

Board of Directors Meeting
School District 4J, Lane County
Hybrid Meeting (virtual and in-
person)
200 North Monroe Street
Eugene, Oregon 97402
Friday, October 18, 2024

NOTICE: The Finance & Audit Committee Meeting at 1:00 p.m. will be open to the public to attend in person, and via Zoom Webinar, Meeting ID 966 4007 0054

1:00 PM

Finance and Audit Committee Meeting

- | | | |
|-------|---|----|
| I. | 1:00 p.m. Finance & Audit Committee Meeting: | |
| II. | Call to Order | |
| III. | Agenda Approval | 2 |
| IV. | KRVM Audit Update | |
| V. | District Audit Update | |
| VI. | End of Year Quarterly Financial Report | 3 |
| VII. | Adjourn | |
| VIII. | Reserve Policy Update & Discussion | 15 |

INTERPRETERS FOR THE DEAF AND HARD OF HEARING:

To request interpreter services for this meeting, please call (541) 790-7850 or TDD (541) 790-7712 or the TDD Relay Number 1 (800) 735-2900

FINANCE & AUDIT COMMITTEE

Meeting: 10/18/2024

Time: 1:00 PM

Location: Parr Room.

- I. KRVM AUDIT UPDATE**
- II. DISTRICT AUDIT UPDATE**
- III. END OF YEAR QUARTERLY FINANCIAL REPORT**
- IV. RESERVE POLICY UPDATE & DISCUSSION**

Fiscal Year 2024 Year-End Financial Report

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General Fund - Expenditures

Expenditures (By Function)	FY 24 Budget	Year-End Estimate	%	Year-End Actual	%
Instruction	141,163,663	139,500,000	98%	140,527,086	100%
Support Services	96,280,119	88,756,000	92%	85,957,687	89%
Enterprise	624,218	138,000	22%	20,315	3%
Other Uses (Transfers)	13,925,000	8,925,000	64%	8,773,653	63%
Subtotal	251,993,000	237,319,000	94%	235,278,740	93%
Contingency	14,844,000				
Unappropriated	29,649,000				
TOTAL	296,486,000				

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General Fund - Expenditures

Expenditures (By Function)	FY 24 Budget	Year-End Estimate	%	Year-End Actual	%
Support Services	96,280,119	88,756,000	92%	85,957,687	89%

Description	Budget	Actual	Reasoning
Function 2120	\$5,523,014	\$470,906	Counselors charged to ESSER
Function 2210	\$8,070,149	\$5,636,705	Unable to fill Licensed & Admin positions
Function 2540	\$14,322,192	\$11,867,129	Unable to fill Facilities, Building, and Grounds positions

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General Fund - Expenditures

Expenditures (By Function)	FY 24 Budget	Year-End Estimate	%	Year-End Actual	%
Enterprise	624,218	138,000	22%	20,315	3%

Description	Budget	Actual	Reasoning
Childcare Staffing	\$476,691	\$2,071	Charged to ESSER
Nutrition Staffing	\$144,327	\$6,246	Coded to Nutrition Fund
Student Transp.	\$ 3,200	\$11,998	Additional Services

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General Fund - Expenditures

Expenditures (By Function)	FY 24 Budget	Year-End Estimate	%	Year-End Actual	%
Other Uses (Transfers)	13,925,000	8,925,000	64%	8,773,653	63%

Description	Budget	Actual	Reasoning
Transfer to Curriculum	\$1,000,000	\$1,000,000	No change from budget
Transfer to Nutrition	\$2,335,000	\$2,335,000	No change from budget
Transfer to Facilities	\$10,000,000	\$5,000,000	Reduction by Board
Transfer to Risk/Ins.	\$590,000	\$438,653	Reduced need

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General Fund - Revenues

Revenues	FY 24 Budget	Year-End Estimate	%	Year-End Actual	%
Property Taxes	83,060,000	86,000,000	103%	84,799,526	102%
Local Option Taxes	23,000,000	25,000,000	108%	25,076,439	109%
SSF & Other State	112,685,000	110,000,000	97%	116,014,662	103%
Other Revenues	5,255,000	8,185,000	155%	12,074,929	230%
<i>Subtotal</i>	<i>224,000,000</i>	<i>229,185,000</i>	<i>102%</i>	<i>237,956,556</i>	<i>106%</i>
Beg. Fund Balance	72,486,000	75,500,000	104%	75,533,741	104%
TOTAL	296,486,000	304,685,000	102%	313,499,297	106%

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General Fund – Moving into FY25

Beginning Fund Balance

Adopted FY25 Budget =	\$64,000,000
Anticipated Actuals =	<u>\$78,220,000</u>
<i>Difference =</i>	<i>\$14,220,000</i>

Worthy Notes

- *Not official until audit is finalized*
- *These are one-time funds*

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Forecast Updates

Original forecast anticipated a spend down of fund balance by \$13M. These updates are included in the new forecast.



