

Regular School Board Meeting

Wednesday, March 11, 2026 6:00 PM

District Office , 150 SW Evergreen, Mill City, OR 97360

1. Call to Order Time:

2. Flag Salute

3. Approval of / or Changes to the Agenda Action

4. Public Comment

The Santiam Canyon School Board of Directors values the opinion and input of students, staff, parents and the community members. Please keep comments to 3 minutes or less. Speakers may offer objective criticism of district operations and programs. The board will not hear comments regarding any individual staff member. Before you begin your comments, please state your name and if you are speaking from an organization, please state that organization. For more information about public comments at a board meeting, please see Santiam Canyon School District Policy BDDH.

5. Consent Agenda

5.1. February 11th, 2026 Board Minutes

5.2. Approve the renewal of licensed employee contracts for the 2026-2027 school year and authorize the Superintendent to execute the contracts on the Board's behalf.

5.3. Resignations- Amy Gillaspy- June 11th, 2026

6. Staff Report

6.1. Educational Spotlight - Sabrina Kent and the SES Post Office

6.2. ORCA - Allison Galvin

6.3. SES - Alisha Hansen

6.4. SJSHS - Blane Lazar

6.5. SJSHS Student Report - Haylie Cole

6.6. Financial Report - Nichole Cooper

6.7. Superintendent Report - Krista Nieraeth

6.8. Enrollment Report - Krista Nieraeth

6.9. Regular Attenders Report - Krista Nieraeth

7. Action Items

7.1. Presentation of Financial Audit

7.2. Second Read of Policies

7.2.1. AC - Nondiscrimination and Civil Rights

7.2.2. BBF - Board Member Standards of Conduct

7.2.3. BC/BCA - Board Organization/Board
Organizational Meeting

7.2.4. BF - Policy Development

7.2.5. BFCA - Administrative Regulations (AR)

7.2.6. BFD - Board Policy Implementation

7.2.7. BFG - Board Policy Review

7.2.8. GBN/JBA - Sexual Harassment

7.2.9. JBA/GBN - Sexual Harassment

7.2.10. JEA - Compulsory Attendance

7.2.11. JFE - Pregnant and/or Parenting Students

7.2.12. JGAB - Use of Restraints or Seclusion

7.2.13. JHFCA - Student
Skateboard/Rollerblade/Scooter Use (DELETE)

7.3. Budget Committee Appointment

7.4. 2026-2027 Academic Calendar

8. **Informational Items**

8.1. First Read of Policies

8.1.1. CPA - Layoff/ Recall - Administrative
Personnel

8.1.2. EBBA - Student Health Services

8.1.3. EBC - Emergency Plan and First Aid

8.1.4. EBCA - Safety Threats

8.1.5. EBCB - Emergency Procedure Drills and
Instruction

8.1.6. ECAD - Security Officer

8.1.7. EDC/KGF - Authorized Use of District
Equipment and Materials

8.1.8. JHC - Student Health Services and
Requirements - DELETE

8.1.9. KGF/EDC - Authorized Use of District
Equipment and Materials

8.2. Policy ARs - INFORMATION ONLY

- 8.2.1. GBN/JBA - AR (1) - Sexual Harassment Complaint Procedure
- 8.2.2. GBN/JBA-AR (2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure
- 8.2.3. JBA/GBN-AR (1) - Sexual Harassment Complaint Procedure
- 8.2.4. JBA/GBN-AR (2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure
- 8.2.5. JEA-AR - Compulsory Attendance Notices and Citations**
- 8.2.6. JGAB-AR - Use of Restraints or Seclusion**

8.3. Q-Hut Roofing Quotes

8.4. Strategic Plan Discussion

8.5. ORCA Annual Report and Audit

9. **Important Dates**

March 19th @ 6pm, Board Work Session, District Office,
April 7th @ 6 pm, Board Executive Session Super Evaluation Pt.1, District Office
April 13th @ 5:30 pm Board Executive Session Super Evaluation Pt. 2, District Office
April 13th @ 6pm Regular School Board Meeting, District Office
May 13th @ 6pm Budget Committee Meeting - First Meeting, District Office
May 13th, @ 7pm Regular School Board Meeting, District Office
May 20th @ 6pm Budget Committee Meeting - Second Meeting (if needed), District Office
June 10th @ 6pm Public Hearing on Budget, District Office
June 10th @ 6pm Regular School Board Meeting, District Office

10. **Items for Next Meeting/ Board Comments**

11. **Motion to Adjourn**

Santiam Canyon School Board of Directors
Regular School Board Meeting
February 11th, 2025 6:00 pm
Santiam Elementary School Commons

Board Members Present: Elizabeth Reeser (online), Melissa Allison, Lynda Harrington, Carl Anderson,

Staff Present: Krista Nieraeth, Blane Lazar, Alisha Hansen, Sam Proctor, Lisa Follis, Nichole Cooper, Jess Rist, Clint Forste, Amber Jungwirth, Cyndie Anderson, Desiree Dunagun

Student: Ellie Loffelmacher

Visitors: Melody Rossiter, Jonathon deRenzo, Doug Cole, Leah Chapin, Parents of Ellie Loffelmacher

1.0 Call to Order:

Mrs. Allison called the board meeting to order at 6:01 pm.

2.0 Flag Salute:

Mrs. Allison led the Pledge of Allegiance

3.0 Approval of/or Changes to the Agenda:

Mrs. Harrington motioned to accept the agenda as presented.

Mr. Anderson second.

No Discussion. Motion passed 4-0

4.0 Public Comment

None

5.0 Consent Agenda

Mrs. Harrington motioned to accept the consent agenda.

Mr. Anderson seconded.

No Discussion. Motion passed 4-0

6.0 Staff Reports

6.1 Educational Spotlight- Mrs. Rist, SCSD Director of Student Services and Clint Forste, SJSHS PE and Health Teacher. Mrs. Rist introduced Mr. Forste, who began his presentation with a little background on how the program began last school year with Mrs. Rist talking to him about starting

a modified P.E. program. He explained this year so far they have 4 special education students participating with 25 other students from another P.E. class. Mr. Forste's full report can be viewed online. Mrs. Allison thanked Mr. Forste for providing the program. Mrs. Harrington stated it was a pleasure to finally meet Mr. Forste and gave kudos to both Mrs. Rist and Mr. Forste. Mrs. Harrington asked how many special education students are at Santiam SD? Mrs. Rist stated 102 and went on to explain the modified P.E. program is not for every student. Mrs. Harrington asked what is a barrier. Mrs. Rist stated scheduling and gave an explanation of the limitations. Mrs. Harrington thanked both staff members.

6.2. ORCA - Mrs. Galvin absent. Her report to the board can be found online. Ms. Nieraeth pointed out ORCA's Class of 2025 4 year graduation rate is 80.2%, which was an increase of 27% over the past three years of graduation rate. She gave kudos to Mrs. Galvin and her team at ORCA for a remarkable increase.

6.3. SES - Mrs. Hansen – Mrs. Hansen presented her report to the board, which can be found online.

6.4 SJHHS - Mr. Lazar - Mr. Lazar presented his report to the board, and introduced Ms. Dunagan, who gave a report to the board on Doernbecher's fundraiser. The report can be found online.

6.5 SJSHS Student Report – Ellie Loffelmacher, the student representative from SJSHS, participates in basketball, volleyball, 4H, participating in college classes this year even though she does not need to and is on track to graduate. Ellie then talked about the Santiam staff, she said she felt that staff cared about the students. She gave a specific example of Ms. Gross going out of her way to help Ellie when it wasn't required. She also mentioned Mrs. Hutchinson in the office being very helpful her first day and made her feel welcome.

6.6 Financial Report – Mrs. Cooper presented her report to the board, which is available online.

6.7 Superintendent Report – Ms. Nieraeth presented her report to the board, which is available online.

6.8 Enrollment Report- Ms. Nieraeth gave the Enrollment Report for the month. The report can be found online.

6.9 Regular Attenders Report- Ms. Nieraeth gave the Regular Attenders report. The report can be found online.

Mrs. Harrington asked Mrs. Hansen what she thought the reason for the low attendance would be. Mrs. Hansen stated there isn't any one reason but a multitude of reasons. Mrs. Hansen went on to say they have been tracking the SES daily attendance for the last couple of weeks and they have been between 90-95%.

7.0 Action Items

- 7.1 Second Read of Policies
 - 7.1.a BCH - Consultants to the Board
 - 7.1.b BD/BDA - Board Meetings
 - 7.1.c BDC - Executive Sessions
 - 7.1.d BDDA - Notification of Board Meetings
 - 7.1.e CB - Superintendent
 - 7.1.f CF - District Administration
 - 7.1.g IGAJ - Traffic Safety Education
 - 7.1.h IGAM - Distance Learning

Mr. Anderson made a motion to accept all policies in Agenda Item 7.1.

Mrs. Harrington second.

No Discussion. Motion passed 4-0

7.2 **Board Member Interviews**

Three applicants, each was given the questions prior to their interview.

Jonathon deRenzo, Leah Chapin, and Doug Cole were all interviewed. Full interviews can be found in the video.

The Board thanked all the applicants for applying for the vacancy.

Mr. Anderson made a motion to appoint Doug Cole to the board.

Mrs. Allison second.

No discussion. Motion passed 4-0

Ms. Nieraeth gave the oath to Doug Cole as the new board member and Mr. Cole joined the board at the table.

7.3 **Declare Vacancy for Budget Committee**

Ms. Nieraeth let the board know there is one vacancy for the budget committee and the application is included in the packet to the board if they wanted to delete or add anything to the application. The Board was fine with the application as presented. Ms. Nieraeth gave a list of where the announcement will be posted for the public to see and stated the new member should be appointed at the March board meeting.

Mrs. Allison declared the vacancy open on the Santiam Canyon School District budget committee.

The term is July 1, 2025, through June 20, 2028.

8.0 Informational Items

8.1 Financial Presentation - Jackie Olsen, Executive Director, Oregon Association of School Business Officials

Mrs. Olsen gave a brief background with her working history with Santiam Canyon SD. Mrs. Olsen presented her report to the board, which is available online.

Mrs. Olsen talked about the current Legislative Session, about the revenue forecasts and how it could affect school funding for this year and the upcoming years.

Mrs. Allison asked about the state budget and if there is risk for any cuts. Mrs. Olsen stated that the budget is down approximately \$500 million, and that there was a low risk for any cuts due to the Education Stability and Rainy Fund.

Mrs. Allison asked Mrs. Olsen about the feasibility of using district funds to replace the current Q - Hut with the current state budget situation. Mrs. Olsen stated that while the district has the funds to do it based on the ending fund balance, she wouldn't recommend it because of the SSF funds and the potential swing of the enrollment of ORCA. She recommends the district keeping a higher ending fund balance due to this. The district could look at taking out a loan, save or other options.

Mrs. Allison also asked about securing donations for a project of this size and whether it had been done successfully before. Mrs. Olsen responded that she would not recommend relying on donations for funding due to the time it may take to raise the necessary funds. During that time, construction costs could increase, potentially requiring the board to decide whether to use cash reserves to complete the project. She also noted that a leadership transition could result in different priorities.

Mrs. Harrington then asked Mrs. Olsen that if the district had the capacity to raise the money, what would be the downside. Mrs. Olsen explained that there is still a risk to the district regarding the timing of when the funds are received and whether the total amount raised would be sufficient for a project of this size.

Mrs. Harrington asked Mrs. Olsen about fluctuating ORCA funds and the negotiations of the percentage of pass through to ORCA. Mrs. Olsen stated that the district and ORCA have a seven year contract and that that percentage cannot be changed until the end of contract. Mrs. Olsen clarified that the enrollment of ORCA is volatile and that the ORCA, like the rest of the school, is paid off of the days students are enrolled in ORCA, and because of the fluctuation of their enrollment, the payment is an estimate until figures are finalized.

8.2 First Read of Policies

- 8.2.a: AC - Nondiscrimination and Civil Rights
- 8.2.b: BBF - Board Member Standards of Conduct
- 8.2.c: BC/BCA - Board Organization/Board Organizational Meeting
- 8.2.d: BF - Policy Development
- 8.2.e: BFCA - Administrative Regulations (AR)
- 8.2.f: BFD - Board Policy Implementation
- 8.2.g: BFG - Board Policy Review
- 8.2.h: GBN/JBA - Sexual Harassment
- 8.2.i: JBA/GBN - Sexual Harassment
- 8.2.j: JEA - Compulsory Attendance
- 8.2.k: JFE - Pregnant and/or Parenting Students
- 8.2.l: JGAB - Use of Restraint or Seclusion
- 8.2.m: JHFCA - Student Skateboard/Rollerblade/Scooter Use (DELETE)

The Board was asked if they had any questions about these policies. There were none.

8.3 Policy ARs for Information

- 8.3.a: AC - AR - Discrimination Complaint Procedure
- 8.3.b: GBN/JBA-AR(1) - Sexual Harassment Complaint Procedure
- 8.3.c: GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure
- 8.3.d: JBA/GBN-AR(1) - Sexual Harassment Complaint Procedure
- 8.3.e: JBA/GBN-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure

Ms. Nieraeth told the board that Administrative Regulations (AR) were not something that the board adopted because they were the “operational” part of how the district would implement board policies, but that she would put these in the packets as information.

8.4 Strategic Plan Discussion

Ms. Nieraeth asked Mrs. Allison if she would like to have this tabled until the next meeting since it is a lot of information to go over. Mrs. Allison asked Ms. Nieraeth how our strategic plan fits into the accountability metrics. Mrs. Allison agreed this should be moved. Ms. Nieraeth stated the board will have the same information in the March packet.

9.0 Items for the Next Meeting / Board Comments

Work Session Board Training OSBA- March 19th, 2026 at 6pm at the District Office

April 7th will be a 2 hour executive session. Ms. Nieraeth asked if the board would want to move the regular board meeting to April 13th, with the executive session at 5:30 pm and then move to open session after executive session. The board agreed to moving the meeting.

The Open Session of the board meeting was closed at 8:15pm.

10.0 Executive Session was called at 8:16 pm

- To review and evaluate the employment-related performance of the chief executive officer of any public body, a public officer, employee or staff member who does not request an open hearing. (ORS 192.660(2)(i))

The Open Session of the board meeting was reopened to the public at 8:51 pm

11.0 Motion to Adjourn:

Mr. Anderson motioned to adjourn.

Mrs. Harrington Second.

No Discussion. Motion passed 5-0

Meeting adjourned at 8:51 pm



Santiam Canyon School District 129J

Post Office Box 197
150 SW Evergreen St.
Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

March 11, 2026

To: Mrs. Elizabeth Reeser, Chairperson, and the Santiam Canyon School District 129J Board of Directors

From: Krista Nieraeth, M.Ed., Superintendent of Schools

Re: Staffing for the 2026 – 2027 School Year

Each year, the building principals, district administrators, and the district superintendent complete the observation and evaluation process in accordance with SB 290 for licensed staff and administrators. During the March board meeting, the board of directors is presented with the recommendations of renewals and extensions, based on the evaluation of the job performance in accordance with ORS 342.513 and ORS 342.845. Once the recommendations are presented and approved, the District must provide notification in writing to staff. This does not promise employment for the upcoming year but does indicate that the employee has met the requirements for the employment. My recommendations are as follows:

Administration:

Name:	Recommendation:
Alisha Hansen	Renew/Extend
Blane Lazar	Renew/Extend
Jessica Rist	Probationary 2 to Probationary 3
Amber Jungwirth	Probationary 1 to Probationary 2

Licensed Staff:

Name:	Recommendation:
Alyssa Kormann	Probationary 1 to Probationary 2
Candace Harris	Probationary 1 to Probationary 2
Kenneth Armstrong	Probationary 1 to Probationary 2
Kimber Knuth	Probationary 1 to Probationary 2
Kimberly Singletary	Probationary 1 to Probationary 2
Randall Klagge	Probationary 1 to Probationary 2
Tobias Burroughs	Probationary 1 to Probationary 2
Ann Robinson-Glenn	Probationary 2 to Probationary 3
Kindra Gross	Probationary 2 to Probationary 3
Kristen Jones	Probationary 2 to Probationary 3

Michelle Sisk	Probationary 2 to Probationary 3
Don Taylor	Probationary 3 to Contract
Emily Douglas	Probationary 3 to Contract
Johnathan Hart	Probationary 3 to Contract
Jordan Young	Probationary 3 to Contract
Sarah Shumate	Probationary 3 to Contract

Daniel Asay	Renew/Extend
Steve Bennett	Renew/Extend
Alicia Boyd	Renew/Extend
Kerry Crowston	Renew/Extend
Dan Cunderman	Renew/Extend
Abbie Drake-Spier	Renew/Extend
Clint Forste	Renew/Extend
Jan Forste	Renew/Extend
James Hill	Renew/Extend
Amy Jensen	Renew/Extend
Elizabeth Kackley	Renew/Extend
Megan Lindsey-Merklin	Renew/Extend
Kristen Meeker	Renew/Extend
Todd Reeser	Renew/Extend
Kaleen Rios	Renew/Extend
Amy Jo Rock	Renew/Extend
Jason Saari	Renew/Extend
Kenneth Allison	Renew/Extend
Cynthia Anderson	Renew/Extend
Joy Beshay	Renew/Extend
Connie Brown	Renew/Extend
Stephanie Grenbemer	Renew/Extend
McKenzie Hunt	Renew/Extend
Jennifer Jechart	Renew/Extend
Sabrina Kent	Renew/Extend
Charity Leatherman	Renew/Extend

Jenny Longfellow	Renew/Extend
Angela E Moreno	Renew/Extend
Angela M Moreno	Renew/Extend
Matt Schafer	Renew/Extend



**School Leader Report
March 11, 2026**

Enrollment

March 2, 2026	February 3, 2026	February 28, 2025	March 1, 2024
2,982	2,900	2,887	2,500

Student Intent to Return

	Yes	No	Undecided	Blank
March 3, 2026	981 (37%)	29 (1%)	41 (2%)	1,604 (60%)
March 4, 2025	1,048 (40%)	33 (1%)	70 (3%)	1,498 (57%)

School Year Events

- Preparing for the 2026-27 Budget Cycle: It is with great joy to share that ORCA continues to increase enrollment at a manageable rate. Using the student intent-to-return data and enrollment projections, ORCA is building a budget for 2,820 students. This is an increase from last year's 2,650, which provides the ability for ORCA to continue to support students and staff comprehensively. Two important pieces of data that ORCA is collecting this time of year are the student and staff intent-to-return numbers. Student intent to return is open until May 4, 2026, while staff intent to return is open until March 20, 2026. Both of these annual processes help drive budgeting and build the framework for the next school year.
- Career and Technical Education: Oregon Charter Academy's CTE students are thriving. Students in ORCA's FFA (ag and veterinary science) program placed at their recent regional tournament and qualified for the state semi-finals the first weekend in March. ORCA's DECA (business) program was awarded medals for various events at the state competition in February, where one student placed highest out of 1,300 students in the exam portion of the event, and two other students qualified in their events for the national competition. This is DECA's first year in competition. Finally, the HOSA (medical science) program competes at their state tournament this coming weekend, where we anticipate multiple students placing and qualifying for the national competition. While ORCA is often the only virtual school competing in these competitions, it is incredible to see how our students not only compete but thrive in these hands-on learning environments.
- March Student Event Day: ORCA hosts 7 official student event days during the school year, five of which are held regionally throughout the state. March's event is focused on "Careers Around Oregon." Students in all grades will have the opportunity to attend one of ten regional events to learn about a fun career field. Examples include a Future First Responders event, aviation, marine biology, and more! Events are a fun way for students to build connections and learn more about the communities in which they live.



SANTIAM ELEMENTARY SCHOOL

STAND TOGETHER • FIND YOUR PATH • NEVER GIVE UP

Alisha Hansen, Principal
Savannah Bradd, Office Manager/Registrar
450 SW Evergreen St.
P.O. Box 198
Mill City, OR 97360

alisha.hansen@santiam.k12.or.us
savannah.bradd@santiam.k12.or.us
503-897-4034 Fax
503-897-2368 Ph.

Board Report - March, 2026

Events

- Doernbecher Children’s Hospital Fundraiser: Our Change-for-Change Drive began on March 9th with a coin balance challenge and a pie-the-face event.
- Read-a-Thon: The Read-a-Thon was a success! One 5th grade student logged an impressive average of three hours of reading each day, and one 2nd grade student listened to and read for over 1,000 minutes during the month.
- Attendance Team Meeting: Ross Davis from LBL ESD is scheduled to attend our Attendance Team Meeting tomorrow. We look forward to sharing our Attendance Improvement Plan and current data with him, as well as gaining any additional insights or strategies we can implement to improve attendance.

High Dosage Tutoring

Our instructional assistants have successfully completed eight sessions of High Dosage Tutoring Training provided by LBL ESD.

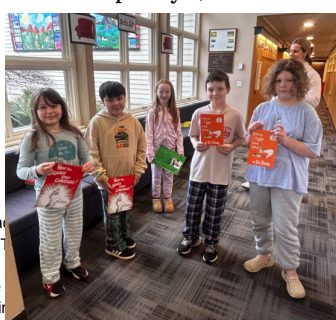
High-Dosage Tutoring (HDT) Training in Oregon provides professional learning for educators, tutors, and school staff so they can implement evidence-based programs designed to accelerate student learning, particularly in early literacy. The training is part of the Oregon Department of Education’s (ODE) Early Literacy Success Initiative and related state funding programs.

As of 2024, Oregon’s 4th graders scored an average of nine points below the national average in literacy, and this training is part of the state’s response to address this urgent need (<https://resources.onyourmarkeducation.org/hit-funding/oregon>).

Read Across America Day

Our Read Across America Day celebration included a visit from author Leslie Barnard Booth. Due to illness, she needed to reschedule the original event and was able to visit this past Monday.

See the pictures below highlighting our dress-up days, Book Walk prizes, and buddy reading activities.



Santiam Canyon Sch
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Blane Lazar, Principal
Amber Jungwirth, Vice Principal
Jessica Benavidez, Office Manager

300 SW Cedar St, PO Box 199
Mill City, OR 97360
503-897-2311 Ph. 503-897-3154 Fax

MARCH 2026 BOARD NOTES

STUDENT GUEST

Haylie Cole - 12th Grader

Winner of the Quinn Scholarship, full ride to University of Oregon

Senior Class Vice President - Involved with Leadership

Designer of beautiful posters and promotional signs

Volleyball, Basketball and Softball athlete

National Honor Society member

College Classes taken: Chemistry, College Algebra, Writing 121/122, Calculus 1&2, and Chemistry

Volunteer at church

Haylie consistently shows kindness and compassion, always looking out for others and making sure no one feels left out. Her caring nature and willingness to help those around her make her a positive influence and a valued member of our school community. She is awesome!

CLASSIFIED APPRECIATION WEEK-

Classified Appreciation Week was March 2nd to March 5th

“Wolverine Shout Out!” to all our classified employees who are essential to the success of our students.

Had a great week of celebrating our classified staff with treats, meals, gifts, coffee and so much more.

I am a HUGE believer in the value, power and importance of our full team. We never know when and who will be available when a student needs us and that difference maker could be any of us. From Karen Baker at the front desk saying Hi to a student, to Dale Hopson making a silly joke with a kid, to Debbie Tank engaging in a long conversation about a good book, to the rest of our classified staff. We are a team that cares about our students!

WOLVERINE EMPLOYEE FOCUS-

Fall Coaches - **Wrestling**, **Girls Basketball**, and **Boys Basketball**

Kerry Crowston, JJ Jensen, Brooks Becker, Earl Young, Robert Young, and Jeffrey Mask

Hannah Thompson, Jeremy Downey, Greg Grenbemer, Ashley Walczak, JD Hill, and Maria Farmen

Elvis Hicks, Jamey Fawcett, Shawn Fleming, Randall Klagge, and Kris Sims

Competed hard, overcame obstacles, represented our school with class! Thank you!

SANTIAM WOLVERINES



STAND TOGETHER • FIND YOUR PATH • NEVER GIVE UP

Blane Lazar, Principal
Amber Jungwirth, Vice Principal
Jessica Benavidez, Office Manager

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MARK YOUR CALENDARS

March 7th to March 19th - Doernbechers Event

- Raising money for Doernbechers Children's Hospital
- Leadership students visited Doernbechers on Jan. 26th
- Events at both schools and locally including 3 assemblies, local business partnerships, flamingo flocking, staff vs. students basketball, 3 point competition, bingo, fun run, dance, change for change, SES change drive and so much more
- Raised \$8,000 last year, a record amount (\$5,500 goal)
- Staff challenges, \$10,000 = Dean of Students surprise
- Want this to be a community event, please get involved

March 12th - Hosting Future Forward & Junior Jumpstart

- Designed to help families prepare for next steps after high school
- Hosted by state ASPIRE coordinator, Rochelle Farris

April 17th - Santiam Scholarship Auction

- Raising money for student scholarships
- Fun evening with food and auctions
- Attend and support our Class of 2026
- Coordinated by Madi Wilson

WOLVERINE ATHLETIC CORNER-

Winter Sports summary...

**Wrestling - 3 boys qualified for state, all 3 were sophomores
Eli Piercy, Justice Faville, and Jayden Kuvandin**

**Girls Basketball - Finished with 9-16 record overall
Finished 5th in league**

**Boys Basketball - Finished with 11-15 record overall
Lost in the round of 16 in the state playoffs 2nd year in a row**

UPCOMING EVENTS-

School Conferences - March 12th & 13th

Junior Jumpstart & College Awareness Night - March 12th

Band Competing at State Competition - March 18th

Doernbecher's Week - March 9th to March 19th

Sabotage basketball & 3-point shoot-off - March 14th - 3:00 pm/5:00 pm

Bingo - March 15th - 2:00 pm

Closing Assembly - March 19th - 9:30 am



March 6, 2026

TO: Santiam Canyon Board
FROM: Nichole Cooper, Business Manager
RE: Financial Statements for fiscal year 2025-26

Board Members,

Attached are the financial statements through February 28, 2026. The reports include:

- General Fund Statement of Revenues – Budget vs. Actual
- General Fund Statement of Expenditures – Budget vs. Actual
- Total Appropriations for the year

Fiscal Year 2025–26

For July 1 through February 28, actual revenues and expenditures show an estimated Ending Fund Balance of \$5,606,875. Of this total, \$1,881,338 is set aside as Contingency and Unappropriated Ending Fund Balance. The fund balance is continuing to increase as we move through the year.

Updates

The Co-Chairs of Ways and Means have released their budget framework, and at this time there are no proposed cuts or reductions to K–12 funding that flows directly to school districts and ESDs. This includes the State School Fund, Student Success Act programs, and state grant-in-aid programs.

There is one notable change: approximately \$17 million in unspent Safe Routes to Schools funds will be redirected to support the ODOT budget. While there are no new investments or restorations to previously reduced programs, the current framework does not utilize the Education Stability Fund or the Rainy-Day Fund to balance the state budget. We will continue to monitor any developments as the bills move to the House and Senate floors later this week.

Investments

As of February 28, 2026, Santiam Canyon’s investments total \$14,296,366.61 in the Local Government Investment Pool, earning an annualized interest rate of 4.04%.

Please don’t hesitate to reach out with any questions or concerns about these statements.

Santiam Canyon School District 129J
 General Fund: Statement of Revenues Budget Vs. Actual
 For the Fiscal Year 2025-2026

Source	Budget 2025-2026	Actual YTD Rev. 2/28/2026	Projected through 6/30/2025	Total Estimated 2025-26	(Over)/Under Budget	Budget 2024-25	Estimated YTD Rev. 6/30/2025
SSF Funding							
1111 Current Year Property Taxes	2,583,621	2,617,631	112,886	2,730,517	(146,896)	2,442,678	2,581,560
1112 Prior Year's Property Taxes	29,286	38,471	11,557	50,028	(20,742)	30,417	51,960
1114 Payment in Lieu of Property Taxes	13,370	11,723	845	12,568		12,523	11,772
1190 Penalties & Interest on Investments	13,567	-	6,432	6,432		10,112	4,794
2101 County School Funds	2,500	-	2,500	2,500	-	2,500	3,384
3101 State School Support Funds	39,521,666	29,608,617	10,848,831	40,457,448	(935,782)	34,313,011	35,047,829
3101 SSF - Due from ODE FY24/25				-	-		1,559,988
3101 SSF - Small HS Grant				-	-		30,566
3101 SSF - Small HS/HC disability FY24/25				-	-		49,564
3103 Common School Fund	465,672	77,393	77,393	154,786	310,886	415,262	140,220
3104 State Timber	300,000	340,097	19,903	360,000	(60,000)	300,000	455,858
Total SSF Funding	42,929,682	32,693,932	11,080,346	43,774,278	(852,533)	37,526,503	39,937,495
Total SSF Revenue	\$ 42,929,682	\$ 32,693,932	\$ 11,080,346	\$ 43,774,278	\$ (852,533)	\$ 37,526,503	39,937,495
Non State School Support Formula Sources							
Local Sources							
1510 Earnings on Investments	450,000	399,068	50,932	450,000	-	300,000	550,732
1710 Admissions/Fees	10,000	9,799	201	10,000	-	10,000	5,803
1910 Rentals	1,000	3	57	60	940	5,000	300
1920 Donations from Private Sources	18,000	-	-	-	18,000	25,000	21,841
1943 Serv Provided to Charter School	1,535,796	1,150,661	470,725	1,621,386	(85,590)	1,314,999	1,418,175
1960 Recovery of Prior Year Expenditures		7,325		7,325	(7,325)		303
1980 Indirect Fees		-					54,054
1990 Miscellaneous Local Revenue	38,388	15,993	22,395	38,388	-	40,000	34,724
1991 Miscellaneous ERATE	6,500	6,221	279	6,500	-	6,500	11,757
Total Non Formula Local Sources	2,059,684	1,589,071	544,588	2,133,660		1,701,499	2,097,689
Intermediate Sources							
2102 ESD Apportionment	288,000	32,020	255,980	288,000	-	200,000	372,575
2199 - Other Inter. Sources (HERT)	500	486		486	14		985
2800 Revenue in Lieu of Taxes	500	-	-	-	500	500	-
Total Intermediate Sources	289,000	32,506	255,980	288,000	500	200,500	373,560
State/Federal Sources							
3299 Other Restricted Grants-In-Aid- YTP		-	-	-	-		9,979
4201 Foster Care Transportation	5,000	-	-	-	-		2,450
4703 Carl Perkins	2,500	6,755		6,755			-
4801 Federal Forest		-	-	-			10,253
Total State/Federal Sources	7,500	6,755	-	6,755	-	-	22,682
Other Sources							
5400 Beginning Fund Balance*	5,226,881	5,862,904		5,862,904	(636,023)	5,100,000	5,109,577
Total Other Sources	5,226,881	-	-	5,862,904	(636,023)	5,100,000	5,109,577
Total Non SSF Revenue	\$ 7,583,065	\$ 1,628,332	6,606,158	\$ 8,291,319	\$ (635,523)	\$ 7,001,999	7,603,508
Total Resources	\$ 50,512,747	\$ 40,185,168	\$ 17,686,505	\$ 52,065,597	\$ (1,488,056)	\$ 44,558,502	\$ 47,541,003
				\$ 46,458,723			
				\$ 5,606,875			
				\$ 1,881,338			
				\$ 3,725,537			

Santiam Canyon School District 129J
 General Fund: Statement of Expenditures Budget Vs. Actual
 For the Fiscal Year 2025-2026

Function	Budget 2025-2026	Actual YTD EXP 2/28/2026	Projected through 6/30/2025	Total Estimated 2025-26	(Over)/ Under Budget	% Committed	Budget 2024-25	Actual YTD Exp. 6/30/2025
Instruction								
1111 Elementary, K-5 or K-6	1,853,942	811,629	801,713	1,613,342	240,600	87.02%	1,656,791	1,441,777
1121 Middle/Junior High Programs	858,829	388,306	384,640	772,946	85,883	90.00%	806,930	666,743
1122 Middle/Junior High School Extracurricular	101,947	27,564	25,542	53,106	48,841	52.09%	103,118	53,716
1131 High School Programs	1,405,712	665,114	628,338	1,293,452	112,260	92.01%	1,251,124	1,151,209
1132 High School Extracurricular	395,609	180,628	181,494	362,122	33,487	91.54%	338,941	310,250
1140 Pre-Kindergarten Program	35,000	-	-	-	35,000	0.00%	35,000	25,188
1210 Programs for the Talented and Gifted	6,729	1,530	1,878	3,408	3,321	50.65%	6,388	3,236
1220 Restrictive Pgms for Students w/Disabilities	750,378	314,782	422,423	737,205	13,173	98.24%	579,380	569,209
1223 Community Transition Centers	-	-	-	-	-	0.00%	12,233	-
1250 Programs for Students w/Severe Disabilities	529,991	263,484	236,689	500,173	29,818	94.37%	400,919	378,363
1271 Remediation	21,304	166	14,886	15,052	6,252	70.65%	29,133	20,583
1283 District Alternative Programs	30,800	8,006	6,530	14,535	16,265	47.19%	22,800	10,760
1288 Charter School Payments	36,325,251	25,366,885	9,982,682	35,349,567	975,684	97.31%	31,951,262	30,274,302
1288 Charter School Payments - May FY2425 ADJ	-	-	-	-	-	0.00%	-	1,804,085
1291 English Second Language Programs	25,948	68	16,178	16,246	9,702	62.61%	13,499	8,452
Total Instruction	\$ 42,341,440	\$ 28,028,161	\$ 12,702,993	\$ 40,731,154	\$ 1,610,286		\$ 37,207,518	36,717,874
Support Services								
2112 Attendance Services	-	0.00	-	-	-		32,144	0.00
2120 Guidance Services	252,735	17,763	114,087	131,850	120,885	52.17%	230,218	120,103.22
2139 Health Services	3,100	22,615	372	22,987	(19,887)	741.51%	3,100	29,647
2143 Psychological Services	1,500	-	-	-	1,500	0.00%	1,500	-
2150 Speech Pathology and Audiology Services	36,800	-	-	-	36,800	0.00%	26,836	-
2190 Service Directions, Student Support Svcs	201,460	120,861	76,570	197,431	4,029	98.00%	107,110	120,659
2222 Library/Media Center	111,191	28,128	72,929	101,058	10,133	90.89%	106,073	96,406
2230 Assessment and Testing	9,100	-	-	-	9,100	0.00%	9,100	-
2240 Staff Development	63,447	23,711	21,788	45,499	17,948	71.71%	56,893	40,799
2310 Board of Education	101,500	62,694	26,421	89,115	12,385	87.80%	97,000	85,164
2321 Office of the Superintendent Services	486,416	303,745	164,181	467,926	18,490	96.20%	436,732	420,131
2410 Office of the Principal Services	607,208	478,471	280,539	759,010	(151,802)	125.00%	551,882	546,328
2520 Fiscal Services	274,045	168,201	108,151	276,352	(2,307)	100.84%	221,986	223,855
2542 Care and Upkeep of Building Services	1,532,994	943,763	309,712	1,253,475	279,519	81.77%	1,458,502	1,173,186
2543 Care and Upkeep of Grounds Services	196,061	81,061	55,340	136,401	59,660	69.57%	161,582	112,413
2544 Maintenance	-	-	-	-	-	0.00%	9,786	-
2550 Student Transportation Services	805,845	395,843	289,126	684,968	120,877	0.00%	781,867	525,333
2574 Printing, Publishing and Duplicating Services	48,250	32,040	9,961	42,001	6,249	87.05%	46,250	40,260
2649 Other Staff Services	5,200	2,281	59	2,340	2,860	45.00%	5,200	1,240
2669 Other Support Services-Central	330,707	220,652	90,449	311,100	19,607	94.07%	282,678	306,904
Total Support Services	\$ 5,067,559	\$ 2,901,828	\$ 1,619,685	\$ 4,521,513	\$ 546,046		\$ 4,626,439	\$ 3,842,427
Community Services								
3100 Food Service	55,110	19,185	19,870	39,055	-		53,240	23,986
Total Community Services	\$ 55,110	\$ 19,185	\$ 19,870	\$ 39,055	\$ -	\$ -	\$ 53,240	\$ 23,986
Other Requirements								
4150 Building Acquisition, Construction, and Improvem	-	-	-	-	-	0.00%	5,000	-
5200 Transfers of Funds	1,167,000	-	1,167,000	1,167,000	-	100.00%	817,000	1,105,856
6000 Contingency	1,281,338	-	-	-	1,281,338	100.00%	1,299,305	-
7000 Unappropriated Ending Fund Balance	600,000	-	-	-	600,000	100.00%	550,000	-
Total Other Requirements	\$ 3,048,338	\$ -	\$ 1,167,000	\$ 1,167,000	\$ 1,881,338		\$ 2,671,305	\$ 1,105,856
Total Requirements	\$ 50,512,447	\$ 30,949,175	\$ 15,509,548	\$ 46,458,723	\$ 4,037,670		\$ 44,558,502	\$ 41,690,143

Santiam Canyon School District 129J

Appropriations: Budget Vs. Actual

For the Fiscal Year 2025-2026

General Fund (100)	Appropriations	YTD	Encumbrances	Totals	Resolutions	(Over)/Under Budget
1000 Instruction	\$ 42,341,440	\$ 28,028,161	\$ 10,972,554	\$ 39,000,715		\$ 3,340,725
2000 Support Services	\$ 5,067,559	\$ 2,901,828	\$ 1,331,014	\$ 4,232,843		\$ 834,716
3000 Community Services	\$ 55,110	\$ 19,185	\$ 19,870	\$ 39,055		\$ 16,055
5200 Transfers	\$ 1,167,000	\$ -	\$ -	\$ -		\$ 1,167,000
6000 Contingency	\$ 1,281,338	\$ -	\$ -	\$ -		\$ 1,281,338
Sub Total	\$ 49,912,447	\$ 30,949,175	\$ 12,323,438	\$ 43,272,613		\$ 6,639,834
Special Revenue Funds						
1000 Instruction	\$ 3,349,972	\$ 856,607	\$ 751,345	\$ 1,607,951		\$ 1,742,021
2000 Support Services	\$ 1,455,488	\$ 356,222	\$ 184,815	\$ 541,036		\$ 914,452
3000 Community Services	\$ 753,427	\$ 286,983	\$ 178,740	\$ 465,724		\$ 287,703
4000 Facility Acquisition	\$ 250,000	\$ -	\$ -	\$ -		\$ 250,000
5100 Debt Service	\$ 34,487	\$ 10,968	\$ 4,192	\$ 15,160		\$ 19,327
6000 Contingency	\$ 750,000	\$ -	\$ -	\$ -		\$ 750,000
Sub Total	\$ 6,593,374	\$ 1,510,780	\$ 1,119,092	\$ 2,629,871		\$ 3,963,503
PERS Bond Debt Service (302, 303, 304)						
2000 Support Services	\$ 20	\$ 0	\$ -	\$ 0		\$ 20
5100 Debt Service	\$ 1,685,267	\$ 450,132	\$ -	\$ 450,132		\$ 1,235,135
6000 Contingency	\$ 339,386	\$ -	\$ -	\$ -		\$ 339,386
Sub Total	\$ 2,024,673	\$ 450,133	\$ -	\$ 450,133		\$ 1,574,540
Facilities (400)						
4000 Facilities Acquisition	\$ 2,500,000	\$ 11,677	\$ -	\$ 11,677		\$ 2,488,323
6000 Contingency	\$ 250,000	\$ -	\$ -	\$ -		\$ 250,000
Sub Total	\$ 2,750,000	\$ 11,677	\$ -	\$ 11,677		\$ 2,738,323
Total Appropriations	\$ 61,280,494	\$ 32,921,764	\$ 13,442,530	\$ 46,364,294		\$ 14,916,200
Total Unappropriated	\$ 1,559,124	\$ -	\$ -	\$ -		\$ 1,559,124
TOTAL	\$ 62,839,618	\$ 32,921,764	\$ 13,442,530	\$ 46,364,294		\$ 16,475,324



Santiam Canyon School District 129J

Post Office Box 197
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Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

Santiam Canyon School District Board Report March 2026

1. STAND TOGETHER- We celebrate our strengths and differences

a. STAFFING UPDATES

- i. Current Job Openings:
 1. Certified subs
 2. Classified subs

b. Monthly Newsletter

Each month, I share a district newsletter with our school community highlighting activities and accomplishments at both schools. I am pleased to report that this past month we had more staff participation and submissions than any previous newsletter. There are many great things happening across our district, and it is important that we continue to highlight these successes for our community and surrounding areas to see. I look forward to highlighting even more student and staff achievements in future editions. The newsletter is distributed through ParentSquare and posted on the district's Facebook page and website.

2. FIND YOUR PATH- We prepare for the future

a. Advocacy Day in Salem

On February 17, I attended the joint OESD, COSA, and OSBA Advocacy Day in Salem at the Oregon Legislature. Alongside colleagues from across the state, we met with legislators to advocate for the continued full funding of education for the upcoming fiscal year. The current biennium is funded at \$11.4 billion; however, due to emerging fiscal challenges — including tariffs and changes to tax codes — the state's projected revenue is estimated to be approximately \$250 million lower than previously anticipated. Because the Legislature is required to maintain a balanced budget, educators from across Oregon emphasized the importance of protecting education funding. Specifically, we urged lawmakers that if reductions became necessary, they utilize the Education Stability Fund to prevent cuts to school district budgets for the upcoming year. Last week, the Ways and Means Committee released its proposed budget for the next fiscal cycle, indicating that education funding will not be reduced. I will continue to work with colleagues to ensure that our funding for next year is stable, as well as work with our business office to plan for the future.

b. District Office Processes

I have been working with Lindsay Sloan and Nichole Cooper to review our budgetary, accounts payable, and payroll processes to ensure they are operating efficiently and effectively. We will also be collaborating with school administrators and office managers to review current practices and identify opportunities to streamline procedures, as needed, to ensure clarity and consistency, as well as maintain internal controls across the district.

c. ODE Statewide School Facility Assessment

Beginning in February, all district buildings were, or will be, participating in the Statewide Facility Assessment (SFA). This program, funded by the Oregon Legislature, authorizes ODE to conduct district-wide facility condition assessments and provide comprehensive reports detailing deferred maintenance needs for school buildings across the state. The SFA provides both the State and school districts with a no-cost, up-to-date evaluation that catalogs deferred maintenance levels and associated cost estimates. These assessments are maintained in a standardized, statewide database accessible to Oregon schools and can be utilized for purposes such as TAP grants, Long-Range Facilities Plans, and facilities bond planning. The overall goal of the program is to maintain accurate, current data for every district to ensure reliable cost estimates for needed maintenance and to support safe, healthy, sustainable, and equitable learning environments for all students across Oregon.

3. NEVER GIVE UP- We push through to reach our goals

a. DISTRICT AND SCHOOL FACILITIES

On February 22, the fire suppression system in Building A at SJSHS lost pressure and triggered the fire alarm, prompting a response from the Mill City Fire Department and district staff. Due to uncertainty about how quickly the issue could be resolved and to ensure student and staff safety, I made the decision to cancel school for the following day. A technician from CJ Hansen responded later that evening, identified the problem, restored the system, and reset the alarms. During the inspection, a malfunctioning sensor was identified and will be repaired. We also discovered a non-functioning sump pump in the main water vault, which was repaired later that week. All fire alarm and suppression systems are now operational. I appreciate Todd Reeser, Dale Hopson, and Chuck Follis for their assistance in resolving these issues.

Mr. Follis has been working closely with Mr. Lazar and our coaching staff to ensure the baseball and softball fields are prepared for the upcoming seasons, including field mowing, infield preparation, and general facility readiness. In addition, he is working to address some issues with the football field irrigation system to ensure proper coverage and functionality as we move into the summer.

During spring break, several maintenance projects will take place at both buildings. At SJSHS, asbestos will be abated in the boiler room, and the boiler will be reinsulated to improve energy efficiency. Some drainage issues will also be addressed at SJSHS during this time to ensure that water is flowing to the nearest drainage area. The fire suppression systems at both buildings will undergo their annual testing. Additionally, Advanced Woodcraft will inspect the bleachers and backboard systems in all gyms to ensure they are operational and meet safety standards. Any necessary repairs will be completed to ensure compliance with safety codes and insurance

requirements. This inspection process will occur annually. The custodial staff will also be working over spring break to thoroughly clean both buildings and complete any additional maintenance projects as needed.

Santiam Canyon School District does not discriminate on the basis of race, religion, color, national origin, disability, marital status, sexual orientation, sex or age in providing or access to benefits of education services, activities and programs in accordance with Title VI, Title VII, Title IX and other civil rights or discrimination issues; Section 504 of the Rehabilitation Act of 1973, as amended; and the American with Disabilities Act.

The following has been designated to coordinate compliance with these legal requirements and may be contacted at the Santiam Canyon School District office for additional information and/or compliance issues; Title II Coordinator, Title IX Coordinator and Section 504 Coordinator: Director of Special Programs, 150 SW Evergreen St./PO Box 197, Mill City, OR 97360, (503) 897-2321

District Enrollment

Grade Level	2025-2026 SY										2024-2025 SY									
	9/1	10/1	11/1	12/1	1/1	2/1	3/1	4/1	5/1	6/1	9/1	10/1	11/1	12/1	1/1	2/1	3/1	4/1	5/1	6/1
KG	82	100	103	106	107	108	108	0	0	0	90	105	112	116	115	115	112	115	116	115
1st	116	121	123	125	127	133	134	0	0	0	104	109	111	112	113	122	122	125	123	123
2nd	120	126	125	130	132	135	138	0	0	0	133	135	140	143	140	139	138	141	142	141
3rd	146	151	153	154	152	157	158	0	0	0	150	163	168	165	161	166	176	180	187	188
4th	185	189	191	199	202	197	200	0	0	0	145	157	166	167	170	170	169	167	177	178
5th	164	170	177	191	194	197	206	0	0	0	178	190	195	197	196	208	209	216	227	226
6th	199	203	214	220	225	236	241	0	0	0	190	209	219	235	240	262	265	274	290	290
7th	267	266	284	303	307	316	336	0	0	0	244	267	277	294	302	327	338	355	366	370
8th	328	336	355	359	361	366	388	0	0	0	268	299	314	327	330	349	367	381	386	385
9th	290	305	313	323	328	349	372	0	0	0	252	277	296	313	325	345	360	371	381	375
10th	333	361	371	379	383	403	413	0	0	0	295	323	356	369	375	393	411	424	430	426
11th	380	389	406	419	422	437	450	0	0	0	331	346	364	382	383	409	425	440	444	438
12th	383	389	392	398	399	376	376	0	0	0	320	333	341	353	353	344	346	347	345	342
Total ADM	2993	3106	3207	3306	3339	3410	3520	0	0	0	2700	2913	3059	3173	3203	3349	3438	3536	3614	3597

ENROLLMENT

Grade	In building/ORCA	K	1	2	3	4	5	6	7	8	9	10	11	12	TOTAL
As of 9/1/24	In building	37	37	37	48	41	48	53	51	46	44	41	40	42	565
As of 9/1/24	ORCA	53	67	96	102	104	130	137	193	222	208	254	291	278	2135
As of 9/1/24	TOTAL	90	104	133	150	145	178	190	244	268	252	295	331	320	2700

As of 10/1/24	In building	36	37	37	49	42	48	52	49	46	44	39	37	41	557
As of 10/1/24	ORCA	69	72	98	114	115	142	157	218	253	233	284	309	292	2356
As of 10/1/24	TOTAL	105	109	135	163	157	190	209	267	299	277	323	346	333	2913

As of 11/1/24	In building	37	38	36	51	43	49	52	49	46	44	38	37	41	561
As of 11/1/24	ORCA	75	73	104	117	123	146	167	228	268	252	318	327	300	2498
As of 11/1/24	TOTAL	112	111	140	168	166	195	219	277	314	296	356	364	341	3059

As of 12/1/24	In building	38	38	36	52	43	48	52	49	46	47	39	37	41	566
As of 12/1/24	ORCA	78	74	107	113	124	149	183	245	281	266	330	345	312	2607
As of 12/1/24	TOTAL	116	112	143	165	167	197	235	294	327	313	369	382	353	3173

As of 1/1/25	In building	39	38	36	52	44	46	51	49	47	48	36	36	40	562
As of 1/1/25	ORCA	76	75	104	109	126	150	189	253	283	277	339	347	313	2641
As of 1/1/25	TOTAL	115	113	140	161	170	196	240	302	330	325	375	383	353	3203

As of 2/1/25	In building	38	39	35	51	45	48	53	49	48	40	35	38	40	559
As of 2/1/25	ORCA	77	83	104	115	125	160	209	278	301	305	358	371	304	2790
As of 2/1/25	TOTAL	115	122	139	166	170	208	262	327	349	345	393	409	344	3349

As of 3/1/25	In building	35	37	34	50	43	51	53	49	48	40	37	39	40	556
As of 3/1/25	ORCA	77	85	104	126	126	158	212	289	319	320	374	386	306	2882
As of 3/1/25	TOTAL	112	122	138	176	169	209	265	338	367	360	411	425	346	3438

As of 4/1/25	In building	35	38	33	51	42	51	53	52	49	38	38	39	40	559
As of 4/1/25	ORCA	80	87	108	129	125	165	221	303	332	333	386	401	307	2977
As of 4/1/25	TOTAL	115	125	141	180	167	216	274	355	381	371	424	440	347	3536

As of 5/1/25	In building	34	38	33	51	41	49	51	51	48	39	38	38	40	551
As of 5/1/25	ORCA	82	85	109	136	136	178	239	315	338	342	392	406	305	3063
As of 5/1/25	TOTAL	116	123	142	187	177	227	290	366	386	381	430	444	345	3614

As of 6/1/25	In building	34	38	33	51	41	49	50	51	48	39	38	38	40	550
As of 6/1/25	ORCA	81	85	108	137	137	177	240	319	337	336	388	400	302	3047
As of 6/1/25	TOTAL	115	123	141	188	178	226	290	370	385	375	426	438	342	3597

REGULAR ATTENDERS - 2025 - 26

>90% Positive Attendance

Grade Level	Enrollment #		Enrollment #		Enrollment #		Enrollment #		Enrollment #		Enrollment #		Enrollment #		Enrollment #			
	1-Oct	1-Nov	1-Dec	1-Jan	1-Feb	1-Mar	1-Apr	1-May	1-Jun									
KG	28	82.2%	28	71.4%	27	63.0%	27	74.1%	27	74.0%	27	66.70%						
1st	34	64.7%	36	66.7%	36	55.6%	37	67.6%	37	64.8%	37	37.80%						
2nd	42	83.7%	40	77.5%	39	71.8%	39	79.5%	39	59.0%	39	66.70%						
3rd	34	73.5%	33	66.7%	32	71.8%	32	71.9%	32	62.5%	31	46.90%						
4th	52	75.0%	52	75.0%	52	71.2%	52	71.2%	51	64.7%	52	59.60%						
5th	46	63.0%	46	71.4%	46	73.9%	46	73.9%	47	57.5%	47	61.70%						
6th	49	63.2%	47	68.1%	47	60.0%	47	59.6%	51	66.7%	50	57.20%						
7th	55	65.5%	55	65.5%	53	62.3%	53	54.9%	51	64.7%	50	49.00%						
8th	55	61.8%	52	50.0%	50	52.0%	47	61.7%	47	63.8%	47	53.20%						
9th	51	70.6%	51	68.6%	49	73.5%	49	63.3%	50	56.0%	51	58.90%						
10th	40	75.0%	39	51.3%	38	55.3%	36	50.0%	37	48.6%	35	57.20%						
11th	41	43.9%	41	68.3%	41	56.1%	39	53.8%	40	67.5%	41	41.50%						
12th	39	78.9%	38	68.4%	40	67.5%	41	65.0%	42	75.6%	40	40.00%						
Schoolwide	566	69.3%	558	66.8%	550	64.2%	545	65.1%	551	63.5%	547	53.6%	0	#DIV/0!	0	#DIV/0!	0	#DIV/0!



