data should be attached. (Flyer)

Sample Itinerary is provided

1. Purpose of the trip: (Complete related section on the next page.)

Students will have the unique opportunity to visit historical sites in Washington D.C. and New York City. They will be able to witness firsthand locations that have shaped history and influenced laws. 8th grade curriculum covers the formation and creation of the United States of America. Students will be able to visit these locations and experience where these historical events took place. This trip will expand their understanding of these events and gain a greater appreciation of American history.

2. List staff member (s) responsible for students. List all other supervisors on the trip.

Diane Bowlby (staff member), Mrs. Leslie Archibald (Parent)

3. School equipment to be used:

No school equipment will be used.

4. Lodging

Accredited hotels

5. Will Student Travel Insurance be obtained?

Travel and Medical is provided by World Stride Travel.

6. Estimated number of students: Number of supervisors: 2 (school employee)

4 students and 2 adults

7. Parent permission slip on file? Yes, prior to event. I will distribute the district approved field trip permission slip for parents to complete and sign. Additionally, I will distribute the necessary documents for their information and approval.

8. Person or persons initiating request: Brad Jubitz Date: 1/20/2021

9. Principal approval Date:

Decision: Preliminary approval to continue with planning: Yes or No

If denied, reason: _____

District Activities Coordinator Date

Final Approval: Yes or No

District Activities Coordinator

Date

Reynolds School District

PURPOSE OF TRIP

1. List itinerary:
2. What are the objectives of the trip and how are the experiences provided on the trip related to class or school programs?
 - Gain practical human and leadership skills that will increase their ability to effectively communicate with other classmates, teachers and members of their communities.
 - Gain skills and awareness in self-reliance by learning how to take care of themselves in an unfamiliar setting.
 - Better appreciate the world around them by experiencing and discovering a beautiful and new place.
 - Gain an awareness of their comfort zones and be able to push themselves to new limits.
3. How will activities on the trip provide opportunities for students to obtain new skills, insights, knowledge, or appreciation? **Students will visit our nation's capital and see where laws are passed; memorials that have shaped our nation; locations where history was made and have a greater appreciation for the sacrifices of those before us.**
4. What effect does the trip have on other classes or programs? **Other students will benefit from the stories shared by those who went as they learn from them.**
5. The cost of the trip to the district? **No cost to the District.**
6. Describe methods of transportation. **We will travel by plane to and from Washington D.C. Tour Coach in the cities. Train from Washington D.C. to New York.**
7. Describe supervision plans to ensure maximum safety for students. **World Stride Travel takes student safety very seriously. All students receive a lanyard that has World Strides 24hr contact information if they get separated. We travel in small groups to ensure everyone is there. All guides and transportation people are certified. During the stay in the hotels, there are hall chaperones all night to make sure no student leaves their room or if a student becomes ill, they are there to assist, contact the adult chaperone and arrange medical assistance if needed.**

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Board Discussion

Policy: [Board Meetings - BD/BDA](#), [Conduct of Board Meetings - BDDF](#)

Date: January 27, 2021

Action	<input type="checkbox"/>
Report	<input checked="" type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #4: We believe that the heart of a high-performing organization is its people. We commit to becoming an inclusive and positive organizational culture.

Summary:

Members of the Reynolds School Board will communicate ideas or requests for presenters at upcoming board meetings, agenda setting, or requests for reports.

Previous Board Action:

Not Applicable

Background:

Not Applicable

Financial Implications:

Not Applicable

Alternatives:

Not Applicable

Staff Recommendation:

Not Applicable

Motion:

Not Applicable

To: Board of Directors
From: Dr. Danna Diaz, Superintendent of Schools
Prepared by: Kaylie Jeffries, Executive Assistant to the Superintendent

Subject: Adjourn

Policy: [Board Meetings - BD/BDA](#), [Conduct of Board Meetings - BDDF](#)

Date: January 27, 2021

Action	<input checked="" type="checkbox"/>
Report	<input type="checkbox"/>

Connection to Board Goals

Student Achievement Equity Fiscal Responsibility Communications

School Board Core Belief/Commitment #2: We believe that equitable practices allow everyone within the Reynolds community to thrive. We commit to using equity as a foundation in all decision-making processes in order to eliminate inequities.

Adjournment