Fiscal Year 2025 & Beyond Updated Forecasting

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PERS – New Rates

<u>PERS Rates</u>	<u>2023-25</u>	<u>2025-27</u>	<u>% Change</u>
Tier 1 & 2	21.68%	26.72%	23% Increase
OPSRP	18.84%	23.54%	25% Increase

Forecasted PERS Increases

	<u>PERS</u>		<u>Salaries</u>
FY27	46,383,094	Forecast	140,554,831
FY26	46,898,983	Forecast	142,118,130
FY25	41,026,000	Budget	143,990,000
FY24	34,343,000	Actual	124,312,000
FY23	32,751,000	Actual	117,850,000

PERS Employees

Tier 1	4.40%	11
Tier 2	18.9%	
OPSRP	76.7%	



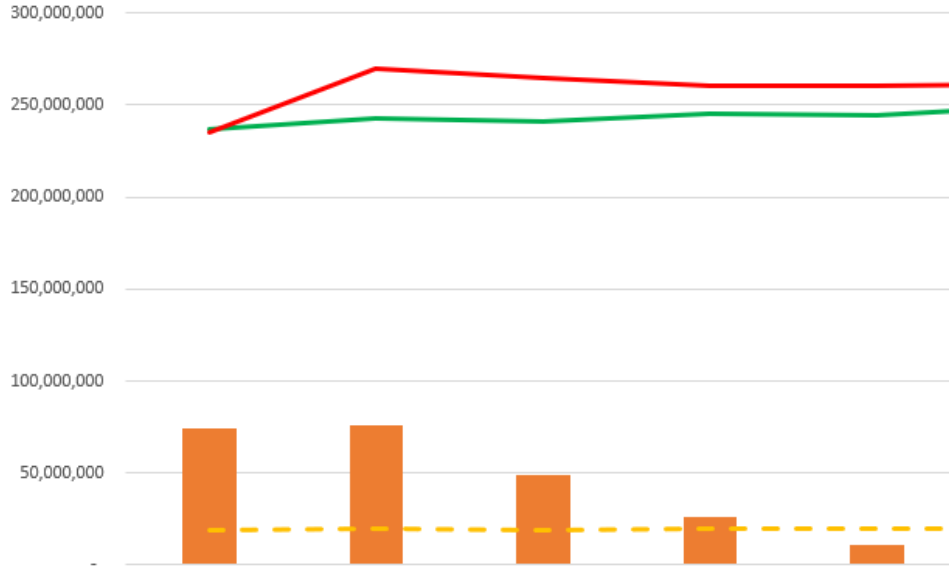
General Fund – Forecast Assumptions

PERS:	Mentioned in previous slide
Enrollment Trends:	1.78% Decrease each year
State School Fund:	4.00% Increase in biennium
COLA Assumptions:	4.00% Each year for all groups
Staffing Assumptions:	Averaging 1.1% reductions over next 5 years based on declining enrollment trend
Reserve Assumptions:	8.00% Reserve Policy (new policy TBD)
Transfers:	Continued Transfers to Facilities, Nutrition, and Curriculum
Forecast Years:	Focus on the initial 3 years of the forecast

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General Fund – Updated Forecast



	2023-24 Actuals	2024-25 Projected	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Beginning Bal	73,958,000	75,534,000	48,280,000	25,310,000	10,108,000
Revenues	236,791,000	242,411,000	241,284,000	245,546,000	244,624,000
Expenditures	235,215,000	269,665,000	264,254,000	260,748,000	260,743,000
Reserve Policy	18,943,280	19,392,880	19,302,720	19,643,680	19,569,920