Santiam Canyon School District 129J

Post Office Box 197
150 SW Evergreen St.
Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

Board Recommendation Form

To: Santiam Canyon School District 129J Board of Directors

Prepared By: Krista Nieraeth, Superintendent

Date: March 11, 2026

Background: Oregon school districts, education service districts, and charter schools must conduct annual financial audits if they spend over \$1 million annually, with reports filed with the Oregon Secretary of State. Our audit, which ensure compliance and fiscal accountability, is done by Pauly, Rogers and Co., P.C. We are required to have our audit completed and submitted to ODE and the Secretary of State each calendar year by December 31st. This year, however, due to the government shutdown, our audit was submitted on February 1st. Our audit was accepted by the Secretary of State and by ODE. Failure to submit annual audits may result in the state withholding SSF funds from the district.

Action Requested: Accept the Audit Report as presented.

Motion Requested: “I motion to accept the independent audit report for fiscal year 2024–25 as presented.”

Santiam Canyon School District does not discriminate on the basis of race, religion, color, national origin, disability, marital status, sexual orientation, sex or age in providing or access to benefits of education services, activities and programs in accordance with Title VI, Title VII, Title IX and other civil rights or discrimination issues; Section 504 of the Rehabilitation Act of 1973, as amended; and the American with Disabilities Act.

The following has been designated to coordinate compliance with these legal requirements and may be contacted at the Santiam Canyon School District office for additional information and/or compliance issues: Title II Coordinator, Title IX Coordinator and Section 504 Coordinator: Director of Special Programs, 150 SW Evergreen St./PO Box 197, Mill City, OR 97360, (503) 897-2321

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025



12700 SW 72nd Ave.
Tigard, OR 97223

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2025

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

2024-2025
FINANCIAL REPORT

<u>BOARD OF EDUCATION</u>	<u>TERM EXPIRES</u>
Angie Fencl, Chair	June 30, 2025
Lynda Harrington	June 30, 2025
Elizabeth Reeser	June 30, 2027
Mary Richards	June 30, 2027
Josh Childress	June 30, 2027

All Board Members receive mail at the address below.

ADMINISTRATION

Krista Nieraeth – Superintendent (Registered Agent)
Nichole Cooper - Business Manager
P.O. Box 197
Mill City, Oregon 97360

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
INDEPENDENT AUDITORS' REPORT	i
REQUIRED SUPPLEMENTARY INFORMATION:	
Management's Discussion and Analysis	iv
BASIC FINANCIAL STATEMENTS:	
Government-Wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements:	
Balance Sheet – Governmental Funds	3
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	5
Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balances to Statement of Activities	6
Notes to Basic Financial Statements	7
REQUIRED SUPPLEMENTARY INFORMATION:	
Schedule of the Proportionate Share of the Net Pension Liability - PERS	38
Schedule of Contributions – PERS	38
Schedule of the Proportionate Share of the Net OPEB Asset - RHIA	39
Schedule of Contributions – RHIA	39
Schedule of Changes in Total OPEB Liability and Related Ratios – Other Post-Employment Benefits (Health Insurance)	40
Statement of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget:	
General Fund	41
Special Revenue Fund	42
SUPPLEMENTARY INFORMATION:	
Capital Projects Fund	43
Nonmajor Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	44
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	45
Schedules of Revenues, Expenditures and Changes in Fund Balance - Actual and Budget:	
PERS Bond Debt Service Fund	46
GO Bond Fund	47

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

TABLE OF CONTENTS (CONTINUED)

	<u>PAGE NUMBER</u>
OTHER INFORMATION:	
Supplemental Information – As Required by the Oregon Department of Education Form 3211-C	48
INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS	49
GRANT COMPLIANCE REVIEW:	
Schedule of Expenditures of Federal Awards (Supplementary Information)	51
Report on Internal Control Structure over Financial Reporting	52
Report on Compliance with Requirements Applicable to each Major Programs And Internal Control Structure	54
Schedule of Findings and Questioned Costs	57

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

January 14, 2026

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Santiam Canyon School District No. 129J
Linn County, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Santiam Canyon School District No. 129J (the District), as of and for the year ended June 30, 2025, and the related notes to the basic financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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 the District, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of the system 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.

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the basic financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of controls. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of the District's system of internal control relevant to the audit 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 District's system of internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain control-related matters that we identified during the audit.

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 is the responsibility of management and, 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, except for the budgetary statements presented as required supplementary information as listed in the table of contents.

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, and the schedule of expenditures of federal awards, 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, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relates 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, as listed in the table of contents, 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

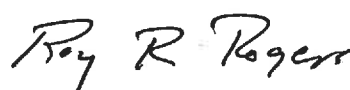
Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of Board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated January 14, 2026 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 these 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 the effectiveness of the internal control over financial reporting or on compliance. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated January 14, 2026, 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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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

MANAGEMENT'S DISCUSSION AND ANALYSIS

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**SANTIAM CANYON SCHOOL DISTRICT 129J
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025**

Our discussion and analysis of The Santiam Canyon School District's financial performance provide an overview of the District's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information here in conjunction with the financial analysis provided in this audit.

FINANCIAL HIGHLIGHTS

- As of June 30, 2025, the net position of the District was \$(348,333).
- The District General Fund Total Ending Fund Balance for 2024-2025 was \$5,862,903.
- The District Total Ending Fund Balance for 2024-2025 was \$12,388,759.
- The District incurred \$4,620,000 as of outstanding limited tax pension obligations bonds as of June 30, 2004, which is explained in detail in the Long-Term Obligations section of this narrative. The pension bond will be expiring June 30, 2028 and will have an impact on the District as the rates are anticipated to significantly increase.
- The District issued \$17,900,000 in General Obligation Bonds series 2019. This is explained in detail in the Long-Term Debt section of this narrative.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are 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 basic financial statements. This report also contains supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements present information on the District's finances in a manner similar to private sector businesses. One of the most important questions asked about the District is, "Is the District as a whole better off or worse off financially as a result of the year's activities". The Statement of Net Position and Statement of Activities report information on the District as a whole and its activities in a way that helps answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Position shows the District's assets, deferred outflows, liabilities, and deferred inflows with the difference between them reported as net position. All capital assets, long-term liabilities, and general government functions, are shown in the Statement of Net Position.

The Statement of Activities shows revenues, expenses, and the change in net assets for the district as a whole. Revenues and expenses attributable to specific functions are segregated from general revenues, to display the extent to which general revenues support each function.

Governmental funds account for the same functions reported as governmental activities in the government-wide financial statements. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the accounting method called “modified accrual” accounting, which measures cash and all other financial assets that can readily be converted to cash.

This information is essential for preparation of and compliance with annual budgets. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the government statements. The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

Fund Financial Statements

Fund Financial statements provide more detailed information about the district’s funds, focusing on its most significant or “major” funds – not the district as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The district, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds account for the same functions as the governmental activities do in the government-wide financial statements. Unlike the government-wide financial statements, however, the governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the accounting method called “modified accrual” accounting, which measures cash and all other financial assets that can be readily converted to cash. This information is essential for preparation of and compliance with annual budgets and 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.

Notes to the basic financial statements

The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Statement of Net Assets: Net assets may serve as a useful indicator of the government's financial position over time. The district's liabilities exceed assets by \$348,333 at June 30, 2025 and liabilities exceeded assets by \$2,347,585 at June 30, 2024. The net position changed by \$1,999,252 between 2024 and 2025.

Capital assets consist of the district's land, buildings, building improvement, vehicles, equipment, investments, cash and receivables.

The district's liabilities include long-term debt, accounts payable, and short-term borrowing.

A large portion of the district's net assets reflects its investment in capital assets less any related debt used to acquire those assets that are still outstanding. The district uses these capital assets to provide services to students. Consequently, these assets are not available for future spending.

Condensed Statement of Net Position

	2025	2024	Difference
Assets and Deferred Outflows			
Current Assets	\$ 13,860,678	\$ 10,834,766	\$ 3,025,912
Deferred Outflows	2,993,235	2,269,387	723,848
Capital Assets (net)	13,433,927	14,135,718	(701,791)
Lease Right-To-Use Assets (Net)	102,450	26,117	76,333
Subscription Right-To-Use Assets (Net)	3,829	4,855	(1,026)
Total Assets & Deferred Outflows	<u>30,394,119</u>	<u>27,270,843</u>	<u>3,123,276</u>
Liabilities and Deferred Inflows			
Current Liabilities	5,281,242	4,716,669	564,573
Long Term Liabilities	17,560,165	18,406,364	(846,199)
Long Term Lease Liabilities	83,349	5,325	78,024
Net Pension Liability	6,893,381	5,444,402	1,448,979
Deferred Inflows	924,315	1,045,668	(121,353)
Total Liabilities & Deferred Inflows	<u>30,742,452</u>	<u>29,618,428</u>	<u>1,124,024</u>
Net Position			
Restricted for Various Purposes	6,530,860	4,855,798	1,675,062
Unrestricted	<u>(6,879,193)</u>	<u>(7,203,383)</u>	<u>324,190</u>
Total Net Position	<u>\$ (348,333)</u>	<u>\$ (2,347,585)</u>	<u>\$ 1,999,252</u>

Statement of Activities: During the current fiscal year, the district's net position increased by \$1,999,252. The statement of activities information shown below explains the change in net position. The district's revenues and expenses for fiscal year 2024-25, compared to the prior fiscal year, were as follows:

	2025	2024	Difference
Revenues			
Charges for Services	\$ 341,083	\$ 372,826	\$ (31,743)
Operating Grants	1,419,122	1,384,928	34,194
General Revenues			
Property Taxes	3,765,566	3,521,053	244,513
State Revenue Sharing	36,687,946	34,792,961	1,894,985
Other Intermediate Sources	377,352	314,600	62,752
Other State Sources	4,259,258	3,028,814	1,230,444
Federal Revenue	2,442	86,627	(84,185)
Earning on Investments	591,335	509,798	81,537
Miscellaneous	1,982,225	1,746,990	235,235
Total Revenues	<u>49,426,329</u>	<u>45,758,597</u>	<u>3,667,732</u>
Expenses			
Instruction	40,131,657	36,086,688	4,044,969
Support Services	4,739,711	4,494,434	245,277
Interest on Lease Liability	-	383	(383)
Enterprise and Community Services	484,235	469,536	14,699
Interest on Long-Term Debt	889,525	945,466	(55,941)
Gain (Loss) on Disposal of Assets	1,035,673	-	1,035,673
Total Expenditures	<u>47,280,801</u>	<u>41,996,507</u>	<u>5,284,294</u>
Change in Net Position	2,145,528	3,762,090	(1,616,562)
Beginning Net Position	(2,347,585)	(6,109,675)	3,762,090
Prior Period Adjustment	(146,276)	-	(146,276)
Ending Net Position	<u>\$ (348,333)</u>	<u>\$ (2,347,585)</u>	<u>\$ 1,999,252</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unreserved fund balance measures the district's net resources available for appropriation in the next fiscal year. As of June 30, 2025, the grand total fund balance of all of the governmental funds was \$12,388,759 which includes the district Scholarship Fund, each schools' Student Activity Fund account balances, and the Capital Improvement Fund. These amounts are available to use, in accordance with applicable restrictions on the nature of the expenditures.

Summary of ending fund balances for the major governmental funds for 2025 and 2024 are as follows:

Ending Fund Balance

	2025	2024	Change
General Fund	\$ 5,862,903	\$ 5,109,577	\$ 753,326
Special Revenue Fund	3,127,940	1,185,532	1,942,408
Capital Projects Fund	2,477,850	2,574,696	(96,846)
Other Governmental Funds	920,066	1,039,964	(119,898)
	<u>\$ 12,388,759</u>	<u>\$ 9,909,769</u>	<u>\$ 2,478,990</u>

The general fund balance increased by \$753,326.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Capital assets, including land, buildings and improvements, site improvements, vehicles and equipment are as follows at June 30, 2025 and June 30, 2024:

	<u>2025</u>	<u>2024</u>	<u>Change</u>
Land (non-depreciable)	\$ 1,095,562	\$ 596,525	\$ 499,037
Construction in Progress	-	2,166,980	(2,166,980)
Depreciable Assets:			
Buildings & Improvements	16,129,345	14,593,421	1,535,924
Equipment	<u>876,267</u>	<u>853,611</u>	<u>22,656</u>
	<u>18,101,174</u>	<u>18,210,537</u>	<u>(109,363)</u>
Less accumulated depreciation:			
Buildings & Improvements	4,087,920	3,545,710	542,210
Equipment	<u>579,327</u>	<u>529,109</u>	<u>50,218</u>
	<u>4,667,247</u>	<u>4,074,819</u>	<u>592,428</u>
Total Net Capital Assets	<u>\$ 13,433,927</u>	<u>\$ 14,135,718</u>	<u>\$ (701,791)</u>

There were capital additions/adjustments/deletions totaling \$(109,363) and depreciation expense of \$592,428 in fiscal year 2024-25.

More detailed information about the district's capital assets may be found in note 4 to the financial statements.

Long-Term Obligation Administration

As of June 30, 2025, the District has an obligation under limited tax pension obligation bonds in the amount of \$1,310,000 that matures on June 30, 2028. They were issued to finance the district's unfunded actuarial liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). This transaction in effect substitutes payments to bondholders in place of payments to the pension system. The actual savings realized by the district over the life of the bonds is uncertain, however savings as of December 31, 2024 was \$2.1 million.

As of August 15, 2019, the District issued a 25 year GO Bond in the amount of \$17.9 million with a 4% coupon rate until 2030, after which it will be 5% until 2044. The final maturity date is June 15, 2044.

The district also has an obligation under a long-term energy loan, which will be paid in full on October 1, 2027.

More detailed information about the district's long-term obligations may be found in note 9 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The budget for the 2025-2026 fiscal year includes total appropriations of \$62,839,618. The district continues its eleventh year of sponsoring the Oregon Connections Academy, with enrollment showing steady growth over the past year. While the District remains in a stable position, finances are heavily dictated by Oregon's General Fund. Notably, the Oregon Department of Education (ODE) recently submitted 2.5% and 5% budget reduction options for legislative consideration in the 2026 session. The district is closely monitoring these legislative developments and the potential impact of state-level funding adjustments on future biennial allocations. To ensure continued student support, the district remains committed to identifying operational efficiencies and maintaining fiscal agility in this evolving economic climate.

REQUESTS FOR INFORMATION

Our financial report is designed to present the user 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 addressed to the District's Business Manager at P.O. Box 197, Mill City, Oregon 97360.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2025

	Governmental Activities
ASSETS:	
Cash and investments	\$ 10,642,453
Taxes Receivable	144,187
Accounts Receivable	2,932,837
Prepaid Expenses	6,587
Net OPEB - RHIA	134,614
Capital assets:	
Nondepreciable Capital Assets	1,095,562
Depreciable Capital Assets, net of depreciation	12,338,365
Lease right-to-use-asset, net of amortization	102,450
Subscription right-to-use asset, net of amortization	3,829
TOTAL ASSETS	27,400,884
DEFERRED OUTFLOW OF RESOURCES	
Pension Related Deferrals - PERS	2,989,434
OPEB Related Deferrals - RHIA	3,801
Total Deferred Outflow of Resources	2,993,235
TOTAL ASSETS AND PENSION RELATED DEFERRALS:	30,394,119
LIABILITIES:	
Current Liabilities:	
Accounts payable	671,702
Payroll liabilities	499,422
Current Lease Liability	22,227
Interest payable	34,021
Unearned Revenue - Grants	32,465
Total Current Liabilities	1,259,837
Non-current Liabilities:	
Net Pension Liability - PERS	6,893,381
OPEB Liability - Health Insurance	164,152
Long-Term Lease Liability	83,349
Debts payable:	
Due within one year	951,181
Due in more than one year	17,396,013
Premium on Bonds Payable	3,070,224
TOTAL LIABILITIES	29,818,137
DEFERRED INFLOW OF RESOURCES	
Pension Related Deferrals - PERS	841,275
OPEB Health Insurance	65,635
OPEB Related Deferred - RHIA	17,405
Total Deferred Inflow of Resources	924,315
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS:	30,742,452
NET POSITION:	
Restricted for:	
Capital Projects	2,477,850
Debt Service	920,066
Grants	2,019,827
Student Activities	381,796
Scholarships	596,707
OPEB RHIA Asset	134,614
Unrestricted	(6,879,193)
TOTAL NET POSITION	\$ (348,333)

See accompanying notes to basic financial statements.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

	Expenditures	Charges for Services	Grants and Contributions	Governmental Activities
Instruction	\$ 40,131,657	\$ 341,083	\$ 1,219,783	\$ (38,570,791)
Support services	4,739,711	-	144,061	(4,595,650)
Enterprise and Community Services	484,235	-	55,278	(428,957)
Interest on long-term debt	889,525	-	-	(889,525)
Gain (Loss) on disposal of assets	1,035,673	-	-	(1,035,673)
 Total governmental activities	 \$ 47,280,801	 \$ 341,083	 \$ 1,419,122	 (45,520,596)
General revenues:				
Property taxes levied - General				2,647,832
Property taxes levied - Debt Service				1,117,734
State school fund - general support				36,687,946
Other intermediate sources				377,352
Other state sources				4,259,258
Federal revenue				2,442
Earnings on investments				591,335
Miscellaneous revenue				1,982,225
Total general revenues				47,666,124
CHANGE IN NET POSITION				2,145,528
Beginning Net Position, As Adjusted				(2,493,861)
Ending Net Position				\$ (348,333)

See accompanying notes to basic financial statements.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2025

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
Cash and Investments	\$ 6,053,422	\$ 1,192,048	\$ 2,477,850	\$ 919,133	\$ 10,642,453
Receivables:					
Property Taxes	102,692	-	-	41,495	144,187
Accounts	398,855	2,533,982	-	-	2,932,837
Prepaid Expenses	6,587	-	-	-	6,587
Total Assets	\$ 6,561,556	\$ 3,726,030	\$ 2,477,850	\$ 960,628	\$ 13,726,064
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE					
Liabilities:					
Accounts Payable	\$ 106,077	\$ 565,625	\$ -	\$ -	\$ 671,702
Payroll Liabilities	499,422	-	-	-	499,422
Unearned Revenue - Grants	-	32,465	-	-	32,465
Total Liabilities	605,499	598,090	-	-	1,203,589
Deferred Inflows of Resources:					
Unearned Revenues - Property Taxes	93,154	-	-	40,562	133,716
Fund Balance					
Nonspendable	6,587	-	-	-	6,587
Restricted for:					
Capital Projects	-	-	2,477,850	-	2,477,850
Debt Service	-	-	-	920,066	920,066
Grants	-	2,019,827	-	-	2,019,827
Student Activities	-	381,796	-	-	381,796
Scholarships	-	596,707	-	-	596,707
Assigned	-	129,610	-	-	129,610
Unassigned	5,856,316	-	-	-	5,856,316
Total Fund Balance	5,862,903	3,127,940	2,477,850	920,066	12,388,759
Total Liabilities, Deferred Inflows of Resources & Fund Balance	\$ 6,561,556	\$ 3,726,030	\$ 2,477,850	\$ 960,628	\$ 13,726,064

See accompanying notes to basic financial statements.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2025

Total Fund Balances - Governmental Funds	\$	12,388,759
Capital assets are not financial resources and therefore are not reported in the governmental funds:		
Net Capital Assets		13,433,927
A portion of the District's 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.		
Unavailable property taxes		133,716
Deferred Inflows and outflows of resources related to the pension plan include differences between expected and actual experience, change of assumptions, differences between projects and actual earnings, and contributions subsequent to the measurement date.		
Deferred Outflows - PERS	\$ 2,989,434	
Deferred Inflows - PERS	(841,275)	
Deferred Inflows - OPEB Health Insurance	(65,635)	
Deferred Outflows - RHIA	3,801	
Deferred Inflows - RHIA	<u>(17,405)</u>	2,068,920
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		
OPEB Liability - Health Insurance	(164,152)	
Net Pension Liability - PERS	<u>(6,893,381)</u>	(7,057,533)
The proportionate share of the OPEB Retiree Health Insurance Account (RHIA) OPEB asset is not reported as an asset in the District's governmental activities.		
		134,614
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:		
Long-term loans payable	(36,509)	
Bonds payable	(18,155,000)	
Premium on bonds payable	(3,070,224)	
Interest payable	(34,021)	
Compensated absences payable	<u>(155,685)</u>	(21,451,439)
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.		
Lease right-to-use asset, Net	102,450	
Subscription right-to-use asset, Net	<u>3,829</u>	106,279
Long-term liabilities applicable to the lease right to use assets are not due and payable in the current period and accordingly are not reported as fund liabilities, both current and long-term, are reported in the statements of Net Position		
Lease Payable		<u>(105,576)</u>
Net Position	\$	<u><u>(348,333)</u></u>

See accompanying notes to basic financial statements.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECT FUND	OTHER GOVERNMENTAL FUNDS	TOTAL
REVENUES:					
Local Sources	\$ 4,746,474	\$ 413,240	\$ -	\$ 1,509,480	\$ 6,669,194
Intermediate Sources	376,943	-	-	409	377,352
State Sources					
State School Funds	36,687,946	-	-	-	36,687,946
Other State Sources	596,078	3,663,180	-	-	4,259,258
Federal Sources	22,682	1,398,882	-	-	1,421,564
Total Revenues	<u>42,430,123</u>	<u>5,475,302</u>	<u>-</u>	<u>1,509,889</u>	<u>49,415,314</u>
EXPENDITURES:					
Instruction	36,718,111	2,564,415	-	-	39,282,526
Support Services	3,828,843	810,582	-	-	4,639,425
Enterprise & Community Services	23,987	450,001	-	-	473,988
Facilities Acquisition and Construction	-	47,300	846,846	-	894,146
Debt Service	-	16,452	-	1,629,787	1,646,239
Total Expenditures	<u>40,570,941</u>	<u>3,888,750</u>	<u>846,846</u>	<u>1,629,787</u>	<u>46,936,324</u>
Excess of Revenues Over (Under) Expenditures	1,859,182	1,586,552	(846,846)	(119,898)	2,478,990
Other Financing Sources (Uses):					
Transfers In	-	355,856	750,000	-	1,105,856
Transfers Out	(1,105,856)	-	-	-	(1,105,856)
Total Other Financing Sources (Uses)	<u>(1,105,856)</u>	<u>355,856</u>	<u>750,000</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	753,326	1,942,408	(96,846)	(119,898)	2,478,990
Beginning Fund Balance, As Adjusted	<u>5,109,577</u>	<u>1,185,532</u>	<u>2,574,696</u>	<u>1,039,964</u>	<u>9,909,769</u>
Ending Fund Balance	<u>\$ 5,862,903</u>	<u>\$ 3,127,940</u>	<u>\$ 2,477,850</u>	<u>\$ 920,066</u>	<u>\$ 12,388,759</u>

See accompanying notes to basic financial statements.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE TO STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

NET CHANGE IN FUND BALANCE	\$	2,478,990
<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>		
<p>Governmental funds report capital outlay as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.</p>		
Additions to capital assets	\$ 901,429	
Depreciation expense	(592,428)	
Gain (loss) on disposal of capital assets	(1,010,792)	
Gain (loss) on disposal of lease	(24,881)	(726,672)
<p>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 in the Statement of Net Position:</p>		
Accrued interest expense	419	
Debt principal repaid	710,003	710,422
<p>Governmental funds report the effect of issuance costs, premiums, and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences:</p>		
Amortization of premium		162,331
<p>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.</p>		
		(530,299)
<p>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.</p>		
Property Tax Revenue - General	8,856	
Property Tax Revenue - Debt Service	2,159	11,015
<p>OPEB - RHIA income represents the net change in total OPEB liability from year to year related to the medical benefit OPEB and is not included in the governmental funds.</p>		
		28,846
<p>The OPEB expense represents the changes in Net OPEB Asset (Liability) from year to year due to changes in total OPEB liability and the fair value of OPEB plan net position available to pay OPEB benefits.</p>		
		(14,932)
<p>Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expenditures when earned.</p>		
		4,724
<p>Payment on Lease Liability for right to use assets decreases liabilities in the Statement of Net Position.</p>		
Payment on Lease Liability	42,507	
Payment on Subscription Liability	3,785	46,292
<p>Amortization Expense for right to use assets increases the expenses on the Statement of Activities.</p>		
Amortization Expense - Leases	(20,378)	
Amortization Expense - Subscription	(4,811)	(25,189)
CHANGE IN NET POSITION	\$	<u>2,145,528</u>

See accompanying notes to basic financial statements.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

NOTES TO THE BASIC FINANCIAL STATEMENTS

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE 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. 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.

Reporting Entity

Santiam Canyon School District No. 129J (the District) is a municipal corporation governed by a board. This District was the result of the merger of Mill City-Gates School District No. 129J and Detroit School District No. 123J at the beginning of the 1995-96 fiscal year. Generally accepted accounting principles require that these basic financial statements present Santiam Canyon School District No. 129J (the primary government) and all component units.

Component units, as described by the Government Accounting Standards Board (GASB) Statement 61 are separate organizations that are included in the District's reporting entity because of the significance of their operational or financial relationships with the District. All significant activities and organizations with which the District exercises oversight responsibility have been considered for inclusion in the basic financial statements. The District has no component units.

Basis of Presentation

Government-wide Financial Statements

The government-wide basic financial statements (i.e., the Statement of Net Position and Statement of Activities) display information about the reporting government 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 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. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is policy to first apply cost-reimbursement grant resources to such programs and then general revenues. In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues. Program revenues include 1) charges to customers who purchase or use goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

All direct expenses by function are reported in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest on general long term-debt is considered an indirect expense and is reported separately on the Statement of Activities.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net Position comprises the various net earnings from operations, nonoperating 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, 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. As of June 30, 2025, no net investment in capital assets is shown due to the value of related debt being greater than the value of the capital assets at this time.

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 are assets restricted for PERS debt service, grants, student activities, scholarships, the OPEB RHIA asset and capital projects.

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 policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Financial Statements

The fund financial statements provide information about the funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds. 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 following major governmental funds are reported:

General Fund - This is the primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund.

Special Revenue Fund – This fund consists of all special revenue funds established to account for revenue and expenditures related to grants, student activities, and other special revenues. Primary revenue sources are federal and state grants.

Capital Projects Fund - This fund accounts for resources used in acquiring or constructing of capital facilities.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and *modified accrual basis of accounting*. Under this method, revenues are recognized when measurable and available (susceptible to accrual). All revenues reported in the governmental funds are considered to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions and inventories are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 up on 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.

Property Taxes Receivable

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent. Uncollected property taxes are recorded on the statement of net position. 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.

Interfund Receivables and Payables and Transfers

The receipt and payment of monies through one central checking account, as well as transfers between funds, result in interfund payables and receivables until cash is transferred from one fund to the other. These amounts represent current assets and liabilities and are reported as due to or due from other funds.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants

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. Grant monies received prior to the occurrence of qualifying expenditures are recorded as deferred revenue in the fund financial statements.

Supply Inventories

Purchased inventories are stated at cost using first-in, first-out (FIFO) method. Any donated inventories are stated at their estimated fair market value. The cost of inventory items are recognized as an expenditure when purchased (purchase method).

A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed and are stated at their fair market value based on guidelines provided by the USDA. Commodities on hand at year end are recorded as deferred revenue. As a result, fund balance on the balance sheet has not been reserved for inventories of donated commodities.

Capital Assets

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial cost of more than \$5,000 and an estimated life in excess of three years. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are 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 20 years

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, 2025, there were Deferred Outflows representing PERS pension and OPEB-RHIA 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. At June 30, 2025, there were deferred inflows reported in the Statement of Net Position representing PERS pension, OPEB-RHIA, and OPEB Health Insurance related deferrals. There is also a deferred inflow reported in the governmental funds balance sheet representing unavailable revenue from property tax. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

The District also offers its employees a tax-sheltered annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. As of the years ended June 30, 2025 and 2024, 29 and 27 employees participated in the plan respectively. The District did not make contributions on behalf of employees for either year. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State School Support and claims for reimbursement of costs under various federal and state grants.

Accrued Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee flex spending account) during or upon separation from employment. Based on the criteria listed, two types of leave qualifies for liability recognition for compensated absences – Vacation Leave and Sick Leave. The liability for compensated absences is reported as incurred in the government-wide financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Vacation Leave

The District's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment at the employee's current pay rate upon separation from employment.

Sick Leave

The District's policy permits employees to accumulate earned but unused sick leave. All sick leave lapses when employees leave the employ of the District and, upon separation from service, no monetary obligation exists. However, a liability for estimated value of sick leave that will be used by employees as time off is included in the liability for compensated absences.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 of reserved, designated, and unreserved/undesignated were replaced with five new classifications – 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 prepaid items.
- 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 are no committed fund balances at year end.

The governing body has approved the following order of spending regarding fund balance categories: 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.

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 and disclosures. Actual results could differ from those estimates.

Long-term Debt

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 straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In the fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting. The budgetary basis of accounting is substantially the same as accounting principles generally accepted in the United States of America basis, except capital outlay expenditures are expensed when purchased, debt, pension, OPEB expenses and compensated absences are recorded as an expense when paid, tax revenue is recorded when received, inventories are budgeted as expenditures when purchased, and depreciation and amortization are not recorded. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

The budgeting process is begun by appointing Budget Committee members in early fall. Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30. Appropriations are established at the major function level (instruction, support services, community services, facilities acquisition and construction, debt service, operating contingency and transfers) for each fund. The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution.

Supplemental budgets less than 10% of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. Appropriations lapse at the end of each fiscal year.

Budget amounts shown in the basic financial statements reflect the original budgeted appropriation amounts. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2025.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Right-to-Use Lease Assets

Lease assets are assets which the District leases for a term of more than one year. The value of the leases at the District's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

Subscription Assets

Subscription assets are assets in which the District obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the subscription-based information technology arrangement (SBITA) vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

Subscription Liabilities

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the subscription-based information technology arrangement (SBITA) vendor charges the District, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include 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, 2025 was \$1,453,060, of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP).

Cash and Investments at June 30, 2025 (recorded at fair value) consisted of:

Deposits with Financial Institutions:	
Checking	\$ 1,306,140
Investments	
LGIP	9,336,313
Total	<u>\$ 10,642,453</u>

INVESTMENTS

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 appears to be in compliance with all portfolio guidelines at June 30, 2024. 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 materially 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. As of June 30, 2025, the fair value of the position in the LGIP is 100.49% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

INVESTMENTS (CONTINUED)

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.

There were the following investment and maturities at June 30, 2025:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment in Months</u>		
		<u>Less than 3</u>	<u>3-18</u>	<u>More than 18</u>
State Treasurer's Investment Pool	\$ 9,336,313	\$ 9,336,313	\$ -	\$ -
Total	<u>\$ 9,336,313</u>	<u>\$ 9,336,313</u>	<u>\$ -</u>	<u>\$ -</u>

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 and reviewed by the OSTFB. There are no investments that have a maturity date of more than 3 months.

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, 2025, none of the bank balances were exposed to custodial credit risk.

Credit Risk – Investments

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

Concentration Risk - Investments

At June 30, 2025, 100% of total investments were in the State Treasurer’s Investment Pool and the remainder consists of other investments. State statutes do not limit the percentage of investments in these instruments. Oregon revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers’ acceptances of any qualified financial institution. At June 30, 2025, investments appeared to be in compliance with all percentage restrictions.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

3. ACCOUNTS/GRANTS RECEIVABLE

Special revenue fund accounts and grants receivable are comprised of claims for reimbursement of costs under various federal grant programs. All are considered collectible by management and therefore there is no allowance for uncollectible accounts.

4. CAPITAL ASSETS

The changes in capital assets for the fiscal year ended June 30, 2025 are as follows:

	Balance July 1, 2024	Adjustments	Additions	(Deletions)	Balance June 30, 2025
Fixed Assets					
Land & Land Improvements	\$ 596,525	\$ -	\$ 499,037	\$ -	\$ 1,095,562
Construction in Progress	<u>2,166,980</u>	<u>(1,156,188)</u>	<u>-</u>	<u>(1,010,792)</u>	<u>-</u>
Total	2,763,505	(1,156,188)	499,037	(1,010,792)	1,095,562
Buildings & Improvements	14,593,421	1,156,188	379,736	-	16,129,345
Equipment	<u>853,611</u>	<u>-</u>	<u>22,656</u>	<u>-</u>	<u>876,267</u>
Total	15,447,032	1,156,188	402,392	-	17,005,612
Accumulated Depreciation					
Buildings & Improvements	3,545,710	-	542,210	-	4,087,920
Equipment	<u>529,109</u>	<u>-</u>	<u>50,218</u>	<u>-</u>	<u>579,327</u>
Total	4,074,819	-	592,428	-	4,667,247
Depreciable Capital Assets, Net	<u>11,372,213</u>				<u>12,338,365</u>
Total Net Capital Assets	<u>\$ 14,135,718</u>				<u>\$ 13,433,927</u>

Adjustments represent \$1,156,188 of Construction in Progress items being placed into service. Deletions represent a \$1,010,792 amendment to the total Construction in Progress balance deemed necessary by the District to agree the capital asset register to the actual value of construction being placed into service.

Depreciation was allocated to the functions as follows:

Instruction	\$ 524,194
Support Services	61,909
Community Services	<u>6,325</u>
Total Depreciation	<u>\$ 592,428</u>

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE 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 Annual Comprehensive Financial Report which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.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.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

5. 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. Under House Bill (HB) 2283, passed during the 2023 legislative session and effective January 1, 2024, if a member has established retirement eligibility under the police and fire classification, they retain that eligibility even if they perform service thereafter as other than police and fire. Under HB 4045, passed during the 2024 legislative session and effective January 1, 2025, normal retirement age for police and fire members will be lowered to age 55 or age 53 with 25 years of retirement credit.

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. Disability benefits continue until the member is no longer disabled or otherwise no longer qualifies for benefits, reaches normal retirement age, or dies.

iv. **Benefit Changes After Retirement.** Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0 percent.

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, 2022 actuarial valuation, which became effective July 1, 2023. 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, 2025 were \$1,023,515 excluding amounts to fund employer specific liabilities. In addition, approximately \$282,322 in employee contributions were paid or picked up by the District in 2024-2025.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2025, the District reported a net pension liability of \$6,893,381 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2022. 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, 2024 and 2023, the District’s proportion was 0.031 percent and 0.029 percent, respectively. Pension expense for the year ended June 30, 2025 was \$530,299.

The rates in effect for the year ended June 30, 2025 were:

- (1) Tier 1/Tier 2 – 14.43%
- (2) OPSRP general services – 11.59%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 408,369	\$ 16,452
Changes in assumptions	693,063	888
Net difference between projected and actual earnings on pension plan investments	437,922	-
Changes in proportionate share	426,565	109,024
Differences between District contributions and proportionate share of contributions	-	714,911
Subtotal - Amortized Deferrals (below)	1,965,919	841,275
District contributions subsequent to measuring date	1,023,515	-
Deferred outflow (inflow) of resources	<u>\$ 2,989,434</u>	<u>\$ 841,275</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, 2026.

Subtotal amounts related to pension as deferred outflows of resources \$1,965,919, and deferred inflows of resources, (\$841,275), net to \$1,124,644 and will be recognized in pension income as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ (54,424)
2027	634,988
2028	294,340
2029	200,841
2030	48,899
Thereafter	-
Total	<u>\$ 1,124,644</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2023 through June 30, 2025, 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, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 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	<p><u>Healthy retirees and beneficiaries:</u> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2022 Experience Study, which is reviewed for the four-year period ending December 31, 2022.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2024 PERS ACFR; p. 116)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023, 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
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2024 and 2023 was 6.90 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 6.90 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 one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension liability	\$ 10,874,029	\$ 6,893,381	\$ 3,559,394

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, 2024, 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.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

5. DEFINED BENEFIT PENSION PLAN (CONTINUED)

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. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2025.

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>

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

6. 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 0.05% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2025. 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 District's contributions to RHIA are included with PERS and equaled the required contributions for the year.

At June 30, 2025, the District reported a net OPEB asset of \$134,614 for its proportionate share of the net OPEB liability. The OPEB liability was measured as of June 30, 2024, and the total OPEB liability used to calculate the net OPEB asset was determined by an actuarial valuation as of July 1, 2024. Consistent with GASB Statement No. 75, paragraph 59(a), the District's proportion of the net OPEB 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 dates of June 30, 2024 and 2023, the District's proportion was 0.033 percent and 0.027 percent, respectively. OPEB income for the year ended June 30, 2025 was \$28,846.

**SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS**

6. OTHER POST EMPLOYMENT BENEFIT PLAN (RHIA) (CONTINUED)

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (16,004)
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	(12,769)
- Differences between employer contributions and employers proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ (28,773)</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	\$ -	\$ 2,633
Changes in assumptions	-	1,703
Net difference between projected and actual earnings on pension plan investments	3,801	-
Changes in proportionate share	-	13,069
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	<u>3,801</u>	<u>17,405</u>
District Contributions subsequent to measuring date	-	-
Deferred outflow (inflow) of resources	<u>\$ 3,801</u>	<u>\$ 17,405</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB asset in the fiscal year ended June 30, 2026.

Subtotal amounts related to OPEB as deferred outflows of resources, \$3,801, and deferred inflows of resources, (\$17,405), net to (\$13,604) and will be recognized in OPEB income as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ (19,590)
2027	3,491
2028	2,056
2029	439
2030	-
Thereafter	-
Total	<u>\$ (13,604)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 75 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

**SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS**

6. OTHER POST EMPLOYMENT BENEFIT PLAN (RHIA) (CONTINUED)

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 25%; Disabled retirees: 15%
Mortality	<p><u>Healthy retirees and beneficiaries:</u> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2022 Experience Study which is reviewed for the four-year period ending December 31, 2022.

Discount Rate:

The discount rate used to measure the total OPEB liability as of the measurement dates of June 30, 2024 and June 30, 2023 was 6.90 percent. 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.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

6. OTHER POST EMPLOYMENT BENEFIT PLAN (RHIA) (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 January 2023 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
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

Sensitivity of the District’s proportionate share of the net OPEB asset to changes in the discount rate – The following presents the District’s proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the District’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of the net pension asset	\$ 124,612	\$ 134,614	\$ 143,226

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2024 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

**SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS**

7. OTHER POST-EMPLOYMENT BENEFIT PLAN (HEALTH INSURANCE)

Post-Employment Health Care Benefits

Plan Description:

The District maintains a single employer retiree benefit plan that provides post-employment health, dental, vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements. The plan does not issue separate basic financial statements.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between a retirees' claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

The District reports Other Postemployment Benefits under GASB Statement No. 75. This allows the District to report a liability for other post-employment benefits consistent with established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements.

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 No. 75. For detailed information and a table showing the components of the District's annual OPEB costs and liabilities, see page 40.

Total Other Post Employment Benefit Liability

The District's total other post-employment benefits were measured as of June 30, 2025 and determined by an actuarial valuation as of July 1, 2024.

Actuarial Methods and Assumptions - The total other post-employment benefit liability was calculated based on the discount rate and actuarial assumptions below, and was then projected forward/backward to the measurement date. Discount Rate 5.25%, Inflation 2.50%, Salary Increases 3.5%, and Actuarial Cost Method is Entry Age Normal Level Percent of Pay. Mortality rates are based on RP 2014, Employee/Healthy Annuitant, sex distinct, generational. Turnover, Disability and Retirement rate assumptions are based off the valuation of benefits under Oregon PERS.

Changes in the Net Other Post-Employment Benefit Liability

Total OPEB Liability at June 30, 2024 (Restated)*	\$ 211,078
Changes for the year	
Service Cost	15,912
Interest	9,080
Changes of assumptions or other input	(38,321)
Difference between expected and actual experience	(33,597)
Benefit Payments	-
Total OPEB Liability at June 30, 2025	<u>\$ 164,152</u>

* - The District received an updated Actuarial Evaluation for the fiscal year ended June 30, 2024 that included changed assumptions restating the beginning OPEB liability. Prior period adjustments were considered immaterial and not recorded for the fiscal year ended June 30, 2025.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

7. OTHER POST EMPLOYMENT BENEFIT PLAN (HEALTH INSURANCE) (CONTINUED)

Sensitivity of the Total Post-Employment Benefit Liability to changes in the discount and trend rates

The following presents the Total OPEB Liability of the plan, calculated using the discount rate as of the measurement date, as well as what the Plan's Total OPEB Liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption:

	1% Decrease (4.25%)	Discount Rate (5.25%)	1% Increase (6.25%)
Total OPEB Liability	\$ 174,525	\$ 164,152	\$ 154,221

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB Liability	\$ 147,723	\$ 164,152	\$ 183,078

At June 30, 2024, the following employees were covered by the benefit terms:

Participant Counts	
Number of Active Participants	104
Total Number of Participants	104

For the year ended June 30, 2025, the District recognized Other Post-Employment Benefit expense of \$14,932. At June 30, 2025, the District reported deferred outflows and deferred inflows of resources, related to Other Post-Employment benefits from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 29,290
Change of assumptions or other inputs	-	36,345
Total	\$ -	\$ 65,635

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

7. OTHER POST EMPLOYMENT BENEFIT PLAN (HEALTH INSURANCE) (CONTINUED)

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability in the fiscal year ending June 30, 2026. Subtotal amounts reported as deferred outflows of \$0 and deferred inflows of (\$65,635), net to (\$65,635) and will be recognized in Other Post-Employment benefit expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	\$ (9,640)
2027	(9,640)
2028	(9,640)
2029	(9,640)
2030	(9,640)
Thereafter	<u>(17,435)</u>
Total	<u>\$ (65,635)</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 its exposure to these risks. Settled claims have not exceeded this commercial coverage for the past three fiscal years.

9. LONG-TERM OBLIGATIONS

On February 5, 2004, limited tax pension obligation bonds totaling \$4,620,000 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 District's UAL. The actual savings realized over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the future required contribution rate. Interest rates range from 3.25% to 5.53% per year. Interest payments are made semiannually on December 30th and June 30th. The final principal payment is scheduled to be made in 2027. In the event of default, an intercept agreement allows the diversion of State Education Revenues to the payment of the bonds.

On August 1, 2012, the State of Oregon Department of Energy issued a 15 year loan of \$195,000 to the District for the purpose of financing the acquisition, construction and equipping of "small scale local energy projects." The loan bears an interest rate of 3.25% per annum until paid in full. Interest payments on the loan are made monthly on the first of each month. In the event of default, the lender may accelerate the maturity date of the loan and declare any unpaid principal and accrued interest immediately due and payable, together with a prepayment premium equal to all additional amounts required by lender to defease the loan and pay all lender's costs.

On August 15, 2019, the District issued General Obligation Bonds series 2019 in the amount of \$17,900,000 to finance its acquisition and construction of the Junior and Senior High School facilities. The bonds were issued at a premium of \$4,030,683, which will be amortized over the life of the bond. Interest payments are made semiannually on June 15 and December 15. The last payment is scheduled to be made in 2044.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

9. LONG-TERM OBLIGATIONS (CONTINUED)

Total long-term liability activity for the year ended June 30, 2025 was as follows:

Issue Date	Outstanding 7/1/2024	Matured and Redeemed	Outstanding 6/30/2025	Due Within one Year
Governmental Activities:				
Bonds Payable:				
Pension Obligation Bonds	\$ 1,750,000	\$ 440,000	\$ 1,310,000	\$ 485,000
GO Bond Series 2019	17,100,000	255,000	16,845,000	295,000
Direct Borrowing:				
Department of Energy Loan	51,512	15,003	36,509	15,496
Total	18,901,512	710,003	18,191,509	\$ 795,496
Premium on Bonds Payable	3,232,555	162,331	3,070,224	-
Compensated Absences*	160,409	4,724	155,685	155,685
	<u>\$ 22,294,476</u>	<u>\$ 877,058</u>	<u>\$ 21,417,418</u>	<u>\$ 951,181</u>

* - The change in compensated absences above is a net change for the year.

Future long-term liability payments are as follows:

Year ended June 30,	Bonds Payable		Energy Loan		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2026	\$ 780,000	\$ 900,266	\$ 15,496	\$ 956	\$ 795,496	\$ 901,222
2027	875,000	861,656	16,007	446	891,007	862,102
2028	665,000	818,405	5,006	32	670,006	818,437
2029	430,000	787,450	-	-	430,000	787,450
2030	480,000	770,250	-	-	480,000	770,250
2031-35	3,350,000	3,430,000	-	-	3,350,000	3,430,000
2036-40	5,360,000	2,404,750	-	-	5,360,000	2,404,750
2041-44	6,215,000	807,250	-	-	6,215,000	807,250
Total	<u>\$ 18,155,000</u>	<u>\$ 10,780,027</u>	<u>\$ 36,509</u>	<u>\$ 1,434</u>	<u>\$ 18,191,509</u>	<u>\$ 10,781,461</u>

10. INTERFUND TRANSFERS & INTERFUND RECEIVABLE/PAYABLE

Amounts during fiscal year 2024-25 were as follows:

	Transfers In	Transfers Out
General Fund	\$ -	\$ 1,105,856
Capital Projects Fund	750,000	-
Other Governmental Funds	355,856	-
Total	<u>\$ 1,105,856</u>	<u>\$ 1,105,856</u>

Internal transfers and receivables/payables are budgeted and recorded to show legal and operational commitments between funds such as cost sharing. There were no interfund receivables/payables at June 30, 2025.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

11. PROPERTY TAX LIMITATION

The voters of the State of Oregon imposed a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to \$4.8880 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 requirement 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 State voters further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

12. 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 increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the operations cannot be determined.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

13. LEASE LIABILITY (RIGHT TO USE ASSETS)

The basic financial statements follow GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

As of 06/30/2025, the District had 2 active leases. The leases have payments that range from \$1,778 to \$2,095 and interest rates that range from 1.0110% to 3.0490%. As of 06/30/2025, the total value of the lease liability is \$105,576, the total value of the short-term lease liability is \$22,227. The value of the right to use asset, as of 06/30/2025 of \$121,592 with accumulated amortization of \$19,142 is included within the Lease Class activities table found below.

Total lease liability for the year ended June 30, 2025 was as follows:

	Outstanding 7/1/2024	Issued	Matured and Redeemed	Outstanding 6/30/2025	Due Within One Year
Equipment	\$ 26,491	\$ 121,592	\$ 42,507	\$ 105,576	\$ 22,227
Total	<u>\$ 26,491</u>	<u>\$ 121,592</u>	<u>\$ 42,507</u>	<u>\$ 105,576</u>	<u>\$ 22,227</u>

Future lease liability payments are as follows:

Year Ended	June 30,	
	Principal	Interest
2026	\$ 22,227	\$ 2,910
2027	22,915	2,223
2028	23,623	1,514
2029	24,353	784
2030	12,458	111
	<u>\$ 105,576</u>	<u>\$ 7,542</u>

14. RIGHT-TO-USE ASSET

Right-to-use assets are for leases in Note 13.

Total right-to-use asset activity for the year ended June 30, 2025 was as follows:

	Balance 7/1/2024	Additions	(Deletions)	Balance 6/30/2025
<u>Right-to-Use Asset</u>				
Equipment	\$ 88,796	\$ 121,592	\$ (88,796)	\$ 121,592
Total	88,796	121,592	(88,796)	121,592
<u>Accumulated Amortization</u>				
Equipment	62,679	20,378	(63,915)	19,142
Total	62,679	20,378	(63,915)	19,142
Net Right-to-Use Assets	<u>\$ 26,117</u>			<u>\$ 102,450</u>

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

15. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) LIABILITY

The basic financial statements follow GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

As of June 30, 2025, the District had 4 active subscriptions. As of June 30, 2025, the total combined value of the subscription liability is \$0, as the liability had been paid in previous years. The combined value of the right to use asset, as of June 30, 2025 of \$7,495 with accumulated amortization of \$3,666 is included within the Subscription Class activities table found in Note 16.

16. SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs) ASSET

Right-to-use assets are for the subscriptions in Note 15.

	Changes in Subscription Right-to-Use Asset			
	Balance at July 1, 2024	Additions	Reductions	Balance at June 30, 2025
Software	\$ 18,578	\$ 3,785	\$(14,868)	\$ 7,495
Accumulated Amortization				
Software	13,723	4,811	(14,868)	3,666
Total Software Assets, Net	\$ 4,855	\$ (1,026)	\$ -	\$ 3,829

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

17. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2025 are as follows:

Fund Balances:	General Fund	Capital Project Fund	Other Governmental Funds	Total
<u>Nonspendable:</u>				
Inventory	\$ 6,587	\$ -	\$ -	\$ 6,587
<u>Restricted:</u>				
Capital Projects	\$ -	\$ 2,477,850	\$ -	\$ 2,477,850
Debt Service	-	-	920,066	920,066
Grants	-	-	2,019,827	2,019,827
Student Activities	-	-	381,796	381,796
Scholarships	-	-	596,707	596,707
	-	2,477,850	3,918,396	6,396,246
Assigned	-	-	129,610	129,610
Unassigned	5,856,316	-	-	5,856,316
Total Fund Balances	<u>\$ 5,862,903</u>	<u>\$ 2,477,850</u>	<u>\$ 4,048,006</u>	<u>\$ 12,388,759</u>

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON
NOTES TO THE FINANCIAL STATEMENTS

18. TAX ABATEMENTS

As of June 30, 2025, Linn County provides tax abatements through one state allowed program requiring disclosure under GASB 77: 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, 2025 the District had the following abated property taxes:

Tax Abatement Program	Amount of taxes abated during the fiscal year
Linn County - Enterprise Zone (ORS 285C.175)	\$ 79,621

19. ADJUSTMENTS OF BEGINNING BALANCES

During the current year, the District implemented GASB Statement No. 101, Compensated Absences. In addition to the value of unused vacation time owed to employees upon separation of employment, the District now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized in the “Restatement – GASB 101 implementation” column in the table below.

Due to the increased amount of federal funding being received, the District has begun reporting the Special Revenue Fund as a major governmental fund. The Special Revenue Fund was previously included in the Other Governmental Funds. The effect of the change within the financial reporting entity is summarized in the “Adjustment – Special Revenue Fund as a Major Fund” column in the table below.

	6/30/2024 Net Position As Previously Reported	Restatement - GASB 101 Implementation	Adjustment - Special Revenue Fund as a Major Fund	6/30/2024 Net Position As Restated
Government-Wide				
Governmental Activities	\$ (2,347,585)	\$ (146,276)	\$ -	\$ (2,493,861)
Governmental Funds				
Special Revenue Fund	-	-	1,185,532	1,185,532
Other Governmental Funds	2,225,496	-	(1,185,532)	1,039,964
Total Governmental Funds	\$ 2,225,496	\$ -	\$ -	\$ 2,225,496

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

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SANTIAM CANYON SCHOOL DISTRICT
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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
2025	0.03 %	\$ 6,893,381	\$ 5,260,433	131.0 %	79.3 %
2024	0.03	5,444,402	4,897,793	111.2	81.7
2023	0.03	4,598,565	4,689,144	98.1	84.5
2022	0.03	3,621,649	4,000,536	90.5	87.6
2021	0.03	6,022,959	4,022,410	149.7	75.8
2020	0.02	3,576,034	3,824,501	93.5	80.2
2019	0.02	3,712,021	3,562,084	104.2	82.1
2018	0.02	2,566,921	3,091,720	83.0	83.1
2017	0.01	2,045,642	2,577,340	79.4	80.5
2016	0.01	458,895	2,616,487	17.5	91.9

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.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	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
2025	\$ 1,023,515	\$ 1,023,515	\$ -	\$ 5,356,169	19.1 %
2024	970,651	970,651	-	5,260,433	18.5
2023	1,147,673	1,147,673	-	4,897,793	23.4
2022	1,092,136	1,092,136	-	4,689,144	23.3
2021	905,482	905,482	-	4,000,536	22.6
2020	897,826	897,826	-	4,022,410	22.3
2019	721,715	721,715	-	3,824,501	18.9
2018	110,742	110,742	-	3,562,084	3.1
2017	14,457	14,457	-	3,091,720	0.5
2016	72,897	72,897	-	2,577,340	2.8

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.

SANTIAM CANYON SCHOOL DISTRICT
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB asset (NOA)	(b) Employer's proportionate share of the net OPEB asset (NOA)	(c) Employer's covered payroll	(b/c) NOA as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	0.03 %	\$ (134,614)	\$ 5,260,433	(2.6) %	220.6 %
2024	0.03	(97,924)	4,897,793	(2.0)	201.6
2023	0.02	(87,492)	4,689,144	(1.9)	194.6
2022	0.03	(92,581)	4,000,536	(2.3)	183.9
2021	0.06	(115,192)	4,022,410	(2.9)	150.1
2020	0.03	(60,434)	3,824,501	(1.6)	144.4
2019	0.03	(32,189)	3,562,084	(0.9)	124.0

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.

Amounts for covered payroll © use the prior year's data to match the measurement date used by the OPEB Plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	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
2025	\$ N/A	\$ N/A	\$ -	\$ 5,356,169	- %
2024	N/A	N/A	-	5,260,433	-
2023	N/A	N/A	-	4,897,793	-
2022	N/A	N/A	-	4,689,144	-
2021	N/A	N/A	-	4,000,536	-
2020	N/A	N/A	-	4,022,410	-
2019	N/A	N/A	-	3,824,501	-

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.

All statutorily required contributions were made and are included with PERS contributions (see p. 38)

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
SCHEDULES OF CHANGES IN TOTAL OPEB LIABILITY
AND RELATED RATIOS - HEALTH INSURANCE
June 30, 2025

PLAN OPEB: (Health Insurance)

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	Differences Between Expected and Actual	Benefit Payments	Experience (Gain)/Loss	Total OPEB Liability - End of Year	Estimated Covered Payroll	Total OPEB Liability as a % of Covered Payroll
2025	\$ 211,078	\$ 15,912	\$ 9,080	\$ -	\$ (38,321)	\$ (33,597)	\$ -	\$ -	\$ 164,152	\$4,293,863	3.823%
2024 - Restated *	193,925	15,999	7,818	-	(3,777)	-	(2,887)	-	211,078	4,754,628	4.439%
2023	171,458	15,458	7,009	-	-	-	-	-	193,925	4,593,843	4.221%
2022	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	171,458	N/A	N/A

The above table presents the most recent actuarial valuations for the District's post-retirement benefit plans for health insurance.

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.

* The District received an updated Actuarial Evaluation for the fiscal year ended June 30, 2024 that included changed assumptions restating the beginning OPEB liability. Prior period adjustments were considered immaterial and not recorded for the fiscal year ended June 30, 2025

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2025

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:				
Local Sources	\$ 4,197,229	\$ 4,197,229	\$ 4,746,474	\$ 549,245
Intermediate Sources	203,000	203,000	376,943	173,943
State Sources	35,058,273	36,433,273	37,284,024	850,751
Federal Sources	-	-	22,682	22,682
Total Revenues	<u>39,458,502</u>	<u>40,833,502</u>	<u>42,430,123</u>	<u>1,596,621</u>
EXPENDITURES:				
Instruction	37,207,518	38,282,518 (1)	36,718,111	1,564,407
Support Services	4,626,409	4,626,409 (1)	3,828,843	797,566
Enterprise and Community Services	53,240	53,240 (1)	23,987	29,253
Facilities Acquisition and Construction	5,000	5,000 (1)	-	5,000
Contingencies	1,299,305	1,299,305 (1)	-	1,299,305
Total Expenditures	<u>43,191,472</u>	<u>44,266,472</u>	<u>40,570,941</u>	<u>3,695,531</u>
Excess of Revenues Over (Under) Expenditures	(3,732,970)	(3,432,970)	1,859,182	5,292,152
OTHER FINANCING SOURCES (USES)				
Transfers Out	(817,000)	(1,117,000) (1)	(1,105,856)	11,144
Total Other Financing Sources (Uses)	<u>(817,000)</u>	<u>(1,117,000)</u>	<u>(1,105,856)</u>	<u>11,144</u>
Net Change in Fund Balance	<u>(4,549,970)</u>	<u>(4,549,970)</u>	<u>753,326</u>	<u>5,303,296</u>
Beginning Fund Balance	5,100,000	5,100,000	5,109,577	9,577
Ending Fund Balance	<u>\$ 550,030</u>	<u>\$ 550,030</u>	<u>\$ 5,862,903</u>	<u>\$ 5,312,873</u>

(1) Appropriation level

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2025

SPECIAL REVENUE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:				
Local Sources	\$ 978,488	\$ 978,488	\$ 413,240	\$ (565,248)
State Sources	2,060,273	2,060,273	3,663,180	1,602,907
Federal Sources	1,804,651	1,804,651	1,398,882	(405,769)
Total Revenues	<u>4,843,412</u>	<u>4,843,412</u>	<u>5,475,302</u>	<u>631,890</u>
EXPENDITURES:				
Instruction	3,392,092	3,392,092 (1)	2,564,415	827,677
Support Services	1,314,145	1,314,145 (1)	810,582	503,563
Enterprise and Community Services:	727,841	727,841 (1)	450,001	277,840
Facilities Acquisition	158,655	158,655 (1)	47,300	111,355
Debt Service	24,275	24,275 (1)	16,452	7,823
Total Expenditures	<u>5,617,008</u>	<u>5,617,008</u>	<u>3,888,750</u>	<u>1,728,258</u>
Excess of Revenues Over (Under) Expenditures	(773,596)	(773,596)	1,586,552	2,360,148
Other Financing Sources (Uses):				
Transfers In	77,000	77,000 (2)	355,856	288,856
Total Other Financing Sources (Uses)	<u>77,000</u>	<u>77,000</u>	<u>355,856</u>	<u>288,856</u>
Net Change in Fund Balance	(696,596)	(696,596)	1,942,408	2,649,004
Beginning Fund Balance	<u>1,658,122</u>	<u>1,658,122</u>	<u>1,185,532</u>	<u>(472,590)</u>
Ending Fund Balance	<u>\$ 961,526</u>	<u>\$ 961,526</u>	<u>\$ 3,127,940</u>	<u>\$ 2,166,414</u>

(1) Appropriation Level

(2) Included in this amount is the required match of \$2,368 for National School Lunch Support.

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2025

CAPITAL PROJECTS FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES:				
Facilities Acquisition and Construction	\$ 3,100,000	\$ 3,100,000 (1)	\$ 846,846	\$ 2,253,154
Contingencies	250,000	250,000 (1)	-	250,000
Total Expenditures	<u>3,350,000</u>	<u>3,350,000</u>	<u>846,846</u>	<u>2,503,154</u>
Excess of Revenues Over (Under) Expenditures	(3,350,000)	(3,350,000)	(846,846)	2,503,154
OTHER FINANCING:				
Transfers In	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>750,000</u>	<u>750,000</u>	<u>750,000</u>	<u>-</u>
Net Change in Fund Balance	(2,600,000)	(2,600,000)	(96,846)	2,503,154
Beginning Fund Balance	<u>2,600,000</u>	<u>2,600,000</u>	<u>2,574,696</u>	<u>(25,304)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,477,850</u>	<u>\$ 2,477,850</u>

(1) Appropriation Level

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2025

	PERS UAL BOND FUND	GO BOND FUND	TOTALS
ASSETS:			
Cash	\$ 817,843	\$ 101,290	\$ 919,133
Property Taxes Receivable	-	41,495	41,495
Total Assets	\$ 817,843	\$ 142,785	\$ 960,628
LIABILITIES AND FUND BALANCES:			
Deferred Inflows of Resources:			
Unearned Revenues - Property Taxes	\$ -	\$ 40,562	\$ 40,562
FUND BALANCES:			
Restricted	817,843	102,223	920,066
Total Fund Balances	817,843	102,223	920,066
Total Liabilities and Fund Balances	\$ 817,843	\$ 142,785	\$ 960,628

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2025

	PERS UAL BOND FUND	GO BOND FUND	TOTALS
REVENUES:			
Local Sources	\$ 405,554	\$ 1,103,926	\$ 1,509,480
Intermediate Sources	-	409	409
Total Revenues	<u>405,554</u>	<u>1,104,335</u>	<u>1,509,889</u>
EXPENDITURES:			
Debt Service	<u>536,740</u>	<u>1,093,047</u>	<u>1,629,787</u>
Total Expenditures	<u>536,740</u>	<u>1,093,047</u>	<u>1,629,787</u>
Net Change in Fund Balance	(131,186)	11,288	(119,898)
Beginning Fund Balances, as adjusted	<u>949,029</u>	<u>90,935</u>	<u>1,039,964</u>
Ending Fund Balances	<u>\$ 817,843</u>	<u>\$ 102,223</u>	<u>\$ 920,066</u>

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2025

PERS BOND DEBT SERVICE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:				
Local Sources	\$ 433,809	\$ 433,809	\$ 405,554	\$ (28,255)
Total Revenues	<u>433,809</u>	<u>433,809</u>	<u>405,554</u>	<u>(28,255)</u>
EXPENDITURES:				
Support Services	20	20 (1)	-	20
Debt Service	536,740	536,740 (1)	536,740	-
Contingency	192,649	192,649 (1)	-	192,649
Total Expenditures	<u>729,409</u>	<u>729,409</u>	<u>536,740</u>	<u>192,669</u>
Net Change in Fund Balance	(295,600)	(295,600)	(131,186)	164,414
Beginning Fund Balance	<u>945,285</u>	<u>945,285</u>	<u>949,029</u>	<u>3,744</u>
Ending Fund Balance	<u>\$ 649,685</u>	<u>\$ 649,685</u>	<u>\$ 817,843</u>	<u>\$ 168,158</u>

(1) Appropriation Level

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2025

GO BOND FUND				
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES:				
Local Sources	\$ 1,074,000	\$ 1,074,000	\$ 1,103,926	\$ 29,926
Intermediate Sources	-	-	409	409
Total Revenues	1,074,000	1,074,000	1,104,335	30,335
EXPENDITURES:				
Debt Service	1,095,865	1,095,865 (1)	1,093,047	2,818
Contingency	30,000	30,000 (1)	-	30,000
Total Expenditures	1,125,865	1,125,865	1,093,047	32,818
Net Change in Fund Balance	(51,865)	(51,865)	11,288	63,153
Beginning Fund Balance	51,865	51,865	90,935	39,070
Ending Fund Balance	\$ -	\$ -	\$ 102,223	\$ 102,223

(1) Appropriation Level

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

OTHER INFORMATION

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

SUPPLEMENTAL INFORMATION
 As Required by The Oregon Department of Education
 For the Year Ended June 30, 2025

A.	Energy bills for heating - all funds:		<u>Objects 325, 326 and 327</u>																								
	Function 2542	\$	229,612																								
B.	Replacement of equipment - General Fund: Include all General Fund expenditures in Object 542, except for the following exclusions: Exclude these functions:		<u>Amount</u>																								
	<table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">1113, 1122 & 1132</td> <td style="width: 20%;">Co-curricular activities</td> <td style="width: 10%; text-align: right;">4150</td> <td style="width: 10%;">Construction</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td>1140</td> <td>Pre-kindergarten</td> <td style="text-align: right;">2550</td> <td>Pupil transportation</td> <td></td> <td></td> </tr> <tr> <td>1300</td> <td>Continuing education</td> <td style="text-align: right;">3100</td> <td>Food service</td> <td></td> <td></td> </tr> <tr> <td>1400</td> <td>Summer school</td> <td style="text-align: right;">3300</td> <td>Community services</td> <td></td> <td></td> </tr> </table>	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			\$	22,656
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																								

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN 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
www.paulyrogersandcocpas.com

January 14, 2026

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Santiam Canyon School District No. 129J (the District) as of and for the year ended June 30, 2025, and have issued our report thereon dated January 14, 2026. 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.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**
- **Program funded from outside sources.**

In connection with our testing nothing came to our attention that caused us to believe the District 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 Corporation.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the 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 the system of internal controls 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.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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SANTIAM CANYON SCHOOL DISTRICT, 129J
MILL CITY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year ended June 30, 2025

<u>Program Title</u>	<u>Pass Through Organization</u>	<u>Federal AL Number</u>	<u>Pass Through Entity Number</u>	<u>Period Covered</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. Department of Education						
Title I A/D Basic Grants to LEAS	ODE	84.010	N/A	7/1/24-6/30/25	\$ 198,464	\$ -
Title I A/D Basic Grants to LEAS - ESSA	ODE	84.010	N/A	7/1/24-6/30/25	165,423	-
Total Title I Grant (Fund 207 & 211)					363,887	-
Rural Sch Library Revitalization	ODE	84.215	N/A	7/1/24-6/30/25	7,328	-
Total Library Grant (Fund 203)					7,328	-
Title II-A Supporting Effective Instruction	ODE	84.367	N/A	7/1/24-6/30/25	31,291	-
Total Title IIA Grant (Fund 211)					31,291	-
Title IVA - Student Support and Academic Enrichment	ODE	84.424	N/A	7/1/24-6/30/25	19,484	-
Total Title IV-A Grant (Fund 221)					19,484	-
Federal REAP Grant	US DOE	84.358	N/A	7/1/24-6/30/25	25,424	-
Total Federal Reap Grant (Fund 204)					25,424	-
ARP Elem & Secondary Sch Emerg Relief Fund	ODE	84.425	N/A	7/1/24-6/30/25	2,077	-
Total ARP Grant (Fund 215)					2,077	-
Carl Perkins Grant	ODE	84.048	N/A	7/1/24-6/30/25	2,450	-
Total Carl Perkins Grant (Fund 100-4703)					2,450	-
Special Education Cluster						
IDEA Part B611 Special Education (Fund 205)	ODE	84.027	N/A	7/1/24-6/30/25	609,165	508,185
Total Special Education Cluster					609,165	508,185
Total U.S. Department of Education					1,061,106	508,185
U.S. Department of Agriculture:						
Federal Forest Fees	Linn & Marion Counties	41.993	N/A	7/1/24-6/30/25	10,253	-
Child Nutrition Cluster						
Summer Food Program FY2324	ODE	10.559	N/A	7/1/24-6/30/25	8,545	-
National School Lunch Program	ODE	10.555	N/A	7/1/24-6/30/25	183,553	-
National School Breakfast Program	ODE	10.553	N/A	7/1/24-6/30/25	109,892	-
National Supply Chain Assistance	ODE	10.555	N/A	7/1/24-6/30/25	17,916	-
Donated Commodities (Non-Cash Assistance)	ODE	10.555/559	N/A	7/1/24-6/30/25	20,328	-
					340,234	-
Total U.S. Department of Agriculture					350,487	-
Total Grants Expended and Passed Through to Subrecipients					\$ 1,411,593	\$ 508,185
RECONCILIATION TO REVENUE						
Federal Awards expended per Schedule Above						\$1,411,593
Accruals / Deferrals						9,971
Federal Revenue Recognized						<u>\$1,421,564</u>

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January 14, 2026

To the Board of Directors
Santiam Canyon School District No. 129J
Mill City, 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 of the Santiam Canyon School District No. 129J as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated January 14, 2026.

Report on 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 and significant deficiencies may exist that have not been identified.

Report on 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 basic financial statements. 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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January 14, 2026

To the Board of Directors
Santiam Canyon School District No. 129J
Mill City, 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

Opinion on Each Major Federal Program

We have audited Santiam Canyon School District No. 129J's (the District) compliance with the types of compliance requirements identified as subject to audit 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, 2025. The major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District 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, 2025.

Basis for Opinion on Each Major Federal Program

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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of compliance with the compliance requirements referred to above.

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.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to its federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

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

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SANTIAM CANYON SCHOOL DISTRICT NO. 129J
MILL CITY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

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

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
MILL CITY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2025

IDENTIFICATION OF MAJOR PROGRAMS

<u>AL NUMBER</u>	<u>NAME OF FEDERAL PROGRAM CLUSTER</u>
84.010	Title I A/D Basic Grants to LEAS

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

SECTION II – FINANCIAL STATEMENT FINDINGS

None

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. **BASIS OF PRESENTATION**

The schedule of expenditures of federal awards 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.

2. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the schedule 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 not elected to use the ten percent de minimis indirect cost rate as allowed under Uniform Guidance, due to the fact that it already has a negotiated indirect cost rate with the Oregon Department of Education, and thus is not allowed to use the de minimis rate.

SANTIAM CANYON SCHOOL DISTRICT NO. 129J
LINN COUNTY, OREGON

COMMUNICATION TO THE GOVERNING BODY

FOR THE YEAR ENDED JUNE 30, 2025



12700 SW 72nd Ave.
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January 14, 2026

To the Board of Directors
Santiam Canyon School District
Linn County, Oregon

We have audited the basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Santiam Canyon School District (the District) for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards and the Uniform Guidance*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Purpose of the Audit

Our audit was conducted using sampling, inquiries and analytical work to opine on the fair presentation of the basic financial statements and compliance with:

- generally accepted accounting principles and auditing standards
- the Oregon Municipal Audit Law and the related administrative rules
- federal, state and other agency rules and regulations related to expenditures of federal awards

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter, our responsibility, as described by professional standards, is to express opinions about whether the basic financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the basic financial statements does not relieve you or management of your responsibilities. Our engagement letter details our nonaudit services we provide; these services do not constitute an audit under Government Auditing Standards.

In planning and performing our audit, we considered the system of internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the system of internal control over financial reporting. We also considered the system of internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance.

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, 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 is not an objective of our audit. Also in accordance with the Uniform Guidance, we examined, on a test basis, evidence about compliance with the types of compliance requirements described in the OMB's Compliance Supplement applicable to each of the major federal programs for the purpose of expressing an opinion on compliance with those requirements. While our audit provided a reasonable basis for our opinion, it does not provide a legal determination on compliance with those requirements.

Our responsibility for the supplementary information accompanying the basic financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the basic financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Pauly, Rogers and Co., P.C.

Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; therefore, our audit involved judgment about the number of transactions examined and the areas to be tested.

Our audit included obtaining an understanding of the District and its environment, including the system of internal control, sufficient to assess the risks of material misstatement of the basic financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District. We also communicated any internal control related matters that are required to be communicated under professional standards.

Results of Audit

1. Audit opinion letter - an unmodified opinion on the basic financial statements has been issued. This means we have given a “clean” opinion with no reservations.
2. State minimum standards – We found no exceptions or issues requiring comment.
3. Federal Awards - We found no issues of non-compliance and no questioned costs. We have responsibility to review these programs and give our opinion on the schedule of expenditures of federal awards, and tests of the system of internal control, compliance with laws and regulations, and general and specific requirements mandated by the various awards.
4. Management letter – No separate management letter was issued.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used are described in Note 1 to the basic financial statements. No new accounting policies were adopted, with the exception of *GASB 101 Compensated Absences*, and the application of existing policies was not changed during fiscal 2024-25. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the basic financial statements in the proper period.

Accounting estimates are an integral part of the basic financial statements prepared by management and are based on management’s knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most significant estimates in the basic financial statements are the actuarial estimates of the District’s portion of the statewide Net Pension Liability (or Asset), Other Post-Employment Benefits, collection of Accounts Receivable, Capital Asset Depreciation, and fair market value of investments. These estimates are based on actuarial evaluations, estimated collectability of receivables, useful lives of assets, and market values of investments. We have evaluated the methods, assumptions, and data used to develop these estimates in determining that they were reasonable in relation to the basic financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The disclosures in the basic financial statements are neutral, consistent, and clear.

Pauly, Rogers and Co., P.C.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements or determined that their effects are immaterial. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, taken as a whole. There were immaterial uncorrected misstatements noted during the audit which were discussed with management. The uncorrected misstatements or the matters underlying them could potentially cause future period basic financial statements to be materially misstated, even if, in our judgment, such uncorrected misstatements are immaterial to the basic financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the basic financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the basic financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards with management each year prior to our retention as the auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Required Supplementary Information

We applied certain limited procedures to the required supplementary information that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the required supplementary information and do not express an opinion or provide any assurance on it except for the budgetary statements included in required supplementary information.

Pauly, Rogers and Co., P.C.

Supplementary Information

We were engaged to report on the supplementary information, which accompany the basic financial statements but are not required supplementary information. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Information

We were not engaged to report on the other information, which comprises the other information as listed in the table of contents and the Board list located before the table of contents, which accompanies the basic financial statements but is not required supplementary information. Such information has 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 it.

Other Matters – Future Accounting and Auditing Issues

In order to keep you aware of new auditing standards issued by the American Institute of Certified Public Accountants and accounting statements issued by the Governmental Accounting Standards Board (GASB), we have prepared the following summary of the more significant upcoming issues:

GASB 103 – Financial Reporting Model Improvements

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting period thereafter. Earlier application is encouraged. The requirements for Management’s Discussion and Analysis (MD&A) will improve the quality of the analysis of changes from the prior year, which will enhance the relevance of that information. They also will provide clarity regarding what information should be presented in MD&A. The requirements for the separate presentation of unusual or infrequent items will provide clarity regarding which items should be reported separately from other inflow and outflows of resources. The definitions of operating revenues and expenses and of nonoperating revenues and expenses will replace accounting policies that vary from government to government, thereby improving comparability. The addition of a subtotal for operating income (loss) and noncapital subsidies will improve the relevance of information provided in the proprietary fund statement of revenues, expenses, and changes in fund net position. The requirement for presentation of major component unit information will improve comparability. The requirement that budget comparison information be presented as required supplementary information (RSI) will improve comparability, and the inclusion of the specified variances and the explanation of significant variances will provide more useful information for making decisions and assessing accountability.

The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues.

Management’s Discussion and Analysis

This Statement continues the requirement that the basic financial statements be preceded by management’s discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provided an objective and easily readable analysis of the government’s financial activities based on currently known facts, decisions, or conditions and presents comparisons between current and prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that “boilerplate” discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

Other Matters – Future Accounting and Auditing Issues (Continued)

GASB 103 – Financial Reporting Model Improvements (Continued)

Unusual or Infrequent Items

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

Budgetary Comparison Information

This Statement requires governments to present budgetary comparison information using a single method of communication - RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

GASB 104 – Disclosure of Capital Assets

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged. The requirements of this Statement will improve financial reporting by providing users of financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. Additionally, the disclosure requirements will improve consistency and comparability between governments.

State and local governments are required to provide detailed information about capital assets in notes to financial statements. Statement No. 34, Basic Financial Statements-and Management’s Discussion and Analysis-for State and Local Governments, requires certain information regarding capital assets to be presented by major class. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

This Statement requires certain types of capital assets to be disclosed separately in the capital asset note disclosures requires by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Agreements, should be disclosed separately by major class of underlying asset in the capital asset note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame.

This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt which the capital assets held for sale are pledged as collateral for each major class of asset.

Best Practices – Not Significant Deficiencies

1. Fidelity Insurance Coverage

In reviewing fidelity insurance coverage we noticed that the District often carries cash and investment balances in excess of the insurance coverage amount. We recommend that the Board examine this exposure risk and make a determination as to the amount of insurance coverage they feel is prudent in regard to their oversight.


2. Service Organizations

The District has contracted with an ESD service provider for accounting and information technology services. The service provider does not have a SSAE 18 (service provider) report or internal control report covering their operations, accounting processing and information technology controls. The possibility exists that errors or irregularities could exist and not be detected. While nothing came to our attention during our testing, we recommend the Governing Body review the risks regarding this matter and consider getting assurance from the service provider that will reduce the District's risks, including being named on their insurance policies.

3. 941 Reports

During our review of the federal form 941s we noted that the wages reported on two of the 941s did not match the amount reported on the quarterly wage reports. While these variances were immaterial, we recommend reviewing the Form 941 filings together with the quarterly wage reports to ensure all wages are correctly reported.

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



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



Santiam Canyon School District 129J

Post Office Box 197
150 SW Evergreen St.
Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

Board Recommendation Form

To: Santiam Canyon School District 129J Board of Directors

Prepared By: Krista Nieraeth, Superintendent

Date: March 11, 2026

Background: In reviewing district policies, it was noticed that many of our policies are at least 5 – 10 years old and warranted a review to either update or delete, or policies were not up to date with current state and federal laws. I worked with OSBA to review our district policies and will be bringing policies to the board for adoption or deletion. At the February board meeting, I presented to the board with 13 policies as a 1st read for the board to consider. The board was able to review policies prior to meeting, had time to comment and ask clarifying questions during that meeting, as well as the public has had time to read and comment. At the March board meeting, I am presenting the 13 policies for a 2nd read, which leads to adoption or deletion of the policies.

Action Requested: To approve all policies as presented.

Motion Requested: “I motion to approve policies listed under Agenda Item 7.2 as presented.”

Santiam Canyon School District does not discriminate on the basis of race, religion, color, national origin, disability, marital status, sexual orientation, sex or age in providing or access to benefits of education services, activities and programs in accordance with Title VI, Title VII, Title IX and other civil rights or discrimination issues; Section 504 of the Rehabilitation Act of 1973, as amended; and the American with Disabilities Act.

The following has been designated to coordinate compliance with these legal requirements and may be contacted at the Santiam Canyon School District office for additional information and/or compliance issues: Title II Coordinator, Title IX Coordinator and Section 504 Coordinator: Director of Special Programs, 150 SW Evergreen St./PO Box 197, Mill City, OR 97360, (503) 897-2321

OSBA Model Sample Policy

Code: AC
Adopted:

Nondiscrimination and Civil Rights

The district does not discriminate on any basis listed below and prohibits discrimination and harassment on any basis protected by law, including but not limited to, an individual's perceived or actual race¹, color, religion, sex, sexual orientation, gender identity, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, or veterans' status, or because of the perceived or actual race, color, religion, sex, sexual orientation, gender identity, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, or veterans' status of any other persons with whom the individual associates.

The district prohibits discrimination and harassment in, but not limited to, employment, assignment and promotion of personnel; educational opportunities and services offered students; student assignment to schools and classes; student discipline; location and use of facilities; educational offerings and materials; and accommodating the public at public meetings.

The Board encourages staff to improve human relations within the schools, to respect all individuals and to establish channels through which patrons can communicate their concerns to the administration and the Board.

The superintendent shall appoint individuals at the district to contact on issues concerning the Americans with Disabilities Act and Americans with Disabilities Act Amendments Act (ADA), Section 504 of the Rehabilitation Act, Titles VI and VII of the Civil Rights Act, Title IX of the Education Amendments, and other civil rights or discrimination issues, and notify students, parents, and staff with their names, office addresses, and phone numbers. The district will publish complaint procedures providing for prompt and equitable resolution of complaints from students, employees and the public, and such procedures will be available at the district's administrative office and available on the home page of the district's website.

The district prohibits retaliation and discrimination against an individual who has opposed any discrimination act or practice; because that person has filed a charge, testified, assisted or participated in an investigation, proceeding or hearing; and further prohibits anyone from coercing, intimidating, threatening or interfering with an individual for exercising any rights guaranteed under state and federal law.

Any complaint alleging discrimination may be made to any civil rights coordinator and will be processed in accordance with administrative regulation AC-AR - Discrimination Complaint Procedure. Depending on the nature of the complaint, additional requirements may apply.

The district will document and track:

¹ Includes discriminatory use of a Native American mascot pursuant to OAR 581-021-0047. "Race" also includes physical characteristics that are historically associated with race, including but not limited to natural hair, hair texture, hair type and protective hairstyles as defined by ORS 659A.001-.

1. All reports of discrimination received by the district and all responses to those reports issued by the district, including any investigations completed and remedies provided; and
2. The training completed by each civil rights coordinator.

Civil Rights Coordinator

The superintendent is the district's civil rights coordinator.

The civil rights coordinator(s) will:

1. Be knowledgeable of the requirements in OARs 581-021-0038, 581-021-0045, 581-021-0046, and 581-021-0660;
2. Have the independence and authority necessary to carry out the provisions of OAR 581-021-0660;
3. Monitor, coordinate, and oversee district compliance with state and federal laws prohibiting discrimination in education, including ensuring the availability of, and providing to students and staff:
 - a. The notice of nondiscrimination² required by OAR 581-021-0045; and
 - b. The district written complaint process for making reports of discrimination.
4. Oversee and ensure the resolution of district investigations of complaints alleging and substantiating discrimination, including the provision of remedies designed to restore or preserve equal access to an education program or activity;
5. Provide guidance to district staff on civil rights issues in the district;
6. Respond to questions and concerns about civil rights in the district;
7. Coordinate efforts to prevent civil rights violations from occurring in the district; and
8. Satisfy the following training requirements:
 - a. Upon initial designation, a civil rights coordinator must receive the following training in accordance with a schedule established by the Oregon Department of Education (ODE):
 - (1) The meaning of discrimination under state and federal nondiscrimination law, including ORS 659.850, Title VI of the Civil Rights Act of 1964 Title IX of Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990;
 - (2) The duties of districts under state and federal nondiscrimination law, including ORS 342.700 to 342.708, ORS 659.850 and 659.855, Title VI of the Civil Rights Act of 1964, Title IX of Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the American's with Disabilities Act of 1990, those statutes' implementing rules and regulations, and determinations made by the Oregon Department of Education and the United States Department of Education's Office for Civil Rights;

² The notice of nondiscrimination will include the name or title, work address, email address, and phone number of each civil rights coordinator.

- (3) The coordinators required by Title IX of Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, and those coordinators' duties;
 - (4) Identifying discrimination and reports of discrimination;
 - (5) Responding to reports of discrimination;
 - (6) Conducting civil rights investigations, including identifying conflicts of interest, and using strategies to mitigate conflicts of interest;
 - (7) Preventing discrimination in public school programs and activities;
 - (8) Identifying retaliation taken in response to reports of discrimination, responding to reports of such retaliation, and preventing such retaliation in public school programs and activities;
 - (9) Tracking and documenting reports of discrimination.
- b. In years subsequent to being designated a civil rights coordinator, a civil rights coordinator must annually receive the following training in accordance with a schedule established by ODE:
- (1) The meaning of discrimination under state and federal nondiscrimination law, including ORS 659.850, Title VI of the Civil Rights Act of 1964 Title IX of Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and Title II of the Americans with Disabilities Act of 1990;
 - (2) The duties of districts under state and federal nondiscrimination law, including ORS 342.700 to 342.708, ORS 659.850 and 659.855, Title VI of the Civil Rights Act of 1964, Title IX of Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the American's with Disabilities Act of 1990, those statutes' implementing rules and regulations, and determinations made by the Oregon Department of Education and the United States Department of Education's Office for Civil Rights;
 - (3) The coordinators required by Title IX of Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, and those coordinators' duties;
 - (4) Reporting discrimination, and responding to reports of discrimination, including through complaint processes and investigations.³

END OF POLICY

Legal Reference(s):

[ORS 174.100](#)
[ORS 192.630](#)
[ORS 326.051\(1\)\(e\)](#)
[ORS 332.505](#)
[ORS 408.230](#)
[ORS 659.805](#)
[ORS 659.815](#)
[ORS 659.850 - 659.860](#)
[ORS 659.865](#)
[ORS 659A.001](#)
[ORS 659A.003](#)

[ORS 659A.006](#)
[ORS 659A.009](#)
[ORS 659A.029](#)
[ORS 659A.030](#)
[ORS 659A.040](#)
[ORS 659A.103 - 659A.145](#)
[ORS 659A.230 - 659A.233](#)
[ORS 659A.236](#)
[ORS 659A.309](#)
[ORS 659A.321](#)
[ORS 659A.409](#)
[OAR 581-021-0045](#)
[OAR 581-021-0046](#)
[OAR 581-021-0047](#)

[OAR 581-021-0650 - 0665](#)
[OAR 581-022-2310](#)
[OAR 581-022-2370](#)
[OAR 581-075-0001 - 075-0005](#)
[OAR 581-075-0901](#)
[OAR 839-003](#)

³ Training must first be completed by June 30, 2025.

Age Discrimination Act of 1975, 42 U.S.C. §§ 6101-6107 (2018).
Age Discrimination in Employment Act of 1967, 29 U.S.C. §§ 621-633 (2018); 29 C.F.R Part 1626 (2019).
Americans with Disabilities Act/Americans with Disabilities Act Amendments Act, 42 U.S.C. §§ 12101-12112 (2018); 29 C.F.R. Part 1630 (2019); 28 C.F.R. Part 35 (2019).
Equal Pay Act of 1963, 29 U.S.C. § 206(d) (2018).
Rehabilitation Act of 1973, 29 U.S.C. §§ 791, 793-794 (2018); 34 C.F.R. Part 104 (2019).
Title IX of the Education Amendments of 1972, 20 U.S.C. §§ 1681-1683, 1701, 1703-1705, 1720 (2018); Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance, 34 C.F.R. Part 106 (2020).
Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d (2018); 28 C.F.R. §§ 42.101-42.106 (2019).
Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e (2018); 29 C.F.R. § 1601 (2019).
Wygant v. Jackson Bd. of Educ., 476 U.S. 267 (1989).
The Vietnam Era Veterans' Readjustment Assistance Act of 1974, 38 U.S.C. § 4212 (2018).
Genetic Information Nondiscrimination Act of 2008, 42 U.S.C. § 2000ff-1 (2018); 29 C.F.R. Part 1635 (2019).

2nd Read

OSBA Model Sample Policy

Code: BBF
Adopted:

Board Member Standards of Conduct

A Board member should:

1. Comply with ethics laws for public officials;
2. Understand that the Board sets the standards for the district through Board policy. Board members do not manage the district on a day-to-day basis;
3. Understand that the Board makes decisions by a quorum vote of the Board. Individual Board members may not commit the Board to any action;
4. Respect the right of other Board members to have opinions and ideas which differ;
5. Recognize that decisions made by a quorum vote are the final decisions of the Board. Such decisions should be supported by all Board members;
6. Make decisions only after the facts are presented and discussed;
7. Understand the chain of command and refer problems or complaints to the proper administrative office;
8. Recognize that the Board must comply with the Public Meetings Law and only has authority to make decisions at properly noticed Board meetings;
9. Insist that all Board and district business is ethical and honest;
10. Be open, fair and honest — no hidden agendas;
11. Understand that Board members will receive information that is confidential and cannot be shared;
12. Recognize that the superintendent is the Board's employee and designated as the chief executive officer of the district;
13. Take action only after hearing the superintendent's recommendations;
14. Refuse to bring personal or family problems into Board considerations;
15. Give district staff the respect and consideration due to skilled, professional employees;
16. Present personal criticism of district operations to the superintendent, when appropriate, not to district staff;
17. Respect the right of the public to attend and observe Board meetings;

18. Respect the right of the public to be informed about district decisions and school operations as allowed by law;
19. Remember that content discussed in executive session is confidential;
20. Use social media, websites, or other electronic communication judiciously, respectfully, and in a manner that does not violate Oregon’s Public Meetings Laws;
21. When posting online or to social media, Board members will treat and refer to other Board members, staff, students and the public with respect, and will not post confidential information about students, staff or district business;
22. A Board member is a mandatory reporter of child abuse. A Board member having reasonable cause to believe that any child with whom the Board member comes in contact with has suffered abuse or that any person with whom the Board member comes in contact with has abused a child shall immediately make a report to the Department of Human Services (DHS)^[1] or to law enforcement within the county where the person making the report is located at the time of contact.

END OF POLICY

Legal Reference(s):

[ORS 162.015 - 162.035](#)
[ORS 162.405 - 162.425](#)
[ORS 192.610 - 192.710](#)
[ORS Chapter 244](#)
[ORS 332.055](#)
[ORS 419B.005](#)
[ORS 419B.010](#)
[ORS 419B.015](#)

¹ [How to report abuse or neglect: [Oregon DHS](#). Call 855-503-SAFE (7233)]

2nd Read

OSBA Model Sample Policy

Code: BC/BCA
Adopted:

Board Organization/Board Organizational Meeting

No later than the next regular meeting following July 1, the Board will organize itself for the year.

The organizational meeting will consist of, but not be limited to, the following actions:

1. Election of a Board chair;
2. Election of a vice chair;
3. Provision for a time and place for regular meetings;
4. Other organizational actions prescribed by law or by Board practice.

The incumbent Board chair will preside until a successor is elected, whereupon the successor will assume the chair. In the event no incumbent chair or vice chair remains on the Board, or neither is able to continue to serve as an officer, the Board will select a temporary chair to conduct the election.

END OF POLICY

Legal Reference(s):

[ORS 255.335](#)

[ORS 332.040 to -332.045](#)

[ORS 332.057](#)

OSBA Model Sample Policy

Code: BF
Adopted:

Policy Development

The Board has the authority and responsibility to establish policy. The Board accepts the definition of policy set forth by the National School Boards Association:

School Board policies are statements which set forth the purposes and prescribe in general terms the organization and program of a school system. They create a framework within which the superintendent and staff can discharge their assigned duties with positive direction. They tell what is wanted.

The formulation and adoption of policies, recorded in writing, will constitute the basic method by which the Board will exercise its leadership in the operation of the school system.

The policies shall be consistent with Oregon Revised Statutes, Oregon Administrative Rules and all federal laws and regulations.

The basic responsibility for initiating, reviewing and recommending new policies or policy modification will rest with the superintendent. New policies or changes in existing policy may be proposed by any Board member, group or organization, staff member, parent, student or other member of the community to the superintendent for the Board to consider. The superintendent, in developing these policies, may be guided by the recommendations of the staff and may seek parent and community input during the preparation and subsequent review of policy statements. Advice from legal counsel may be appropriate. The superintendent will furnish necessary background information to the Board.

The final authority and responsibility for Board policy lies with the Board.

END OF POLICY

Legal Reference(s):

[ORS 332.107](#)
[ORS 332.505](#)

[ORS 339.240](#)

[OAR 581-022-2305](#)
[OAR 581-022-2405](#)

OSBA Model Sample Policy

Code: BFC
Adopted:

Administrative Regulations (AR)

Administrative regulations are detailed directions governing the operation of the district.

The superintendent is authorized to formulate such administrative regulations appropriate for the implementation of policies adopted by the Board and necessary for the consistent operation of the district.

When approved by the superintendent, administrative regulations shall be distributed to the Board and the staff as appropriate.

The Board may review any administrative regulation and may direct its revision if, in the Board's judgment, such administrative regulation is not consistent with adopted board policies.

END OF POLICY

Legal Reference(s):

[ORS 332.107](#)

[OAR 581-022-2305](#)

[OAR 581-022-2405](#)

OSBA Model Sample Policy

Code: BFD
Adopted:

Board Policy Implementation

Effective Date of Policies

All new or amended policies will become effective on the day after adoption by the Board, unless a specific date is included in the motion for adoption.

Policy Implementation

The superintendent and administrative staff will implement board policies. The superintendent may formulate administrative regulations and procedures to assist policy implementation.

It will be the Board's duty to evaluate the effectiveness of the policy and the effectiveness of the administration's implementation of the policy.

Policy Dissemination

The written board policies that govern the district will be maintained in a policy manual to be updated by district staff as new policies are developed or existing policies are revised or repealed. This manual can be found on the district website.

Each Board member will be informed how to access the current board policy manual.

Each district employee will be notified of the existence and availability of personnel policies.

The district shall make a copy of the Board's policy manual available to the public and district employees. The Board's policy manual will be considered a public record and will be open for inspection at the district office during regular working hours.

END OF POLICY

Legal Reference(s):

[ORS 332.107](#)
[ORS 332.505](#)

[OAR 581-022-2305](#)
[OAR 581-022-2405](#)

OSBA Model Sample Policy

Code: BFG
Adopted:

Board Policy Review

To keep written policies current and relevant, the Board will review and update its board policies. The Board will evaluate the implementation and effect of such policies. The superintendent has continuing responsibility to alert the Board of policies that may need revision.

END OF POLICY

Legal Reference(s):

[ORS 332.107](#)

[OAR 581-022-2305](#)
[OAR 581-022-2405](#)

OSBA Model Sample Policy

Code: GBN/JBA

Adopted:

Sexual Harassment

The district is committed to eliminating sexual harassment. Sexual harassment will not be tolerated in the district. All students, staff members and other persons are entitled to learn and work in an environment that is free of harassment. All staff members, students and third parties are subject to this policy. Any person may report sexual harassment.

The district processes complaints¹ or reports of sexual harassment under Oregon Revised Statute (ORS) 342.700 et. al. and federal Title IX laws found in Title 34 C.F.R. Part 106. Individual complaints may require both of these procedures, and may involve additional complaint procedures.

General Procedures

When information, a report or complaint regarding sexual harassment is received by the district, the district will review such information, report or complaint to determine which law applies and will follow the appropriate procedures. When the alleged conduct could meet both of the definitions in ORS Chapter 342 and Title IX, both complaint procedures should be processed simultaneously (*see* GBN/JBA-AR(1) - Sexual Harassment Complaint Procedure and GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure). The district may also need to use other complaint procedures when the alleged conduct could meet the definitions for other complaint procedures².

OREGON DEFINITION AND PROCEDURES

Oregon Definition

Sexual harassment of students, staff members or third parties³ shall include:

1. A demand or request for sexual favors in exchange for benefits;
2. Unwelcome conduct of a sexual nature that is physical, verbal, or nonverbal and that:
 - a. Interferes with a student's educational activity or program;
 - b. Interferes with a school or district staff member's ability to perform their job; or
 - c. Creates an intimidating, offensive, or hostile environment.

¹ Some districts choose not to use the terms "complaint" and "complainant" because they feel the stigma associated with the terms discourage victims from reporting conduct. The terms used in this policy are consistent with those included in the law. If the district chooses to change these terms, new terms must be consistent and clear. Note, "complainant" is defined under federal law.

² Common complaint procedures that may also be involved include: Nondiscrimination (Board policy AC), Workplace Harassment (Board policy GBEA), Hazing, Harassment, Intimidation, Bullying, Menacing, Cyberbullying, Teen Dating Violence and Domestic Violence – Student (Board policy JFCF), and Reporting Requirements for Suspected Sexual Conduct with Students (Board policy GBNA/JHFF).

³ "Third party" means a person who is not a student or a school or district staff member and who is: 1) on or immediately adjacent to school grounds or district property; 2) at a school-sponsored activity or program; or 3) off school grounds or district property if a student or a school or district staff member acts toward the person in a manner that creates a hostile environment for the person while on school or district property, or at a school- or district-sponsored activity.

3. Assault when sexual contact occurs without consent^{4,5}

Sexual harassment does not include conduct that is necessary because of a job duty of a school or district staff member or because of a service required to be provided by a contractor, agent, or volunteer, if the conduct is not the product of sexual intent or a person finding another person, or another person’s actions, offensive because of that other person’s sexual orientation or gender identity.

Examples of sexual harassment may include, but not be limited to, ⁶physical touching or graffiti of a sexual nature; displaying or distributing of sexually explicit drawings; pictures and written materials; sexual gestures or obscene jokes; touching oneself sexually or talking about one’s sexual behaviors in front of others; or spreading rumors about or rating other students or others as to appearance, sexual activity or performance.

Oregon Procedures

Reports and complaints of sexual harassment should be made to the following individual:

Name	Position	Phone	Email
Krista Nieraeth	Superintendent	(503) 897 - 2321	krista.nieraeth@santiam.k12.or.us

This individual is responsible for accepting and managing complaints of sexual harassment. Persons wishing to report should contact them using the above information. This person is also designated as the Title IX coordinator. *See* GBN/JBA-AR(1) - Sexual Harassment Complaint Procedure.

Response

Any staff member who becomes aware of behavior that may violate this policy shall immediately report to a district official. The district official (with coordination involving the reporting staff member when appropriate) will take any action necessary to ensure the:

1. Student is protected and to promote a nonhostile learning environment;
2. Staff member is protected and to promote a nonhostile work environment; or
3. Third party who is subjected to the behavior is protected and to promote a nonhostile environment.

This includes providing resources for support measures to the student, staff member or third party who was subjected to the behavior and taking any actions necessary to remove potential future impact on the student, staff member or third party, but are not retaliatory against the student, staff member or third party being harassed or the person who reported to the district official.

⁴ “Without consent” means an act performed: (a) without the knowing, voluntary and clear agreement by all parties to participate in the specific act; or (b) when a person who is a party to the act is incapacitated by drugs or alcohol; unconscious; or pressured through physical force, coercion or explicit or implied threats to participate in the act.

⁵The statutory definition (ORS 342.704) for sexual harassment includes separate definitions with slightly different language for students, staff members and third parties. The language used in this policy comes from OAR 581-021-0038(1). If the district would like to include the full statutory definition, it can do so.