Reserve Policy for General Fund

(Current) 5% \$12 Million

8% \$19 Million

10% \$24 Million

12% \$28 Million

15% \$34 Million

90-Day Reserve \$67 Million

Interesting Facts

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Operational Costs (All Funds) \$1.45M/Day

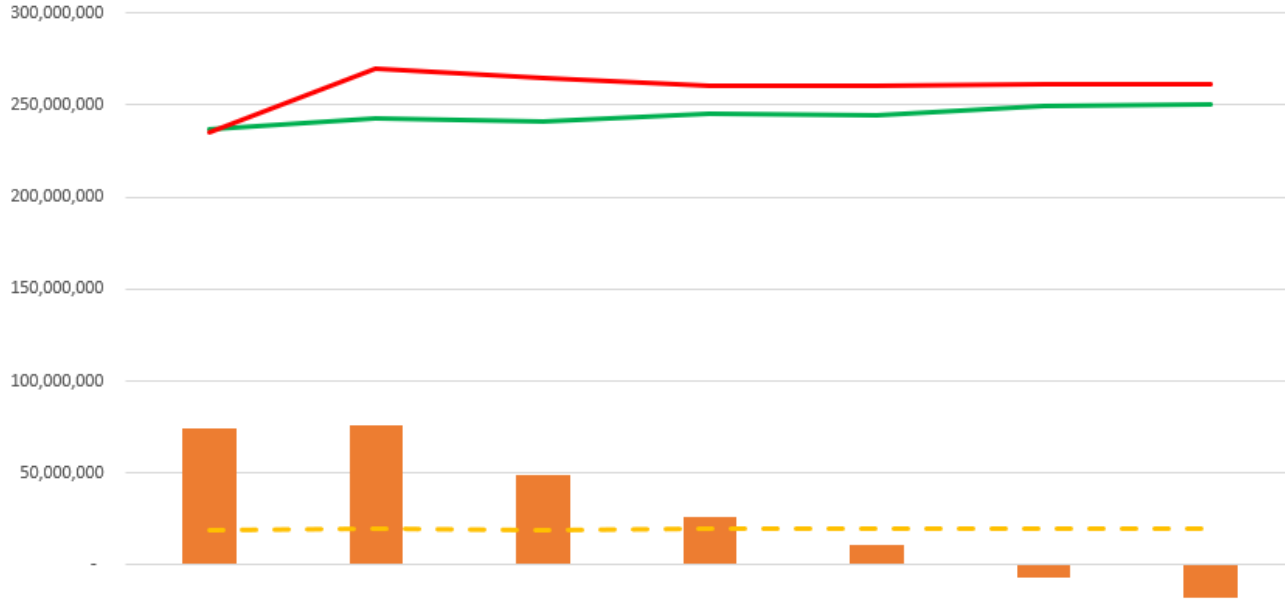
Ops (minus) Capital (All Funds) \$1.03M/Day

Avg Mthly PR Cost (All Funds) \$24.6 Million

Operational Costs (GF) \$740,000/Day



General Fund – Updated Forecast



(50,000,000)

	2023-24 Actuals	2024-25 Projected	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast	2028-29 Forecast	2029-30 Forecast
Beginning Bal	73,958,000	75,534,000	48,280,000	25,310,000	10,108,000	(6,011,000)	(17,123,000)
Revenues	236,791,000	242,411,000	241,284,000	245,546,000	244,624,000	249,805,000	249,953,000
Expenditures	235,215,000	269,665,000	264,254,000	260,748,000	260,743,000	260,917,000	261,152,000
Reserve Policy	18,943,280	19,392,880	19,302,720	19,643,680	19,569,920	19,984,400	19,996,240





ITEM FOR INFORMATION

Date of Meeting

9/19/24

Title

Reserve Policy Review & Recommendation

Background

It is important that our school district maintain an adequate level of fund balance to mitigate current and future risks. Risk examples may often include revenue shortfalls and unanticipated expenditures, but can also mean global pandemics and large-scale interruptions and natural disasters that may affect the educational system. In most cases, as noted in the GFOA (Government Finance Officer Association) fund balance guidelines, reserve policies typically revolve around a government's general fund. A copy of GFOA guidelines can be found here: <https://www.gfoa.org/materials/fund-balance-guidelines-for-the-general-fund>

In consideration with the level of a reserve policy, GFOA recommends reviewing a few key areas discussed below.