⁶ OAR 581-021-0038 requires that the policy include an “examples of harassing behaviors covered by policy”. The bracketed list in this policy reflects OSBA’s recommendations. The district has discretion in what is included in this list. If listing behaviors not reflected in OSBA recommendations, please have the list reviewed by the district’s legal counsel.

Any student or staff member who feels they are a victim of sexual harassment are encouraged to immediately report their concerns to district officials, this includes officials such as the principal, compliance officer or superintendent. Students may also report concerns to a teacher, counselor or school nurse, who will promptly notify the appropriate district official.

Investigation

All reports and complaints about behavior that may violate this policy shall be investigated. The district may use, but is not limited to, the following means for investigating incidents of possible harassment:

1. Interviews with those involved;
2. Interviews with witnesses;
3. Review of video surveillance;
4. Review of written communications, including electronic communications;
5. Review of any physical evidence; and
6. Use of third-party investigator.

The district will use a reasonable person standard when determining whether a hostile environment exists. A hostile environment exists if a reasonable person with similar characteristics and under similar circumstances would consider the conduct to be so severe as to create a hostile environment.

The district may take, but is not limited to, the following procedures and remedial action to address and stop sexual harassment:

1. Discipline of staff and students engaging in sexual harassment;
2. Removal of third parties engaged in sexual harassment;
3. Additional supervision in activities;
4. Additional controls for district electronic systems;
5. Trainings and education for staff and students; and
6. Increased notifications regarding district procedures and resources.

When a student or staff member is harassed by a third party, the district will consider the following:

1. Removing that third party's ability to contract or volunteer with the district, or be present on district property;
2. If the third party works for an entity that contracts with the district, communicating with the third party's employer;
3. If the third party is a student of another district or school, communicate information related to the incident to the other district or school;
4. Limiting attendance at district events; and
5. Providing for additional supervision, including law enforcement if necessary, at district events.

No Retaliation

Retaliation against persons who initiate complaint or otherwise report sexual harassment or who participate in an investigation or other related activities is prohibited. The initiation of a complaint, reporting of behavior, or participation in an investigation, in good faith about behavior that may violate this policy may not adversely affect the:

1. Educational assignments or educational environment of a student or other person initiating the complaint, reporting the behavior, or participating in the investigation; or
2. Any terms or conditions of employment or of work or educational environment of a school or district staff member or other person initiating the complaint, reporting the behavior, or participating in the investigation.

Students who initiate a complaint or otherwise report harassment covered by the policy or who participate in an investigation may not be disciplined for violations of the district's drug and alcohol policies that occurred in connection with the reported prohibited conduct and that were discovered because of the report or investigation, unless the student gave another person alcohol or drugs without the person's knowledge and with the intent of causing the person to become incapacitated and vulnerable to the prohibited conduct.

Notice

When a person⁷ who may have been affected by this policy files a complaint or otherwise reports behavior that may violate the policy, the district shall provide written notification to the following:

1. Each reporting person;
2. If appropriate, any impacted person who is not a reporting person;
3. Each reported person; and
4. Where applicable, a parent or legal guardian of a reporting person, impacted person, or reported person.

The written notification must include⁸:

1. Name and contact information for all person designated by the district to receive complaints;
2. The rights of the person that the notification is going to;
3. Information about the internal complaint processes available through the school or district that the person who filed the complaint may pursue, including the person designated for the school or district for receiving complaints and any timelines;
4. Notice that civil and criminal remedies that are not provided by the school or district may be available to the person through the legal system and that those remedies may be subject to statutes of limitation;

⁷ Student, staff member, or third party, or if applicable, the student or third party's parent. If the person is a minor, the district should consider when to contact the person's parent.

⁸ Remember confidentiality laws when providing any information.

5. Information about services available to the student or staff member through the school or district, including any counseling services, nursing services or peer advising;
6. Information about the privacy rights of the person and legally recognized exceptions to those rights for internal complaint processes and services available through the school or district;
7. Information about, and contact information for, services and resources that are available to the person, including but not limited to:
 - a. For the reporting person, state and community-based resources for persons who have experienced sexual harassment; or
 - b. For the reported persons, information about and contact information for state and community-based mental health services.
8. Notice that students who report about possible prohibited conduct and students who participate in an investigation under this policy may not be disciplined for violations of the district's drug and alcohol policies that occurred in connection with the reported prohibited conduct and that were discovered as a result of a prohibited conduct report or investigation unless the student gave another person alcohol or drugs without the person's knowledge and with the intent of causing the person to become incapacitated and vulnerable to the prohibited conduct; and
9. Prohibition of retaliation.

Notification, to the extent allowable under state and federal student confidentiality laws, must be provided when the investigation is initiated and concluded. The notification at the conclusion must include whether a violation of the policy was found to have occurred.

The notice must:

1. Be written in plain language that is easy to understand;
2. Use print that is of a color, size and font that allows the notification to be easily read; and
3. Be made available to students, students' parents, staff members and member of the public at each office, at the district office and on the website of the school or district.

Oregon Department of Education (ODE) Support

The ODE will provide technical assistance and training upon request.

FEDERAL DEFINITION AND PROCEDURES

Federal Definition

Sexual harassment means conduct on the basis of sex that satisfies one or more of the following:

1. An employee of the district conditioning the provision of an aid, benefit, or service of the district on an individual's participation in unwelcome sexual conduct;

2. Unwelcome conduct determined by a reasonable person to be so severe, pervasive, and objectively offensive that it effectively denies a person equal access to the district’s education program or activity⁹;
3. “Sexual assault”: an offense classified as a forcible or nonforcible sex offense under the uniform crime reporting system of the Federal Bureau of Investigation;
4. “Dating violence”: violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim and where the existence of such a relationship shall be determined based on a consideration of the length of the relationship, the type of relationship and the frequency of interaction between the persons involved in the relationship;
5. “Domestic violence”: felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction; or
6. “Stalking”: engaging in a course of conduct directed at a specific person that would cause a reasonable person fear for the person’s own safety or the safety of others, or suffer substantial emotional distress.

This definition only applies to sex discrimination occurring against a person who is a subject of this policy in the United States. A district’s treatment of a complainant or a respondent in response to a formal complaint of sexual harassment may constitute discrimination on the basis of sex under Title IX.

Federal Procedures

The district will adopt and publish grievance procedures that provide for the prompt and equitable resolution of the student and employee complaints alleging any action that would be prohibited by this policy. *See* GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure.

Reporting

Any person may report sexual harassment. This report may be made in person, by mail, by telephone, or by electronic mail, or by any other means that results in the Title IX coordinator receiving the person’s verbal or written report. The report can be made at any time.

The superintendent is designated as the Title IX coordinator and can be contacted at (503) 897 - 2321. The Title IX coordinator will coordinate the district’s efforts to comply with its responsibilities related to this AR. The district prominently will display the contact information for the Title IX coordinator on the district website and in each handbook.

Response

The district will promptly respond to information, allegations or reports of sexual harassment when there is actual knowledge of such harassment, even if a formal complaint has not been filed.¹⁰ The district shall

⁹ “Education program or activity” includes locations, events, or circumstances over which the recipient exercised substantial control over both the respondent and the context in which the sexual harassment occurs.” (Title 34 C.F.R. § 106.44(a))

¹⁰ (Title 34 C.F.R. § 106.44(a)) Response cannot be deliberately indifferent. A recipient is deliberately indifferent only if its response to sexual harassment is clearly unreasonable in light of the known circumstances.

treat complainants and respondents equitably by providing supportive measures¹¹ to the complainant and by following a grievance procedure¹² prior to imposing any disciplinary sanctions or other actions that are not supportive measures against a respondent. The Title IX coordinator is responsible for coordinating the effective implementation of supportive measures.

The Title IX coordinator must promptly contact the complainant to discuss the availability of supportive measures, consider the complainant's wishes, with respect to supportive measures, inform the complainant of the availability of supportive measures with or without the filing of a formal complaint, and explain to the complainant the process for filing a formal complaint.¹³

If after an individualized safety and risk analysis, it is determined that there is an immediate threat to the physical health or safety of any person, an emergency removal of the respondent can take place.¹⁴ The district must provide the respondent with notice and an opportunity to challenge the decision immediately following the removal. A non-student employee may also be placed on non-disciplinary administrative leave pending the grievance process.

Notice

The district shall provide notice to all applicants for admission and employment, students, parents or legal guardians, employees, and all unions or professional organizations holding collective bargaining or professional agreements with the district of the following:

1. The name or title, office address, electronic mail address, and telephone number of the Title IX coordinator(s);
2. That the district does not discriminate on the basis of sex in the education program or activity that it operates, as required by Title IX. This includes admissions and employment; and
3. The grievance procedure and process, how to file a formal complaint of sex discrimination or sexual harassment, and how the district will respond.

No Retaliation

Neither the district or any person may retaliate¹⁵ against an individual for reporting, testifying, providing evidence, being a complainant, otherwise participating or refusing to participate in any investigation or process in accordance with this procedure. The district must keep confidential the identity of parties and participating persons, except as disclosure is allowed under Family Educational Rights and Privacy Act

¹¹ (Title 34 C.F.R. § 106.44(a)) Supportive measures means non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the complainant or the respondent before or after the filing of a formal complaint or where no formal complaint has been filed. Such measures are designed to restore or preserve equal access to the recipient's education program or activity without unreasonably burdening the other party, including measures designed to protect the safety of all parties or the district's educational environment, or deter sexual harassment.¹¹ The district must maintain as confidential any supportive measures provided to the complainant or respondent, to the extent that maintaining such confidentiality would not impair the ability of the recipient to provide supportive measures. (Title 34 C.F.R. § 99.30(a))

¹² This grievance procedure must meet the requirements of Title 34 C.F.R. § 106.45 (included in accompanying administrative regulation, *see* GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure).

¹³ The Title IX coordinator may also discuss that the Title IX coordinator has the ability to file a formal complaint.

¹⁴ The district may still have obligations under Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973 or the American with Disabilities Act (ADA). (Title 34 C.F.R. § 106.44(c))

¹⁵ Retaliation includes, but is not limited to, intimidation, threats, coercion, and discrimination.

(FERPA), as required by law, or to carry out the proceedings herein. Complaints of retaliation may be filed using these procedures.

Charging an individual with a code of conduct violation for making a materially false statement in bad faith in the course of a grievance proceeding does not constitute retaliation.

Publication

This policy shall be made available to students, parents of students and staff members. This policy and contact information for the Title IX coordinator shall be prominently published in the district student handbook and on the district website. This policy shall also be made available at each school office and at the district office. The district shall post this policy on a sign in all grade 6 through 12 schools, on a sign that is at least 8.5 inches by 11 inches in size. A copy of the policy will be made available to any person upon request.

END OF POLICY

Legal Reference(s):

[ORS 243.706](#)
[ORS 332.107](#)
[ORS 342.700](#)
[ORS 342.704](#)
[ORS 342.708](#)

[ORS 342.850](#)
[ORS 342.865](#)
[ORS 659.850](#)
[ORS 659A.006](#)
[ORS 659A.029](#)

[ORS 659A.030](#)
[OAR 581-021-0038](#)
[OAR 584-020-0040](#)
[OAR 584-020-0041](#)

Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d (2018).

Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e (2018).

Title IX of the Education Amendments of 1972, 20 U.S.C. §§ 1681-1683 (2018); Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance, 34 C.F.R. Part 106 (2020).

Bartsch v. Elkton School District, FDA-13-011 (March 27, 2014).

OSBA Model Sample Policy

Code: JBA/GBN

Adopted:

Sexual Harassment

The district is committed to eliminating sexual harassment. Sexual harassment will not be tolerated in the district. All students, staff members and other persons are entitled to learn and work in an environment that is free of harassment. All staff members, students and third parties are subject to this policy. Any person may report sexual harassment.

The district processes complaints¹ or reports of sexual harassment under Oregon Revised Statute (ORS) 342.700 et. al. and federal Title IX laws found in Title 34 C.F.R. Part 106. Individual complaints may require both of these procedures, and may involve additional complaint procedures.

General Procedures

When information, a report or complaint regarding sexual harassment is received by the district, the district will review such information, report or complaint to determine which law applies and will follow the appropriate procedures. When the alleged conduct could meet both of the definitions in ORS Chapter 342 and Title IX, both complaint procedures should be processed simultaneously (*see* GBN/JBA-AR(1) - Sexual Harassment Complaint Procedure and GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure). The district may also need to use other complaint procedures when the alleged conduct could meet the definitions for other complaint procedures².

OREGON DEFINITION AND PROCEDURES

Oregon Definition

Sexual harassment of students, staff members or third parties³ shall include:

1. A demand or request for sexual favors in exchange for benefits;
2. Unwelcome conduct of a sexual nature that is physical, verbal, or nonverbal and that:
 - a. Interferes with a student's educational activity or program;
 - b. Interferes with a school or district staff member's ability to perform their job; or
 - c. Creates an intimidating, offensive, or hostile environment.

¹ Some districts choose not to use the terms "complaint" and "complainant" because they feel the stigma associated with the terms discourage victims from reporting conduct. The terms used in this policy are consistent with those included in the law. If the district chooses to change these terms, new terms must be consistent and clear. Note, "complainant" is defined under federal law.

² Common complaint procedures that may also be involved include: Nondiscrimination (Board policy AC), Workplace Harassment (Board policy GBEA), Hazing, Harassment, Intimidation, Bullying, Menacing, Cyberbullying, Teen Dating Violence and Domestic Violence – Student (Board policy JFCF), and Reporting Requirements for Suspected Sexual Conduct with Students (Board policy GBNA/JHFF).

³ "Third party" means a person who is not a student or a school or district staff member and who is: 1) on or immediately adjacent to school grounds or district property; 2) at a school-sponsored activity or program; or 3) off school grounds or district property if a student or a school or district staff member acts toward the person in a manner that creates a hostile environment for the person while on school or district property, or at a school- or district-sponsored activity.

3. Assault when sexual contact occurs without consent^{4,5}

Sexual harassment does not include conduct that is necessary because of a job duty of a school or district staff member or because of a service required to be provided by a contractor, agent, or volunteer, if the conduct is not the product of sexual intent or a person finding another person, or another person's actions, offensive because of that other person's sexual orientation or gender identity.

Examples of sexual harassment may include, but not be limited to, ⁶physical touching or graffiti of a sexual nature; displaying or distributing of sexually explicit drawings; pictures and written materials; sexual gestures or obscene jokes; touching oneself sexually or talking about one's sexual behaviors in front of others; or spreading rumors about or rating other students or others as to appearance, sexual activity or performance.

Oregon Procedures

Reports and complaints of sexual harassment should be made to the following individual:

Name	Position	Phone	Email
Krista Nieraeth	Superintendent	(503) 897 - 2321	krista.nieraeth@santiam.k12.or.us

This individual is responsible for accepting and managing complaints of sexual harassment. Persons wishing to report should contact them using the above information. This person is also designated as the Title IX coordinator. *See* GBN/JBA-AR(1) - Sexual Harassment Complaint Procedure.

Response

Any staff member who becomes aware of behavior that may violate this policy shall immediately report to a district official. The district official (with coordination involving the reporting staff member when appropriate) will take any action necessary to ensure the:

1. Student is protected and to promote a nonhostile learning environment;
2. Staff member is protected and to promote a nonhostile work environment; or
3. Third party who is subjected to the behavior is protected and to promote a nonhostile environment.

This includes providing resources for support measures to the student, staff member or third party who was subjected to the behavior and taking any actions necessary to remove potential future impact on the student, staff member or third party, but are not retaliatory against the student, staff member or third party being harassed or the person who reported to the district official.

⁴ “Without consent” means an act performed: (a) without the knowing, voluntary and clear agreement by all parties to participate in the specific act; or (b) when a person who is a party to the act is incapacitated by drugs or alcohol; unconscious; or pressured through physical force, coercion or explicit or implied threats to participate in the act.

⁵The statutory definition (ORS 342.704) for sexual harassment includes separate definitions with slightly different language for students, staff members and third parties. The language used in this policy comes from OAR 581-021-0038(1). If the district would like to include the full statutory definition, it can do so.

⁶ {OAR 581-021-0038 requires that the policy include a “examples of harassing behaviors covered by policy”. The bracketed list in this policy reflects OSBA’s recommendations. The district has discretion in what is included in this list. If listing behaviors not reflected in OSBA recommendations, please have the list reviewed by the district’s legal counsel.}

Any student or staff member who feels they are a victim of sexual harassment are encouraged to [immediately] report their concerns to district officials, this includes officials such as the principal, compliance officer or superintendent. Students may also report concerns to a teacher, counselor or school nurse, who will promptly notify the appropriate district official.

Investigation

All reports and complaints about behavior that may violate this policy shall be investigated. The district may use, but is not limited to, the following means for investigating incidents of possible harassment:

1. Interviews with those involved;
2. Interviews with witnesses;
3. Review of video surveillance;
4. Review of written communications, including electronic communications;
5. Review of any physical evidence; and
6. Use of third-party investigator.

The district will use a reasonable person standard when determining whether a hostile environment exists. A hostile environment exists if a reasonable person with similar characteristics and under similar circumstances would consider the conduct to be so severe as to create a hostile environment.

The district may take, but is not limited to, the following procedures and remedial action to address and stop sexual harassment:

1. Discipline of staff and students engaging in sexual harassment;
2. Removal of third parties engaged in sexual harassment;
3. Additional supervision in activities;
4. Additional controls for district electronic systems;
5. Trainings and education for staff and students; and
6. Increased notifications regarding district procedures and resources.

When a student or staff member is harassed by a third party, the district will consider the following:

1. Removing that third party's ability to contract or volunteer with the district, or be present on district property;
2. If the third party works for an entity that contracts with the district, communicating with the third party's employer;
3. If the third party is a student of another district or school, communicate information related to the incident to the other district or school;
4. Limiting attendance at district events; and
5. Providing for additional supervision, including law enforcement if necessary, at district events.

No Retaliation

Retaliation against persons who initiate complaint or otherwise report sexual harassment or who participate in an investigation or other related activities is prohibited. The initiation of a complaint, reporting of behavior, or participation in an investigation, in good faith about behavior that may violate this policy may not adversely affect the:

1. Educational assignments or educational environment of a student or other person initiating the complaint, reporting the behavior, or participating in the investigation; or
2. Any terms or conditions of employment or of work or educational environment of a school or district staff member or other person initiating the complaint, reporting the behavior, or participating in the investigation.

Students who initiate a complaint or otherwise report harassment covered by the policy or who participate in an investigation may not be disciplined for violations of the district's drug and alcohol policies that occurred in connection with the reported prohibited conduct and that were discovered because of the report or investigation, unless the student gave another person alcohol or drugs without the person's knowledge and with the intent of causing the person to become incapacitated and vulnerable to the prohibited conduct.

Notice

When a person⁷ who may have been affected by this policy files a complaint or otherwise reports behavior that may violate the policy, the district shall provide written notification to the following:

1. Each reporting person;
2. If appropriate, any impacted person who is not a reporting person;
3. Each reported person; and
4. Where applicable, a parent or legal guardian of a reporting person, impacted person, or reported person.

The written notification must include⁸:

1. Name and contact information for all person designated by the district to receive complaints;
2. The rights of the person that the notification is going to;
3. Information about the internal complaint processes available through the school or district that the person who filed the complaint may pursue, including the person designated for the school or district for receiving complaints and any timelines;
4. Notice that civil and criminal remedies that are not provided by the school or district may be available to the person through the legal system and that those remedies may be subject to statutes of limitation;

⁷ Student, staff member, or third party, or if applicable, the student or third party's parent. If the person is a minor, the district should consider when to contact the person's parent.

⁸ Remember confidentiality laws when providing any information.

5. Information about services available to the student or staff member through the school or district, including any counseling services, nursing services or peer advising;
6. Information about the privacy rights of the person and legally recognized exceptions to those rights for internal complaint processes and services available through the school or district;
7. Information about, and contact information for, services and resources that are available to the person, including but not limited to:
 - a. For the reporting person, state and community-based resources for persons who have experienced sexual harassment; or
 - b. For the reported persons, information about and contact information for state and community-based mental health services.
8. Notice that students who report about possible prohibited conduct and students who participate in an investigation under this policy may not be disciplined for violations of the district's drug and alcohol policies that occurred in connection with the reported prohibited conduct and that were discovered as a result of a prohibited conduct report or investigation unless the student gave another person alcohol or drugs without the person's knowledge and with the intent of causing the person to become incapacitated and vulnerable to the prohibited conduct; and
9. Prohibition of retaliation.

Notification, to the extent allowable under state and federal student confidentiality laws, must be provided when the investigation is initiated and concluded. The notification at the conclusion must include whether a violation of the policy was found to have occurred.

The notice must:

1. Be written in plain language that is easy to understand;
2. Use print that is of a color, size and font that allows the notification to be easily read; and
3. Be made available to students, students' parents, staff members and member of the public at each office, at the district office and on the website of the school or district.

Oregon Department of Education (ODE) Support

The ODE will provide technical assistance and training upon request.

FEDERAL DEFINITION AND PROCEDURES

Federal Definition

Sexual harassment means conduct on the basis of sex that satisfies one or more of the following:

1. An employee of the district conditioning the provision of an aid, benefit, or service of the district on an individual's participation in unwelcome sexual conduct;

2. Unwelcome conduct determined by a reasonable person to be so severe, pervasive, and objectively offensive that it effectively denies a person equal access to the district’s education program or activity⁹;
3. “Sexual assault”: an offense classified as a forcible or nonforcible sex offense under the uniform crime reporting system of the Federal Bureau of Investigation;
4. “Dating violence”: violence committed by a person who is or has been in a social relationship of a romantic or intimate nature with the victim and where the existence of such a relationship shall be determined based on a consideration of the length of the relationship, the type of relationship and the frequency of interaction between the persons involved in the relationship;
5. “Domestic violence”: felony or misdemeanor crimes of violence committed by a current or former spouse or intimate partner of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse or intimate partner, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person’s acts under the domestic or family violence laws of the jurisdiction; or
6. “Stalking”: engaging in a course of conduct directed at a specific person that would cause a reasonable person fear for the person’s own safety or the safety of others, or suffer substantial emotional distress.

This definition only applies to sex discrimination occurring against a person who is a subject of this policy in the United States. A district’s treatment of a complainant or a respondent in response to a formal complaint of sexual harassment may constitute discrimination on the basis of sex under Title IX.

Federal Procedures

The district will adopt and publish grievance procedures that provide for the prompt and equitable resolution of the student and employee complaints alleging any action that would be prohibited by this policy. *See* GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure.

Reporting

Any person may report sexual harassment. This report may be made in person, by mail, by telephone, or by electronic mail, or by any other means that results in the Title IX coordinator receiving the person’s verbal or written report. The report can be made at any time.

The superintendent is designated as the Title IX coordinator and can be contacted at (503) 897 - 2321. The Title IX coordinator will coordinate the district’s efforts to comply with its responsibilities related to this AR. The district prominently will display the contact information for the Title IX coordinator on the district website and in each handbook.

Response

The district will promptly respond to information, allegations or reports of sexual harassment when there is actual knowledge of such harassment, even if a formal complaint has not been filed.¹⁰ The district shall

⁹ “Education program or activity” includes locations, events, or circumstances over which the recipient exercised substantial control over both the respondent and the context in which the sexual harassment occurs.” (Title 34 C.F.R. § 106.44(a))

¹⁰ (Title 34 C.F.R. § 106.44(a)) Response cannot be deliberately indifferent. A recipient is deliberately indifferent only if its response to sexual harassment is clearly unreasonable in light of the known circumstances.

treat complainants and respondents equitably by providing supportive measures¹¹ to the complainant and by following a grievance procedure¹² prior to imposing any disciplinary sanctions or other actions that are not supportive measures against a respondent. The Title IX coordinator is responsible for coordinating the effective implementation of supportive measures.

The Title IX coordinator must promptly contact the complainant to discuss the availability of supportive measures, consider the complainant's wishes, with respect to supportive measures, inform the complainant of the availability of supportive measures with or without the filing of a formal complaint, and explain to the complainant the process for filing a formal complaint.¹³

If after an individualized safety and risk analysis, it is determined that there is an immediate threat to the physical health or safety of any person, an emergency removal of the respondent can take place.¹⁴ The district must provide the respondent with notice and an opportunity to challenge the decision immediately following the removal. A non-student employee may also be placed on non-disciplinary administrative leave pending the grievance process.

Notice

The district shall provide notice to all applicants for admission and employment, students, parents or legal guardians, employees, and all unions or professional organizations holding collective bargaining or professional agreements with the district of the following:

1. The name or title, office address, electronic mail address, and telephone number of the Title IX coordinator(s);
2. That the district does not discriminate on the basis of sex in the education program or activity that it operates, as required by Title IX. This includes admissions and employment; and
3. The grievance procedure and process, how to file a formal complaint of sex discrimination or sexual harassment, and how the district will respond.

No Retaliation

Neither the district or any person may retaliate¹⁵ against an individual for reporting, testifying, providing evidence, being a complainant, otherwise participating or refusing to participate in any investigation or process in accordance with this procedure. The district must keep confidential the identity of parties and participating persons, except as disclosure is allowed under Family Educational Rights and Privacy Act

¹¹ (Title 34 C.F.R. § 106.44(a)) Supportive measures means non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the complainant or the respondent before or after the filing of a formal complaint or where no formal complaint has been filed. Such measures are designed to restore or preserve equal access to the recipient's education program or activity without unreasonably burdening the other party, including measures designed to protect the safety of all parties or the district's educational environment, or deter sexual harassment.¹¹ The district must maintain as confidential any supportive measures provided to the complainant or respondent, to the extent that maintaining such confidentiality would not impair the ability of the recipient to provide supportive measures. (Title 34 C.F.R. § 99.30(a))

¹² This grievance procedure must meet the requirements of Title 34 C.F.R. § 106.45 (included in accompanying administrative regulation, *see* GBN/JBA-AR(2) - Federal Law (Title IX) Sexual Harassment Complaint Procedure).

¹³ The Title IX coordinator may also discuss that the Title IX coordinator has the ability to file a formal complaint.

¹⁴ The district may still have obligations under Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973 or the American with Disabilities Act (ADA). (Title 34 C.F.R. § 106.44(c))

¹⁵ Retaliation includes, but is not limited to, intimidation, threats, coercion, and discrimination.

(FERPA), as required by law, or to carry out the proceedings herein. Complaints of retaliation may be filed using these procedures.

Charging an individual with a code of conduct violation for making a materially false statement in bad faith in the course of a grievance proceeding does not constitute retaliation.

Publication

This policy shall be made available to students, parents of students and staff members. This policy and contact information for the Title IX coordinator shall be prominently published in the district student handbook and on the district website. This policy shall also be made available at each school office and at the district office. The district shall post this policy on a sign in all grade 6 through 12 schools, on a sign that is at least 8.5 inches by 11 inches in size. A copy of the policy will be made available to any person upon request.

END OF POLICY

Legal Reference(s):

[ORS 243.706](#)
[ORS 332.107](#)
[ORS 342.700](#)
[ORS 342.704](#)
[ORS 342.708](#)

[ORS 342.850](#)
[ORS 342.865](#)
[ORS 659.850](#)
[ORS 659A.006](#)
[ORS 659A.029](#)

[ORS 659A.030](#)
[OAR 581-021-0038](#)
[OAR 584-020-0040](#)
[OAR 584-020-0041](#)

Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d (2018).

Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e (2018).

Title IX of the Education Amendments of 1972, 20 U.S.C. §§ 1681-1683 (2018); Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance, 34 C.F.R. Part 106 (2020).

Bartsch v. Elkton School District, FDA-13-011 (March 27, 2014).

OSBA Model Sample Policy

Code: JEA
Adopted:

Compulsory Attendance**

Except when exempt by Oregon law, all children between ages 6 and 18 who have not completed the 12th grade are required to regularly attend a public, full-time school during the entire school term. Persons having control of a child between the ages 6 and 18, who has not completed the 12th grade, are required to send the child to school and maintain the child in regular attendance during the entire school term.

All children five years of age who have been enrolled in a public school are required to attend regularly while enrolled in the public school. Persons having control of a child, who is five years of age and who have enrolled the child in a public school, are required to send the child to school and maintain the child in regular attendance during the school term.

Attendance supervisors shall monitor and report any violation of the compulsory attendance law to the superintendent or designee. A citation for violation of ORS 339.035 may be issued.

A parent who is not supervising their child by requiring school attendance may also be in violation of Oregon Revised Statute (ORS) 163.577(1)(c); failing to supervise a child is a Class A violation.

Exemptions from Compulsory School Attendance

In the following cases, children shall not be required to attend public, full-time schools:

1. Children being taught in a private or parochial school in courses of study usually taught in kindergarten through grade 12 in the public schools, and in attendance for a period equivalent to that required of students attending public schools.
2. Children proving to the Board's satisfaction that they have acquired equivalent knowledge to that acquired in the courses of study taught in kindergarten through grade 12 in the public schools.
3. Children who have received a high school diploma or a modified diploma.
4. Children being taught, by a private teacher, the courses of study usually taught in kindergarten through grade 12 in the public school for a period equivalent to that required of students attending public schools.
5. Children being educated in the home by a parent, legal guardian or private teacher.
 - a. When a student is taught or is withdrawn from a public school to be taught by a parent, legal guardian or private teacher, the parent, legal guardian or private teacher must notify the Linn Benton Lincoln Education Service District (ESD) in writing within 10 days of such occurrence. In addition, when such a student moves to a new ESD, the parent, guardian or private teacher shall notify the new ESD in writing, within 10 days, of the intent to continue home schooling. The ESD shall acknowledge receipt of any notification in writing within 90 days of receipt of the notification. The ESD is to notify, at least annually, the school districts of students who are registered with the ESD and reside in their district;

- b. Each child being taught as described above shall be examined no later than August 15, following grades 3, 5, 8 and 10:
 - (1) If the student was withdrawn from public school, the first examination shall be administered at least 18 months after the date the student withdrew from public school;
 - (2) If the child never attended public or private school, the first examination shall be administered prior to the end of grade 3.
 - c. Procedures for homeschooling students with disabilities are set out in Oregon Administrative Rule (OAR) 581-021-0029;
 - d. Examinations shall be from the list of approved examinations from the State Board of Education;
 - e. The examination must be administered by a neutral, individual qualified to administer tests on the approved list provided by the Oregon Department of Education;
 - f. The person administering the examination shall score the examination and report the results to the parent or guardian. Upon request of the ESD superintendent, the parent or guardian shall submit the results of the examination to the ESD;
 - g. All costs for the test instrument, administration and scoring are the responsibility of the parent or guardian;
 - h. In the event the ESD superintendent finds that the child is not showing satisfactory educational progress, the ESD superintendent shall follow the guidelines in Oregon Revised Statutes and Oregon Administrative Rules.]
6. Children whose sixth birthday occurred on or before September 1 immediately preceding the beginning of the current school year, if the parent or guardian notified the child's resident district in writing that the parent or guardian is delaying the enrollment of their child for one school year to better meet the child's needs for cognitive, social or physical development, as determined by the parent or guardian.
 7. Children who are present in the United States on a nonimmigrant visa and who are attending a private, accredited English language learner program in preparation for attending a private high school or college.
 8. Children excluded from attendance as provided by law.
 9. Children who are eligible military children¹ are exempt up to 10 days after the date of military transfer or pending transfer indicated in the official military order.
 10. An exemption may be granted to the parent or guardian of any child 16 or 17 years of age who is lawfully employed full-time, or who is lawfully employed part-time and enrolled in school, a community college or an alternative education program as defined in ORS 336.615.
 11. An exemption may be granted to any child who is an emancipated minor or who has initiated the procedure for emancipation under ORS 419B.550 - 419B.558.

END OF POLICY

¹ "Military child" means a child who is in a military family covered by the Interstate Compact on Educational Opportunity for Military Children, as determined under rules adopted by the State Board of Education.

Legal Reference(s):

[ORS 153.018](#)
[ORS 163.577](#)
[ORS 339.010 - 339.095](#)

[ORS 339.139](#)
[ORS 339.990](#)
[OAR 581-021-0026](#)

[OAR 581-021-0029](#)
[OAR 581-021-0076](#)
[OAR 581-021-0077](#)

2nd Read

OSBA Model Sample Policy

Code: JFE
Adopted:

Pregnant and/or Parenting Students

A pregnant and/or parenting student shall be encouraged to continue with an educational program and to participate in all district-sponsored activities unless physically unable. The district shall ensure that pregnant and/or parenting students receive special services as necessitated by their condition.

Neither pregnancy nor parenting constitute an exemption from Oregon compulsory attendance law.

No pregnant or parenting student shall be excluded from the public schools on the basis of pregnancy or parenthood.

The district shall, in considering and obtaining special services for pregnant and/or parenting students:

1. Inform pregnant and/or parenting students and their parents of the availability of such services in the district, education service district or in the community.
2. Facilitate the provision of such services, including counseling, life skills and parenting education, childcare, transportation, career development and health and nutrition services to pregnant and/or parenting students.
3. Inform pregnant and/or parenting students and their parents of the availability of resources provided by other agencies, including health and social services.
4. Provide educational programs and schedules that address the individual learning styles and needs of pregnant and/or parenting students.
5. Develop individualized educational programs or services, or both, to address the needs of pregnant and/or parenting students when their educational needs cannot be met by the regularly provided school program.

The superintendent will develop guidelines necessary to ensure compliance with the provisions of state and federal law.

END OF POLICY

Legal Reference(s):

[ORS 336.640](#)
[ORS 339.010](#)

[ORS 339.030](#)

[OAR 581-021-0046](#)
[OAR 581-023-0100\(3\)](#)

OSBA Model Sample Policy

Code: JGAB
Adopted:

Use of Restraint or Seclusion**

The Board is dedicated to the development and application of best practices within the district's public educational/behavioral programs. The Board establishes this policy and its administrative regulation to define the circumstances that must exist and the requirements that must be met prior to, during, and after the use of restraint or seclusion as an intervention with district students.

The use of the following types of restraint on a student in the district is prohibited:

1. Chemical restraint.
2. Mechanical restraint.
3. Prone restraint.
4. Supine restraint.
5. Any restraint that involves the intentional and nonincidental use of a solid object¹, including a wall or the floor, to impede a student's movement, unless the restraint is necessary to prevent an imminent life-threatening injury or to gain control of a weapon.
6. Any restraint that places, or creates a risk of placing, pressure on a student's mouth, neck or throat.
7. Any restraint that places, or creates a risk of placing, pressure on a student's mouth, unless the restraint is necessary for the purpose of extracting a body part from a bite.
8. Any restraint that impedes, or creates a risk of impeding, breathing.
9. Any restraint that involves the intentional placement of the hands, feet, elbow, knee or any object on a student's neck, throat, genitals or other intimate parts.
10. Any restraint that causes pressure to be placed, or creates a risk of causing pressure to be placed, on the stomach or back by a knee, foot or elbow bone.
11. Any action designed for the primary purpose of inflicting pain.

The use of a seclusion cell is prohibited.

¹ The use of a solid object, including furniture, a wall, or the floor, by district staff performing a restraint is not prohibited if the object is used for the staff's own stability or support while performing the restraint and not as a mechanism to apply pressure directly to the student's body.

Restraint or seclusion may not be used for discipline, punishment, retaliation or convenience of staff, contractors or volunteers of the district.

Restraint may be imposed on a student in the district only under the following circumstances:

1. The student’s behavior imposes a reasonable risk of imminent and substantial physical or bodily injury to the student or others; and
2. Less restrictive interventions would not be effective.

Seclusion may be used on a student in the district only under the following circumstances:

1. The student’s behavior imposes a reasonable risk of imminent and serious bodily injury to the student or others; and
2. Less restrictive interventions would not be effective.

If restraint or seclusion is used on a student, by trained staff or other staff available in the case of an emergency when trained staff are not immediately available due to the unforeseeable nature of the emergency, e.g., teacher, administrator[, or volunteer], it will be used only for as long as the student’s behavior poses a reasonable risk of imminent and substantial physical or bodily injury to the student or others and less restrictive interventions would not be effective. Students will be continuously monitored by staff for the duration of the restraint or seclusion.

Definitions

1. “Restraint” means the restriction of a student’s actions or movements by holding the student or using pressure or other means.

“Restraint” does not include:

- a. Holding a student’s hand or arm to escort the student safely and without the use of force from one area to another;
- b. Assisting a student to complete a task if the student does not resist the physical contact; or
- c. Providing reasonable intervention with the minimal exertion of force necessary if the intervention does not include a restraint prohibited under Oregon Revised Statute (ORS) 339.288 and the intervention is necessary to:
 - (1) Break up a physical fight;
 - (2) Interrupt a student’s impulsive behavior that threatens the student’s immediate safety, including running in front of a vehicle or climbing on unsafe structures or objects; or
 - (3) Effectively protect oneself or another from an assault, injury or sexual contact with the minimum physical contact necessary for protection.

2. “Seclusion” means the involuntary confinement of a student alone in a room from which the student is physically prevented from leaving. Seclusion includes, but is not limited to, the involuntary confinement of a student alone in a room with a closed door, whether the door is locked or unlocked.

“Seclusion” does not include the removal of a student for a short period of time to provide the student with an opportunity to regain self-control if the student is in a setting from which the student is not physically prevented from leaving, or a student being left alone in a room with a closed door

for a brief period of time if the student is left alone for a purpose that is unrelated to the student's behavior.

3. "Seclusion cell" means a freestanding, self-contained unit that is used to isolate the student from other students or physically prevent a student from leaving the unit or cause the student to believe that the student is physically prevented from leaving the unit.
4. "Serious bodily injury" means any significant impairment of the physical condition of a person, as determined by qualified medical personnel, whether self-inflicted or inflicted by someone else.
5. "Substantial physical or bodily injury" means any impairment of the physical condition of a person that requires some form of medical treatment.
6. "Mechanical restraint" means a device used to restrict the movement of a student or the movement or normal function of a portion of the body of a student.

"Mechanical restraint" does not include:

- a. A protective or stabilizing device ordered by a licensed physician; or
 - b. A vehicle safety restraint when used as intended during the transport of a student in a moving vehicle.
7. "Chemical restraint" means a drug or medication that is used on a student to control behavior or restrict freedom of movement that is not prescribed by a licensed physician or other qualified health professional acting under the professional's scope of practice for standard treatment of the student's medical or psychiatric condition; and administered as prescribed by a licensed physician or other qualified health professional acting under the professional's scope of practice.
 8. "Prone restraint" means a restraint in which a student is held face down on the floor.
 9. "Supine restraint" means a restraint in which a student is held face up on the floor.

Any student being restrained or secluded within the district whether in an emergency or as a part of a plan shall be constantly monitored by staff for the duration of the intervention. Any room used for seclusion of a student must meet the standards as outlined in Oregon Administrative Rule (OAR) 581-021-0568.

The district shall only utilize a training program for restraint or seclusion to train staff and use in the district which has been approved by the Oregon Department of Education (ODE).

The district shall preserve, and may not destroy, any records related to an incident of restraint or seclusion, including an audio or video recording. The records must be preserved in the original format and without alteration in accordance with law.

An annual review of the use of restraint and seclusion during the preceding school year shall be completed and submitted to ODE to ensure compliance with district policies and procedures.

The results of the review and annual report shall be documented and shall include at a minimum:

1. The total number of incidents involving restraint;
2. The total number of incidents involving seclusion;

3. The total number of seclusions in a locked room;
4. The total number of students placed in restraint;
5. The total number of students placed in seclusion;
6. The total number of incidents that resulted in injuries or death to students or staff as a result of the use of restraint or seclusion;
7. The total number of students placed in restraint or seclusion more than 10 times in a school year and an explanation of what steps have been taken by the district to decrease the use of restraint and seclusion for each student;
8. The total number of restraint or seclusion incidents carried out by untrained individuals;
9. The demographic characteristics² of all students upon whom restraint or seclusion was imposed;
10. The total number of rooms available for use by the district for seclusion of a student and a description of the dimensions and design of the rooms.

This annual report shall be made available to the public at the district’s main office and on the district’s website, and to the Board. At least once each school year the parents and guardians of students of the district shall be notified about how to access the report.

The district shall investigate all complaints regarding the use of restraint and/or seclusion practices according to the procedures outlined in Board policy KL - Public Complaints and KL-AR - Public Complaint Procedure. The complaint procedure is available at the district’s administrative office and is available on the home page of the district’s website.

The complainant, whether an organization or an individual, may appeal a district’s final decision to the Oregon Department of Education pursuant to OAR 581-002-0001 - 581-002-0023.

The superintendent shall develop administrative regulations to carry out the requirements set forth in this policy and to meet any additional requirements established by law related to the use, reporting, and written documentation of the use of restraint or seclusion by district staff. A staff member who violates this policy or its administrative regulation may be subject to discipline, up to and including dismissal.

END OF POLICY

Legal Reference(s):

[ORS 161.205](#)
[ORS 339.250](#)
[ORS 339.285](#)
[ORS 339.288](#)
[ORS 339.291](#)
[ORS 339.294](#)

[ORS 339.297](#)
[ORS 339.300](#)
[ORS 339.303](#)

[OAR 581-021-0569](#)
[OAR 581-021-0570](#)
[OAR 581-022-2267](#)
[OAR 581-022-2370](#)

[OAR 581-021-0061](#)
[OAR 581-021-0550](#)
[OAR 581-021-0553](#)
[OAR 581-021-0556](#)
[OAR 581-021-0563](#)
[OAR 581-021-0566](#)
[OAR 581-021-0568](#)

² Including race, ethnicity, gender, disability status, migrant status, English proficiency and status as economically disadvantaged, unless the demographic information would reveal personally identifiable information about an individual student.

2nd Read

**Santiam Canyon
School District 129**

Code: **JHFCA**
Adopted: 6/07/01
Readopted: 8/12/15
Orig. Code(s): JHFCA

Student Skateboard/Rollerblade/Scooter Use**

Skateboards/Rollerblades/Scooters or similar devices are prohibited on district property during school hours unless special permission is given by the building administrator for a specific activity.

Use of skateboards/rollerblades/scooters on district property during nonschool hours is at the user's risk.

END OF POLICY

Legal Reference(s):

[ORS 332.107](#)

[OAR 581-021-0050](#)

2nd Read
Delete



Santiam Canyon School District 129J

Post Office Box 197
150 SW Evergreen St.
Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

Application for School Budget Committee Vacancy

(Serves until June 30, 2028)

Name: Betty Komp
Address: 51690 Gates Dr. (City): Gates, OR, Zip: 97346
Phone: 503-983-5086
Length of residency in the District: 8 yrs.
Number of students you have enrolled at Santiam Canyon Schools: 0

Reason for seeking the appointed position on the Santiam Budget Committee:

I believe in giving back to the community in which I live. I moved to Gates 8 yrs ago. The budget committee is a perfect fit for me.

Expertise/Experience you would bring to the Budget Committee:

*12 years State Legislature
Served on Full Way and means committee,
and Ed Finance Co-chair
1998-2004 School principal
1994-1998 high school assistant principal
1990-1994 Teacher*

If appointed are you willing to serve as a collaborative member of the Budget Committee and pursue the work of the committee to improve the positive development of the district's students and staff while following District, State and Federal laws, policies and procedures.

Yes No

Signature: Betty Komp

Date: March 3, 2026



Santiam Canyon School District 129J

Post Office Box 197
150 SW Evergreen St.
Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

Application for School Budget Committee Vacancy

(Serves until June 30, 2028)

Name: PETER STAUFFER

Address: PO BOX 661 (City): MILL CITY, OR, Zip: 97360

Phone: 5036832404

Length of residency in the District: 3 YRS

Number of students you have enrolled at Santiam Canyon Schools: 1

Reason for seeking the appointed position on the Santiam Budget Committee:

I am seeking a position on the school board because I care about the quality, stability, and long-term success of our local schools. I believe strong schools are built through thoughtful governance, responsible stewardship of resources, and respectful collaboration. I bring practical solutions-oriented perspective and a commitment to listening carefully before making decisions.

My goal is to help ensure the district remains focused on student achievement, fiscal responsibility, and transparency while supporting teachers and staff in the important work they do every day.

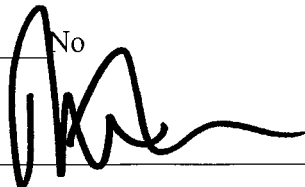
I am motivated to contribute positively, ask good questions, and help the district make sound, balanced decisions that serve students now and in the future.

Expertise/Experience you would bring to the Budget Committee:

I have experience serving in public and civic roles that require ethical judgement, careful analysis, and collaboration. I serve as appointed budget council member for the city. I've served elected role as county grand juror, technical chair and editorial-chief. I have completed formal training in ethics in government and I hold a legal degree with emphasis in political science. Across these roles, I have developed strong listening skills and a critical approach to complex issues, and the ability to work constructively as a part of a team to reach balanced, well-reasoned decisions.

If appointed are you willing to serve as a collaborative member of the Budget Committee and pursue the work of the committee to improve the positive development of the district's students and staff while following District, State and Federal laws, policies and procedures.

Yes No

Signature: 

Date: 02/24/2026

Santiam Canyon School District does not discriminate on the basis of race, religion, color, national origin, disability, marital status, sexual orientation, sex or age in providing or access to benefits of education services, activities and programs in accordance with Title VI, Title VII, Title IX and other civil rights or discrimination issues: Section 504 of the Rehabilitation Act of 1973, as amended; and the American with Disabilities Act.

The following has been designated to coordinate compliance with these legal requirements and may be contacted at the Santiam Canyon School District office for additional information and/or compliance issues: Title II Coordinator, Title IX Coordinator and Section 504 Coordinator: Director of Special Programs, 150 SW Evergreen St./PO Box 197, Mill City, OR 97360, (503) 897-2321



Santiam Canyon School District 129J

Post Office Box 197
150 SW Evergreen St.
Mill City, Oregon 97360
Office (503) 897-2321

Krista Nieraeth, Superintendent
Nichole Cooper, Business Manager
Lindsay Sloan, AP & Payroll
Lisa Follis, District Secretary

Board Recommendation Form

To: Santiam Canyon School District 129J Board of Directors

Prepared By: Krista Nieraeth, Superintendent

Date: March 11, 2026

Background: One of the Board’s duties is to set the academic calendar for each academic year. This year, I presented the staff with two academic calendars, one that started before Labor Day, and one that started after, due to the lateness of Labor Day (September 7, 2026). Fifty six percent of the staff voted on which calendar they preferred, in which 58% of staff preferred to start before Labor Day. I am presenting that calendar to the board for approval.

Action Requested: Approve the 2026 – 2027 Academic Calendar as presented.

Motion Requested: “I motion to approve the 2026 – 2027 Academic Calendar as presented.”

OSBA Model Sample Policy

Code: CPA
Adopted:

Layoff and Recall for Administrators

This policy applies to all licensed administrators below the rank of assistant superintendent who are not considered teachers under ORS 342.934.¹

The Board retains the right to determine when a layoff is necessary. Layoffs shall be by position. A reduction in hours does not constitute a layoff.

The factors considered in the layoff process will be license, seniority, qualifications, merit and/or competence.

The Board desires/expects administration to retain, consistent with state law, the most capable and productive of the licensed and qualified employees needed to carry out the approved programs of the district's schools.

Prior to initial development of a recall procedure for administrators, the Board will consult with the employees or a designated representative of the employees covered by this policy.

The district will develop administrative regulations to implement this policy.

END OF POLICY

Legal Reference(s):

[ORS 332.107](#)
[ORS 342.934](#)

¹ Prior to laying off any administrators, the district will work with legal counsel to determine if the cultural or linguistic expertise criteria apply to any impacted employees.

1st Read

OSBA Model Sample Policy

Code: EBBA
Adopted:

Student Health Services**

{Highly recommended policy. The requirement for school districts to develop and implement a health services plan comes from OAR 581-022-2220.}

Although the district's primary responsibility is to educate students, the students' health and general welfare is also an important Board responsibility. The Board believes school programs should be conducted in a manner that protects and enhances student and employee health and is consistent with good health practices. A health services plan shall be developed, implemented, and updated annually. The plan shall describe a health services program for all students at each facility that is owned or leased where students are present for regular programming.

The district shall maintain a written prevention-oriented health services plan for all students. The health services plan will¹:

1. Explain available health care space that is appropriately supervised and adequately equipped for providing health care and administering medication or first aid;
2. Refer to available communicable disease prevention and management plan that includes school-level protocols²;
3. Outline a district-to-school communication plan³;
4. Provide information about health screenings, including immunizations and TB certificate requirements;
5. Describe how services for all students, including those who are medically complex, medically fragile or nursing dependent, and those who have approved 504 plans, individual education program plans, and individualized health care plans or special health care needs are managed⁴;
6. Integrate school health services with school health education programs and coordinate with health and social service agencies, public and private;
7. Describe how hearing, vision and dental screenings are managed and/or verified for required students⁵;

¹ For exact language and complete requirement, see OAR 581-022-2220(1).

² For specific protocol content requirements, see OAR 581-022-2220(1)(b).

³ For requirements of this plan see OAR 581-022-2220(1)(c).

⁴ For more information regarding these requirements see ORS 336.201 and 339.869, OARs 581-021-0037, 581-015-2040, 581-015-2045, 851-045-0040 – 0060, and 851-047-0010 – 0030.

⁵ For vision screening or eye examination or dental screening information see ORS 336.211 and 336.213.