1. The predictability of revenue and volatility of expenditures. If revenues/expenditures are more volatile, an entity should consider a larger percentage reserve policy.
 - a. With 4J's consideration, our main expenditure is staffing, which relatively speaking is stable month to month and accounts for 88% of our General Fund budget.
2. Perceived exposure to significant one-time outlays. This would be considerations to disasters and immediate capital needs.
 - a. With 4J's consideration, most of our larger capital needs or insurance reserves are held in separate funds. There is often, not many capital expenditures or one-time outlays within the General Fund. These are typically seen in our Capital and Insurance Reserve funds.
3. The potential drain upon general fund resources from other funds, as well as, availability of resources in other funds.
 - a. With 4J's consideration, we do have yearly transfers into other funds like Nutrition Services. Most other transfers to funds are not for operational items so for 4J, this item should not hold a large variable weight on the reserve policy amount.
4. The potential impact on the entity's bond ratings and the corresponding increased cost of borrowed funds.
 - a. With 4J's consideration, we do have bond funds to consider along with ideas of future bonds. Having a good reserve policy and reasoning behind the policy is best practice and will be in consideration of future bond ratings.

In relation to our education partners around the State of Oregon, we are a part of what is referred to as a 10k group, which is a group of all Oregon school districts with an enrollment over 10,000 students. Below is a list of those school districts and their current reserve policies that could be found at the time

of this report. In addition to the 10k group, I have also shown our neighbors of Springfield and Bethel's current reserve policies.

School District	Reserve Policy
Portland	10.0%
Salem	5.0%
Eugene	5.0%
Beaverton	5.0%
Hillsboro	4.0%
Bend	5.0%
North Clackamas	5.0%
Medford	5.0%
Tigard-Tualatin	12.0%
Gresham	8.0%
10k Group Average	6.4%
Neighbors	Reserve Policy
Springfield	4.0%
Bethel	12.5%

GFOA is a great resource for information and materials to assist with discussion. GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain an unrestricted budgetary fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures. When reading this recommendation, please consider that although school districts are a part of GFOA and we do follow many best practices, school districts are a very small portion of their members. A majority of GFOA membership is from cities and counties across the United States.

If you were to follow the GFOA recommendation, 4J school district's reserve policy of 2 months would be just over \$46 million, roughly 15% of our General Fund.

2024/25 General Fund Information		
GF All expenditures	276,150,354	Per year
	23,012,530	Per month
	46,025,059	2 Months of Reserves
	15% of General Fund Revenue	

If you were to consider the GFOA recommendation solely based on salaries/benefits of the General Fund, which make up roughly 88% of the expenditures in the General Fund, the reserve policy would be \$38 million, roughly 13% of our General Fund.

2024/25 General Fund Information		
GF Salaries/Benefits	229,687,837	Per year
	19,140,653	Per month
	38,281,306	2 Months of Reserves
	13% of General Fund Revenue	

Staff Recommendation

Staff recommendation is an 8% minimum reserve policy for the General Fund as a combination of Contingency and Unappropriated Fund Balance. With anticipation of this discussion, the district did build the 2024/2025 budget with an 8% reserve amount in the General Fund. GFOA recommendations of two months of expenditures is appropriate for many governments, but we feel 13-15% is too high and outside of the norms we are seeing with our similarly sized school districts (our 10k group) and well outside the recommendations of Legislators who serve on the Ways & Means Committee of the Oregon Legislature. This 8% policy is above the average from our 10k group and allows enough flexibility to create more avenues for success within our schools by having more available dollars for spending on today's students, staff, and supports.

Zimbra**brown_mat@4j.lane.edu**

DI - Financial Management Policies

From : Lisa Fjordbeck <fjordbeck_l@4j.lane.edu>
Subject : DI - Financial Management Policies
To : Admin Matt Brown <brown_mat@4j.lane.edu>

Fri, Oct 11, 2024 04:23 PM

 1 attachment

Hi Matt,

Per your request. Notes below from your presentation to the group on September 11.

- **DI – Fiscal Management Policies ([LINK](#))**
 - Judy would like to see the data that Matt shared at a budget meeting.
 - Contingency funds can be moved to address issues as needed with board approval. When the contingency funds dip below the level indicated, they need to have a plan to bring it back up.
 - Matt will share reserve documentation with Judy
 - Matt and Colt will work on a version that combines points 2 & 3 on page 1 and define the separate roles of the superintendent and Budget Committee within these points.