8. Include a process to assess and determine a student’s health services needs, including availability of a nurse to assess student nursing needs upon, during, and following enrollment with one or more new medical diagnose(s) impacting a student’s access to education, and implement a student’s individual health plan prior to attending school⁶;
9. Comply with OR-OSHA Bloodborne Pathogens Standards for all persons who are assigned to job tasks which may put them at risk for exposure to body fluids⁷;
10. Refer to adopted policy and procedures for medications in accordance with Oregon law⁸;
11. Include guidelines for the management of students who are medically complex, medically fragile, or nursing dependent as defined by ORS 336.201, including students with life-threatening food allergies and adrenal insufficiency while the student is in school, at a school-sponsored activity, under the supervision of school personnel, in before-school or after-school care programs on school-owned property, and in transit to or from school or school-sponsored activities⁹ [; and][.]
12. ~~[List the positions in the district which shall be required to obtain and maintain a first-aid/CPR/AED card in accordance with OAR 581-022-2220(3).]~~

[Any nurse(s) employed by the district and providing services to students on behalf of the district shall be licensed in Oregon to practice as a registered nurse or nurse practitioner or be a licensed practical nurse (LPN) in alignment with LPN supervision requirements of OAR 851-045-0050 – 0060.]

A nurse employed by the district shall follow all applicable requirements of ORS Chapter 678 and OAR Chapter 851. This includes, but is not limited to, delegation in accordance with OAR 851-047, which includes performing a nursing assessment of a student prior to delegation, providing adequate supervision during the delegation, and evaluating the skills, ability and willingness of the delegee.¹⁰

A nurse employed by the district will function as an integral member of the instructional staff, serving as a resource person to teachers in securing appropriate information and materials on health-related topics.]

[The district provides a menstrual product dispenser with a variety of products in every student bathroom¹¹ which meets the requirements of law.]

END OF POLICY

Legal Reference(s):

⁶ For definitions for this policy see ORS 336.201.

⁷ OAR 437-002-0360 lists various health and safety regulations that apply in the employment setting.

⁸ Medication laws can be found in ORS 339.866 – 339.874 and OAR 581-021-0037; relevant Board policy includes JHCD/JHCDA - Medications.

⁹ For guideline requirements see OAR 581-022-2220(1)(k).

¹⁰ For additional delegation requirements see OAR [851-047-0030](#).

¹¹ [“Student bathroom” means a bathroom that is accessible by students, including a gender-neutral bathroom, a bathroom designated for females, and a bathroom designated for males. (OAR 581-021-0587)]

[ORS 329.025](#)
[ORS 332.107](#)
[ORS 336.201](#)
[ORS 336.204](#)

[ORS 336.211 – 336.214](#)
[OAR 581-021-0017](#)
[OAR 581-021-0031](#)
[OAR 581-021-0587](#)

[OAR 581-021-0590](#)
[OAR 581-022-2050](#)
[OAR 581-022-2220](#)
[OAR 581-022-2515](#)

Every Student Succeeds Act, 20 U.S.C. § 7928 (2018).
Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g (2018).

1st Read

OSBA Model Sample Policy

Code: EBC
Adopted:

Emergency Plan and First Aid**

{Highly recommended policy. This policy informs districts about requirement for an emergency procedures plan (OAR 581-022-2225), and other minimum standards for providing emergency care to students.}

The district will maintain a comprehensive safety program for all employees and students. This program will include a plan for responding to emergency situations. The superintendent will consult with community and county agencies while developing this plan. The district's emergency plan will meet any requirements of the State Board of Education.

Copies of the emergency plan will be available in every school office and other strategic locations throughout the district. Parents or guardians will be informed of the district's plan.

In each district facility, procedures for handling health emergencies will be established and made known to staff. Each district facility and district vehicle will be equipped with appropriate first-aid supplies and equipment. All employees are expected to know where first-aid supplies and equipment are kept in their work areas.

Each school in the district shall have, at a minimum, at least one staff member with a current first-aid/CPR/AED card for every 60 students enrolled and who are trained annually on the district and building emergency plans. Emergency planning will include the presence of at least one staff member with a current first-aid/CPR/AED card for every 60 students for school-sponsored activities where students are present.

The district shall provide instruction to staff and students in the emergency plan and safety program.

END OF POLICY

Legal Reference(s):

[ORS 30.800](#)

[ORS 192.660\(2\)\(k\)](#)

[ORS 332.107](#)

[ORS 433.260](#)

[ORS 433.441](#)

[OAR 437-002-0042](#)

[OAR 437-002-0120 - 0139](#)

[OAR 437-002-0161](#)

[OAR 437-002-0360](#)

[OAR 437-002-0377](#)

[OAR 581-022-2030\(3\)\(c\)](#)

[OAR 581-022-2220](#)

[OAR 581-022-2225](#)

[OAR 581-053-0003\(40\)](#)

[OAR 581-053-0220\(3\)\(e\)\(B\)\(iii\)](#)

[OAR 581-053-0320\(5\)\(b\)](#)

[OAR 581-053-0420\(2\)\(f\)\(B\)](#)

Every Student Succeeds Act, 20 U.S.C. § 7928 (2018).

Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g (2018).

OSBA Model Sample Policy

Code: EBCA
Adopted:

Safety Threats**

{Required policy. Requirement for policy comes from ORS 339.324 which outlines actions of a school district when a safety threat action has occurred.}

“Safety threat action” means a lockdown, lockout, shelter in place or evacuation that: (a) is initiated by a school in response to a safety threat; and (b) is not a planned drill.

When a school or the district initiates a safety threat action, the school or district shall issue an electronic communication as expediently as possible and not later than 24 hours after initiation of the safety threat action. The communication will be issued in culturally appropriate languages to effectively communicate with parents and guardians of students attending the school at which the safety threat action occurred.

The communication must include:

1. A general description of the issue that caused the safety threat action to be taken;
2. The duration of time the safety threat action was taken, from when the action was initiated until when it concluded;
3. Actions taken by the school or district to resolve the situation that caused the safety threat action and actions taken to protect student safety; and
4. An explanation of how the situation was resolved.

The communication shall be provided in a manner which communicates relevant facts and details as may be necessary or useful for parents and guardians to understand any potential threats to student safety, and to assist parents and guardians in helping students understand and mentally process the incident and any resulting trauma.

A communication will also be issued to employees of the school at which the safety threat action occurred, and must include the same information as above and any additional information as may be permitted by relevant confidentiality and privacy requirements.

The Board may use Oregon Revised Statute (ORS) 192.660(2)(k) to conduct an executive session to consider matters related to school safety or a plan that responds to safety threats made toward a school in the district.

END OF POLICY

Legal Reference(s):

[ORS 192.660\(2\)\(k\)](#)

[ORS 332.107](#)

[ORS 339.324](#)

OSBA Model Sample Policy

Code: EBCB

Adopted:

Emergency Procedure Drills and Instruction

{Highly recommended policy. This policy includes information about required instruction and drills on emergency procedures. See ORS 336.071}

Each administrator will conduct emergency procedure drills in accordance with the provisions of Oregon Revised Statutes (ORS) and the applicable Oregon Fire Code.

All schools are required to instruct and drill students on district emergency procedures so that students they can respond to an emergency without confusion and panic. The emergency procedures shall include drills and instruction on fires, earthquakes, ~~which shall include~~ ¹tsunami procedures ~~in a tsunami hazard zone~~ and safety threats. Instruction on ~~fires, earthquakes[,] [and] safety threats [and tsunami dangers²,] and drills for students,~~ emergency procedures shall be conducted for at least 30 minutes each school month.

The first emergency evacuation drill shall be conducted within 10 days of the beginning of classes.

Fire Emergencies

~~The district will conduct monthly fire drills. At least one fire drill will be held within the first 10 days of the school year.~~ Drills and instruction on fire emergencies shall include routes and methods of exiting the school building.

Earthquake [and Tsunami] Emergencies

³At least two drills on earthquakes shall be conducted each year. ~~At least three drills on earthquakes that include tsunami drills shall be conducted each year.~~ ⁴

Drills and instruction for earthquake emergencies shall include the earthquake emergency response procedure of “drop, cover and hold on” during the earthquake. When based on the evaluation of specific engineering and structural issues related to a building, the district may include additional response procedures for earthquake emergencies.

⁵Drills and instruction on tsunami emergencies shall include immediate evacuation after an earthquake, when appropriate, or after a tsunami warning to protect students against inundation by tsunamis.

Safety Threats

¹ {Required if schools are in a designated tsunami hazard zone.}

² ~~This is required language for a district in a tsunami hazard zone.~~

³ {This is required action for a district not in a tsunami hazard zone.}

⁴ {This is required action for a district in a tsunami hazard zone.}

⁵ {This is required action for a district in a tsunami hazard zone.}

At least two drills on safety threats shall be conducted each year. Drills and instruction on safety threats shall include procedures related to lockdown, lockout, shelter in place and evacuation and other appropriate actions to take when there is a threat to safety, and will include explanation of the district's communication strategy following a safety threat action (See Board policy EBCA - Safety Threats**).

~~The Board may use ORS 192.660(2)(k) to conduct an executive session to consider matters related to school safety or a plan that responds to safety threats made toward a school in the district.~~

[The district may provide additional instruction relating to other disasters such as flooding, drought, excessive snowfall or wildfires.⁶]

Local units of government and state agencies associated with emergency procedures training and planning shall review the emergency procedures and assist the district with the instruction and the conducting of drills for students in these emergency procedures.

END OF POLICY

Legal Reference(s):

[ORS 192.660\(2\)\(k\)](#)

[ORS 336.071](#)

[ORS 339.324](#)

[ORS 476.030\(+\)](#)

[OAR 581-022-2225](#)

⁶ The Oregon Department of Education has resources available at <https://www.oregon.gov/ode/schools-and-districts/grants/pages/threat-and-hazard-resources.aspx>.

1st Read

OSBA Model Sample Policy

Code: ECAD
Adopted:

Security Officer

[The district ~~will~~ may] employ a private security officer [and/or a reserve police officer] to deliver security services as the district resource officer (DRO).] [The district ~~will~~ may] employ a certified police officer to deliver security services as the school resource officer (SRO).]

[A certified police officer will be certified as such by the Department of Public Safety Standards and Training (DPSST).] [A private security officer and/or reserve police officer must be trained and certified in a program approved by the Department of Public Safety Standards and Training (DPSST) in order to provide security services essential to the job.]

Duties include, but are not limited to:

1. The observation and reporting of any unlawful act;
2. The prevention of theft or misappropriation of any item of value;
3. The control of access to premises being protected;
4. The maintenance of order and safety at public activities;
5. Protection of district property, students, staff and persons and property on or about district property or while attending district-sponsored activities[;] [-]
6. [Investigating and documenting specific incidents;]
7. [Assistance in identifying, intervening and communicating with at-risk students;]
8. [Provision of crime prevention education;]
9. [Promotion of a positive student attitude towards law enforcement;]
10. [Operating as a liaison between the community and district.]

It shall not be the function of the DRO to arrest individuals; although, individuals may be detained pending arrival of law enforcement. Additionally, law violations or activities identified by the superintendent as severe disciplinary infractions will be referred to law enforcement, as appropriate.

[Knowledge of criminal and school law, district policies and regulations, first aid and CPR, self-defense tactics, bomb threats, hostage situations, hazardous materials, protection of a crime scene, interviewing witnesses and testifying in court are training expectations.]

DROs will not issue any citations [other than trespass and campus parking violations].

END OF POLICY

Legal Reference(s):

[ORS 181A.355](#)
[ORS 181A.840](#)
[ORS 181A.845](#)

[ORS 181A.850](#)
[ORS 181A.855](#)

[ORS 181A.893](#)[ORS 451.010](#)
[OAR 259-060-0005](#) to - 0600

1st Read

OSBA Model Sample Policy

Code: EDC/KGF
Adopted:

Authorized Use of District Equipment and Materials *

District materials and equipment will be used only for school purposes by district personnel on district properties.

Exceptions to this policy must be approved by the **superintendent** ~~[and/or Board]~~ and authorized use shall be consistent with Oregon Revised Statute (ORS) Chapter 244.

In all cases of public use, equipment shall not be used for private financial gain. An equipment use form must be submitted and approved, and all conditions outlined on the attached district equipment list must be adhered to. **There are no equipment use fees.** In the event of excessive damage, a fee will be determined according to repair or replacement costs. Transportation of borrowed equipment will be the user's responsibility. ~~[No equipment may be transported off district property unless used for a district-sponsored activity.]~~

END OF POLICY

Legal Reference(s):

[ORS Chapter 244](#)

[ORS 332.107](#)

[OAR 584-020-0040](#)

OREGON GOVERNMENT ETHICS COMM'N, OR. GOV'T ETHICS LAW, A GUIDE FOR PUBLIC OFFICIALS (2008).

Student Health Services and Requirements

(Delete in lieu of new board policy using code EBBA - Student Health Services**)

Although the district's primary responsibility is to educate students, the students' health and general welfare is also a major Board concern. The Board believes school programs should be conducted in a manner that protects and enhances student and employee health and is consistent with good health practices.

The nurse(s) employed by the district shall be licensed to practice as a registered nurse or nurse practitioner in Oregon and will function as an integral member of the instructional staff, serving as a resource person to teachers in securing appropriate information and materials on health-related topics.

The district shall provide:

1. One registered nurse or school nurse for every 125 medically fragile students;
2. One registered nurse or school nurse or one licensed practical nurse under the supervision of a registered nurse or school nurse for each nursing-dependent student; and
3. One registered nurse or school nurse for every 225 medically complex students.

The district may use the most cost effective means available to meet the above requirements.

The district shall maintain a prevention oriented health services program which provides:

1. Pertinent health information on the students, as required by Oregon statutes or rules;
2. Health appraisal to include screening for possible vision or hearing problems and also scoliosis;
3. Health counseling for students and parents when appropriate;
4. Health care and first-aid assistance that are appropriately supervised and isolates the sick or injured child from the student body;
5. Control and prevention of communicable diseases as required by Oregon Department of Human Services, Health Services and the county health department;
6. Assistance for students in taking prescription and/or nonprescription medication according to established district procedures;
7. Services for students who are medically fragile or have special health care needs;

8. Integration of school health services with school health education programs.

The Board directs its district health staff to coordinate with health personnel from other public agencies in matters pertaining to health instruction or the general health of students and employees.

In accordance with the requirements of the Every Student Succeeds Act of 2015 (ESSA), the district recognizes its responsibility to notify parents in advance of any nonemergency, invasive physical examination¹ or screening that is required as condition of attendance; administered and scheduled by the school in advance; and not necessary to protect the immediate health and safety of the student or of other students.

Notification will be provided at least annually at the beginning of the school year or when enrolling students for the first time in school and will include the specific or approximate dates during the school year when such activities are scheduled or expected to be scheduled.

Procedures shall be developed and implemented to carry out this policy. All district employees will be appraised of their responsibilities in this area. Parents shall have the opportunity to request their students be exempt from participation in scoliosis, vision or hearing screening. The district will abide by those requests.

END OF POLICY

Legal Reference(s):

[ORS 329.025](#)

[ORS 336.201](#)

[OAR 581-022-0705](#)

[OAR 581-022-1420](#)

[OAR 581-022-1440](#)

Protection of Pupil Rights, 20 U.S.C. § 1232h (2017); Student Rights in Research, Experimental Programs and Testing, 34 C.F.R. Part 98 (2017).

Every Student Succeeds Act of 2015, 20 U.S.C. § 8548 (2017).

Family Education Rights and Privacy Act, 20 U.S.C. § 1232g (2017).

¹The term “invasive physical examination,” as defined by law, means any medical examination that involves the exposure of private body parts, or any act during such examination that includes incision, insertion, or injection into the body, but does not include a hearing, vision or scoliosis screening. The term does not include any physical examination or screening that is permitted or required by state law, including physical examinations or screenings that are permitted without parental notification.

OSBA Model Sample Policy

Code: KGF/EDC
Adopted:

Authorized Use of District Equipment and Materials *

District materials and equipment will be used only for school purposes by district personnel on district properties.

Exceptions to this policy must be approved by the **superintendent** ~~[and/or Board]~~ and authorized use shall be consistent with Oregon Revised Statute (ORS) Chapter 244.

In all cases of public use, equipment shall not be used for private financial gain. An equipment use form must be submitted and approved, and all conditions outlined on the attached district equipment list must be adhered to. **There are no equipment use fees.** In the event of excessive damage, a fee will be determined according to repair or replacement costs. Transportation of borrowed equipment will be the user's responsibility. ~~[No equipment may be transported off district property unless used for a district-sponsored activity.]~~

END OF POLICY

Legal Reference(s):

[ORS Chapter 244](#)

[ORS 332.107](#)

[OAR 584-020-0040](#)

OREGON GOVERNMENT ETHICS COMM'N, OR. GOV'T ETHICS LAW, A GUIDE FOR PUBLIC OFFICIALS (2008).

OSBA Model Sample Administrative Regulation

Code: GBN/JBA-AR(1)

Revised/Reviewed:

Sexual Harassment Complaint Procedure

Reports and complaints of sexual harassment should be made to the following individual(s):

Krista Nieraeth, Superintendent (503) 897 – 2321 krista.nieraeth@santiam.k12.or.uu

The district official receiving the complaint shall issue the required written notice as outlined under Oregon Procedures in Board policy GBN/JBA - Sexual Harassment.

Step 1 The district official receiving the report or complaint shall promptly initiate an investigation using procedures and standards, including but not limited to, those identified in Board policy GBN/JBA - Sexual Harassment and will notify the complainant or reporting person, any impacted person who is not a reporting person (if appropriate), each reported person, and where applicable the parents of a reporting person, impacted person, or reported person, when such investigation is initiated. The official will arrange such meetings as may be necessary to discuss the issue with all concerned parties within five working days after receipt of the report or complaint. The parties will have an opportunity to submit evidence and a list of witnesses. All findings of the investigation shall be reduced to writing. The official conducting the investigation shall notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law within 30 days of receipt of the report or complaint.

A copy of the required written notice(s) and the date and details of notification of the notice of investigation and results of the investigation, together with any other documentation related to the sexual harassment incident, including disciplinary action taken or recommended, shall be forwarded to the superintendent.

Step 2 If a complainant is not satisfied with the decision at Step 1, the complainant may submit a written appeal to the superintendent or designee. Such appeal must be filed within 10 working days after receipt of the Step 1 decision. The superintendent or designee will arrange such meetings with the complainant and other affected parties as deemed necessary to discuss the appeal within 5 working days of receipt of the appeal. The superintendent or designee shall provide a written decision to the complainant within 10 working days.

Step 3 If a complainant is not satisfied with the decision at Step 2, the complainant may submit a written appeal to the Board. Such appeal must be filed within 10 working days after receipt of the Step 2 decision. The Board will review the decision of the superintendent or designee in a public meeting to determine what action is appropriate. The Board may use executive session if the subject matter qualifies under Oregon law. Appropriate action may include, but is not limited to, holding a hearing, requesting additional information, and adopting the superintendent's or designee's decision. All parties involved, including the school administration, may be asked to attend a hearing for the purposes of making further explanations and clarifying the issues. The Board shall provide a written decision to the complainant within 30 working days following receipt of the appeal.

If the Board chooses not to hear the complaint, the superintendent's [or designee's] decision in Step 2 is final¹.

The superintendent is authorized to amend these procedures (including timelines) when the superintendent feels it is necessary for the efficient handling of the complaint. Notice of any amendments will be promptly provided to the parties.

Complaints against the principal may start at Step 2 and may be filed with the superintendent or designee. The superintendent or designee will cause the required notices to be provided. The superintendent or designee will investigate the complaint and will notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law. If the complaint remains unresolved within 10 working days of receipt by the superintendent or designee, the complainant may appeal to the Board in Step 3.

Complaints against the superintendent or a Board member (other than the Board chair) may start at Step 3 and should be referred to the Board chair on behalf of the Board. The Board chair will cause required notices to be provided. The Board chair shall present the complaint to the Board. The Board may use executive session if the subject matter qualifies under Oregon law. If the Board decides an investigation is warranted, the Board may refer the investigation to a third party. When the investigation is complete, the results will be presented to the Board. After receiving the results of the investigation, the Board shall decide, within 20 days, in open session what action, if any, is warranted. The Board chair shall notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law.

Complaints against the Board chair may start at Step 3 and should be referred to the Board vice chair on behalf of the Board. The Board vice chair will cause required notices to be provided. The Board vice chair shall present the complaint to the Board. The Board may use executive session if the subject matter qualifies under Oregon law. If the Board decides an investigation is warranted, the Board may refer the investigation to a third party. When the investigation is complete, the results will be presented to the Board. After receiving the results of the investigation, the Board shall decide, within [20] days, in open session what action, if any, is warranted. The Board vice chair shall notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law.

Direct complaints related to employment may be filed with the U.S. Department of Labor, Equal Employment Opportunity Commission or Oregon Bureau of Labor and Industries.

Direct complaints related to educational programs and services may be made to the Regional Civil Rights Director, U.S. Department of Education, Office for Civil Rights, Region X, 915 2nd Ave., Room 3310, Seattle, WA 98174-1099.

Additional information regarding filing of a complaint or report may be obtained through the principal, compliance officer or superintendent.

All documentation related to sexual harassment complaints may become part of the student's education record or employee's personnel file, as appropriate. Additionally, a copy of all sexual harassment

¹ If the Board chooses to accept the superintendent's decision as the district's final decision on the complaint, the superintendent's written decision must meet the requirements of OAR 581-022-2370(4)(b).

complaints or reports and documentation will be maintained as a confidential file and stored in the district office.

The superintendent shall report the name of any person holding a teaching license or registered with Teacher Standards and Practices Commission (TSPC) or participating in a practicum under Oregon Administrative Rule (OAR) Chapter 584, Division 17, when, after appropriate investigation, there is reasonable cause to believe the person may have committed an act of sexual harassment. Reports shall be made to TSPC within 30 days of such a finding. Reports of sexual contact with a student shall be given to a representative from law enforcement or Oregon Department of Human Services, as possible child abuse.

MEMO ONLY

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897 - 2321

SEXUAL HARASSMENT COMPLAINT FORM

Name of complainant: _____

Position of complainant: _____

Date of complaint: _____

Name of alleged harasser: _____

Date and place of incident or incidents: _____

Description of misconduct: _____

Name of witnesses (if any): _____

Evidence of sexual harassment, i.e., letters, photos, etc. (attach evidence if possible): _____

Any other information: _____

I agree that all the information on this form is accurate and true to the best of my knowledge.

Signature: _____ Date: _____

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897 - 2321

WITNESS DISCLOSURE FORM

Name of Witness: _____

Position of Witness: _____

Date of Testimony/Interview: _____

Description of Instance Witnessed: _____

Any Other Information: _____

I agree that all the information on this form is accurate and true to the best of my knowledge.

Signature: _____ Date: _____

OSBA Model Sample Administrative Regulation

Code: GBN/JBA-AR(2)
Adopted:

Federal Law (Title IX) Sexual Harassment Complaint Procedure

Additional Definitions

“Actual knowledge” means notice of sexual harassment or allegations of sexual harassment to the district’s Title IX Coordinator or any official of the district who has authority to institute corrective measures on behalf of the district, or to any employee of an elementary or secondary school.¹

“Complainant” means an individual who is alleged to be the victim of conduct that could constitute sexual harassment.

“Formal complaint” means a document filed by a complainant or signed by the Title IX Coordinator alleging sexual harassment against a respondent² and requesting that the district investigate the allegation of sexual harassment.³

“Supportive measures” means non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the complainant or the respondent before or after the filing of a formal complaint or where no formal complaint has been filed. Such measures are designed to restore or preserve equal access to the recipient’s education program or activity without unreasonably burdening the other party, including measures designed to protect the safety of all parties or the district’s educational environment, or deter sexual harassment.⁴ The district must maintain as confidential any supportive measures provided to the complainant or respondent, to the extent that maintaining such confidentiality would not impair the ability of the recipient to provide supportive measures.

Formal Complaint Procedures

Upon receipt of a formal complaint, the district will provide the parties⁵ written notice of the following:

1. Notice of the district’s grievance process, including any informal resolution process.

¹ This standard is not met when the only official with knowledge is the respondent.

² “Respondent” means an individual who has been reported to be the perpetrator of conduct that could constitute sexual harassment.

³ A complainant must be participating in or attempting to participate in the education program or activity of the district with which the formal complaint is filed.

⁴ Supportive measures may include counseling, extensions of deadlines or other course-related adjustments, modifications of work or class schedules, campus escort services, mutual restrictions on contact between parties, changes in work or housing locations, leaves of absence, increased security and monitoring of certain areas of the campus, and other similar measures.

⁵ Parties include the complainant and the respondent, if known.

2. Notice of the allegations of sexual harassment potentially constituting sexual harassment, including sufficient details⁶ known at the time and with sufficient time to prepare a response before any initial interview.
3. That the respondent is presumed not responsible for the alleged conduct and that a determination regarding responsibility be made at the conclusion of the grievance process.
4. That the parties may have an advisor of their choice, who may be, but is not required to be, an attorney.
5. The parties may inspect and review evidence.
6. A reference to any provision in the district's code of conduct⁷ that prohibits knowingly making false statements or knowingly submitting false information during the grievance process.

The Title IX Coordinator will contact the complainant and the respondent to discuss supportive measures. If necessary, the Title IX Coordinator will arrange for an individualized safety and risk analysis. If necessary, a student or non-student employee may be removed or placed on leave.

Investigation

The Title IX Coordinator will coordinate the district's investigation. The investigation must:

1. Include objective evaluation of all relevant evidence, including inculpatory and exculpatory evidence.
2. Ensure that the burden of proof and the burden of gathering evidence sufficient to reach a determination regarding responsibility rest on the district and not on the parties.⁸
3. Provide an equal opportunity for the parties to present witnesses, and other inculpatory and exculpatory evidence.
4. Not restrict the ability of either party to discuss the allegations under investigation or to gather and present relevant evidence.
5. Provide the parties with the same opportunities to have others present during any grievance proceeding, including the opportunity to be accompanied to any related meeting or proceeding by the advisor of their choice.⁹ The district may establish restrictions regarding the extent to which the advisor may participate in the proceedings, as long as the restrictions apply equally to both parties.

⁶ Sufficient details include the identities of the parties involved in the incident, if known, the conduct allegedly constituting sexual harassment, and the date and location of the alleged incident, if known.

⁷ The district is encouraged to review Board policy JFC and codes of conduct found in handbooks for applicable language.

⁸ The district cannot access, consider, disclose, or otherwise use a party's records that are made of maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in the professional's capacity, and which are maintained in connection with the provision of treatment to the party, unless the district obtains the party's (or eligible student's parent's) voluntary, written consent to do so.

⁹ In addition to an advisor, complainants and respondents may also be entitled to other accompaniment as required by law or as necessary for conducting of grievance procedures, including but not limited to translators, services for students with disabilities and parents of minor students.

6. Provide, to a party whose participation is invited or expected, written notice of the date, time, location, participants, and purpose of all hearings, investigative interviews, or other meetings, with sufficient time for the party to prepare to participate.
7. Provide both parties an equal opportunity to inspect and review any evidence obtained as part of the investigation that is directly related to the allegations raised in a formal complaint.¹⁰ Prior to completion of the investigative report, the district must send to each party and party's advisor, if any, the evidence subject to inspection and review in an electronic format or a hard copy, and the parties must have at least 10 days to submit a written response, which the investigator will consider prior to completion of the investigative report;
8. Create an investigative report that fairly summarizes relevant evidence and is sent to each party and party's advisor in electronic format or hard copy at least 10 days prior to any hearing (if required or provided) or other time of determination of responsibility. The party and advisor will be allowed to review and provide a written response.

After the district has sent the investigative report to the parties and before reaching a determination regarding responsibility, the decision maker(s) must afford each party the opportunity to submit written, relevant questions¹¹ that a party wants asked of any party or witness, provide each party with the answers, and allow for additional, limited follow-up questions from each party. The decision-maker(s) must explain to the party proposing the questions any decision to exclude a question as not relevant.

Credibility determinations are not based on the person's status as a complainant, respondent or witness.

No person designated as a Title IX Coordinator, investigator, decision-maker, or any person designated by the district to facilitate an informal resolution process may have a conflict of interest or bias for or against complainants or respondents generally or an individual complainant or respondent.

If, in the course of an investigation, the district decides to investigate allegations about the complainant or respondent that are not included in the notice previously provided, the district must provide notice of the additional allegations to the parties whose identities are known.

At no point in the process will the district, or anyone participating on behalf of the district, require, allow, rely upon, or otherwise use questions or evidence that constitutes, or seeks disclosure of, information protected under a legally recognized privilege, unless the person holding such privilege has waived the privilege.

Determination of Responsibility

The respondent must be deemed to be not responsible for the alleged conduct until a determination regarding responsibility is made at the conclusion of the grievance process.

¹⁰ This includes the evidence upon which the district does not intend to rely in reaching a determination regarding responsibility and inculpatory or exculpatory evidence whether obtained from a party or other source, so that each party can meaningfully respond to the evidence prior to the investigation. The district must make all such evidence subject to the parties' inspection and review available at any hearing to give each party equal opportunity to refer to such evidence during the hearing, including for purposes of cross-examination.

¹¹ Questions and evidence about the complainant's sexual predisposition or prior sexual behavior are not relevant, unless such questions and evidence about the complainant's prior sexual behavior are offered to prove that someone other than the respondent committed the conduct alleged by the complainant, or if the question and evidence concern specific incidents of the complainants prior sexual behavior with respect to the respondent and are offered to prove consent.

The standard to be used for formal complaints in determining whether a violation has occurred is the preponderance of the evidence¹² standard.

The person deciding the question of responsibility (the “decision-maker”) must be someone other than the Title IX Coordinator or the investigator(s). The decision-maker must issue a written determination which must include:

1. Identification of the allegations potentially constituting sexual harassment;
2. A description of the procedural steps taken from the receipt of the formal complaint through the determination, including any notifications to the parties, interviews with parties and witnesses, site visits, methods used to gather evidence, and hearings held;
3. Findings of fact supporting the determination;
4. Conclusions regarding the application of the district’s code of conduct to the facts;
5. A statement of, and rationale for, the result as to each allegation, including:
 - a. A determination regarding responsibility;
 - b. Any disciplinary sanctions the district imposes on the respondent; and
 - c. Whether remedies designed to restore or preserve equal access to the district’s education program or activity will be provided by the district to the complainant; and
6. The district’s procedures and permissible bases for the complainant and respondent to appeal.

The district must provide the written determination to the parties simultaneously.

The determination regarding responsibility becomes final either on the date that the recipient provides the parties with the written determination of the result of the appeal, if an appeal is filed, or if an appeal is not filed, the date on which an appeal would no longer be considered timely.

Remedies

The Title IX Coordinator is responsible for effective implementation of any remedies.

The disciplinary sanctions¹³ may include:

1. Discipline up to and including suspension and expulsion;
2. Removal from various activities, committees, extra-curricular, positions, etc.
3. Disqualification for awards and honors;

¹² A preponderance of the evidence standard is understood to mean concluding that a fact is more likely than not to be true. U.S. Department of Education, Title IX Regulations commentary, p. 1268, FN 1409.

¹³ Districts should review any other disciplinary procedures and requirements prior to imposing any discipline, and should contact legal counsel with questions.

4. Discipline up to and including termination, in accordance with laws, agreements, contracts, handbooks, etc.¹⁴

Other remedies may include:

1. Educational programming.

Dismissal of a Formal Complaint

The district must dismiss a formal complaint with regard to Title IX sexual harassment if the alleged conduct:

1. Would not constitute sexual harassment, even if proved;
2. Did not occur in the district's education program or activity¹⁵; or
3. Did not occur against a person in the United States.

The district may dismiss a formal complaint with regard to Title IX sexual harassment if at any time during the investigation or hearing, if provided:

1. A complainant notifies the Title IX Coordinator in writing that the complaint would like to withdraw the formal complaint or any allegations therein;
2. The respondent is no longer enrolled or employed by the district; or
3. Specific circumstances prevent the recipient from gathering evidence sufficient to reach a determination as to the formal complaint or allegations therein.

Upon dismissal of a formal complaint, the district must promptly send written notice of the dismissal and the reason(s) therefor simultaneously to the parties.

The dismissal of a formal complaint under Title IX does not preclude the district from continuing any investigation and taking action under a different process. The district may have an obligation to continue an investigation and process under a different process.

Consolidation of Complaints

The district may consolidate formal complaints as to allegations of sexual harassment against more than one respondent, or by one or more complainant against one or more respondents, or by one party against another party, where the allegations of sexual harassment arise out of the same facts or circumstances.

Informal Resolution

If the district receives a formal complaint, at any time prior to reaching a determination regarding responsibility, the district may offer an optional informal resolution process, provided that the district:

¹⁴ It is important to keep supportive measures separate from disciplinary sanctions. Supportive measures must be “non-disciplinary” and “non-punitive.”

¹⁵ Includes locations, events, or circumstances over which the district exercised substantial control over both the respondent and the context in which the sexual harassment occurs. (Title 34 C.F.R. §106.44(a))

1. Provides written notice to the parties disclosing:
 - a. The allegations;
 - b. The requirements of the informal resolution process including the circumstances under which it precludes the parties from resuming a formal complaint arising from the same allegations, provided, however, that at any time prior to agreeing to a resolution, any party has the right to withdraw from the informal resolution process and resume the grievance process with respect to the formal complaint; and
 - c. Any consequences resulting from participating in the informal resolution process, including the records that will be maintained or could be shared.
2. Obtains the parties' voluntary written consent to the informal resolution process; and
3. Does not offer or facilitate an informal resolution process to resolve allegations that an employee sexually harassed a student.

Appeals

Either party may file an appeal from a determination regarding responsibility or from a dismissal of a formal complaint, within 15 days of the decision, on the following bases:

1. Procedural irregularity that affected the outcome of the matter;
2. New evidence that was not reasonably available at the time the determination regarding responsibility or dismissal was made, that could affect the outcome of the matter; or
3. The Title IX Coordinator, investigator(s), or decision-maker(s) had a conflict of interest or bias for or against complainants or respondents generally or the individual complainant or respondent that affected the outcome of the matter.

When an appeal is filed, the district must:

1. Notify the other party in writing;
2. Implement appeal procedures equally for both parties;
3. Ensure the decision-maker(s) for the appeal is not the same person as the decision-maker(s) who reached the determination regarding responsibility or dismissal, the investigator(s), or the Title IX Coordinator;
4. Ensure the decision-maker for the appeal is free from conflicts of interest and bias;
5. Give both parties a reasonable equal opportunity to submit a written statement in support of, or challenging the outcome;
6. Issue a written decision describing the result of the appeal and the rationale for the result; and
7. Provide the written decision simultaneously to both parties.

Timelines

The district will complete the following portions of the grievance process within the specified timelines:

1. General grievance process (from receipt of formal complaint to determination of responsibility): 90 days;

2. Appeals (from receipt of appeal): 60 days;
3. Informal resolution process: 60 days.

Temporary delays of the grievance process, or limited extensions of time will be allowed for good cause¹⁶ with written notice to the parties.

Records

Records will be created and maintained in accordance with the requirements in Title 34 C.F.R. §106.45(a)(10).¹⁷

Training

Title IX Coordinators, investigators, decision-makers, and any person who facilitates an informal resolution process must receive training on the definition of sexual harassment, the scope of the district's education program or activity, how to conduct an investigation and grievance process including hearings, appeals, and information resolution processes. The training must also include avoiding prejudgment of the facts at issue, conflicts of interest and bias.

Decision-makers must receive training on any technology to be used at a live hearing and on issues of relevance of questions and evident, including when questions about evidence about the complainant's sexual predisposition or prior sexual behavior are not relevant.

Investigators must receive training on issues of relevance to create an investigative report that fairly summarizes relevant evidence.

Materials used to train Title IX Coordinators, investigators, decision-makers, and any person who facilitates an informal resolution process, must not rely on sex stereotypes, must promote impartial investigations and adjudications of formal complaints of sexual harassment and must be made publicly available on the district's website.

¹⁶ Good cause may include considerations such as the absence of a party, a party's advisor or a witness; concurrent law enforcement activity; or the need for language assistance or accommodation of disabilities. (Title 34 C.F.R. § 106.45(b)(1)(v))

¹⁷ This includes creating a record for each investigation. This record must include:

- Supportive measures, or reasons why the response was not clearly unreasonable under the circumstances;
- Basis for the conclusion that the district's response was not deliberately indifferent; and
- What measures were taken to restore or preserve equal access to the district's educational program or activity. (Title 34 C.F.R. § 106.45(a)(10)(ii))

Most records (including training) must be retained for at least seven years.

OSBA Model Sample Administrative Regulation

Code: JBA/GBN-AR(1)

Revised/Reviewed:

Sexual Harassment Complaint Procedure

Reports and complaints of sexual harassment should be made to the following individual(s):

Krista Nieraeth, Superintendent (503) 897 – 2321 krista.nieraeth@santiam.k12.or.uu

The district official receiving the complaint shall issue the required written notice as outlined under Oregon Procedures in Board policy GBN/JBA - Sexual Harassment.

Step 1 The district official receiving the report or complaint shall promptly initiate an investigation using procedures and standards, including but not limited to, those identified in Board policy GBN/JBA - Sexual Harassment and will notify the complainant or reporting person, any impacted person who is not a reporting person (if appropriate), each reported person, and where applicable the parents of a reporting person, impacted person, or reported person, when such investigation is initiated. The official will arrange such meetings as may be necessary to discuss the issue with all concerned parties within five working days after receipt of the report or complaint. The parties will have an opportunity to submit evidence and a list of witnesses. All findings of the investigation shall be reduced to writing. The official conducting the investigation shall notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law within 30 days of receipt of the report or complaint.

A copy of the required written notice(s) and the date and details of notification of the notice of investigation and results of the investigation, together with any other documentation related to the sexual harassment incident, including disciplinary action taken or recommended, shall be forwarded to the superintendent.

Step 2 If a complainant is not satisfied with the decision at Step 1, the complainant may submit a written appeal to the superintendent or designee. Such appeal must be filed within 10 working days after receipt of the Step 1 decision. The superintendent or designee will arrange such meetings with the complainant and other affected parties as deemed necessary to discuss the appeal within 5 working days of receipt of the appeal. The superintendent or designee shall provide a written decision to the complainant within 10 working days.

Step 3 If a complainant is not satisfied with the decision at Step 2, the complainant may submit a written appeal to the Board. Such appeal must be filed within 10 working days after receipt of the Step 2 decision. The Board will review the decision of the superintendent or designee in a public meeting to determine what action is appropriate. The Board may use executive session if the subject matter qualifies under Oregon law. Appropriate action may include, but is not limited to, holding a hearing, requesting additional information, and adopting the superintendent's or designee's decision. All parties involved, including the school administration, may be asked to attend a hearing for the purposes of making further explanations and clarifying the issues. The Board shall provide a written decision to the complainant within 30 working days following receipt of the appeal.

If the Board chooses not to hear the complaint, the superintendent's [or designee's] decision in Step 2 is final¹.

The superintendent is authorized to amend these procedures (including timelines) when the superintendent feels it is necessary for the efficient handling of the complaint. Notice of any amendments will be promptly provided to the parties.

Complaints against the principal may start at Step 2 and may be filed with the superintendent or designee. The superintendent or designee will cause the required notices to be provided. The superintendent or designee will investigate the complaint and will notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law. If the complaint remains unresolved within 10 working days of receipt by the superintendent or designee, the complainant may appeal to the Board in Step 3.

Complaints against the superintendent or a Board member (other than the Board chair) may start at Step 3 and should be referred to the Board chair on behalf of the Board. The Board chair will cause required notices to be provided. The Board chair shall present the complaint to the Board. The Board may use executive session if the subject matter qualifies under Oregon law. If the Board decides an investigation is warranted, the Board may refer the investigation to a third party. When the investigation is complete, the results will be presented to the Board. After receiving the results of the investigation, the Board shall decide, within 20 days, in open session what action, if any, is warranted. The Board chair shall notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law.

Complaints against the Board chair may start at Step 3 and should be referred to the Board vice chair on behalf of the Board. The Board vice chair will cause required notices to be provided. The Board vice chair shall present the complaint to the Board. The Board may use executive session if the subject matter qualifies under Oregon law. If the Board decides an investigation is warranted, the Board may refer the investigation to a third party. When the investigation is complete, the results will be presented to the Board. After receiving the results of the investigation, the Board shall decide, within [20] days, in open session what action, if any, is warranted. The Board vice chair shall notify the parties in writing that the investigation is concluded and if a violation of the policy was found to have occurred to the extent allowable by law.

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complaints or reports and documentation will be maintained as a confidential file and stored in the district office.

The superintendent shall report the name of any person holding a teaching license or registered with Teacher Standards and Practices Commission (TSPC) or participating in a practicum under Oregon Administrative Rule (OAR) Chapter 584, Division 17, when, after appropriate investigation, there is reasonable cause to believe the person may have committed an act of sexual harassment. Reports shall be made to TSPC within 30 days of such a finding. Reports of sexual contact with a student shall be given to a representative from law enforcement or Oregon Department of Human Services, as possible child abuse.

MEMO ONLY

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897 - 2321

SEXUAL HARASSMENT COMPLAINT FORM

Name of complainant: _____

Position of complainant: _____

Date of complaint: _____

Name of alleged harasser: _____

Date and place of incident or incidents: _____

Description of misconduct: _____

Name of witnesses (if any): _____

Evidence of sexual harassment, i.e., letters, photos, etc. (attach evidence if possible): _____

Any other information: _____

I agree that all the information on this form is accurate and true to the best of my knowledge.

Signature: _____ Date: _____

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897 - 2321

WITNESS DISCLOSURE FORM

Name of Witness: _____

Position of Witness: _____

Date of Testimony/Interview: _____

Description of Instance Witnessed: _____

Any Other Information: _____

I agree that all the information on this form is accurate and true to the best of my knowledge.

Signature: _____ Date: _____

OSBA Model Sample Administrative Regulation

Code: JBA/GBN-AR(2)

Adopted:

Federal Law (Title IX) Sexual Harassment Complaint Procedure

Additional Definitions

“Actual knowledge” means notice of sexual harassment or allegations of sexual harassment to the district’s Title IX Coordinator or any official of the district who has authority to institute corrective measures on behalf of the district, or to any employee of an elementary or secondary school.¹

“Complainant” means an individual who is alleged to be the victim of conduct that could constitute sexual harassment.

“Formal complaint” means a document filed by a complainant or signed by the Title IX Coordinator alleging sexual harassment against a respondent² and requesting that the district investigate the allegation of sexual harassment.³

“Supportive measures” means non-disciplinary, non-punitive individualized services offered as appropriate, as reasonably available, and without fee or charge to the complainant or the respondent before or after the filing of a formal complaint or where no formal complaint has been filed. Such measures are designed to restore or preserve equal access to the recipient’s education program or activity without unreasonably burdening the other party, including measures designed to protect the safety of all parties or the district’s educational environment, or deter sexual harassment.⁴ The district must maintain as confidential any supportive measures provided to the complainant or respondent, to the extent that maintaining such confidentiality would not impair the ability of the recipient to provide supportive measures.

Formal Complaint Procedures

Upon receipt of a formal complaint, the district will provide the parties⁵ written notice of the following:

1. Notice of the district’s grievance process, including any informal resolution process.

¹ This standard is not met when the only official with knowledge is the respondent.

² “Respondent” means an individual who has been reported to be the perpetrator of conduct that could constitute sexual harassment.

³ A complainant must be participating in or attempting to participate in the education program or activity of the district with which the formal complaint is filed.

⁴ Supportive measures may include counseling, extensions of deadlines or other course-related adjustments, modifications of work or class schedules, campus escort services, mutual restrictions on contact between parties, changes in work or housing locations, leaves of absence, increased security and monitoring of certain areas of the campus, and other similar measures.

⁵ Parties include the complainant and the respondent, if known.

2. Notice of the allegations of sexual harassment potentially constituting sexual harassment, including sufficient details⁶ known at the time and with sufficient time to prepare a response before any initial interview.
3. That the respondent is presumed not responsible for the alleged conduct and that a determination regarding responsibility be made at the conclusion of the grievance process.
4. That the parties may have an advisor of their choice, who may be, but is not required to be, an attorney.
5. The parties may inspect and review evidence.
6. A reference to any provision in the district's code of conduct⁷ that prohibits knowingly making false statements or knowingly submitting false information during the grievance process.

The Title IX Coordinator will contact the complainant and the respondent to discuss supportive measures. If necessary, the Title IX Coordinator will arrange for an individualized safety and risk analysis. If necessary, a student or non-student employee may be removed or placed on leave.

Investigation

The Title IX Coordinator will coordinate the district's investigation. The investigation must:

1. Include objective evaluation of all relevant evidence, including inculpatory and exculpatory evidence.
2. Ensure that the burden of proof and the burden of gathering evidence sufficient to reach a determination regarding responsibility rest on the district and not on the parties.⁸
3. Provide an equal opportunity for the parties to present witnesses, and other inculpatory and exculpatory evidence.
4. Not restrict the ability of either party to discuss the allegations under investigation or to gather and present relevant evidence.
5. Provide the parties with the same opportunities to have others present during any grievance proceeding, including the opportunity to be accompanied to any related meeting or proceeding by the advisor of their choice.⁹ The district may establish restrictions regarding the extent to which the advisor may participate in the proceedings, as long as the restrictions apply equally to both parties.

⁶ Sufficient details include the identities of the parties involved in the incident, if known, the conduct allegedly constituting sexual harassment, and the date and location of the alleged incident, if known.

⁷ The district is encouraged to review Board policy JFC and codes of conduct found in handbooks for applicable language.

⁸ The district cannot access, consider, disclose, or otherwise use a party's records that are made of maintained by a physician, psychiatrist, psychologist, or other recognized professional or paraprofessional acting in the professional's capacity, and which are maintained in connection with the provision of treatment to the party, unless the district obtains the party's (or eligible student's parent's) voluntary, written consent to do so.

⁹ In addition to an advisor, complainants and respondents may also be entitled to other accompaniment as required by law or as necessary for conducting of grievance procedures, including but not limited to translators, services for students with disabilities and parents of minor students.

6. Provide, to a party whose participation is invited or expected, written notice of the date, time, location, participants, and purpose of all hearings, investigative interviews, or other meetings, with sufficient time for the party to prepare to participate.
7. Provide both parties an equal opportunity to inspect and review any evidence obtained as part of the investigation that is directly related to the allegations raised in a formal complaint.¹⁰ Prior to completion of the investigative report, the district must send to each party and party's advisor, if any, the evidence subject to inspection and review in an electronic format or a hard copy, and the parties must have at least 10 days to submit a written response, which the investigator will consider prior to completion of the investigative report;
8. Create an investigative report that fairly summarizes relevant evidence and is sent to each party and party's advisor in electronic format or hard copy at least 10 days prior to any hearing (if required or provided) or other time of determination of responsibility. The party and advisor will be allowed to review and provide a written response.

After the district has sent the investigative report to the parties and before reaching a determination regarding responsibility, the decision maker(s) must afford each party the opportunity to submit written, relevant questions¹¹ that a party wants asked of any party or witness, provide each party with the answers, and allow for additional, limited follow-up questions from each party. The decision-maker(s) must explain to the party proposing the questions any decision to exclude a question as not relevant.

Credibility determinations are not based on the person's status as a complainant, respondent or witness.

No person designated as a Title IX Coordinator, investigator, decision-maker, or any person designated by the district to facilitate an informal resolution process may have a conflict of interest or bias for or against complainants or respondents generally or an individual complainant or respondent.

If, in the course of an investigation, the district decides to investigate allegations about the complainant or respondent that are not included in the notice previously provided, the district must provide notice of the additional allegations to the parties whose identities are known.

At no point in the process will the district, or anyone participating on behalf of the district, require, allow, rely upon, or otherwise use questions or evidence that constitutes, or seeks disclosure of, information protected under a legally recognized privilege, unless the person holding such privilege has waived the privilege.

Determination of Responsibility

The respondent must be deemed to be not responsible for the alleged conduct until a determination regarding responsibility is made at the conclusion of the grievance process.

¹⁰ This includes the evidence upon which the district does not intend to rely in reaching a determination regarding responsibility and inculpatory or exculpatory evidence whether obtained from a party or other source, so that each party can meaningfully respond to the evidence prior to the investigation. The district must make all such evidence subject to the parties' inspection and review available at any hearing to give each party equal opportunity to refer to such evidence during the hearing, including for purposes of cross-examination.

¹¹ Questions and evidence about the complainant's sexual predisposition or prior sexual behavior are not relevant, unless such questions and evidence about the complainant's prior sexual behavior are offered to prove that someone other than the respondent committed the conduct alleged by the complainant, or if the question and evidence concern specific incidents of the complainants prior sexual behavior with respect to the respondent and are offered to prove consent.

The standard to be used for formal complaints in determining whether a violation has occurred is the preponderance of the evidence¹² standard.

The person deciding the question of responsibility (the “decision-maker”) must be someone other than the Title IX Coordinator or the investigator(s). The decision-maker must issue a written determination which must include:

1. Identification of the allegations potentially constituting sexual harassment;
2. A description of the procedural steps taken from the receipt of the formal complaint through the determination, including any notifications to the parties, interviews with parties and witnesses, site visits, methods used to gather evidence, and hearings held;
3. Findings of fact supporting the determination;
4. Conclusions regarding the application of the district’s code of conduct to the facts;
5. A statement of, and rationale for, the result as to each allegation, including:
 - a. A determination regarding responsibility;
 - b. Any disciplinary sanctions the district imposes on the respondent; and
 - c. Whether remedies designed to restore or preserve equal access to the district’s education program or activity will be provided by the district to the complainant; and
6. The district’s procedures and permissible bases for the complainant and respondent to appeal.

The district must provide the written determination to the parties simultaneously.

The determination regarding responsibility becomes final either on the date that the recipient provides the parties with the written determination of the result of the appeal, if an appeal is filed, or if an appeal is not filed, the date on which an appeal would no longer be considered timely.

Remedies

The Title IX Coordinator is responsible for effective implementation of any remedies.

The disciplinary sanctions¹³ may include:

1. Discipline up to and including suspension and expulsion;
2. Removal from various activities, committees, extra-curricular, positions, etc.
3. Disqualification for awards and honors;

¹² A preponderance of the evidence standard is understood to mean concluding that a fact is more likely than not to be true. U.S. Department of Education, Title IX Regulations commentary, p. 1268, FN 1409.

¹³ Districts should review any other disciplinary procedures and requirements prior to imposing any discipline, and should contact legal counsel with questions.

4. Discipline up to and including termination, in accordance with laws, agreements, contracts, handbooks, etc.¹⁴

Other remedies may include:

1. Educational programming.

Dismissal of a Formal Complaint

The district must dismiss a formal complaint with regard to Title IX sexual harassment if the alleged conduct:

1. Would not constitute sexual harassment, even if proved;
2. Did not occur in the district's education program or activity¹⁵; or
3. Did not occur against a person in the United States.

The district may dismiss a formal complaint with regard to Title IX sexual harassment if at any time during the investigation or hearing, if provided:

1. A complainant notifies the Title IX Coordinator in writing that the complaint would like to withdraw the formal complaint or any allegations therein;
2. The respondent is no longer enrolled or employed by the district; or
3. Specific circumstances prevent the recipient from gathering evidence sufficient to reach a determination as to the formal complaint or allegations therein.

Upon dismissal of a formal complaint, the district must promptly send written notice of the dismissal and the reason(s) therefor simultaneously to the parties.

The dismissal of a formal complaint under Title IX does not preclude the district from continuing any investigation and taking action under a different process. The district may have an obligation to continue an investigation and process under a different process.

Consolidation of Complaints

The district may consolidate formal complaints as to allegations of sexual harassment against more than one respondent, or by one or more complainant against one or more respondents, or by one party against another party, where the allegations of sexual harassment arise out of the same facts or circumstances.

Informal Resolution

If the district receives a formal complaint, at any time prior to reaching a determination regarding responsibility, the district may offer an optional informal resolution process, provided that the district:

¹⁴ It is important to keep supportive measures separate from disciplinary sanctions. Supportive measures must be “non-disciplinary” and “non-punitive.”

¹⁵ Includes locations, events, or circumstances over which the district exercised substantial control over both the respondent and the context in which the sexual harassment occurs. (Title 34 C.F.R. §106.44(a))

1. Provides written notice to the parties disclosing:
 - a. The allegations;
 - b. The requirements of the informal resolution process including the circumstances under which it precludes the parties from resuming a formal complaint arising from the same allegations, provided, however, that at any time prior to agreeing to a resolution, any party has the right to withdraw from the informal resolution process and resume the grievance process with respect to the formal complaint; and
 - c. Any consequences resulting from participating in the informal resolution process, including the records that will be maintained or could be shared.
2. Obtains the parties' voluntary written consent to the informal resolution process; and
3. Does not offer or facilitate an informal resolution process to resolve allegations that an employee sexually harassed a student.

Appeals

Either party may file an appeal from a determination regarding responsibility or from a dismissal of a formal complaint, within 15 days of the decision, on the following bases:

1. Procedural irregularity that affected the outcome of the matter;
2. New evidence that was not reasonably available at the time the determination regarding responsibility or dismissal was made, that could affect the outcome of the matter; or
3. The Title IX Coordinator, investigator(s), or decision-maker(s) had a conflict of interest or bias for or against complainants or respondents generally or the individual complainant or respondent that affected the outcome of the matter.

When an appeal is filed, the district must:

1. Notify the other party in writing;
2. Implement appeal procedures equally for both parties;
3. Ensure the decision-maker(s) for the appeal is not the same person as the decision-maker(s) who reached the determination regarding responsibility or dismissal, the investigator(s), or the Title IX Coordinator;
4. Ensure the decision-maker for the appeal is free from conflicts of interest and bias;
5. Give both parties a reasonable equal opportunity to submit a written statement in support of, or challenging the outcome;
6. Issue a written decision describing the result of the appeal and the rationale for the result; and
7. Provide the written decision simultaneously to both parties.

Timelines

The district will complete the following portions of the grievance process within the specified timelines:

1. General grievance process (from receipt of formal complaint to determination of responsibility): 90 days;

2. Appeals (from receipt of appeal): 60 days;
3. Informal resolution process: 60 days.

Temporary delays of the grievance process, or limited extensions of time will be allowed for good cause¹⁶ with written notice to the parties.

Records

Records will be created and maintained in accordance with the requirements in Title 34 C.F.R. §106.45(a)(10).¹⁷

Training

Title IX Coordinators, investigators, decision-makers, and any person who facilitates an informal resolution process must receive training on the definition of sexual harassment, the scope of the district's education program or activity, how to conduct an investigation and grievance process including hearings, appeals, and information resolution processes. The training must also include avoiding prejudgment of the facts at issue, conflicts of interest and bias.

Decision-makers must receive training on any technology to be used at a live hearing and on issues of relevance of questions and evident, including when questions about evidence about the complainant's sexual predisposition or prior sexual behavior are not relevant.

Investigators must receive training on issues of relevance to create an investigative report that fairly summarizes relevant evidence.

Materials used to train Title IX Coordinators, investigators, decision-makers, and any person who facilitates an informal resolution process, must not rely on sex stereotypes, must promote impartial investigations and adjudications of formal complaints of sexual harassment and must be made publicly available on the district's website.

¹⁶ Good cause may include considerations such as the absence of a party, a party's advisor or a witness; concurrent law enforcement activity; or the need for language assistance or accommodation of disabilities. (Title 34 C.F.R. § 106.45(b)(1)(v))

¹⁷ This includes creating a record for each investigation. This record must include:

- Supportive measures, or reasons why the response was not clearly unreasonable under the circumstances;
- Basis for the conclusion that the district's response was not deliberately indifferent; and
- What measures were taken to restore or preserve equal access to the district's educational program or activity. (Title 34 C.F.R. § 106.45(a)(10)(ii))

Most records (including training) must be retained for at least seven years.

OSBA Model Sample Policy

Code: JEA-AR

Revised/Reviewed:

Compulsory Attendance Notices and Citations**

Appropriate notices on student absences or irregular attendance may be issued by the district in accordance with law. A citation may be issued by the superintendent or designee for noncompliance of ORS 339.035¹ in accordance with ORS 339.095.

1. Attendance Supervisor

The attendance supervisor shall:

- a. Determine whether a parent or guardian has failed to enroll their child and to maintain the child in regular attendance at a public school. "Regular attendance" means attendance which does not include more than eight unexcused one-half day absences, or the equivalent thereof, in any four-week period in which school is in session;
- b. Provide written compulsory attendance noncompliance notification to the parent or guardian within 24 hours of notification of the violation from the proper authority. If the student is an adjudicated youth on parole or probation, at the same time notice is given to the parent or other person, the attendance supervisor shall notify the student's parole or probation officer of the student's absence;
- c. Serve the notification personally or by certified mail. The notification will be written in the home language of the parent or guardian of the student;
- d. Ensure that notification includes a statement requiring the student to appear at the public school on the next school day following receipt of the notice and to maintain regular attendance for the remainder of the school year;
- e. Ensure that the notification states that the parent or guardian has the right to request an evaluation to determine if the child should have an individualized education program (IEP) or Section 504 plan ("504 plan") or right to request a review of their child's current IEP or 504 plan;
- f. Provide a copy of the notice to the superintendent or designee² at the time notice is given to the parent or guardian.

The attendance supervisor, within three days of knowledge of noncompliance by the parent or guardian, shall notify the superintendent.

2. Superintendent or Designee

If after review of a student's record, a citation in violation of ORS 339.035 appears warranted, prior to issuing the citation, the superintendent or designee shall provide written notification to the parent

¹ ORS 339.035 provides requirements for teaching by private teacher, parent or guardian.

² OAR 581-021-0077, requires such notice to the superintendent, a principal or other appropriate school official.

or guardian of the student and the student. The notice will be written in the native language of the parent or guardian. The notice will be delivered personally or by certified mail and will state that:

- a. The student is required to attend regularly, a full-time school during the school year;
- b. A citation for violation of ORS 339.035 may be issued by the superintendent or designee;
- c. The parent or guardian has the right to request an evaluation to determine if the student should have an IEP or 504 plan, if the student does not have one, or a review of the student's current IEP or 504 plan;
- d. The parent or guardian and student are required to attend a scheduled conference with the superintendent or designee. The date, time and place of conference will be specified in the notice.

If an evaluation or review as described in item c. above has been requested, this conference will be scheduled after its completion.

3. Conference

The superintendent or designee may conduct a conference with the parent or guardian and student. Auxiliary aids and services will be provided upon advance request. The superintendent or designee may:

- a. Review Oregon's attendance law and the student's attendance record;
- b. Determine the reasons for the noncompliance;
- c. Develop a plan for student attendance improvement (i.e., contract, etc.);
- d. Inform the parent and student of other available resources in the district and community, if available;
- e. Discuss the potential consequences for continued attendance noncompliance, including the potential for the issuance of a citation, if applicable.

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897-2322

*****NON-ENROLLMENT NOTICE*****

Date _____

Parent(s)/Guardian _____

Address _____

Dear _____,
(Parent/Guardian)

After review of attendance records, your child _____ (name) is not exempted from compulsory attendance for school, under provisions of ORS 339.030, and is not currently enrolled in school.

In accordance with Oregon law, children between ages 6 through 18 must be enrolled in school. Please enroll your child at Santiam Elementary School / Santiam Junior/Senior High School no later than the next school day following receipt of this notice and maintain your child in regular attendance for the remainder of the school year.

You may request an evaluation to determine if your child should have an individualized education program (IEP) or Section 504 plan ("504 plan"), or request a review of your child's current IEP or 504 plan.

If your child is taught by a parent, guardian or private teacher, you must notify your local education service district and comply with ORS 339.035. Your local ESD is: Linn Benton Lincoln ESD. Their phone number is (541) 812-2711.

If you have questions and/or need assistance, please contact Lisa Follis at (503) 897-2322.

Sincerely,

Principal

cc: Superintendent

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897-2322

*******IRREGULAR ATTENDANCE NOTICE*******

Date _____

Parent(s)/Guardian _____

Address _____

Dear _____,
(Parent/Guardian)

After review of attendance records, your child _____ (name) is not maintaining regular attendance at a public school as required by ORS 339.065. [“Regular attendance” is defined by Oregon law as attendance which does not include more than eight unexcused one-half day absences or the equivalent thereof in any four-week period school is in session.] According to attendance records, your child has had _____ unexcused absences from school on the following dates: _____.

Please send your child to school no later than the next school day following receipt of this notice and maintain your child in regular attendance for the remainder of the school year.

You may request an evaluation to determine if your child should have an individualized education program (IEP) or Section 504 plan (“504 plan”) or request a review of your child’s current IEP or 504 plan. If you request an evaluation for, or a review of a current IEP or 504 plan, a conference will be held after such evaluation or review has been completed.

If your child is taught by a parent, guardian or private teacher, you must notify your local education service district and comply with ORS 339.035. Your local ESD is: Linn Benton Lincoln ESD. Their phone number is (541) 812-2711.

If you have questions and/or need assistance, please contact Lisa Follis at (503) 897-2322.

Sincerely,

Principal

cc: Superintendent

Santiam Canyon School District 129J
150 SW Evergreen St.
PO Box 197
Mill City, OR 97360
(503) 897-2322

****SUPERINTENDENT'S NOTICE****

Date _____

Parent(s)/Guardian _____

Address _____

Dear _____,
(Parent/Guardian)

According to district records, you were notified by the district's attendance supervisor on _____ that your child, _____, [is not yet enrolled in school] [is not maintaining regular school attendance] [is not enrolled with the local education service district] as required by Oregon law.

Your child was required to appear in school no later than the next school day following your receipt of the notice and to maintain regular attendance for the remainder of the school year. District records indicate your child continues to be absent from a public school. A child is required to regularly attend a full-time school.

You may request an evaluation of your child's individualized education program (IEP) or Section 504 plan or a review of same.

You and your child are requested to attend a conference with the superintendent on _____ at _____.

At this conference, the following will occur:

1. The development of a plan for improvement;
2. Resources available to help your child be successful in school, referrals to other agencies as may be needed and such alternative education information as may be required by law;
3. Any questions you may have concerning district programs and resources to help your child attend regularly.

If your child is taught by a parent, guardian or private teacher, you must notify your local education service district and comply with ORS 339.035. Your local ESD is: Linn Benton Lincoln ESD. Their phone number is (541) 812-2711.

If you have questions and/or need assistance, please contact Lisa Follis at (503) 897-2322.

Sincerely,

Superintendent

cc: Principal

OSBA Model Sample Policy

Code: JGAB-AR
Revised/Reviewed:

Use of Restraint or Seclusion**

Procedure

1. If restraint or seclusion continues for more than 30 minutes, school staff will attempt to immediately notify parents or guardians verbally or electronically.
2. Following an incident involving the use of restraint or seclusion, school staff will provide parents or guardians of the student the following:
 - a. Verbal or electronic notice of the incident by the end of the school day when the incident occurred.
 - b. Written documentation of the incident within 24 hours that provides:
 - (1) A description of the restraint or seclusion including:
 - (a) The date of the restraint or seclusion;
 - (b) The times the restraint or seclusion began and ended; and
 - (c) The location of the incident.
 - (2) A description of the student's activity that prompted the use of restraint or seclusion.
 - (3) The efforts used to de-escalate the situation and the alternatives to restraint or seclusion that were attempted.
 - (4) The names of staff of the district who administered the restraint or seclusion.
 - (5) A description of the training status of the staff of the district who administered the restraint or seclusion, including any information that may need to be provided to the parent or guardian.
 - c. Timely notification of a debriefing meeting to be held and of the parent's or guardian's right to attend the meeting.
 - d. Immediate¹, written notification of the existence of any records² related to an incident of restraint or seclusion (including photos or audio or video recording).
3. If the restraint or seclusion was administered by a person without training, the administrator will ensure written notice is issued to the parent or guardian of the student which includes notice of the lack of training and the reason restraint or seclusion was administered by a person without training. The administrator will ensure written notice of the same to the superintendent.
4. An administrator will be notified as soon as practicable whenever restraint or seclusion has been used.

¹ "Immediate" means to act as soon as possible without undue delay, but in no case later than within 24 hours of the incident. (OAR 581-021-0556 (2)(e))

² Such records shall be maintained in accordance with ORS 339.294(9).

5. If restraint or seclusion continues for more than 30 minutes the student must be provided with adequate access to bathroom and water every 30 minutes. If restraint or seclusion continues for more than 30 minutes, every 15 minutes after the first 30 minutes, an administrator for the district must provide written authorization for the continuation of the restraint or seclusion, including providing documentation for the reason the restraint or seclusion must be continued. Whenever restraint or seclusion extends beyond 30 minutes, staff of the district will immediately attempt to verbally or electronically notify a parent or guardian.
6. A district Restraint and/or Seclusion Incident Report must be completed and copies provided to those attending the debriefing meeting for review and comment. The completed Restraint and/or Seclusion Incident Report Form shall include the following:
 - a. Name of the student;
 - b. Name of staff member(s) administering the restraint or seclusion;
 - c. Date of the restraint or seclusion and the time the restraint or seclusion began and ended;
 - d. Location of the restraint or seclusion;
 - e. A description of the restraint or seclusion;
 - f. A description of the student's activity immediately preceding the behavior that prompted the use of restraint or seclusion;
 - g. A description of the behavior that prompted the use of restraint or seclusion;
 - h. Efforts to de-escalate the situation and alternatives to restraint or seclusion that were attempted;
 - i. Information documenting parent or guardian contact and notification.
7. A documented debriefing meeting must be held within two school days after the use of restraint or seclusion. The parent or guardian of the student must be invited to attend the meeting³, and the meeting will include staff members involved in the intervention and any other appropriate personnel. The debriefing team shall include an administrator. At the debriefing meeting, the district shall review, in its entirety, any audio or video recording⁴ preserved as a record of the incident involving restraint or seclusion in accordance with law. Written notes shall be taken and a copy of the written notes shall be provided to the parent or guardian of the student.

The parent or guardian has the right to request another meeting in the event they were unable to attend the debriefing meeting scheduled to be held within two school days of the incident.
8. If serious bodily injury or death of a student occurs in relation to the use of restraint or seclusion:
 - a. Oral notification of the incident must be provided immediately to a parent or guardian of the student and to the Oregon Department of Human Services (DHS); and

³ "Meeting" means the debriefing meeting at which the audio or video recording will be viewed. (OAR 581-021-0556(9))

⁴ To the extent practicable without altering the meaning of the record, the district shall segregate or redact from such a record any personally identifiable information of other students before disclosure to the student's parent or guardian. If the district is unable to segregate or redact personally identifiable information of other students without altering the meaning of the record, the district shall disclose the record to the student's parent or guardian in its original format and without any alteration. "Disclose" means to inform the student's parent or guardian that the record exists; that the record in its original format and without alteration will be available for review by the parent or guardian privately and in the debriefing meeting; and that a copy of the record will be provided to the student's parent or guardian upon request in its original and unaltered format except to the extent that the redaction is needed to protect the personally identifiable information of another student. (ORS 339.294; OAR 581-021-0556(10))

- b. Written notification of the incident must be provided to DHS within 24 hours of the incident.
9. If serious bodily injury or death of a staff member occurs in relation to the use of restraint or seclusion, written notification of the incident must be provided within 24 hours of the incident to the superintendent, to the Superintendent of Public Instruction and, if applicable, to the union representative for the affected person.
10. The district shall maintain a record of each incident in which injuries or death occurs in relation to the use of restraint or seclusion.
11. The district, upon request from DHS regarding an investigation of an incident of restraint or seclusion as suspected child abuse, shall disclose any records preserved to DHS or its designee which are deemed relevant to the subject investigation, in its original format and without any alteration.

Restraint and/or seclusion as a part of a behavioral support plan in the student's Individual Education Program (IEP) or Section 504 plan.

1. Parent participation in the plan is required.
2. The IEP team that develops the behavioral support plan shall include knowledgeable and trained staff, including a behavioral specialist and a district representative who is familiar with the restraint and seclusion training practices adopted by the district.
3. Prior to the implementation of any behavioral support plan that includes restraint and/or seclusion, a functional behavioral assessment must be completed. The assessment plan must include an individual threshold for reviewing the plan.
4. When a behavior support plan includes restraint or seclusion the parents may be provided a copy of the district Use of Restraint or Seclusion policy at the time the plan is developed.
5. If a student is involved in five incidents in a school year, the team, including a parent or guardian of the student, will form for the purpose of reviewing and revising the student's behavior plan and ensuring the provision of any necessary behavioral supports.

Use of restraint and/or seclusion in an emergency by school administrator, staff or volunteer to maintain order or prevent a student from harming themselves, other students or school staff.

Use of restraint and/or seclusion under these circumstances with a student who does not have restraint and/or seclusion as a part of their IEP or Section 504 plan, is subject to all of the requirements established by Board policy and this administrative regulation with the exception of those specific to plans developed in an IEP or 504 plan.



Pfeifer Roofing Inc - Commercial
4835 Ridge Dr NE
Salem, OR 97301
(503) 393-3185
www.pfeiferroofing.com

Quonset Hut Metal

Roof Contract

OWNER(S) Krista Nieraeth	CONTACT INFO (503) 428-1906 chuck.follis@santiam.k12.or.us	DATE 2/18/2026
ADDRESS 150 SW Evergreen St Mill City, OR 97360	REFERENCE Contact# 32575	COMPANY REPRESENTATIVE Brody Wittman

ROOF OPTIONS: Quonset Hut

Taylor Metal 24ga MaxCorr: \$91,521.00 (Non Prevailing Wage Labor)

Taylor Metal 24ga MaxCorr: \$119,231.00 (Prevailing Wage Labor Rates)

Price includes man lift

WORK DESCRIPTION:

Tear off existing one layer metal roofing, haul away and properly dispose of roofing debris. Install a high temperature ice and water shield leak barrier over existing roof deck. Install Taylor Metal Products 24ga MaxCorr roofing panels with Kynar 500 paint to be curved on site. Install crimped curved gable metal flashing, and all other standard metal roofing accessories as required. Clean working area of all debris upon completion.

EXCLUSIONS:

Removal of additional layers of existing roofing, Dry rot repairs, siding repairs, or any labor or material required due to unforeseen conditions may result in additional charges at a rate of \$100 per man hour plus materials. Required Permit fee not included in price.

Due to unforeseen economic conditions, this agreement reserves the right to adjust its pricing due, but not limited to; tariffs, domestic manufacturing cost increases, material or chemical shortages, pandemics, etc...

WARRANTY:

2 year Workmanship Coverage

Signature area

TERMS & CONDITIONS

Contract Price: Shall mean the Estimate Price, as adjusted by the net of any written change orders.

Contractor: Shall mean Pfeifer Roofing Inc - Commercial.

Binding Contract: This Estimate is valid for 10 calendar days. During said 10 calendar days, the Estimate is subject to change or revocation by Contractor without notice. Except to the extent Contractor exercises its right to change and/or revoke the Estimate, the Estimate shall constitute a binding agreement "Agreement" upon acceptance by Owner(s). The date of such Agreement shall be the date of Owner(s)' acceptance; which all lead times shall be measured by.

Warranty, Payment, Dispute Terms: Warranty valid only if work is paid in full. Warranty only applies to complete jobs, i.e. total roof, gutter, or skylight replacements; no warranty applies to repairs or maintenance. Payment is due upon completion. Pay balance due on final billing statement within ten (10) days to avoid a \$50.00 late fee. In addition, a 1.5% per month finance charge will be added to all balances due over 30 days. In any dispute arising out of or related to this contract, the prevailing party shall be awarded its reasonable attorney's fees and costs, incurred at trial and on appeal. This contract DOES NOT contain an arbitration or mediation clause. Customer has a right to resolve disputes through the means outlined in this contract. Customer has a right to file a complaint with CCB. This proposal is invalid if not accepted within 10 days, and anytime pricing, typographical or other errors are discovered, or material costs increase.

Additional Charges: Due to the concealed nature of our trade, some additional unforeseen work may be required at additional charges; including but not limited to: removal of additional layers of roofing or insulation, dry rotted, damaged or otherwise unsuitable roof decking, fascia, soffits, siding, rafter tails, chimney mortar, chimney counter flashing or any other surfaces adjacent to roofing. Proposal assumes ability to roof around rooftop HVAC systems, ducting, electrical, and plumbing in a typical manner and does not include repairs or modifications to these items unless otherwise specified in this proposal. If required, this work will be billed at a rate of \$100 per man hour plus material cost. To not slow the progress of the job, Pfeifer Roofing is hereby allowed to proceed with and charge for such additional work without further authorization.

Limitations on actions: Any lawsuit filed resolve any dispute arising out of or related to this contract must be commenced within 5 (five) years from the date of the substantial completion of the work or be forever barred. Notwithstanding the above, any negligence claim against Pfeifer Roofing must be commenced within 2 (two) years of discovery of the negligence, but not more than five (5) years from the date of substantial completion of the work or be forever barred. These provisions apply regardless of any period of limitations otherwise provided by law.

Disclaimer/Limitation of Liability: Pfeifer Roofing, Inc. and the material supplier do not warranty the roofing material. The product manufacturer has sole liability and is solely responsible for any warranty it issues for its roofing material. Pfeifer Roofing, Inc is not responsible for damage that occurs during re-roofing due to roof vibration. Realignment of satellite dishes may be required by others after reroofing. In addition to the foregoing, Pfeifer Roofing, Inc. does not provide any insurance coverage, additional insured or otherwise, pertaining to mold, water intrusion, Exterior Insulation Finish System (EIFS), Oriented Strand Board (LP Siding), Hardiplank, or other exterior building envelope systems. Pfeifer Roofing Inc. specifically disclaims all liability for product material defect or workmanship claims related to the foregoing systems.

Ventilation/Vapor Conditions: Pfeifer Roofing, Inc. is not responsible for ensuring proper ventilation, insulation, or building vapor envelope. Performance of the building's vapor envelope and ventilation is the sole responsibility of the building owner. Special attention should be paid to this

condition in low-slope roofing systems and any roof with a history of mold, condensation, and/or otherwise failed roof decking. A referral for a certified envelope specialist may be provided upon request.

Acceptance: The above prices, specifications, and conditions are satisfactory and are hereby accepted. Payment will be made as outlined above.

CCB Forms: Included in this contract are the 'Consumer Protection Notice', 'Information Notice to Owners' and 'Notice of Procedure'. By signing this agreement, you are acknowledging the existence of these documents within this agreement.

Signature area

Changes in Agreement: This Agreement, the work description and specifications, and the Contract Price shall not be modified except by written change order. A change order may be formalized by email correspondence between Contractor and Owner(s).

Work Schedule: All specifications for the work (shingle style & color, aluminum color, etc.) must be finalized prior to obtaining a final schedule date. Contractor agrees to perform the Work in a good and workmanlike manner with reasonable dispatch in accordance with the specifications contained herein. The Contractor is responsible for establishing scheduling and sequencing of the work to be performed. Reasonable delays include, but are not limited to, weather, non-delivery, discontinuance, default in shipment by a supplier in whole or in part, loss in transit, labor strikes, labor shortages, lockouts or other causes beyond Contractor's control.

Safety: In order to comply with OSHA regulations regarding mandatory fall protection & safety procedures, safety equipment may be installed prior to work beginning and removed upon project completion. If powerlines are too close to the work area Contractor will contact the power company to, at the power company's discretion, either have the power lines covered with protective equipment or shut off while Contractor is performing work. Any costs and fees associated with power company's services shall be the responsibility of Owner(s). Contractor will endeavor to minimize any charges or inconveniences. Our main concern is the safety of our employees and we will take all/any precautions deemed necessary.

Owner Responsibilities: Owner(s) warrants to Contractor that he/she/they is the legal owner of the property. Owner(s) agrees to provide to Contractor electric power and water for construction purposes at no charge to Contractor. Owner(s) shall make himself/herself available during work for clarification of specifications, approval of additional work and to provide adequate access to the property as may be required. Owner(s) acknowledges that the removal of permanently attached building materials often disturbs and vibrates the existing property. The noise, debris, and vibration generated from the work may cause inconvenience to Owner(s) and changes to Owner(s) property including but not limited to: interior wall cracks, flaking of wall paint, debris falling into attic, debris falling into living space (if no attic), dust, heaving of shiplap or T&G ceilings, joint spreading at exposed ceilings, disturbance to shrubbery and lawns, small divots or ruts in yard from equipment such as dump trailers, small divots in the driveway from equipment such as roll-off containers and dump trucks. As a precaution, Owner(s) shall remove from walls or ceilings items such as, but not limited to, chandeliers, paintings, pictures and any breakables. Owner(s) shall remove or move at least 10' away from work area any outdoor furniture, grills, planters, etc... If Owner is unable to move exterior elements outside the work zone, Owner must communicate and Contractor will do their best to protect them without liability for their damages if they occur. Contractor shall not be responsible for any of the aforementioned property damage or for any inconvenience experienced by Owner(s) as a normal consequence of the work.

Building Permits: If permit is required, this will be the Owner(s)' responsibility to obtain from their local jurisdiction.

Contractor Workmanship Warranty: Contractor warrants its workmanship against defects in the workmanship only for the period set forth in this Agreement from the date of completion of the work. However, said warranty shall be null and void under the following circumstances: (1) if Owner(s) fails to pay any sum owed to Contractor under this Agreement and any applicable change orders; (2) if Owner(s) fails to provide written notice to Contractor within ten (10) days of discovering any defect in Contractor's workmanship; (3) if Owner(s) permits any third party to alter or repair any of the work performed by Contractor in any way; (4) if defect is the result of Owner(s) failure to properly maintain and clean gutters at least twice per year; or (5) if defect is the result of Owner(s) failure to provide normal and routine care and maintenance as to the work. Contractor does not warrant the labor of items such as caulking materials, sealant, reflective coatings, painted surfaces, or metal materials.

Escalation clause for Specified Building Materials: The contract price for this project has been calculated based on the current prices for the component building materials. However, the market for the building materials is considered to be volatile, and sudden price increases could occur. Contractor will use our best efforts to obtain the lowest possible prices from available building material suppliers. In the event there should be an increase in the prices of the building materials that are purchased after execution of the contract, the Owner agrees to pay the cost increase. Contractor will notify the Owner of any material increases before a purchase is made.

Service Calls: Service calls requested by the Owner shall be included in the written workmanship warranty only if the call for service is a warranted service call. On service calls where it is deemed by the Contractor to be a non-warranted item, the Owner will be charged for the service call or Work performed at Contractor's established rates.

Cancellation: The Owner(s) may cancel this transaction at any time prior to midnight of the third business day after the date of this acceptance. See the included Notice of Cancellation form for an explanation of this right.



Residential Roofing Information Packet

Information Contained in this Packet:

1. Pfeifer Roofing Standard Conditions
2. Pfeifer Roofing – Our Story
3. Oregon CCB Consumer Protection Notice
4. Oregon CCB Notice of Procedure
5. Oregon CCB Information Notice to Owner About Construction Liens

Please Note: The signature blocks on the bottom of Oregon CCB forms are not required. Please initial in the space provided on the bottom right of Proposal and Contract that you have received these forms.

Pfeifer Roofing, Inc.
4835 Ridge Drive NE
Salem, Oregon 97301
CCB #119214
Phone: 503-393-3185
Fax: 503-393-3149
Office@PfeiferRoofing.com
www.PfeiferRoofing.com



Thank You for considering Pfeifer Roofing! We recognize that re-roofing your home is a considerable investment with many factors to consider. Roofing is a dynamic trade and every project has its own unique conditions and challenges. We want you to feel comfortable with your project and have a thorough understanding of the process. Below is a list of steps that you can take to help protect the interior and exterior contents of your home, as well as standard conditions that we assume and require as part of your project.

Prior to our arrival, PLEASE:

1. Remove all vehicles from the driveway and garage. We use trucks and trailers to load and remove materials.
2. Remove all hanging items that may not be adequately secured in case of vibration including pictures, mirrors, hanging lamps, china cabinets, and other interior surfaces. We cannot be responsible for damage that occurs due to roof vibration including 'nail pops', cracks, and other drywall and paint conditions.
3. Remove plants, patio furniture and any other items immediately below the roof line.
4. Remove items from the attic that may be damaged from dust or light debris, attic cleaning/prep not included.
5. Remove Christmas Lights, solar electric or water panels or any other items mounted to roof or gutters.
6. NOTIFY US if you are unable to complete any of the above items prior to project start or have specific questions about site conditions. In most cases, we would be happy to assist if you are unable to do so, with prior notice.

Unless stated otherwise in your proposal, we assume and require the following conditions as part of your project:

1. Access to and use of on-site electrical power- standard 120 volt.
2. Access to and use of driveway – distributor may require acceptance of a damage waiver.
3. Ability to load roofing materials by conveyor or boom truck – not obstructed by trees or power lines.
4. Ability to reuse existing skylights – older skylights may fracture during reroofing process.
5. Ability to reuse existing gutters –older, damaged, or plastic gutters may not be reusable after reroofing.
6. Ability to roof around existing antennas and satellite dishes– may require repositioning by others, not included.
7. Access to landscaped areas- your project will require access to landscaped areas at the perimeter of your home. Foot traffic and/or wheel barrows may be used in grass. A reasonable effort will be made to protect sensitive landscaping with prior notice of conditions; however, we are not responsible for any damages to landscaping.

Please note – This is not intended to be an all-inclusive list and additional terms apply. Please see Proposal and Contract for description of work as well as additional terms and conditions.

As with any contract - if the Proposal and Contract does not address a specific issue or concern, do not assume the item is included. Please consult your Estimator if you have any questions or concerns, or would like additional terms added to your Proposal before signing.

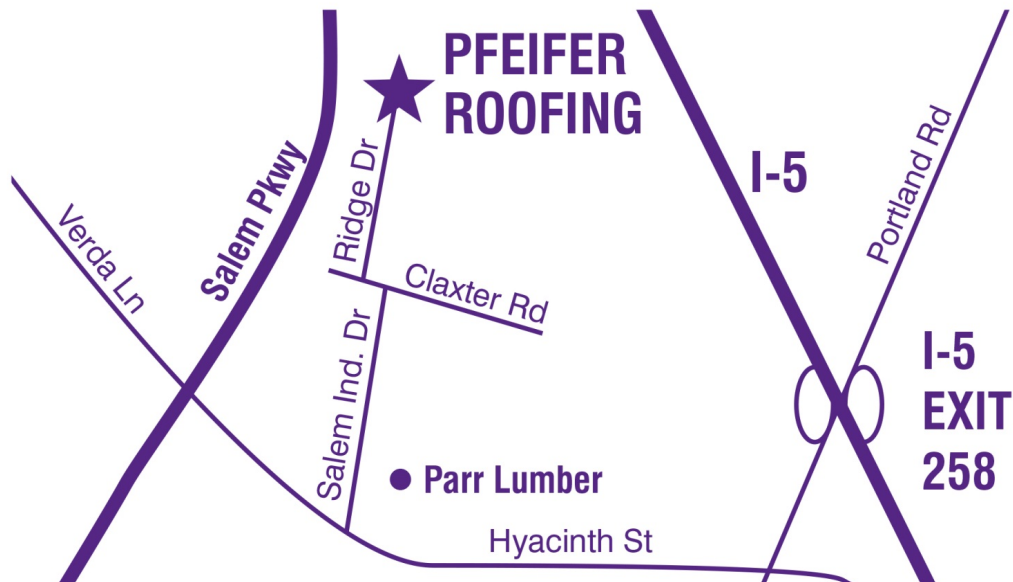


Our Story:

Pfeifer Roofing Inc. is a family-owned business operating in the greater Willamette Valley for the past 34 years. Chris and Mona Pfeifer started a small family operation in 1978 and we have since grown into one of the largest and most diverse roofing companies in the valley. With the addition of Trever Pfeifer in 2002, the second generation of the family is continuing the tradition of excellence started over three decades ago.

A licensed residential and commercial general contractor, we install, repair and maintain composition roofing, wood shakes and shingles, metal roofing, clay and concrete tile roofing, PVC, TPO and BUR flat roofs, continuous gutters and gutter protection systems, as well as Velux premium Skylights and SunTunnels.

We strongly believe in continuing education and staying on top of our industry's latest innovations and practices. We are an active member of several industry associations including the National Roofing Contractors Association (NRCA), Western States Roofing Contractors Association, Associated Roofing Contractors of Oregon and SW Washington, Home Builders Association of Marion & Polk Counties, SEDCOR, and Salem Area Chamber of Commerce. We are a Better Business Bureau Accredited Business and maintain an A+ rating. In addition to our professional associations, we hold top-tier certifications with Owens Corning. Being a Platinum contractor Owens Corning recognizes Pfeifer Roofing's commitment to technical proficiency, installation excellence, and consistent high quality customer service. We offer prompt, reliable service, take great pride in our craftsmanship and complete customer satisfaction is our number one priority.





Guidelines for Selecting a Roofing Contractor

Selecting a qualified contractor for a new roof on your home or commercial building is no simple matter. There is no absolute method to be sure you hire the contractor with whom you will be satisfied. But there are some ways to help evaluate the contractors who give you proposals, and the National Roofing Contractors Association and Western States Roofing Contractors Association offer the following information about the traits of a qualified roofing contractor.

History of Your Contractor: 1. Your roofing contractor should have a permanent and identifiable **place of business** complete with phone number, physical address, and the appropriate business licenses. Ask for this information if it is not provided with your written proposal.

2. Your roofing contractor should keep abreast of the latest developments in the industry. A professional contractor **belongs to local, regional, or national associations and attends seminars** on the problems and developments of the industry. Ask about this if the information is not provided in your written proposal. Ask if the contractor belongs to the WSRCA and NRCA.

3. A qualified contractor should have insurance. Ask for **insurance certificates** showing both workers compensation and general liability insurance. Many homes and building owners have suffered needless expense because contractors working on their homes did not have these coverages.

4. A capable roofing contractor should be licensed. Every state, municipality, and county have varying requirements. Be sure your roofing contractor has the **appropriate licenses** for your area. Don't be afraid to call your local building department to check on the requirements.

5. Qualified roofing contractors should have **references** of past customers of the same type of system being installed for you. Contact the past customer to see if the contractor completed the job satisfactorily. Then look at a few jobs. Looking at some installed roofs is also a good way to be sure you have selected the roof system you want.

6. The roofing contractor may be an approved applicator for one or more roofing material manufacturers. Be sure to ask if the product you choose has an **approved applicator** program, and if your roofing contractor is certified. Keep in mind that most manufacturers of products for low sloped (flat) roofs have approved applicator programs, and most manufacturers of shingles and tile do not have these programs.

7. All roofing contractors should have a **written safety program**. An emphasis of safety lowers the cost of doing business, and further assures that your job will go smoothly. Ask your contractor about his safety program.

8. A good roofing contractor should have a **quality assurance program**. Ask who will inspect the work of the crew installing your new roof.

9. The roofing contractor should be **financially stable**. Ask for names of a few of the contractor's material suppliers - and call them for assurance.

10. Most of all, your roofing contractor should make you **feel comfortable** that the company has the experience and expertise to handle your roof installation.

RESIDENTIAL CUSTOMERS: PLEASE SEE ATTACHED REQUIRED NOTICES FROM OREGON CCB



Consumer Protection Notice

Actions to help make your project successful

(ORS 701.330 (1))

Oregon law requires contractors to provide the homeowner with this notice at the time of written contract, for work on a residential structure. This notice explains licensing, bond and insurance requirements, and steps that consumers can take to help protect their interests.

START OUT YOUR PROJECT RIGHT

- 1. Make sure your contractor is properly licensed** before you sign a contract. Visit www.oregon.gov/ccb, and click on the link, **Check on a Contractor's License**, or call our offices at 503-378-4621. To be licensed in Oregon, contractors must take training and pass a test on business practices and law. Licensing is not a guarantee of the contractor's work.
 - **A license requires the contractor to maintain a surety bond and liability insurance** - The CCB surety bond provides a limited amount of financial security if the contractor is ordered to pay damages in contract disputes. It is not intended to be a safety net for consumer damages. Consumers with large projects may wish to look into performance bonds. Liability insurance coverage provides for property damage and bodily injury caused by the contractor. It does not cover contract disputes, including poor workmanship.
 - **If your contractor is not licensed** - the CCB bond and dispute resolution services will not be available to you.
- 2. What you should know about bids, contracts, and change orders:**
 - **Bids** - *Do not automatically accept the lowest bid* - A low bid may make it necessary for the contractor to use lower quality materials and to cut corners in workmanship.
 - **Contracts and Change Orders** - *Always get it in writing*. Your contractor is required to provide a written contract if the contract price is more than \$2000. The CCB recommends that all contracts be in writing.
 - **Contracts should be as detailed as possible** - Some items to include are materials and costs, permits, estimated start and completion dates, debris removal, and arbitration clauses. Make sure the contractor's name, CCB number, and contact information is included in the contract.
 - **Read and understand your contract before signing it** - Don't be pressured into signing your contract without taking the time needed to go through it. Make sure it includes enough details to avoid misunderstandings and to protect you and your property.
- 3. Additional contract information you should know:**
 - **A Payment Schedule** - should be included in the contract. Stick to the schedule and never pay in full for a project before the work is complete.
 - **Special Note on Liens** - Subcontractors and material suppliers that work on your project are often paid by the general contractor. If a general contractor fails to pay, the subcontractor may file a lien on your property. For information on construction liens, visit the CCB's Consumer Help Page at www.oregon.gov/ccb, or contact an attorney.
 - **Warranty on new residential construction** - Contractors must make an offer of a warranty when constructing a new residential structure. Consumers may accept or refuse the warranty.
- 4. If you should have a problem with your contractor** - You can file a complaint with the CCB against a **licensed** contractor within one year of the substantial completion of work on your project. Contact the CCB office at 503-378-4621 for help.

Visit the CCB website at for more information on having a successful project.
www.oregon.gov/ccb

CONTRACTOR: CCB#: _____

PROPERTY OWNER: _____

Signature

Date

Signature

Date



Notice of Procedure

Regarding Residential Construction Arbitrations and Lawsuits

(ORS 701.330)

Oregon law contains important requirements that homeowners must follow before starting an arbitration or court action against any contractor, subcontractor, or supplier (materials or equipment) for construction defects.

Before you start an arbitration or court action, you must do the following:

1. Deliver a written notice of any conditions that you believe are defective to the contractor, subcontractor, or supplier that you believe is responsible for the alleged defect.
2. Allow the contractor, subcontractor, supplier, or its agent, to visually inspect the possible defects and also allow the contractor, subcontractor, or supplier to do reasonable testing.
3. Provide the contractor, subcontractor, supplier, or its agent, the opportunity to make an offer to repair or pay for the defects. You are not obligated to accept any offer made.

There are strict procedures and deadlines that must be followed under Oregon law. Failure to follow those procedures or meet those deadlines will affect your right to start an arbitration or court action.

You should contact an attorney for information on the procedures and deadlines required under Oregon law.

Your contractor is supplying this notice to you as required by Oregon law.

CONTRACTOR: CCB#: _____

HOMEOWNER: _____

Print Contractor Name (as it appears on contract)

Print Homeowner Name (as it appears on contract)

Signature of Authorized Representative Date

Signature Date



Information Notice To Owner About Construction Liens

(ORS 87.093)

This is not a lien. Your contractor is required by law to provide this notice to inform you about construction lien laws. This notice explains the construction lien law, and gives steps you can take to protect your property from a valid lien. As an owner, you should read this information notice carefully. This information notice is required to be given if you contract for residential construction or remodeling, if you are buying a new home, or at any time the contract price exceeds \$2,000.

- Under Oregon law, your contractor and others who provide labor, materials, equipment, or services to your project may be able to claim payment from your property if they have not been paid. That claim is called a Construction Lien.
- If your contractor does not pay subcontractors, employees, rental equipment dealers, materials suppliers, or does not make other legally required payments, those who are owed money may place a lien against your property for payment. **It is in your best interest to verify that all bills related to your contract are paid, even if you have paid your contractor in full.**
- If you occupy or will occupy your home, persons who supply materials, labor, equipment, or services ordered by your contractor are permitted by law to file a lien against your property only if they have sent you a timely Notice of Right to Lien (which is different from this Information Notice), before or during construction. If you enter into a contract to buy a newly-built, partially-built, or newly-remodeled home, a lien may be claimed even though you have not received a Notice of Right to a Lien. If you do not occupy the building, a Notice of Right to Lien is not required prior to filing a lien.

This notice is not intended to be a complete analysis of the law. You should consult an attorney for more information.

Common Questions and Answers About Construction Liens

Can someone record a construction lien even if I pay my contractor? Yes. Anyone who has not been paid for labor, material, equipment, or services on your project and has provided you with a valid Notice of Right to Lien has the right to record a construction lien.

What is a Notice of Right to Lien? A Notice of a Right to Lien is sent to you by persons who have provided labor, materials, or equipment to your construction project. It protects their construction lien rights against your property.

What should I do when I receive a Notice of Right to Lien? Don't ignore it. Find out what arrangements your contractor has made to pay the sender of the Notice of Right to Lien.

When do construction liens need to be recorded? In Oregon, construction liens generally need to be recorded within 75 days from the date the project was substantially completed, or 75 days from the date that the lien claimant stopped providing labor, material, equipment, or services, whichever happened first. To enforce a lien, the lien holder must file a lawsuit in a proper court within 120 days of the date the lien was filed.

Note to Contractor: This notice must be delivered personally, or mailed by registered mail, certified mail, or by first-class mail with a certificate of mailing. Ask the signing parties to provide you with an original or copy to retain in your files. You should retain proof of delivery of this notice for at least two years.

Steps That Consumers Can Take to Protect Themselves

- **Contact the Construction Contractors Board (CCB) and confirm that your contractor is licensed.** The law requires all construction contractors to be licensed with the CCB. Check a contractor's license online at the CCB consumer website: www.oregon.gov/ccb, or you can call 503-378-4621.
- **Review the Consumer Protection Notice (ORS 701.330(1)),** which your contractor must provide to you at the time of contract on a residential structure.
- **Consider using the services of an escrow agent** to protect your interests. Consult your attorney to find out whether your escrow agent will protect you against liens when making payments.
- **Contact a title company about obtaining a title policy** that will protect you from construction lien claims.
- **Find out what precautions, if any, will be taken** by your contractor, lending institution, and architect to protect your project from construction liens.
- **Ask the contractor to get lien waivers or lien releases** from every subcontractor, materials provider, equipment provider, and anyone else the contractor is responsible for paying. Do this before you give your contractor a progress payment.
- **Have a written contract with your contractor.** A written contract is **required** for projects greater than \$2,000. An original contractor that fails to provide a written contract as required by law, may not place a construction lien against the owner's property.
- **If you receive a Notice of Right to Lien, ask for a statement of the reasonable value of the materials, labor, equipment, or services** provided to your project from everyone who sends you a Notice of Right to Lien. If the information is not provided in a timely manner, the sender of the Notice of Right to Lien may still be able to file a construction lien, but will not be entitled to attorney fees.
- **When you pay your contractor, write checks made jointly payable to the contractor, subcontractors, materials, equipment, or services providers.** The checks name both the contractor and the subcontractor, materials or equipment provider. The checks can only be cashed if **both** the contractor and the subcontractor, materials or equipment provider endorses it. Be aware that many banks will not accept checks made payable to multiple parties unless each party appears at the bank with government-issued identification at the time of deposit. Your contractor may wish to check with its bank and advise whether this is an option.
- **Should you have a dispute with your contractor,** you may be able to file a complaint with the CCB and be reimbursed in whole or in part from the contractor's bond. For more details about help available through the agency, write to the CCB at PO Box 14140, Salem, OR 97309-5052 or call 503-378-4621.
- **Consult an attorney.** If you do not have an attorney, consider contacting the Oregon State Bar Referral Service at 503-684-3763 or 1-800-452-7636.

Signing this Information Notice verifies only that you have received it. Your signature does not give your contractor or those who provide material, labor, equipment, or services, any additional rights to place a lien on your property.

Job Site Address: _____

CONTRACTOR: CCB#: _____

PROPERTY OWNER: _____

Print Name (as it appears on contract)

Print Name (as it appears on contract)

Signature

Date

Signature

Date

Pfeifer Roofing Inc - Commercial
4835 Ridge Dr NE
Salem, OR 97301
(503) 393-3185



Project Name: 150 SW Evergreen St.

Project Address: 150 SW Evergreen St, Mill City, OR 97360

Contractor Information table with fields: Company Name, Address, City, State, ZIP, Cell Phone, Email, Contact.

Base Bid

Table listing Base Bid items: Complete Reroof with MaxCorr Corrugated Panels (\$97,308.00) and Replace damaged purlins with hat channel (per piece) (\$312.00).

Alternate

Table listing Alternate item: Complete Reroof with MS-1500 Mechanically Seamed Panels (\$140,377.00).

Inclusions

- SSMR Scope is for 1 building:
- Tear off existing metal roofing and underlayment down to the purlins. Properly dispose of existing material. Includes haul away and disposal costs.
- Replace damaged purlins with hat channel at per piece rate (if there is lots of damage, we could provide a discounted rate)
- Supply and install full Ice and Water Underlayment over purlins
- Supply and install Taylor Metal roofing system
 - 37.25" - MaxCorr Corrugated Panel
 - 24 GA, Kynar500 coated (any standard color - "Parchment" is the closest match to the siding on the adjacent building)
 - Exposed gasketed fastener installation
 - Panel to naturally curve during install, completing the radius in only 3 panels
 - Includes custom curved flashings at ends
 - Includes all sealants, fasteners, clips, foam closures per manufacturer recommendation
- Includes pipe boots
- Includes manlift for ease of installation if needed
- Includes Taylor Metal Finish Warranty
- Includes Dakota Roofing NW's standard 2 year workmanship warranty
- Bid using BOLI Sheet Metal rates for Linn County, January 5th 2026 book.

Alternate

- **SSMR Scope is for 1 building:**
 - Tear off existing metal roofing and underlayment down to the purlins. Properly dispose of existing material. Includes haul away and disposal costs.
 - Replace damaged purlins with hat channel at per piece rate (if there is lots of damage, we could provide a discounted rate)
 - Supply and install full Ice and Water Underlayment over purlins
 - Supply and install Taylor Metal roofing system
 - **16”” – MS150**
 - **24 GA, Kynar500 coated (any standard color – “Parchment” is the closest match to the siding on the adjacent building)**
 - **Mechanically seamed panel**
 - **Panel to be formed and curved on side – can achieve entire radius with one panel**
 - Includes custom curved flashings at ends
 - Includes all sealants, fasteners, clips, foam closures per manufacturer recommendation
 - Includes pipe boots
 - Includes manlift for ease of installation if needed
 - Includes Taylor Metal Finish Warranty
 - Includes Dakota Roofing NW’s standard 2 year workmanship warranty
 - Bid using BOLI Sheet Metal rates for Linn County, January 5th 2026 book.