Let me know if you have any questions.

With appreciation,
LisaLisa Fjordbeck
Operations Coordinator for the Superintendent's Office
Eugene School District 4J
200 North Monroe Street
Eugene, OR 97402
(541) 790-7716

 **DI – Financial Management Policies_PROPOSED REVISIONS.docx**
36 KB

Eugene School District 4J

Code: DI
Adopted: 1/17/90
Revised/Readopted: 4/15/92; 5/22/13; 2/14/18
Orig. Code: DI; 6120

Financial Management Policies

Resource Planning and Allocation Policies

1. On a semiannual basis the district forecasts General Fund resources and operational requirements over a rolling ~~three to~~ five year period. Annually, as part of the budgeting process for the district, the Superintendent presents the most recent forecast to the budget committee and Board for review and consideration. This forecast highlights resource and requirement considerations that will inform the development of the superintendent's proposed budget for the following year and for their financial planning activities.
2. The superintendent's proposed budget will build off of the General Fund ~~five-year~~ forecast presented to the budget committee and Board. It is the responsibility of the superintendent, budget committee and Board to balance these different criteria during the development, review and adoption of the annual budget. This criteria and goals should be reviewed by the budget committee and board at the first Budget Committee meeting and should include but is not limited to the following items:
 - a. Respond and align to current district goals and policies
 - b. Incorporate operating and capital budgets managed through other funds, and respond to current district goals and policies and other
 - c. Take into consideration the following:
 - (1) Long-range plans and needs of the district.
 - (2) Instruction service needs of all students.
 - ~~2.~~(3) Support service to efficiently manage the human, financial, capital, facility, and information resources of the district
3. ~~Operating and capital budgets will be proposed by the superintendent and approved by the budget committee consistent with the following criteria:~~
 - a. ~~The physical safety of students and employees;~~
 - b. ~~Instructional services that meet the needs of all students;~~
 - c. ~~Support services to efficiently manage the human, financial, capital, facility, and information resources of the district;~~
 - d.
 - e.d. ~~Development of new capital assets to meet enrollment changes or otherwise improve the safety, efficiency or quality of district instructional services. It is the responsibility of the~~

~~superintendent, budget committee and Board to balance these criteria during the development, review and adoption of the annual budget.~~

- 4.3. The district's education program must be responsive to enrollment changes and the changing needs of the community and its students. To respond to these changes, a portion of the operating budget may be reserved each year for staffing adjustments, new programs under development and research and development.
- 5.4. Depending on the needs and resource of the district, reserve funds may be established and continually funded to address the replacement of technology, capital assets and curriculum. The superintendent will recommend funding levels and mechanisms for each established fund as part of the annual budget process.

Accounting and Financial Practices Policies

1. The district will maintain an accounting and financial reporting system that conforms to Generally Accepted Accounting Principles (GAAP) adopted by the Government Accounting Standards Board (GASB), the Program Budgeting and Accounting Manual issued by the Oregon Department of Education and Oregon local budget law. ~~A Comprehensive Annual Financial Report (CAFR)~~ **Financial Statements** will be issued by the district no later than December 31st of each year.

2. The Board will establish funds as needed to support effective and efficient service delivery. The budget committee and the Board will review each fund annually as the budget is prepared and reviewed. If certain funds are not found to enhance the district's services or financial goals, they will be restructured or eliminated.

3. Reserve Funds

The Board may establish one or more reserve funds to hold moneys to be accumulated and expended for the purpose of financing the cost of any service, project, property or equipment. The Board shall review established reserve funds annually and determine whether the fund will be continued or abolished, as part of the budget process.

4. Contingency Funds

The Board requires each fund to maintain an appropriate contingency account to meet unanticipated requirements that may occur during the budget year. Cash reserves and fund balances will be consistent with generally accepted accounting practices and local budget law.

A contingency appropriation is typically used to address unexpected one-time program costs, new program or legislative requirements not known at the time of budget adoption and emergency situations. Funding for programs or operations that require ongoing support will be addressed during the budget development process for the next year.

The Board must approve all actions to reduce, increase or re-appropriate a contingency appropriation based on the needs of the district. The Board's authority is limited to the currently adopted budget and the budget for the following fiscal year.