Exclusions

- Entrance canopy and attached shed
- Perlin replacement – unless per piece price selected
- Extended system warranties
- Electrical work
- Roof Ventilation design or layout
- Any intake/exhaust ventilation/soffits
- Any other buildings or outbuildings
- Siding replacement on ends of buildings
- Custom flashings – not already included
- Plywood supply and install
- Siding or wall insulation supply/install/demo
- Does not account for work force training, union, WOSB, BABA, or apprenticeship.
- Anything not referenced in “Inclusions”.
- Any excess umbrella insurance policies – can be provided upon request at additional cost.
- Bonds

Guaranties, Stipulations, and Details

- All work will be done to meet all state and local codes.
 - Due to supply chain issues, price fluctuation, and material shortages, roofing timelines and prices are subject to change.
 - Dakota is not responsible for delays caused by inclement weather
 - This bid or most current bid must be included as an addendum to any subcontract agreements.
 - This bid is good for 30 days
- Note: Dakota Roofing will not guarantee any Material Price Increase. Please make sure to add contingency on your end in case of Material Price Increase.

This budget is respectfully submitted by:

Nathan Martin



PROJECT PROPOSAL

Customer	Contractor
Krista Nieraeth	Valley Roofing LLC
150 Southwest Evergreen Street	4910 Turner Rd SE suite # 500
Mill City, OR 97360	Salem, OR 97317

Thank you for selecting Valley Roofing to quote your project!

Your home deserves a roof that not only protects but performs, shielding your family from the elements while adding beauty and value for years to come. That's exactly what the Valley Roofing team has delivered throughout the Willamette Valley since 2012.

Enclosed, you'll find a range of roofing options designed to suit different styles, performance requirements, and investment levels. From cost-effective standard solutions to premium designer upgrades that improve energy efficiency, durability, and your home's overall value, we hope to deliver superior longevity and aesthetics to your rooftop, no matter which option you choose.

We're excited to partner with you and answer any questions as you review the possibilities.

Respectfully,

Company Representative: Joe Johnson

cell: (971) 599-3423

Email: Joe@valleyroofing.org

Valley Roofing LLC

office: (503) 383-1406

valleyroofing.org



Valley Roofing LLC
4910 Turner Rd SE
Suite # 500
Salem, OR 97317
Phone: (503) 383-1406

Company Representative
Joe Johnson
Phone: (971) 599-3423
Joe@valleyroofing.org

Complete job
03/02/2026

Krista Nieraeth
Santiam Canyon School District
150 Southwest Evergreen Street
Mill City, OR 97360
(503) 897-2321 Ext. 310

Complete roofing job

Prep & Carpentry

- Labor on this quote is based on prevailing wage.
- Tear-off and remove existing roof materials to expose the deck; remove old fasteners or pound flush.
- Base bid includes single layer demo. Any subsequent layer will be an additional charge.
- Inspect substrates, re-nail loose wood and document all carpentry repairs with photos.
- Replace rotten plywood at \$90/sheet (incl. delivery, install, disposal of old pieces).

Underlayment

- Install Ice and Water Barrier in valleys, on all slopes less than or equal to 3:12, and around all penetrations.

Flashing

- Install matching ridge, valley, eave and rake flashings.
- Install new flashings for all pipes and chimneys; install bug screen and ridge vent.
- Remove 4 vents from ridge.

Standing Seam Panels

- Install 7/8" corrugated 24 ga. panels.

Cleanup, Inspections and Safety

- Full waste removal, gutter cleaning, magnetic sweep, yard detail and supervisor final walk
- Safety checks throughout the duration of the project

TOTAL

\$141,100.00

.....

This estimate is valid for 30 days due to material cost fluctuations and based on visible conditions; subject to change for unforeseen issues—see Contract Terms for full details, including liability limitations and customer obligations. All work complies with Oregon building codes. We are licensed, bonded and insured — CCB # 259899. Our pricing assumes ACH, cash, or check payments — fees apply for credit card processing. A deposit is required to secure your space.

.....

Company Authorized Signature

Date

Customer Signature

Date



Valley Roofing LLC
4910 Turner Rd SE
Suite # 500
Salem, OR 97317
Phone: (503) 383-1406

Company Representative
Joe Johnson
Phone: (971) 599-3423
Joe@valleyroofing.org

Repair quote only
03/02/2026

Krista Nieraeth
Santiam Canyon School District
150 Southwest Evergreen Street
Mill City, OR 97360
(503) 897-2321 Ext. 310

Roofing Section Repair only

Prep & Carpentry

- Tear-off and remove existing roof materials to expose the deck; remove old fasteners or pound flush.
- Base bid includes single layer demo. Any subsequent layer will be an additional charge.
- Inspect substrates, re-nail loose wood and document all carpentry repairs with photos.
- Replace rotten plywood at \$90/sheet (incl. delivery, install, disposal of old pieces).

Underlayment

- Install Ice and Water Barrier in valleys, on all slopes less than or equal to 3:12, and around all penetrations.

Flashing

- Install matching ridge, valley, eave and rake flashings.
- Install new flashings for all pipes and chimneys; install bug screen and ridge vent.
- Remove 4 vents from ridge.

Standing Seam Panels

- Install 7/8" corrugated 24 ga. panels on top section only.

Cleanup, Inspections and Safety

- Full waste removal, gutter cleaning, magnetic sweep, yard detail and supervisor final walk
- Safety checks throughout the duration of the project

TOTAL

\$15,100.00

.....
This estimate is valid for 30 days due to material cost fluctuations and based on visible conditions; subject to change for unforeseen issues—see Contract Terms for full details, including liability limitations and customer obligations. All work complies with Oregon building codes. We are licensed, bonded and insured – CCB # 259899. Our pricing assumes ACH, cash, or check payments – fees apply for credit card processing. A deposit is required to secure your space.
.....

Company Authorized Signature

Date

Customer Signature

Date

Contract Terms and Conditions

A. PAYMENT TERMS

- i. Deposit required to schedule work. Oregon limits initial deposits to the lesser of \$2,000 or 10% of the contract price unless voluntarily waived in writing. By initialing below, Customer voluntarily elects the 50% deposit and waives the statutory cap. Customer Initials: _____
- ii. Our pricing assumes payment with ACH, cash or check. Surcharges of 3.25% will apply to all credit card payments to cover our costs—clearly itemized on your invoice and disclosed here in compliance with applicable rules. We encourage ACH or check for best value. Contact us if you have questions about payment options.
- iii. Progress Billing: Only by written Change Order showing % complete.
- iv. Final Payment: Due on completion/sign-off, or NET 10 days from invoice date if mailed, whichever is later.
- v. Late Fees: 9% simple interest per annum on balances >30 days (ORS 82.010). Prevailing party in any litigation recovers reasonable attorney fees and costs.

B. GENERAL TERMS

- i. Validity: 30 days from date above due to material-cost volatility.
- ii. Permits: Contractor obtains all required permits at Contractor's expense.
- iii. Change Orders: Any work outside Scope triggers Change Order process and Customer sign off. Rot repairs >\$500 need Customer approval.
- iv. Unforeseen Carpentry: \$80/man-hour + materials; Customer authorizes up to \$500 without delay or prior approval (but will be notified promptly).
- v. Existing Fixtures (e.g., antennas, satellite dishes, solar panels) must be removed by the Customer (or their licensed/authorized agent, such as an electrician for solar) prior to roof work. Contractor will remove carefully if present, but reinstallation and realignment issues are Customer's responsibility and not covered under warranty or liability.
- vi. New Roofing Materials: Supplied by Contractor or licensed distributor. Excess remains Contractor property.
- vii. Hazardous Materials: Work stops immediately; resumes only after Owner provides certified clearance at Owner cost.

C. CUSTOMER OBLIGATIONS

- i. Provide continuous access to premises, driveway, power, water.
- ii. Remove fragile items within 15 ft of work area.
- iii. Accept unavoidable debris in attic and work areas.
- iv. Accept unavoidable foot traffic at the site of work and surrounding areas.
- v. Clear landscaping that blocks access (Contractor exercises reasonable care).

D. WARRANTY

- i. Lifetime Workmanship Warranty (Exhibit A) – covers leaks caused solely by installation defects—transferable once with Contractor's written consent.
- ii. Manufacturer warranty provided separately.

Contract Terms and Conditions

- iii. Exclusions: Acts of God, owner modifications, lack of maintenance, non-replaced fixtures (such as heating/cooling units, skylights, stove pipes, etc).

E. LIABILITY & LIMITATIONS

- i. Contractor not liable for delays due to weather, supply chain, acts of God, or events beyond control.
- ii. Contractor not responsible for pre-existing conditions (architecture, engineering, ventilation, etc).
- iii. Contractor carries general liability, workers' comp, and bonding (public record).

F. MARKETING CONSENT

By signing this agreement, Customer hereby consents to our use of content captured during the project (photos/video) for marketing purposes only (website, social media, portfolio).

G. MANDATORY OREGON CCB NOTICES (Exhibit B)

The following required notices are incorporated inline and form part of this agreement. Customer confirms receipt and understanding by signing the Acceptance section below.

- i. [Consumer Protection Notice](#)
- ii. [Information Notice to Owner About Construction Liens](#)
- iii. [Notice of Procedure](#)

H. ENTIRE AGREEMENT

This document + exhibits constitutes the entire agreement and supersedes all prior discussions. Electronic signatures are binding. If any provision is held invalid, the remainder remains in force.

ACCEPTANCE

Customer: Krista Nieraeth

Date:

Contractor: Joe Johnson

Date:

EXHIBIT A

Lifetime Workmanship Warranty

Coverage

Valley Roofing LLC ("Contractor") warrants to the property owner ("Owner") that the roofing installation at the site address will be free from defects in workmanship for the lifetime of the roof (as long as the original Owner owns the property and the roofing system remains serviceable).

Coverage is limited to leaks or failures **directly caused by improper installation** by Contractor. Contractor will, at its option, repair or replace defective workmanship (labor and materials) if reported in writing promptly after discovery.

Transferability

This warranty is transferable **one time** to a subsequent purchaser, subject to:

- Written notice within 30 days of transfer;
- Payment of a transfer fee of \$250;
- Contractor's inspection (if required) and written approval. Any other transfer voids the warranty.

Warranty Void

This warranty becomes **immediately void** if any part of the roofing system is inspected, repaired, altered, modified, or worked on by anyone (including competitors or third parties) other than Contractor or its authorized representatives.

Exclusions

1. Acts of God or severe weather (e.g., wind, storms, floods, fire, falling objects).
2. Negligence, misuse, abuse, or acts by Owner or third parties (e.g., modifications, foot traffic, additions).
3. Improper maintenance, neglect, or failure to address issues.
4. Structural defects, settlement, or substrate issues not installed by Contractor.
5. Normal wear, weathering, granule loss, ponding, animal damage, or environmental deterioration.
6. Consequential damages (e.g., interior damage, mold, personal property, etc).
7. Unserviceable or defective products (triggers manufacturer involvement).

Claims

Notify Contractor in writing within 30 days of discovering an issue. Provide access for inspection and allow Contractor first opportunity to remedy.

Disclaimer

THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED (INCLUDING MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE). CONTRACTOR IS NOT LIABLE FOR INCIDENTAL, CONSEQUENTIAL, OR PUNITIVE DAMAGES.

Some states limit these exclusions, so they may not apply fully. This warranty gives specific legal rights; other rights may vary by state.



Consumer Protection Notice

Actions to help make your project successful

(ORS 701.330 (1))

Oregon law requires contractors to provide the homeowner with this notice at the time of written contract, for work on a residential structure. This notice explains licensing, bond and insurance requirements, and steps that consumers can take to help protect their interests.

START OUT YOUR PROJECT RIGHT

1. **Make sure your contractor is properly licensed** before you sign a contract. Visit www.oregon.gov/ccb, and click on the link, **Check on a Contractor's License**, or call our offices at 503-378-4621. To be licensed in Oregon, contractors must take training and pass a test on business practices and law. Licensing is not a guarantee of the contractor's work.
 - **A license requires the contractor to maintain a surety bond and liability insurance** - The CCB surety bond provides a limited amount of financial security if the contractor is ordered to pay damages in contract disputes. It is not intended to be a safety net for consumer damages. Consumers with large projects may wish to look into performance bonds. Liability insurance coverage provides for property damage and bodily injury caused by the contractor. It does not cover contract disputes, including poor workmanship.
 - **If your contractor is not licensed** - the CCB bond and dispute resolution services will not be available to you.
2. **What you should know about bids, contracts, and change orders:**
 - **Bids** - *Do not automatically accept the lowest bid* - A low bid may make it necessary for the contractor to use lower quality materials and to cut corners in workmanship.
 - **Contracts and Change Orders** - *Always get it in writing*. Your contractor is required to provide a written contract if the contract price is more than \$2000. The CCB recommends that all contracts be in writing.
 - **Contracts should be as detailed as possible** - Some items to include are materials and costs, permits, estimated start and completion dates, debris removal, and arbitration clauses. Make sure the contractor's name, CCB number, and contact information is included in the contract.
 - **Read and understand your contract before signing it** - Don't be pressured into signing your contract without taking the time needed to go through it. Make sure it includes enough details to avoid misunderstandings and to protect you and your property.
3. **Additional contract information you should know:**
 - **A Payment Schedule** - should be included in the contract. Stick to the schedule and never pay in full for a project before the work is complete.
 - **Special Note on Liens** - Subcontractors and material suppliers that work on your project are often paid by the general contractor. If a general contractor fails to pay, the subcontractor may file a lien on your property. For information on construction liens, visit the CCB's Consumer Help Page at www.oregon.gov/ccb, or contact an attorney.
 - **Warranty on new residential construction** - Contractors must make an offer of a warranty when constructing a new residential structure. Consumers may accept or refuse the warranty.
4. **If you should have a problem with your contractor** - You can file a complaint with the CCB against a **licensed** contractor within one year of the substantial completion of work on your project. Contact the CCB office at 503-378-4621 for help.

Visit the CCB website at for more information on having a successful project.
www.oregon.gov/ccb

CONTRACTOR: CCB#: 259899

PROPERTY OWNER: Krista Nieraeth

Signature

Date

Signature

Date



Notice of Procedure

Regarding Residential Construction Arbitrations and Lawsuits

(ORS 701.330)

Oregon law contains important requirements that homeowners must follow before starting an arbitration or court action against any contractor, subcontractor, or supplier (materials or equipment) for construction defects.

Before you start an arbitration or court action, you must do the following:

1. Deliver a written notice of any conditions that you believe are defective to the contractor, subcontractor, or supplier that you believe is responsible for the alleged defect.
2. Allow the contractor, subcontractor, supplier, or its agent, to visually inspect the possible defects and also allow the contractor, subcontractor, or supplier to do reasonable testing.
3. Provide the contractor, subcontractor, supplier, or its agent, the opportunity to make an offer to repair or pay for the defects. You are not obligated to accept any offer made.

There are strict procedures and deadlines that must be followed under Oregon law. Failure to follow those procedures or meet those deadlines will affect your right to start an arbitration or court action.

You should contact an attorney for information on the procedures and deadlines required under Oregon law.

Your contractor is supplying this notice to you as required by Oregon law.

CONTRACTOR: CCB#: 259899

HOMEOWNER: Krista Nieraeth

Valley Roofing LLC
Print Contractor Name (as it appears on contract)

Krista Nieraeth
Print Homeowner Name (as it appears on contract)

Signature of Authorized Representative Date

Signature Date



Information Notice To Owner About Construction Liens

(ORS 87.093)

This is not a lien. Your contractor is required by law to provide this notice to inform you about construction lien laws. This notice explains the construction lien law, and gives steps you can take to protect your property from a valid lien. As an owner, you should read this information notice carefully. This information notice is required to be given if you contract for residential construction or remodeling, if you are buying a new home, or at any time the contract price exceeds \$2,000.

- Under Oregon law, your contractor and others who provide labor, materials, equipment, or services to your project may be able to claim payment from your property if they have not been paid. That claim is called a Construction Lien.
- If your contractor does not pay subcontractors, employees, rental equipment dealers, materials suppliers, or does not make other legally required payments, those who are owed money may place a lien against your property for payment. **It is in your best interest to verify that all bills related to your contract are paid, even if you have paid your contractor in full.**
- If you occupy or will occupy your home, persons who supply materials, labor, equipment, or services ordered by your contractor are permitted by law to file a lien against your property only if they have sent you a timely Notice of Right to Lien (which is different from this Information Notice), before or during construction. If you enter into a contract to buy a newly-built, partially-built, or newly-remodeled home, a lien may be claimed even though you have not received a Notice of Right to a Lien. If you do not occupy the building, a Notice of Right to Lien is not required prior to filing a lien.

This notice is not intended to be a complete analysis of the law. You should consult an attorney for more information.

Common Questions and Answers About Construction Liens

Can someone record a construction lien even if I pay my contractor? Yes. Anyone who has not been paid for labor, material, equipment, or services on your project and has provided you with a valid Notice of Right to Lien has the right to record a construction lien.

What is a Notice of Right to Lien? A Notice of a Right to Lien is sent to you by persons who have provided labor, materials, or equipment to your construction project. It protects their construction lien rights against your property.

What should I do when I receive a Notice of Right to Lien? Don't ignore it. Find out what arrangements your contractor has made to pay the sender of the Notice of Right to Lien.

When do construction liens need to be recorded? In Oregon, construction liens generally need to be recorded within 75 days from the date the project was substantially completed, or 75 days from the date that the lien claimant stopped providing labor, material, equipment, or services, whichever happened first. To enforce a lien, the lien holder must file a lawsuit in a proper court within 120 days of the date the lien was filed.

Note to Contractor: This notice must be delivered personally, or mailed by registered mail, certified mail, or by first-class mail with a certificate of mailing. Ask the signing parties to provide you with an original or copy to retain in your files. You should retain proof of delivery of this notice for at least two years.

Steps That Consumers Can Take to Protect Themselves

- **Contact the Construction Contractors Board (CCB) and confirm that your contractor is licensed.** The law requires all construction contractors to be licensed with the CCB. Check a contractor's license online at the CCB consumer website: www.oregon.gov/ccb, or you can call 503-378-4621.
- **Review the Consumer Protection Notice (ORS 701.330(1)),** which your contractor must provide to you at the time of contract on a residential structure.
- **Consider using the services of an escrow agent** to protect your interests. Consult your attorney to find out whether your escrow agent will protect you against liens when making payments.
- **Contact a title company about obtaining a title policy** that will protect you from construction lien claims.
- **Find out what precautions, if any, will be taken** by your contractor, lending institution, and architect to protect your project from construction liens.
- **Ask the contractor to get lien waivers or lien releases** from every subcontractor, materials provider, equipment provider, and anyone else the contractor is responsible for paying. Do this before you give your contractor a progress payment.
- **Have a written contract with your contractor.** A written contract is **required** for projects greater than \$2,000. An original contractor that fails to provide a written contract as required by law, may not place a construction lien against the owner's property.
- **If you receive a Notice of Right to Lien, ask for a statement of the reasonable value of the materials, labor, equipment, or services** provided to your project from everyone who sends you a Notice of Right to Lien. If the information is not provided in a timely manner, the sender of the Notice of Right to Lien may still be able to file a construction lien, but will not be entitled to attorney fees.
- **When you pay your contractor, write checks made jointly payable to the contractor, subcontractors, materials, equipment, or services providers.** The checks name both the contractor and the subcontractor, materials or equipment provider. The checks can only be cashed if **both** the contractor and the subcontractor, materials or equipment provider endorses it. Be aware that many banks will not accept checks made payable to multiple parties unless each party appears at the bank with government-issued identification at the time of deposit. Your contractor may wish to check with its bank and advise whether this is an option.
- **Should you have a dispute with your contractor,** you may be able to file a complaint with the CCB and be reimbursed in whole or in part from the contractor's bond. For more details about help available through the agency, write to the CCB at PO Box 14140, Salem, OR 97309-5052 or call 503-378-4621.
- **Consult an attorney.** If you do not have an attorney, consider contacting the Oregon State Bar Referral Service at 503-684-3763 or 1-800-452-7636.

Signing this Information Notice verifies only that you have received it. Your signature does not give your contractor or those who provide material, labor, equipment, or services, any additional rights to place a lien on your property.

Job Site Address: 150 Southwest Evergreen Street, Mill City, OR 97360

CONTRACTOR: CCB#: 259899

PROPERTY OWNER: Krista Nieraeth

Valley Roofing LLC

Krista Nieraeth

Print Name (as it appears on contract)

Print Name (as it appears on contract)

Signature

Date

Signature

Date

**Santiam Canyon
School District 129**

Code: **DJ**
Adopted: 5/05/05
Readopted: 3/11/15
Orig. Code(s): DJ

District Purchasing

The function of district purchasing is to serve the educational program by providing the necessary supplies, equipment and services. Items commonly used in the various schools and their subdivisions will be standardized whenever consistent with educational goals and in the interest of efficiency or economy.

The superintendent or designee is appointed by the Board to serve as purchasing agent. He/She will be responsible for developing and administering the district's purchasing program.

No obligation may be incurred by any officer or employee of the Board unless that expenditure has been authorized in the budget or by Board action and/or Board policy. In all cases calling for the expenditure of district money, except payrolls, a requisition and purchase order system must be used.

No purchase will be authorized unless covered by an approved purchase order. No bills will be approved for payment unless purchases were made on approved orders.

The superintendent or designee is authorized to enter into and approve payment on contracts obligating district funds for products, materials, supplies, capital outlay and services that are within current budget appropriations. The Board shall approve all contracts that are collective bargaining agreements or service contracts that include the provision of labor performed by district employees, such as custodial, food service and transportation services.

The business manager will review bills due and payable for the purchase of supplies and services to determine if they are within budget amounts. After appropriate administrative review, the business manager will direct payment of the just claims against the district. The superintendent and business manager are responsible for the accuracy of all bills and vouchers.

No Board member, officer, employee or agent of this district shall use or attempt to use his/her official position to obtain financial gain or for avoidance of financial detriment for himself/herself, a relative or for any business with which the Board member or a relative is associated. Acceptance of any gratuities, financial or otherwise, from any supplier of materials or services to the district by any Board member, officer or employee of the district is prohibited.

END OF POLICY

Legal Reference(s):

[ORS 244.040](#)

[ORS Chapters 279, 279A, 279B, 279C](#)

[ORS 294.311](#)

[ORS 328.441 - 328.470](#)

[ORS 332.075](#)

[OAR 125-055-0040](#)

Cross Reference(s):

BBA - Board Powers and Duties

BBFA - Board Member Ethics and Conflicts of Interest

DJC - Bidding Requirements

DJFA - Credit Cards

EH - Electronic Data Management

FEF/FEFB - Construction Contracts - Bidding and Awards

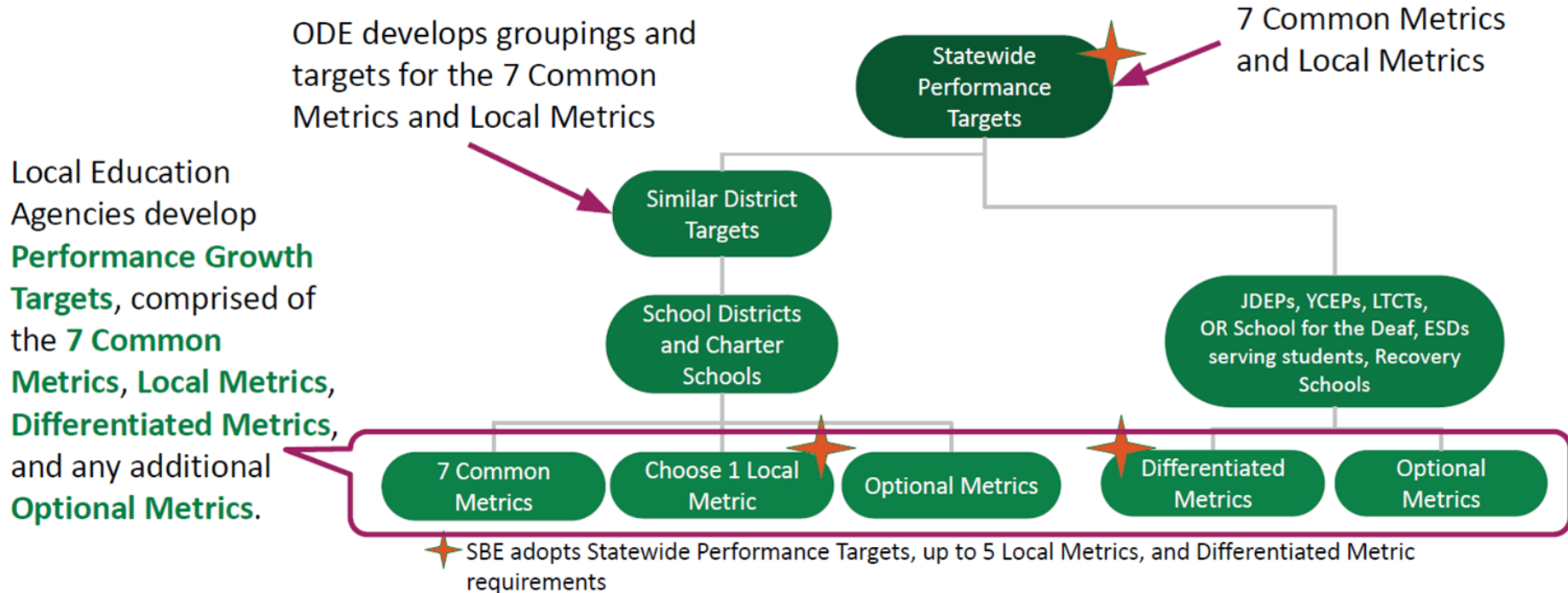


Strategic Plan

Santiam Canyon School District will inspire students to stand together, find their path and never give up. We will instill students with the character, skills and knowledge required to find their path of success and purpose in this ever changing world.

<p>STAND TOGETHER <i>WE CELEBRATE OUR STRENGTHS AND DIFFERENCES</i></p>	<p><u>Metrics and Reporting</u></p> <ul style="list-style-type: none">• Student attendance rates and trends (quarterly)• Student behavior tracking and response strategies• 9th grade on-track status (quarterly)• Staff satisfaction survey results (annually)• Parent survey and parent engagement statistics (annually)
<p>STUDENT OUTCOME All students will successfully progress through our pre-K to high school system.</p>	<p><u>Metrics and Reporting</u></p> <ul style="list-style-type: none">• K-5 interim reading assessment data (triannually)• State assessment results and trends (annually)• Student engagement survey (biannually)• Staffing and programming assessment (annually)• College and career visitations report (biannually)
<p>FIND YOUR PATH <i>WE PREPARE FOR THE FUTURE</i></p>	<p><u>Metrics and Reporting</u></p> <ul style="list-style-type: none">• graduation and dropout rate analysis (biannually)• Dropout rate analysis (biannually)• Post-secondary survey (annual)• District budget and forecast (monthly)• Facilities assessments and planning (annual)
<p>NEVER GIVE UP <i>WE PUSH THROUGH TO REACH OUR GOALS</i></p>	

Phase 1: Performance Growth Targets



Phase 1: Common and Local Metrics

7 Common Metrics (Required through SB 141)

Under SB 141, all districts and public charter schools will set performance growth targets for all of these common metrics:

1. On-time graduation rate
2. Five-year completion rate
3. Ninth-grade on-track rate
4. Eighth-grade mathematics proficiency rate*
5. Third-grade English language proficiency rate;
6. Regular attendance rate
7. Regular early-grade attendance rate*

* New Common Metrics

Local Metrics (Adopted by State Board 12/11/25)

Under SB 141, districts and public charter schools **must select 1 local metric** to set performance growth targets on.

- Academic Growth - Measurement:** Change in a student's performance over time as measured by interim assessments in Language Arts and Mathematics.
- Multilingual Proficiency - Measurement:** The number of students earning the seal of biliteracy or multiliteracy.
- 5th Grade Science - Measurement:** The indexed measure of student achievement in Science for fifth grade students using Oregon Statewide Assessment System (OSAS).
- Postsecondary Readiness - Measurement:** The composite of students earning dual credit or Advanced Placement and International Baccalaureate completion.
- Career and Workforce Readiness - Measurement:** The composite total of CTE Participants and CTE Concentrators.



OREGON
CHARTER ACADEMY
Celebrating 20 Years of Virtual Education

Annual Report
School Year: 2024-25



**Letter from
Oregon Charter
Academy
Executive
Director,
Allison Galvin**

Oregon Charter Academy (ORCA) is pleased to submit our 19th annual accountability report for the 2024-25 school year.

The 2024-25 school year brought many successes. In our fifth year of operation as Oregon Charter Academy, we continue to be honored to have been recognized as a Cognia International School of Distinction, the only school of its kind on the West Coast to receive this distinction. Additionally, ORCA was named the Mid-Valley's Best Charter School for the fifth year in a row. ORCA is proud of these accolades, but even more proud of the accomplishments of our students who engage in school. ORCA's graduation rates showed significant improvement, with an almost 10% gain for a total graduation rate of 76.4%, the highest in ORCA's history. Additionally, ninth-grade on-track improved in the 2024-25 school year by 2%. In the annual state assessments, Oregon Charter Academy continues to outshine the state with higher pass rates in every tested subject and every grade band, with high school math scores leading the way with a 44% pass rate, compared to the state at 21%, and high school language arts with a 71% pass rate, while the state's rate is 46%.

While the state is still recovering from a reduction in students attending school, Oregon Charter Academy's enrollment improved for the 2024-25 school year. The average enrollment for the 2024-25 school year was 2,789. This is an increase of 14.5% as compared to the average enrollment for the 2023-24 school year of 2,436. Looking forward, it is believed that enrollment should continue to stabilize as 82.1% of the student population has responded with a positive intent to return for the 2024-25 school year.

Oregon Charter Academy maintains its focus on serving not just the academic needs of our students but also their social and emotional needs. One highlight from the 2024-25 school year is the staff-facilitated and student-supported Clothing Closet, where gently used clothes are donated from the ORCA community for the use of others in the ORCA community. The Clothing Closet is available for all students and families at the annual Open House in the fall and Spring Celebration in the spring, and upon request throughout the year. Additionally, 37 student-centered and facilitated clubs were offered, ranging from music club, chess club, GSA, and many more (Exhibit C). ORCA also offered 141 in-person and virtual field trips, highlighted by the continued partnership with NASA, the new Regional Event Days, and 879 attendees at the annual Spring Celebration (Exhibit B).

ORCA's focus on Career and College Readiness has been part of our success. The 2025 graduating class of the ASCEND (Career Technical Education) program earned a total of 156 industry certifications and a 100% graduation rate. ORCA also had its second senior AVID cohort, with 11 AVID students walking across the stage. Additionally, since the inception of the College Now Program, 1,602 students have earned college credit. In total, over 50% of college-bound graduates received post secondary scholarships, including 50 students who are accessing the Oregon Promise Grant, which reflects the strength of the CTE program where students are industry-ready upon graduation.

I would like to thank those who have helped make this school a success and positively impact the lives of our students. Our dedicated staff continues to contribute their energy and knowledge for the betterment of students and is essential to the school's accomplishments. Lastly, I would like to thank the parents and students of ORCA for placing their trust in us as the best option for their education.



Table of Contents

Mission Statement	3
School Organization	3
School Profile	4
Report on Success in Meeting Annual Goals from Charter	7
Report on Success in Meeting 2021-22 Annual School Improvement Goals	9
2022-23 School Improvement Planning Goals	12
Additional Benchmarks/Achievements	13
Ongoing Student Progress	13
Accreditation	13
Financial Report	13
Conclusion	14
Exhibit A: School Profile	17
Exhibit B: ORCA Field Trips	20
Exhibit C: Student Clubs	28
Exhibit D: Parent Satisfaction Survey	30
Exhibit E: 2024-25 School Improvement Plan	62
Exhibit F: Financial Audit	76



ANNUAL REPORT FOR 2024-25

833 NW Santiam Blvd
Mill City, OR 97360
(503) 897-2272

Vision and Mission

Our Vision:

Oregon Charter Academy students will utilize 21st Century Skills of communication, collaboration, creativity, and critical thinking to prepare for the rapidly changing economies of tomorrow.

Our Mission:

The mission of Oregon Charter Academy is to prepare all students for success in a global society through an inclusive, rigorous, academic environment where students have daily live interaction with highly qualified teachers and continuous access to curriculum. Oregon Charter Academy staff partners with families in a transparent, collaborative school environment to support all students in their academic journey.

School Organization

The board of directors of Oregon Charter Academy governs the school. The operating structure of the school is similar to a traditional educational environment with the school administrators supervising both the classified and licensed staff and acting according to the policies and procedures as approved by the board and outlined by state laws and regulations. All personnel decisions concerning the executive director, administrators, and teachers are the responsibility of the board.

The board of directors for the 2024-25 school year consisted of:

Joseph Brown – President
Kim Thatcher – Vice President
Jennifer Brady – Secretary
Misty Galofteanu – Treasurer
Laura Dillon – Member

ORCA's 2024-25 sponsor, Santiam Canyon School District, receives notification of all board meetings and frequent updates on school operations throughout the year. All board meetings are open to the public; notification of meetings and meeting agendas are posted at the school approximately one week before the meeting. Information about board meetings is also available on the website during the year, including displaying the meeting agenda and procedures for participating in meetings.

All board policies are in collaboration with the Oregon School Board's Association (OSBA), reviewed and updated annually, and posted on the school website.

www.oregoncharter.org/charter-board-home

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School Profile

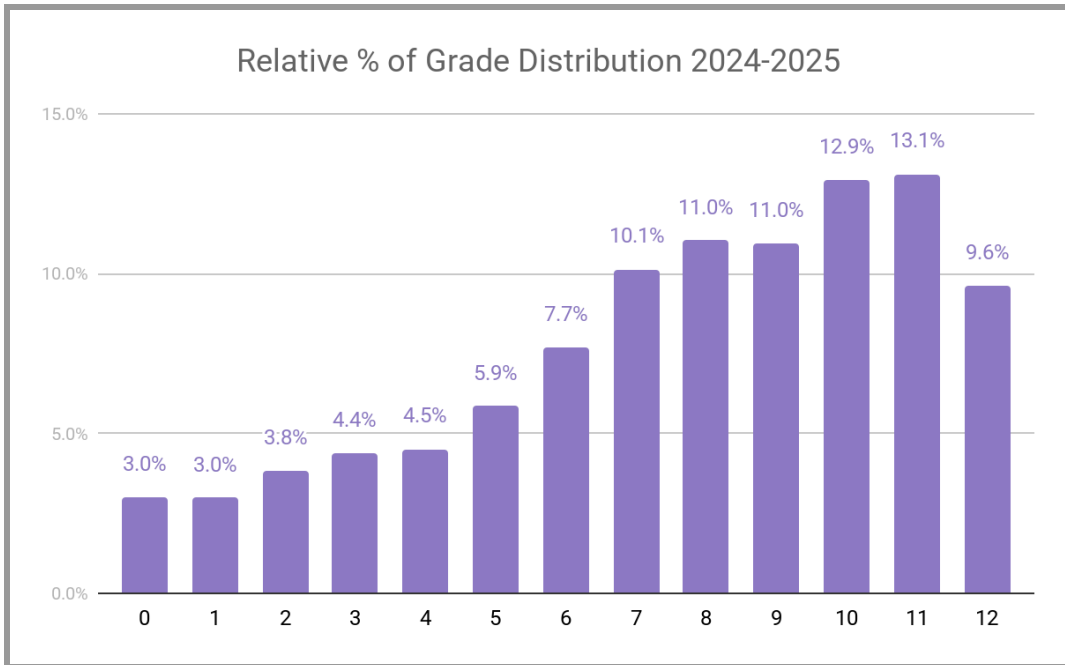
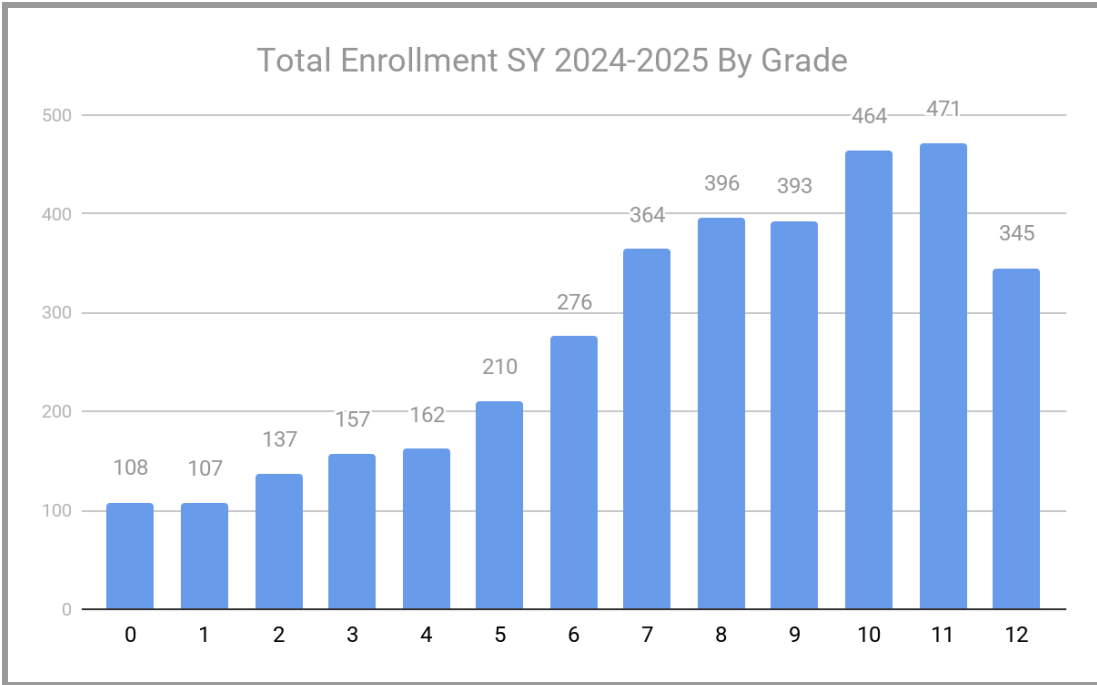
During the 2024-25 school year, ORCA enrolled a total of 3,696 students, with 3,014 students enrolled on the last day of school in June 2025. Approximately 75 percent of students who were enrolled at the end of the 2023-24 school year returned for at least part of the 2024-25 school year, and approximately 50 percent of all students enrolled during 2024-25 had not attended ORCA in 2023-24.

ORCA's senior class: There were 350 students enrolled in 12th grade at some point during the school year. 263 students were enrolled for the full academic year and of those students, 235, or 89 percent, graduated.

Twelve percent of this graduating class were accepted to four-year colleges, 30 percent were accepted to or plan on attending a two-year college and vocational programs, and the remainder have a variety of other exciting plans, including the military, missionary work, and contributing to Oregon's workforce. Over 50% of college-bound graduates received post secondary scholarships, including 50 students who are accessing the Oregon Promise Grant.

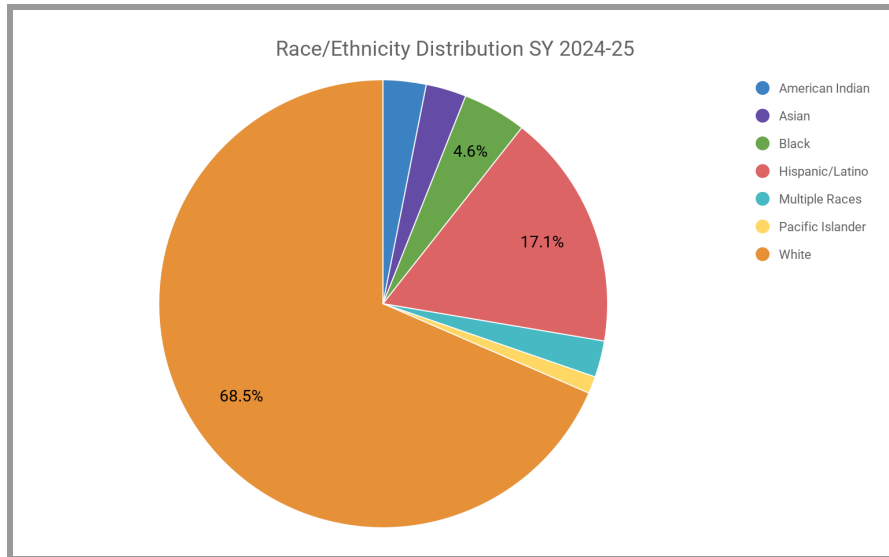
Oregon Charter Academy received funding for 2,838 students in 2024-25. Enrollment constraints include the three percent cap regulation which allows three percent of school-aged students within a district to enroll in a virtual charter school without the consent of the local district. ORCA continues to send reports of student enrollment twice a month to each district as the districts are responsible for calculating the three percent restriction. Notice of Intent to Enroll forms are sent to local districts for every student to inform the district that a student is considering enrollment at ORCA.

The ORCA student distribution by grade for 2024-25 is shown below. Tenth grade had the highest enrollment with 409 students (12.6 percent of the total) in 2023-24, which is in alignment with eleventh grade having the highest enrollment with 471 students (13.1 percent of the total) in 2024-25.





As of June 30, 2025, the minority population for 2024-2025 was 32 percent, which is two percent lower than in 2023-24. The largest minority group was “Hispanic or Latino” students, making up 17.1 percent of the total 2024-25 enrollment. The statewide Oregon minority percentage was 42.5 percent in 2024-25.



ORCA parents are asked to indicate their eligibility for free and reduced lunch as part of their application process by completing the “FARM” eligibility form. 76 percent of ORCA students/families completed FARM applications and 24 percent refused to report information. 41 percent who completed the application qualified for the Free or Reduced Meals program. This compares to 46 percent for ORCA in 2023-24.

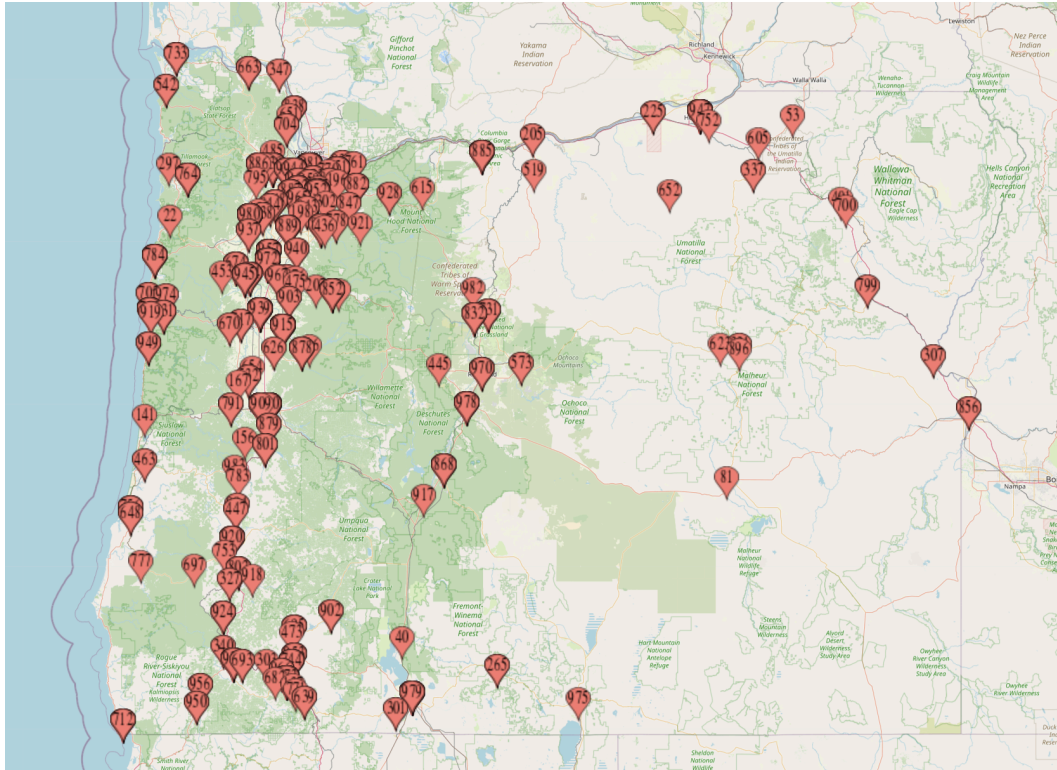
Of the actively enrolled ORCA students at the end of the school year, 648 had IEPs in 2024-25 compared to 556 in 2023-24. 24 percent of students with an IEP were classified as having Other Health Impairments; this was the highest classification followed closely by Specific Learning Disability at 23.5 percent.

ORCA maintains an ELL program consistent with state guidelines and employs an ELL-endorsed teacher to work with the school’s students who were found to be eligible for the program. During the 2024-25 school year, 105 students were in the ELL program at some point. The number varies by month due to movement in and out of the program as students test out or are identified as eligible. ORCA ensures that all students complete the Home Language Survey and assesses all students based on those results, as is required. It should be noted that ORCA provided specialized lessons and services for all eligible students. 51 students participated in the virtual ELPA assessment in 2024-25 and two students were able to exit the ELL program based on those results.

The following map demonstrates the geographic diversity of the school by showing the location of all students who were enrolled at some time during the school year.

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ORCA Enrolled Students 2024-25



Reasons for Choosing ORCA in 2024-25

To determine how well the school is meeting its original expectations for why students are enrolled, parents were asked to indicate if any of these statements applied to their children enrolled in ORCA. As is shown from these results, ORCA's original expectations for why the school would be selected continue to be validated by this data.

Which of the following describes a reason why you chose Oregon Charter Academy for your child/children?

- I do not want my child in a building during Covid 0.8%
- My child needs a flexible school option 35.9%
- ORCA provides a safe (social, physical and emotional safety)environment 23.9%
- I am not satisfied with my local district 22%
- I want to be more involved in my child's education 6.3%
- I believe virtual education is most relevant form of education 2.5%
- Other 8.6%



Report on Success in Meeting Annual Goals from Charter

Following are the school’s core goals, measurements and performance criteria as established in the current charter, as well as reports on ORCA’s success in achieving those goals in 2024-25.

Goal 1 – Test Results: All official published state test proficiency rates for the school will be within 90 percent of the state average. The calculation is a ratio of the school’s results to the state average for each tested subject-grade level. Each ratio is capped at 1.00 and a weighted average is computed based on the number of tests taken by students at the school. If an official pass rate and number of students tests counted are not available for a subject-grade level test, one will be computed using data maintained by the school.

2024-25 Result - Goal Met:

Grade	ORCA	State	Ratio
LA			
3	52%	40%	1
4	45%	42%	1
5	51%	47%	1
6	46%	42%	1
7	49%	44%	1
8	41%	42%	.98
11	62%	44%	1
Math			
3	46%	40%	1
4	38%	37%	1
5	31%	31%	.99
6	30%	29%	1
7	36%	32%	1
8	31%	29%	1
11	41%	20%	1
Science			
5	40%	30%	1
8	30%	27%	1
11	54%	33%	1
Average ratio from all grades/subjects combined = .998			



Goal 2 – Promotion: 95 percent of full academic year students will be promoted to the next grade for students enrolled in grades K-8. Also, ORCA’s annual graduation rate will continue to improve to be within 90% of the state averaged graduation rate by the end of the contract term.

2024-25 Result - Partially Met: 100 percent of full academic year students in grades K-8 were promoted and 62 percent of students in grades 9-11 earned at least one-fourth of the required high school credits. 88 percent of full academic year seniors graduated.

Goal 3 – Regular Attendees: ORCA’s regular attendee rate will continue to improve to be within 90% of the state published averaged by the end of the contract term.

2024-25 Result - Not Met : ORCA’s regular attendee rate was 62.8%.

Report on Success in Meeting 2024-25 Annual School Improvement Goals

A crucial part of ORCA’s plan for overall excellence is establishing clear academic and related goals for each student and for the school and implementing valid methods for measuring progress toward those goals. ORCA’s School Improvement Plan was the result of items or areas identified through parent surveys and discussions, teacher suggestions, test results, school operations, and outside reviews. Oregon Charter Academy’s focus is for “all” or “100 percent” of students to meet the goals, so ORCA recognizes when setting goals with those targets that attaining 100 percent of the goals is very challenging in practice.

Goal Description

Academic Growth: 95% of full-academic-year students in grades K-8 will demonstrate academic growth, measured by internal assessments and data monitoring throughout the school year, and 90% of full-academic-year high school students will earn 6 or more credits a year.

Goal 1

K-8: In reading and math, 90% of students will meet or exceed their targeted growth plan designated in the fall iReady diagnostic with a specific emphasis on achievement in each subgroup*.

2024-25 Result:

	Read	Math
All	49%	45%
FARM	46%	42%
ELL	50%	48%
SWD	44%	39%



504	56%	60%
A	53%	53%
B	40%	41%
I	55%	41%
P	50%	27%
M	71%	49%
H/L	43%	39%

Goal 2

High School: Successful course completion in core content area courses with a specific emphasis on each subgroup*.

- Language Arts: 85%
- Math: 80%
- Science: 90%
- Social Studies: 90%
- Applied Core: 85%
- CTE: 95%

2024-25 Result:

	LA	Math	Sci	SS	AC	CTE
All	80%	80%	84%	85%	85%	88%
FARM	76%	75%	79%	81%	80%	82%
ELL	62%	66%	68%	62%	66%	73%
SWD	76%	69%	80%	76%	77%	85%
504	77%	80%	84%	87%	86%	87%
A	80%	80%	91%	91%	86%	89%
B	70%	71%	75%	78%	81%	83%
I	82%	71%	84%	75%	82%	95%
P	83%	100%	100%	96%	98%	100%
M	89%	91%	88%	88%	90%	89%
H/L	76%	77%	79%	80%	81%	84%

Regular Attendees: ORCA's regular attendee rate will be within 90% of the state-published average.