~~The targeted contingency for the General Fund is two percent of the operating budget.~~ The district will review other funds for contingency and cash reserve requirements to ensure that each fund has sufficient reserves and a positive balance at year end, as required by local budget law.

5. General Fund Balance

- a. Purpose

The purpose of this policy is to establish a key element of the financial stability of the district by setting guidelines for the General Fund balance. The district will maintain a minimum ending fund balance in the General Fund in order to provide stable services and employment and to offset cyclical or unforeseen variations in revenues and expenditures without

borrowing. The minimum ending fund balance also provides cash flow liquidity for the district's general operations.

b. Definitions

Fund balance is defined as the excess of assets of a fund over its liabilities and reserves.

c. Budget

As a part of the budget process, the district will project general fund operating revenues and ending fund balances for the ~~ensuing four fiscal years in its~~ General Fund financial forecast.

The budgeted unappropriated ending fund balance (UEFB) may not be spent or appropriated during the fiscal year in which it is budgeted.

d. Minimum

The district will maintain a minimum General Fund ending fund balance of ~~five~~ **eight** percent of current year annual operating revenues excluding transfers between funds. The fund balance takes into consideration revenue and expenditure volatility and other district needs. The minimum ending fund balance is comprised of the General Fund ~~UEFB plus two-thirds of the contingency for the ensuing year~~ **contingency and unappropriated ending fund balance.**

e. Exceptions

The Board may approve a temporary reduction in the General Fund minimum ending fund balance during the budget process, along with a plan to rebuild the ending fund balance to the targeted ~~five~~ **minimum** percent level within five years. The superintendent will update the Board on the financial condition of the district and present the Board with financial options and a timeline to replenish the fund balance. Should the ending fund balance exceed the ~~five~~ **minimum** percent target, a plan for one-time use of the additional amount may be considered by the Board.

f. Breach

The superintendent will advise the Board if at any time the General Fund ending fund balance unexpectedly falls below or is projected to fall below the targeted ~~five~~ **minimum** percent. If during any fiscal year district revenues are projected to be less than anticipated, the Superintendent and Board will review expenditures, transfers, and the projected ending fund balance for possible ~~mid-year~~ adjustment through resolution or a supplemental budget. The Board may decide to use a portion of the projected ending fund balance maintained within the general fund contingency to stabilize services. When such a determination is made, the Board will adopt a plan to rebuild the ending fund balance to the ~~five~~ **minimum** percent targeted level within five years.

g. The district will review other funds for contingency and cash reserve requirements to ensure that each fund has sufficient reserves and a positive balance at year end, as required by local budget law.

h. Reporting Fund Balances in accordance with GASB Standards

This policy establishes the procedures for reporting funds balances in the financial statements. Certain commitments and assignments of fund balance help ensure that there will be adequate financial resources to protect the district against unforeseen circumstances and events such as revenue shortfalls and unanticipated expenditures.

The policy also authorizes and directs Financial Services to prepare financial reports which accurately categorize fund balance as per GASB Standards.

There are five separate components of fund balance, each of which identify the extent to which the district is bound to honor constraints on the specific purpose for which amounts may be spent.

- (1) Nonspendable (including but not limited to inventory and prepaid expenditures);
- (2) Restricted (externally restricted);
- (3) Committed (self-imposed limitations set in place by resolution of the Board);
- (4) Assigned (intent for specific use);
- (5) Unassigned (available for any purpose).

The Board established order in which fund balances will be spent when multiple fund balance types are available for a specific purpose is committed, assigned, and lastly unassigned. The superintendent or designee shall establish and maintain procedures for determining if resources would meet the definition of assigned.

The Board, as the district's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken, such as a majority vote or resolution. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specific use through the same type of formal action taken to establish the commitment.

Amounts that are constrained by the district's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This policy hereby delegates the authority to assign amounts to be used for specific purposes to the superintendent for the purpose of reporting these amounts in the annual financial statements.

6. Excess one-time funds may be available for capital, equipment, curriculum adoptions, automation or other one-time projects that improve the district's productivity and efficiency, but only if the ending fund balance is sufficient.
7. Each fund will maintain adequate cash reserves in order to meet operating cash flow needs or borrow internally from another fund with approval of the Board. As a last resort, the district will borrow externally to provide for cash requirements.
8. The district may recover the indirect costs associated with the operation of grant programs from such non general fund sources as federal and state grants, intergovernmental services agreements and other operating internal service or enterprise funds.

Revenue Policies

1. The district will strive to establish a stable revenue base for the operating budget for program needs through cooperation with its associations, legislators and other districts. The district will make capital funding requests periodically to assure adequate safety and preservation of school buildings, district equipment and other capital assets.
2. The district may charge service fees intended to recover the partial or full cost of non-district-sponsored use of its facilities, services or equipment, if permitted by law. In approving new uses of district services or facilities, the criteria for setting fees will include:
 - a. The cost of the use to the district;
 - b. The ability of the user to pay for the service or activity;
 - c. The degree to which the activity supports or detracts from the educational mission of the district;
 - d. Whether the use is by a private organization or individual or by another public entity; and
 - e. The comparable fees charged by other public or private organizations.
3. Periodically, the administration will review and adjust service fees to ensure that rates are equitable and recover the cost of operation. The district reserves the right to deny any use of its facilities or services to prevent possible conflicts with its activities or educational purpose.

Capital Improvements Policies

1. Facilities are essential to the support of the district's instructional programs. The annual operating and capital budget will reflect the need to maintain and repair facilities to preserve the public's investment in district facilities and to minimize future costs of major renovation and/or replacement.
2. Construction, acquisition or improvements of capital assets may be financed with resources outside of the district's normal operating and maintenance budget (e.g., bond issues or other methods of financing).
3. The district will maintain a current inventory of its capital assets, their condition, and replacement and maintenance costs.
4. The district will operate an ongoing preventive maintenance program to inspect facilities, inventory needs, and perform required repairs and maintenance.
5. The district will plan for capital improvements over a multi-year period. The Capital Improvement Program (CIP) will reflect long-range plans and policies, adopted land-use requirements, and growth projections. The staff and public will be involved in developing the capital improvement plan. The plan document will include estimates of known major capital needs extending beyond five years.
6. The CIP will estimate the changes in operating costs resulting from the improvements in facilities.

Intergovernmental Revenue Policies

The district may use bond resources or nonrecurring grant revenue for one-time services such as capital projects, equipment requirements, services that can be terminated without significant disruption to students

and the community, and the development of innovative programs which the district is considering for future adoption.

Debt and Investment Management Policies

1. The district will seek to maintain an Aa Moody's bond rating or equivalent to preserve its access to credit and to minimize the cost of borrowing.
2. The district will use general obligation bonds or other financing instruments permitted by law to finance essential fixed asset purchases, curriculum adoptions, and capital construction and improvements to support its instructional mission.
3. The district will periodically review debt capacity as part of long-range capital planning to ensure that debt levels are prudent and affordable. Retirement of bonded debt shall not exceed the useful life of the capital improvements that have been financed.
4. The district will comply with Oregon debt issuance laws, Internal Revenue Service (IRS) regulations established by the federal government, all bond covenants and with related Board policies.
5. The district will follow state law, local investment guidelines and the district's investment policy and related administrative rule when investing the proceeds of any bond issuance.

Organizational Policies

1. The Superintendent will review the district's organizational structure and operating program-s periodically to assure that it is responsive to current needs and avoids service duplication or inefficiencies.
2. The district will maintain a plan for balancing the cost of services with available revenues in order to minimize uncertainty about employment and services. The plan will be consistent with the adopted budget and will be informed by the General Fund forecast.
3. The compensation of employees will be competitive with that of comparable public and private sector employers in the relevant recruiting or market area. The criteria for reviewing employee wages and benefits will also include internal comparability for similar jobs, ability to pay and relevant federal or state requirements.
4. The district will, within available resources, maintain the productivity of staff through a supportive working environment which includes appropriate equipment, supplies, materials and professional staff development.
5. The district will routinely evaluate its support services and determine whether the services are being provided at a competitive market cost. The district will develop corrective plans for any services that are not efficient or effective.
6. The district will use intergovernmental service contracts to minimize the duplication of services and to ensure the most effective and efficient delivery of services to the taxpayers.

END OF POLICY

Legal Reference(s):
[ORS 294.305 to -294.565](#)

[OAR 581-023-0035](#)

OR. DEP'T OF EDUC, PROGRAM BUDGET AND ACCOUNTING MANUAL.