Goal 1: Weekly attendance data will meet or exceed the target weekly attendance rates based on grade band with a specific emphasis on each subgroup*.

K-5: 94%

Middle School: 90%

High School: 85%

2024-25 Result: ORCA's state reported regular attendee rate was 62.8%.

	K-5	MS	HS
All	93%	89%	80%
FARM	91%	85%	78%
ELL	95%	90%	79%
SWD	91%	88%	80%
504	93%	88%	77%
A	94%	95%	85%
B	93%	85%	77%
I	89%	89%	82%
P	93%	88%	82%
M	97%	97%	90%
H/L	93%	86%	76%

Graduation: ORCA's annual graduation rate will be within 90% of the state-averaged graduation rate.

Goal 1: Graduation Rate - As calculated by the state, the 4-year graduation rate to be 72% or higher, and the 5-year graduation rate to be 78% or higher with a specific emphasis on achievement within each subgroup*. Note that for graduation rate, 504 students are included in students with disabilities.

2024-25 Result:

	4-Year	5-Year
All	76%	72%
FARM	61%	NA
ELL	86%	77%
SWD	62%	66%
504	**	**
A	90%	25%



B	75%	88%
I	71%	80%
P	NA	33%
M	75%	70%
H/L	77%	81%

Goal 2: High School On Track - As calculated by the state, 80% of students at each grade level will earn a total of 6 full credits towards graduation by the end of the school year with a specific emphasis on achievement within each subgroup*.

	9	10	11	12
All	63%	63%	62%	90%
FARM	57%	53%	56%	90%
ELL	36%	40%	53%	67%
SWD	54%	59%	48%	77%
504	57%	64%	51%	93%
A	60%	73%	80%	93%
B	65%	42%	62%	91%
I	47%	55%	53%	100%
P	100%	75%	80%	86%
M	85%	63%	64%	100%
H/L	52%	53%	52%	85%

*Subgroups include Low socioeconomic (FARM), English Learners (ELL), Special Education (SWD), 504 students, Race: Asian (A), African/American/Black (B), American Indian/Alaska Native (I), Native Hawaiian/Pacific Islander (P), Multiracial (M), and Ethnicity: Hispanic or Latino (H/L)

2025-26 School Improvement Planning Goals

ORCA is pleased with its progress toward its goals and objectives, but also notes that challenges remain. The ORCA governing board and the ORCA staff are committed to continuous school improvement and will continue to strive toward meeting the following goals for the 2025-26 school year.

In alignment with the goals outlined in the charter agreement, the School Improvement Plan (SIP) has three goals, and subgoals aligned to each goal. The goals and subgoals are:

1. **Academic Growth:** 95% of full-academic-year students in grades K-8 will demonstrate

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academic growth, measured by internal assessments and data monitoring throughout the school year, and 90% of full-academic-year high school students will earn 6 or more credits a year.

Sub-Goals:

- *K-8:* In reading and math, 90% of students will meet or exceed their targeted growth plan designated in the fall iReady diagnostic with a specific emphasis on achievement within the following groups:
 - Low socioeconomic, ELL, Special Education (SWD), 504, Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander, Ethnicity - Hispanic Latino
- *High School:* Successful course completion in core content area courses with a specific emphasis on the following subgroups:
 - Low socioeconomic, ELL, Special Education (SWD), 504, Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander, Ethnicity - Hispanic Latino

Target pass rates for 2024-25 are:

LA	Math	Science	Social Studies	Applied Core	CTE
85%	80%	90%	90%	85%	95%

2. **Regular Attendees:** ORCA's regular attendee rate will be within 90% of the state-published average.

Sub-Goal:

- Weekly attendance data will meet or exceed the target weekly attendance rates based on grade band with a specific emphasis on the following subgroups:
 - Low socioeconomic, ELL, Special Education (SWD), 504, Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander, Ethnicity - Hispanic Latino

K-5	6-8	9-12
94%	90%	85%

3. **Graduation:** ORCA's annual graduation rate will be within 90% of the state-averaged graduation rate.

Sub-Goals:

- *Graduation Rate:* As calculated by the state, the 4-year graduation rate to be 72% or higher, and the 5-year graduation rate to be 78% or higher with a specific emphasis on achievement within the following groups:



- Low socioeconomic, ELL, Special Education (SWD), 504, Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander, Ethnicity - Hispanic Latino
- *High School On Track:* As calculated by the state, 80% of students at each grade level will earn a total of 6 full credits towards graduation by the end of the school year with a specific emphasis on achievement within the following groups:
 - Low socioeconomic, ELL, Special Education (SWD), 504, Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander, Ethnicity - Hispanic Latino

Additional Benchmarks/Achievements

Ongoing Student Progress

The School Improvement Plan is a living document that will be part of our daily culture with staff. Data on this work will be pulled and reviewed with the board quarterly.

Accreditation

Oregon Charter Academy completed a full Accreditation Self-Study and hosted a site visit in March 2021, during which it was granted full accreditation through 2026. The school had been provisionally accredited since 2006 by the Northwest Accreditation Commission (NWAC). In 2012, NWAC officially became an accrediting division of AdvancED, and in 2020, AdvancED became Cognia. ORCA earned a score of 377.5 out of 400 during its 2021 site visit. The five-year average score for all schools in the Cognia network is 278.34 - 283.33. This led to ORCA being announced as one of Cognia's 79 International Schools of Distinction, awarded in the fall of 2021.

Financial Report

Oregon Charter Academy is required to prepare an annual budget and submit it for review to its board and its sponsor, the Santiam Canyon School District. It also is required to undergo a financial audit. The audit report for 2024-25 has been issued and the audited financial statements are attached under Exhibit F. The audit report is made available to parents, the Santiam Canyon School District Board, ODE, the State Board of Education, and others upon request. During 2024-25, the board designated its secretary and another member to serve as the audit committee; however, the audit will be presented to the entire board during its public meeting on January 28, 2026.

Based on the financial results of the school for 2024-25, ORCA's general fund balance as of June 30, 2025, was \$21,945,421.

For 2014-2015 government entities were required to implement GASB Statement no. 68 -Accounting and Financial Reporting for Pensions ("GASB 68"). ORCA adopted GASB Statement no. 68 -Accounting and Financial Reporting for Pensions ("GASB 68") in June 2015. In 2024-25, the effect of GASB 68 on ORCA's Total Net Position was (\$16,508,523).



ORCA applied for 501(c)(3) tax-exempt status by the Internal Revenue Service on Aug. 17, 2005, which was subsequently granted on May 26, 2006.

Conclusion

Oregon Charter Academy continues to make program improvements to meet the varied needs of students. This is highlighted through the work we have done to become an independent charter school beginning in the 2020-21 school year, which includes an updated Learning Management System and a dynamic, standards-aligned curriculum. ORCA is now designed to serve students' individual needs, and the staff can utilize the resources available to them to accomplish this.

Oregon Charter Academy's regular attendee data continues to be a challenge. This challenge includes continually developing strategies to address the chronically absent students and our ability to graduate students on time. Considerable focus and energy are dedicated to these areas. Graduation rates are closely tied to the fact that a substantial number of high school students enrolling in ORCA are deficient in the number of credits required at their grade level. Catching them up so that they may graduate on time is a significant challenge, but we remain committed to supporting all students and have bolstered our efforts in onboarding new students as well as in our credit recovery offerings and back-on-track plans to support these students.

Entering the school's 20th year of operation, and its 16th with seniors, ORCA's list of accomplished seniors continues to grow in the areas of academic excellence, sports, and fine arts. Evidenced by parent satisfaction and the increased number of returning students, ORCA looks forward to continued success, additional programs and supports, and commitment to its mission.



Exhibit A

School Profile

ABOUT OUR SCHOOL

OUR MISSION

The mission of Oregon Charter Academy is to prepare all students for success in a global society through an inclusive, rigorous, academic environment where students have daily live interaction with highly qualified teachers and continuous access to curriculum. Oregon Charter Academy staff partners with families in a transparent, collaborative school environment to support all students in their academic journey.

HISTORY

Oregon Charter Academy (ORCA) is an accredited, public school serving students in grades K–12 from across the state. Our students come from urban, suburban, and rural communities. Oregon Charter Academy was founded during the 2005–06 school year as a K–9 school. One grade level was then added per year and Oregon Charter Academy graduated its first 12th grade class in June of 2009.

OUR PROGRAM

Oregon Charter Academy includes a four-year comprehensive high school program with a high school enrollment of approximately 1100 students. Here are some important facts about Oregon Charter Academy: • Oregon Charter Academy is accredited by AdvancED. • Oregon Charter Academy has 157 certified/licensed professional staff, most holding advanced degrees. • School is in session 180 days between the months of August and June. • Students can earn up to 8.0 credits during the school year.

HIGH SCHOOL VIRTUAL VISITATION

College and University representatives are cordially invited to connect with our students through web-conferencing technology. A two-week advance notice is greatly appreciated so that we have time to notify students. For more information about setting up a web-conference session, please contact Marci Cammann at (971) 225-7467 or mcammann@oregoncharter.org.

ADVANCED COURSE OFFERINGS

Oregon Charter Academy offers a diverse and comprehensive curriculum, with courses in a wide range of disciplines. The core curriculum is geared toward preparing students for college and beyond. All science courses include hands-on laboratory units. Students have access to AP, Honors, College Preparatory, and Foundations programs, as well as advanced Career and Technical Education (CTE) pathways with opportunities to earn industry certifications prior. AP course offerings include: Calculus AB, Calculus BC, Statistics, English Language, English Literature, Environmental Science, Biology, and U.S. History. Honors course offerings include: Algebra, American Government, Biology, Chemistry, Economics, Physics, Language Arts 9–12, Geometry, Data Science, U.S. History, and World History. Please feel free to view all of our high school courses at www.oregoncharter.org.

CONTACT INFORMATION

www.oregoncharter.org
833 NW Santiam Blvd.
Mill City, OR 97360
Fax: 503-897-3376
Phone: 503-897-2272

SCHOOL ADMINISTRATION

Superintendent: Todd Miller
Executive Director: Allison Galvin
HS Principal: Joseph Mogford
ASCEND CTE Program Director: John Meyer
Sr. Mgr. of Counseling: Marci Cammann
High School Counselors: Shannon Churchill, Diana Hammond, Megan Kohl, Andrea Kyndhail, Sara Magas
Counseling Assistants: Brenna Merchant, Charity Vandehey
Registrar: Carie McCormick

ACCREDITATION



ELITE SCHOOLS TO WHICH STUDENTS WERE ACCEPTED:

- Cornell University
- Duke University
- Harvard University
- Mass. Institute of Technology
- Princeton University
- California Polytechnic Univ.
- University of Notre Dame

GRADUATION REQUIREMENTS

Oregon Charter Academy operates on a semester system utilizing Carnegie Units. One semester class equals one-half of a high school credit. Students who have taken high school level courses while in middle school may have been granted high school credit. The typical course load is six classes per semester.

24 Carnegie units of credit are required for graduation. Specific standard diploma requirements include:

Areas/Subject	Units for Graduation
Language Arts	4
Math*	3
Science**	3
Social Studies	3
Health	1
Physical Education	1
Humanities/CTE***	3
Career Education	1
Other Electives	5
Total	24

*At Algebra 1 or higher

**Including 2.0 credits of lab science

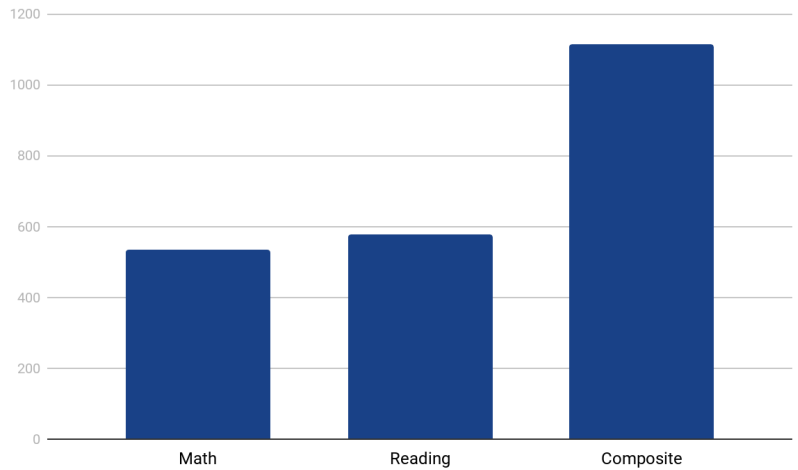
***Fine Arts, World Languages, Technology, Career Technical Education

Student transcripts reflect weighted grades if the student took Honors or Advanced Placement courses.

Class rank is calculated twice each year, at the end of each semester. Class rank is based upon the student's cumulative weighted G.P.A. for all high school courses, including transfer courses.

STUDENT PERFORMANCE

SAT SCORES FOR 2023-24



AP SCORES FOR 2023-24

- 91% of students scored a 3 or better
- 30% of students scored 5's

GRADE SCALE

Grade	Percentage	Passing	Non-Weighted	Weighted (Honors)	Weighted (AP)
A+	97 - 100	Yes	4.00	4.50	5.00
A	93 - 96	Yes	4.00	4.50	5.00
A-	90 - 92	Yes	3.67	4.17	4.67
B+	87 - 89	Yes	3.33	3.83	4.33
B	83 - 86	Yes	3.00	3.50	4.00
B-	80 - 82	Yes	2.67	3.17	3.67
C+	77 - 79	Yes	2.33	2.83	3.33
C	73 - 76	Yes	2.00	2.50	3.00
C-	70 - 72	Yes	1.67	2.17	2.67
D+	67 - 69	Yes	1.33	1.83	2.33
D	63 - 66	Yes	1.00	1.50	2.00
D-	60 - 62	Yes	0.67	1.17	1.67
F	0 - 59	No	0.00	0.00	0.00



Exhibit B

ORCA Field Trips

EVENT DATE	EVENT	LOCATION	REGION	# OF STUDENTS	# OF STAFF
SEPTEMBER 2024					
9/10/2024	Dream Job: Senior Editor	Virtual with Rubin Education	Virtual	2	1
9/12/2024	Tryon Creek Hike	Tryon Creek State Natural Area - Portland, OR	Portland Metro Area	4	2
9/13/2024	Open House	Santiam Elementary School - Mill City, OR	Mill City	302	Full Staff
9/26/2024	NASA Back to School Career Day	ORCA Large Zoom Room	Virtual	14	1
9/27/2024	Eugene Regional Meet & Greet	River Road Park - Eugene, OR	Eugene Area	19	16
9/27/2024	Portland East Regional Meet & Greet	Happy Valley Park - Happy Valley, OR	Portland Metro Area	20	22
9/27/2024	Portland West/North Coast Regional Meet & Greet	Mountain View Champions Park - Beaverton, OR	Portland Metro Area	40	27
9/27/2024	Southern Oregon Regional Meet & Greet	Don Jones Memorial Park - Central Point, OR	Southern Oregon Area	14	3
9/27/2024	Virtual Regional Meet & Greet: Amazing Animal Adaptations	April Bauguess Zoom Room	Virtual	15	2
9/27/2024	Salem-Keizer Chill and Chat at the Park (Regional Meet & Greet)	Keizer Rapids Park - Keizer, OR	Salem-Keizer Area	28	21
9/27/2024	Central Oregon Regional Meet & Greet	Alpenglow Park - Bend, OR	Central Oregon Area	10	15
9/27/2024	Eastern Oregon Regional Meet & Greet	Riverside Park Pavilion - La Grande, OR	Eastern Oregon Area	3	3
9/27/2024	South Coast Regional Meet & Greet	Ferry Road Park - North Bend, OR	South Coast Area	5	4
9/28/2024	Star Party	Adair County Park - Corvallis, OR	Salem-Keizer Area	0	2
OCTOBER 2024					
10/4/2024	FFA Informational Meeting	Jessica Morgan Zoom Room	Virtual	8	1
10/8/2024	Dream Job: Drone Operator	Virtual with Rubin Education	Virtual	1	3
10/10/2024	Live Tour of Monticello	Casey Comstock Zoom Room	Virtual	6	1
10/18/2024	Elementary Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	26	2
10/18/2024	Middle School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	42	4
10/18/2024	High School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	46	5
10/18/2024	TEACH-NW ARISS	ORCA Large Capacity Zoom Room	Virtual	26	1

EVENT DATE	EVENT	LOCATION	REGION	# OF STUDENTS	# OF STAFF
10/18/2024	5th Grade Catapult	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	14	3
10/23/2024	Dream Job: Dental Assistant	Virtual with Rubin Education	Virtual	1	1
10/25/2024	Regional Event: Mahaffy Ranch Pumpkin Patch	Mahaffy Ranch - Coos Bay, OR	South Coast Area	7	3
10/25/2024	Regional Event: Legends & Tombstones	Pioneer Cemetary - Salem, OR	Salem/Keizer Area	30	21
10/25/2024	Regional Event: Hoffman Farms Pumpkin Patch	Hoffman Farms - Beaverton, OR	Portland Metro Area	58	30
10/25/2024	Regional Event: Johnson Farms Pumpkin Patch	Johnson Farms - Eugene, OR	Eugene Area	65	18
10/25/2024	Regional Event: Liepold Farms Pumpkin Patch	Liepold Farms - Boring, OR	Portland Metro Area	10	19
10/25/2024	Regional Event: Fall Fun in Terrebonne!	Smith Rock Rand - Terrebonne, OR	Central Oregon Area	9	10
10/25/2024	Regional Event: Haytsack Rock Tidal Ecosystem	April Baugess Zoom Room	Virtual	13	1
10/25/2024	Regional Event: Cove Pick'N Patch	Cove Pick'N Patch - Cove, OR	Eastern Oregon Area	2	3
10/25/2024	Regional Event: The Pumpkin Patch at Blackberry Bog Farm	Blackberry Bog Farm - Astoria, OR	Middle/North Coast Area	3	1
10/25/2024	Regional Event: Pheasant Fields Farm Pumpkin Patch	Pheasant Fields Farm - Medford, OR	Southern Oregon Area	24	2
NOVEMBER 2024					
11/7/2024	Laser Tag & Games at Bullwinkles	Bullwinkles - Wilsonville, OR	Portland Metro Area	13	3
11/8/2024	NASA Live Stream from Wallops Flight Facility	ORCA Large Capacity Zoom Room	Virtual	15	1
11/13/2024	Willamette Valley Ag Expo	Linn County Fair & Expo - Albany, OR	Salem-Keizer Area	4	1
11/13/2024	Ag Sales Competition	Silverton High School - Silverton, OR	Salem-Keizer Area	5	1
11/15/2024	BLS Training	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	5	4
11/15/2024	NHS/NJHS Presents the Annual Club Fair	Dan West Zoom Room	Virtual	38	2
11/15/2024	Board Game Event at Guardian Games	Guardian Games - Aloha, OR	Portland Metro Area	12	2
11/15/2024	Exploring a Career as an ASL Interpreter	ORCA Large Capacity Zoom Room	Virtual	64	4
11/15/2024	Industry Tour of Vogets	Voget Meats, Inc. - Hubbard, OR	Portland Metro Area	6	1

EVENT DATE	EVENT	LOCATION	REGION	# OF STUDENTS	# OF STAFF
11/15/2024	Industry Tour of Vogets	Virtual via Jessica Morgan Zoom Room	Virtual	1	1
11/19/2024	Dream Job: Construction Manager	Virtual with Rubin Education	Virtual	0	1
11/22/2024	Elementary Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	25	1
11/22/2024	Middle School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	35	3
11/22/2024	High School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	31	2
11/26/2024	Tour of the American Museum of Natural History	Virtual via Michael Rodriguez Zoom Room	Virtual	15	1
DECEMBER 2024					
12/4/2024	Guest Speaker Kyle Wallace	Virtual via Erica Hand's Zoom Room	Virtual	10	1
12/6/2024	Virtual FFA Meeting	Virtual via Jessica Morgan's Zoom Room	Virtual	6	1
12/9/2024	Poetry Out Loud Workshop	Virtual via Stephanie Imig's Zoom Room	Virtual	2	1
12/11/2024	Guest Speaker Brian McLean of LAIKA Film Studion	Virtual via Erica Hand's Zoom Room	Virtual	17	1
12/13/2024	Elementary School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	20	2
12/13/2024	Middle School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	36	2
12/13/2024	High School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	33	2
12/13/2024	Ornament Making at Pottery Co.	The Pottery Company - Coos Bay, OR	South Coast Area	8	1
12/17/2024	NASA Live Stream: Gaining Traction on the Moon	Virtual via ORCA Large Capacity Zoom Room	Virtual	7	1
12/18/2024	Dream Job: Physical Therapist	Virtual with Rubin Education	Virtual	2	1
12/20/2024	Camas Planting	Hebert Farm and Natural Area - Corvallis, OR	Linn-Benton County Area	2	2
JANUARY 2025					
1/10/2025	Virtual FFA Meeting	Virtual via Jessica Morgan's Zoom Room	Virtual	11	1
1/10/2025	ORCA Winter Social	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	53	3
1/11/2025	HOSA Mock SLC	Tualatin High School - Tualatin, OR	Portland Metro Area	4	2
1/13/2025	NASA Live Stream: Gaining Traction on the Moon Pt. 2	Virtual via ORCA Large Capacity Zoom Room	Virtual	2	1
1/15/2025	NW Ag Show	Oregon State Fair & Expo Center - Salem, OR	Salem-Keizer Area	5	1

EVENT DATE	EVENT	LOCATION	REGION	# OF STUDENTS	# OF STAFF
1/17/2025	FFA District Creed and Public Speaking Competition	Chemeketa Community College - Salem, OR	Salem-Keizer Area	9	1
1/17/2025	Hospitality CTE: Harry Potter and the Goblet of Fire in Concert	The Hult Center - Eugene, OR	Eugene Area	0	1
1/24/2025	Poetry Out Loud Competition	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	5	1
FEBRUARY 2025					
2/7/2025	Regional Event: OMSI	OMSI - Portland, OR	Portland Metro Area	109	48
2/7/2025	Regional Event: DEFY Trampoline Park	DEFY - Eugene, OR	Eugene Area	61	10
2/7/2025	Regional Event: Game Day Fun!	Downtown Bend Library - Bend, OR	Central Oregon Area	0	12
2/7/2025	Regional Event: Get Air Salem	Get Air - Salem, OR	Salem-Keizer Area	42	44
2/7/2025	Regional Event: Let's Create Art!	Virtual via April Bauguess' Zoom Room	Virtual	5	7
2/7/2025	Regional Event: Charleston Marine Life Center	Charleston Marine Life Center - Coos Bay, OR	South Coast Area	5	2
2/7/2025	Regional Event: Marine Education Lab Experience	Hatfield Marine Science Center - Newport, OR	Middle & North Coast Area	8	1
2/11/2025	Dream Job: CNA	Virtual with Rubin Education	Virtual	3	1
2/20-2/22/2025	HOSA State Leadership Conference	Hyatt Regency - Portland, OR	Portland Metro Area	8	1
2/21/2025	FFA Meeting	ORCA Wilsonville Facility & Virtual	Portland Metro Area	14	1
2/26/2025	Dream Job: Large Scale Event Planner	Virtual with Rubin Education	Virtual	1	1
2/27/2025	Virtual School's Capitol Day	Willamette Heritage Center - Salem, OR	Salem-Keizer Area	2	3
2/27/2025	National Air and Space Museum Virtual Planetarium Show	Virtual via ORCA Large Capacity Zoom Room	Virtual	20	1
MARCH 2025					
3/4/2025	Oregon FFA Sectional Leadership Competition	Salt Creek Baptist Church - Dallas, OR	Salem-Keizer Area	1	1
3/7/2025	AHA BLS Training	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	2	2
3/7/2025	FFA Meeting	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	8	1
3/7/2025	SAT Prep Math Workshop	Virtual via Zoom	Virtual	4	3
3/10/2025	NASA Inflight Educational Downlink Live Broadcast	ORCA Wilsonville Facility - Wilsonville, OR and ORCA Large Capacity Zoom	Portland Metro Area and Virtual	344	--
3/11/2025	Dream Job: Rocket Launch Director	Virtual with Rubin Education	Virtual	0	1
3/14/2025	Regional Event: Eastern Oregon Preview Day	Eastern Oregon University - La Grande, OR	Eastern Oregon Area	0	2
3/14/2025	Regional Event: Chemistry Club Magic Show and Walking Tour of Eastern Oregon University	Eastern Oregon University - La Grande, OR	Eastern Oregon Area	5	2

EVENT DATE	EVENT	LOCATION	REGION	# OF STUDENTS	# OF STAFF
3/14/2025	Regional Event: Powell's Bookstore	Powells City of Books - Portland, OR	Portland Metro Area	39	32
3/14/2025	Regional Event: OSU-Cascades	OSU Cascades - Bend, OR	Central Oregon Area	1	7
3/14/2025	Regional Event: Oregon Coast Community College Campus Tour	Oregon Coast Community College - Newport, OR	North & Middle Coast Area	2	1
3/14/2025	Regional Event: Portland State University Tour	Portland State University - Portland, OR	Portland East Area	2	5
3/14/2025	Regional Event: Tour of Central Oregon Community College	Central Oregon Community College	Central Oregon Area	1	8
3/14/2025	Regional Event: Monmouth Walking Tour	Monmouth Oregon	Salem-Keizer Area	14	13
3/14/2025	Regional Event: Southwestern Oregon Community College Campus Tour	Southwestern Oregon Community College - Coos Bay, OR	South Coast Area	3	3
3/14/2025	Regional Event: Tour of Rogue Community College Table Rock Campus	Rogue Community College Table Rock Campus - White Chity, OR	Southern Oregon Area	2	3
3/14/2025	Regional Event: WOU Campus Tour	Western Oregon University - Monmouth, OR	Salem-Keizer Area	2	10
3/14/2025	Regional Event: Virtual College Tour	Virtual via Aprril Bauguess Zoom Room	Virtual	4	1
3/14/2025	Regional Event: Lane Community College Tour	Lane Community College - Eugene, OR	Eugene Area	5	14
3/14/2025	Regional Event: PCC SE Campus Tour	Portland Community College SE - Portland, OR	Portland Metro Area	3	5
3/16/2025	Science Olympiad State Tournament	University of Portland - Portland, OR	Portland Metro Area	13	2
3/19/2025	NW Youth Careers Expo	Oregon Convention Center - Portland, OR	Portland Metro Area	17	1
3/20-3/23	Oregon FFA State Convention	Deschutes County Fairgrounds - Redmond, OR	Central Oregon Area	3	1
3/21/2025	Elementary School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	19	2
3/21/2025	Middle School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	39	3
3/21/2025	High School Hangouts	ORCA Wilsonville Facility - Wilsonville, OR	Portland Metro Area	29	4
3/21/2025	Drama Clubs Prerecorded Performance of Student Written Play "Willow in the Woods"	Virtual via Large Capacity Zoom Room	Virtual	14	3
3/21/2025	SAT Prep Math Workshop	Virtual via Zoom	Virtual	2	3
APRIL 2025					
4/4/2025	FFA Meeting	ORCA Wilsonville Facility & Virtual	Portland Metro Area/Virtual	6	1
4/9/2025	Dream Job: Dietician	Virtual with Rubin Education	Virtual	1	2
4/10/2025	Japanese Internment Speaker	Virtual via Zoom	Virtual	2	1

EVENT DATE	EVENT	LOCATION	REGION	# OF STUDENTS	# OF STAFF
4/11/2025	Florence Coast Guard and Museum Field Trip	US Coast Guard Station - Florence, OR	South Coast Area	7	2
4/11/2025	SAT Math Preparation Workshop	Virtual via Zoom	Virtual	4	3
4/17/2025	Virtual Career Connection: Explore NASA's Telescopes	Virtual via Large Capacity Zoom Room	Virtual	4	1
4/18/2025	Oregon Zoo	Oregon Zoo - Portland, OR	Portland Metro Area	40	7
4/18/2025	Five Regions of the US	Virtual via Zoom	Virtual	10	2
4/18/2025	Middle School Spring Social "Swing into Spring!"	ORCA Wilsonville Facility	Portland Metro Area	62	2
4/25/2025	SAT Math Preparation Workshop	Virtual via Zoom	Virtual	2	3
4/25/2025	5th Grade Outdoor School	Hopkins Demo Forest - Oregon City, OR	Portland Metro Area	35	5
4/25/2025	FFA Meeting	ORCA Wilsonville Facility & Virtual	Portland Metro Area/Virtual	5	1
4/26/2025	PROM!	Chemeketa Eola Campus - Salem, OR	Salem-Keizer Area	103	6
4/26/2025	Oregon State FFA Veterinary Science Competition	Oregon State University - Corvallis, OR	Linn-Benton County Area	5	1
4/27/2025	Ag Fest	Oregon State Fairgrounds - Salem, OR	Salem-Keizer Area	5	1
MAY 2025					
5/2/2025	Envirothon	Oregon Garden - Silverton, OR	Salem-Keizer Area	5	1
5/2/2025	Author Visit and Read-Aloud: "Ellowyn's Kitchen Chaos"	Virtual via Zoom	Virtual	9	4
5/9/2025	Music Club Showcase	Virtual via Zoom	Virtual	19	3
5/9/2025	NWUCA Construction Career Day	NW College of Construction - Portland, OR	Portland Metro Area	2	2
5/16/2025	Spring Celebration	Linn County Fairgrounds and Expo Center - Albany, OR	Albany	376	Full Staff
5/23/2025	FFA End of Year Celebration	ORCA Wilsonville Facility & Virtual	Portland Metro Area	8	1
5/23/2025	Amphibious Forces Memorial Musuem	Amphibious Forces Memorial Museum	Portland Metro Area	7	1
5/23/2025	Partners in Science Research Experience	Virtual via Zoom	Virtual	3	1
5/23/2025	Memorial Day Flag Planting	Restlawn Memorial Gardens - Salem, OR	Salem-Keizer Area	4	2
5/30/2025	Regional Event: Leaping Lamb Farm	Virtual via Zoom	Virtual	3	2
5/30/2025	Regional Event: Bowling at Lava Lanes Bend	Lava Lanes - Bend, OR	Central Oregon Area	11	8
5/30/2025	Regional Event: Bowling at Desert Lanes	Desert Lanes - Hermiston, OR	Eastern Oregon Area	17	3
5/30/2025	Regional Event: Bowling at First Bowl	Firs Bowl - Eugene, OR	Eugene Area	31	16
5/30/2025	Regional Event: Bowling at Muggly's	Muggly's Bowl - Toledo, OR	Middle & North Coast Area	28	1
5/30/2025	Regional Event: Bowling at Mt. Hood Lanes	Mt. Hood Lanes - Gresham, OR	Portland Metro Area	29	21



Exhibit C

Student Clubs



Exhibit D

Parent Satisfaction Survey

Parent Survey 2024-2025

run on 03/02/2025



surveys

Custom Survey

1 survey(s) 135 response(s)

Report Filters**School:**
N/A**Ethnicity:**
N/A**Tag:**
N/A**Gender:**
N/A**Grade:**
N/A**Race:**
N/A**Years Attended:**
N/A

Parent Survey 2024-2025

Demographics

Number of Responses | Percentages of Total Responses

1. Gender

Male 19 14%

Female 113 86%

132 respondents

2. Race

American Indian/Alaskan Native 4 3%

Asian 6 5%

Black/African American 4 3%

White 121 95%

Native Hawaiian/Other Pacific Islander 1 1%

128 respondents

3. Ethnicity

Hispanic or Latino 14 11%

Not Hispanic or Latino 114 89%

128 respondents

4. Grade

K 1%

1 1%

2 6 4%

3 6 4%

4 7 5%

5 5 4%

6 18 13%

7 22 16%

8 22 16%

9 17 13%

10 20 15%

11 29 21%

12 15 11%

135 respondents

5. Years Attended

This is our first year 41 30%

1 year 10 7%

2 years 20 15%

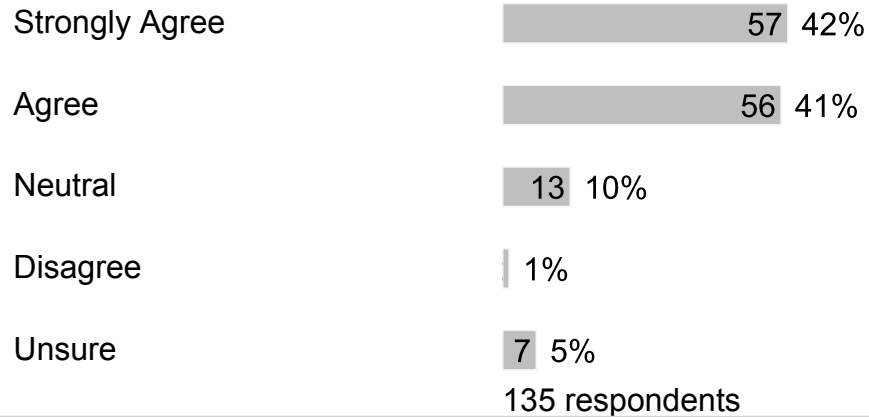
3 years 12 9%

More than 3 years 52 39%

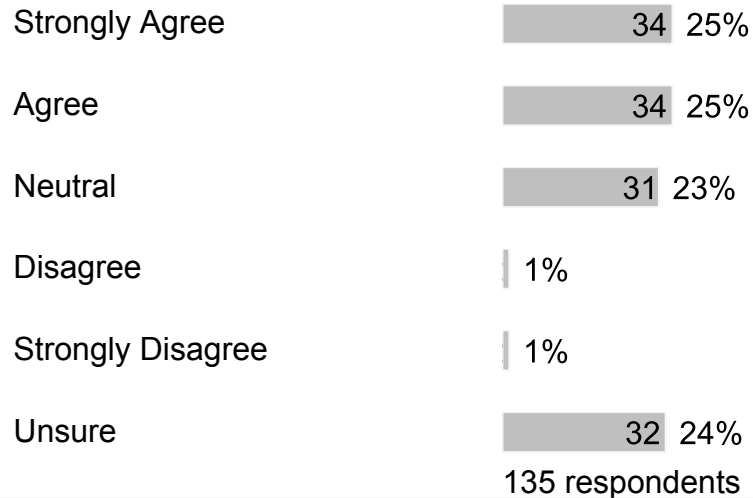
135 respondents

C. Mission and Vision

1. Our school's mission statement is clearly focused on student success.



2. Our school's mission statement is formally reviewed and revised with involvement from parents.



3. Our school has established goals and a plan for improving student learning.



Neutral 14 10%

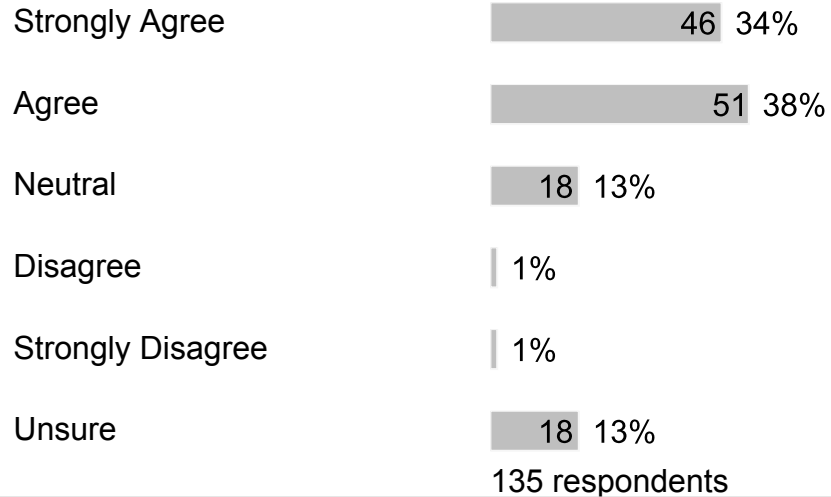
Disagree 3 2%

Unsure 8 6%

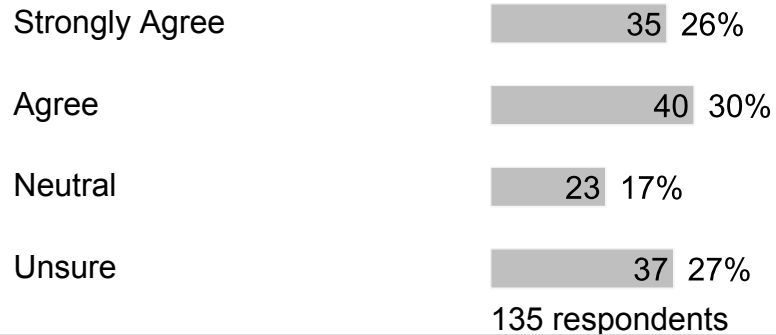
135 respondents

D. Governance and Leadership

1. Our school's governing body operates responsibly and functions effectively.



2. Our school's governing body does not interfere with the operation or leadership of our school.



3. Our school has high expectations for students in all classes.



Disagree 3 2%

Unsure 9 7%

135 respondents

4. Our school shares responsibility for student learning with its stakeholders.

Strongly Agree 38 28%

Agree 46 34%

Neutral 18 13%

Disagree 1 1%

Unsure 32 24%

135 respondents

5. Our school communicates effectively about the school's goals and activities.

Strongly Agree 55 41%

Agree 63 47%

Neutral 10 7%

Disagree 3 2%

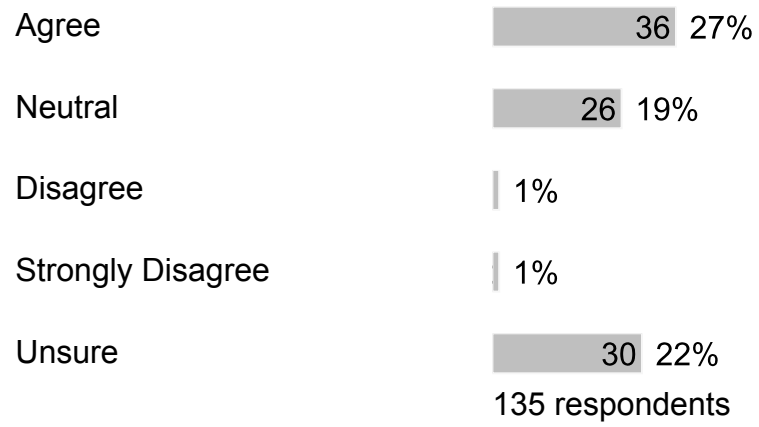
Strongly Disagree 1 1%

Unsure 1 1%

135 respondents

6. Our school provides opportunities for stakeholders to be involved in the school.

Strongly Agree 40 30%



E. Teaching and Assessing for Learning

1. Teachers provide an equitable curriculum that meet my child's learning needs.

Strongly Agree 54 40%

Agree 56 41%

Neutral 15 11%

Disagree 6 4%

Strongly Disagree 1 1%

Unsure 3 2%

135 respondents

2. Teachers give work that challenges my child.

Strongly Agree 59 44%

Agree 52 39%

Neutral 16 12%

Disagree 3 2%

Unsure 5 4%

135 respondents

3. Teachers use a variety of teaching strategies and learning activities.

Strongly Agree 55 41%

Agree 57 42%

Neutral	14	10%
Disagree	1	1%
Strongly Disagree	1	1%
Unsure	6	4%

135 respondents

4. Teachers meet my child's learning needs by individualizing instruction.

Strongly Agree	43	32%
Agree	48	36%
Neutral	20	15%
Disagree	11	8%
Strongly Disagree	3	2%
Unsure	10	7%

135 respondents

5. My child's teachers help me to understand my child's progress.

Strongly Agree	50	37%
Agree	46	34%
Neutral	26	19%
Disagree	6	4%
Strongly Disagree	3	2%

Unsure 4 3%
135 respondents

6. Teachers keep me informed regularly of how my child is being graded.

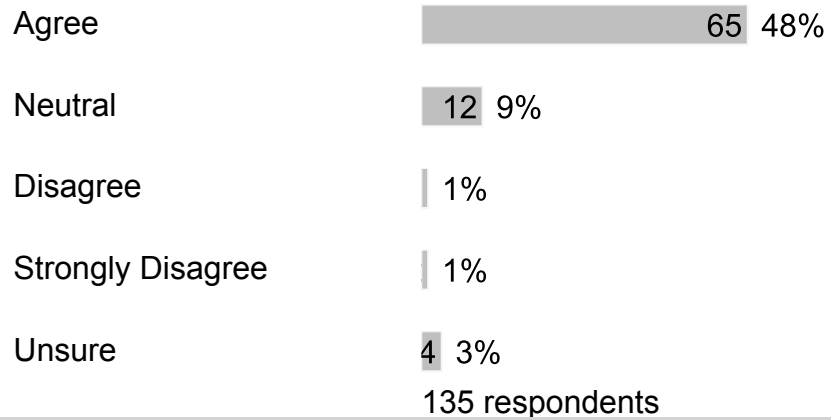
Strongly Agree 47 35%
Agree 49 36%
Neutral 26 19%
Disagree 8 6%
Strongly Disagree 4 3%
Unsure 1 1%
135 respondents

7. My child sees a relationship between what is being taught and their everyday life.

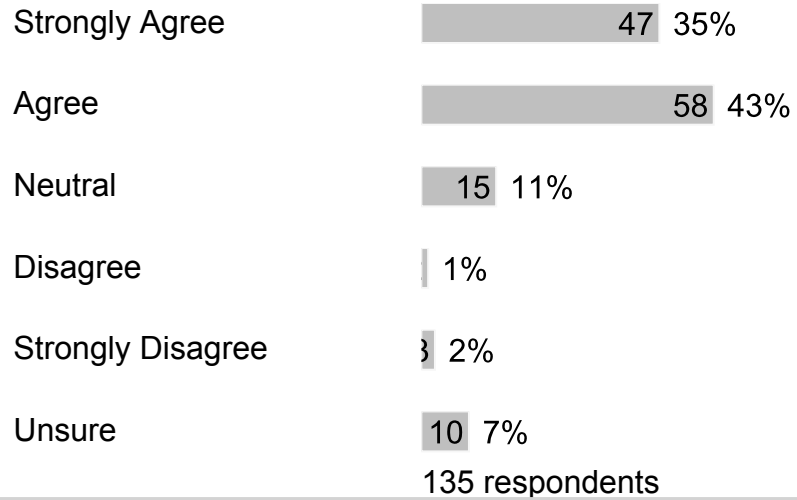
Strongly Agree 32 24%
Agree 59 44%
Neutral 20 15%
Disagree 11 8%
Strongly Disagree 4 3%
Unsure 9 7%
135 respondents

8. My child knows the expectations for learning in all classes.

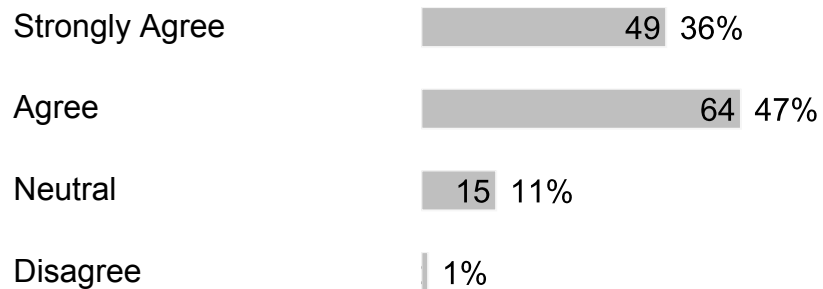
Strongly Agree 51 38%



9. My child has at least one adult advocate in the school.



10. My child is given multiple opportunities to demonstrate learning.



Strongly Disagree | 1%

Unsure 4 3%

135 respondents

11. My child has up-to-date computers and other technology to learn.

Strongly Agree 57 42%

Agree 61 45%

Neutral 10 7%

Disagree 5 4%

Strongly Disagree | 1%

135 respondents

12. My child has access to support services based on his/her identified needs.

Strongly Agree 50 37%

Agree 52 39%

Neutral 24 18%

Disagree | 1%

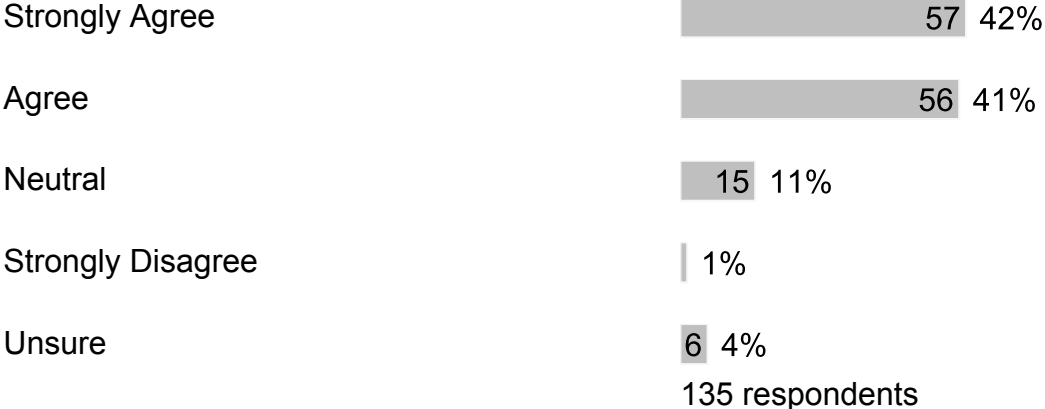
Strongly Disagree 3 2%

Unsure 5 4%

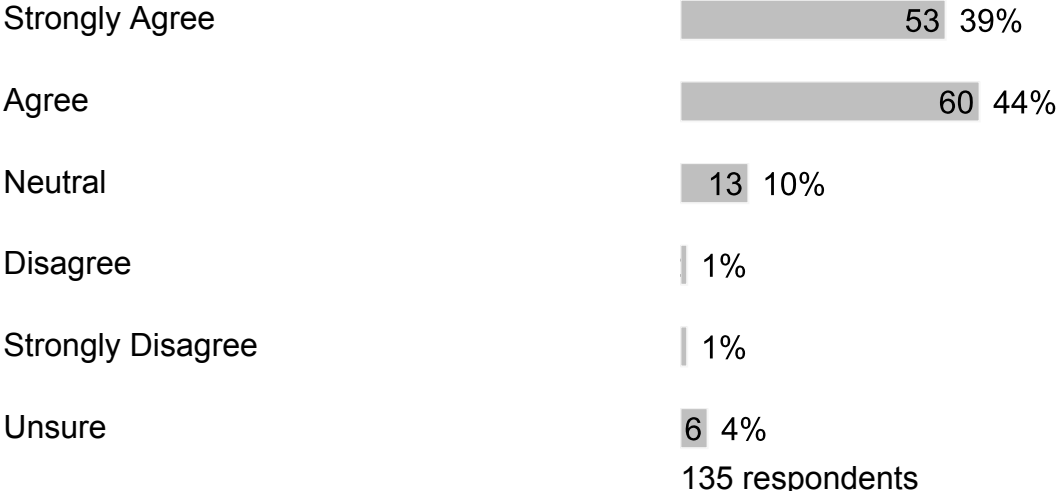
135 respondents

F. Resources and Support Systems

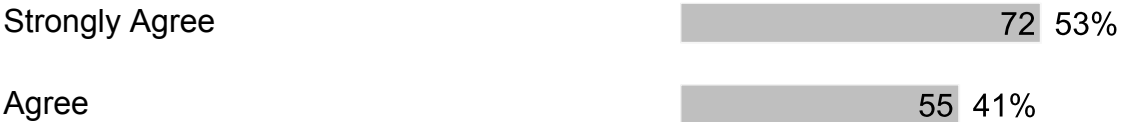
1. Our school provides qualified staff members to support student learning.



2. Our school provides an adequate supply of learning resources that are current and in good condition.



3. Our school provides a safe learning environment.



Neutral	7	5%
Unsure	1	1%
135 respondents		

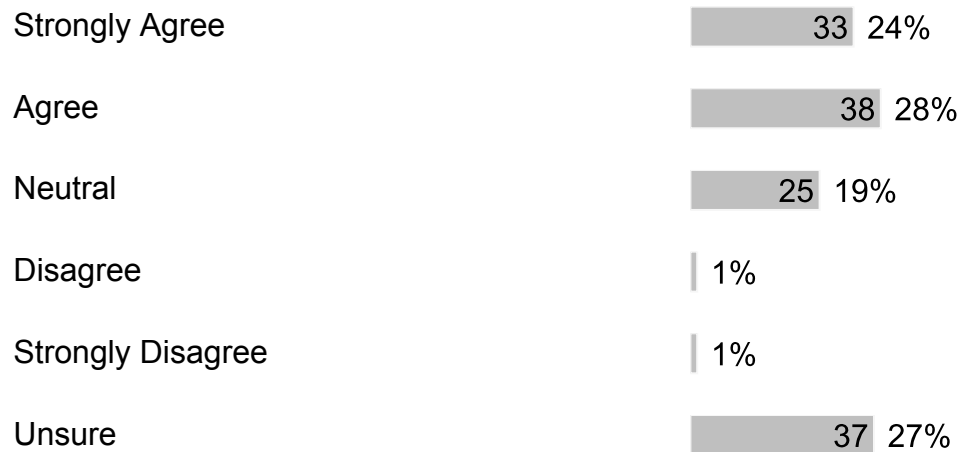
4. Our school provides excellent support services (e.g., counseling, and/or career planning).

Strongly Agree	51	38%
Agree	48	36%
Neutral	22	16%
Disagree	1	1%
Strongly Disagree	3	2%
Unsure	9	7%
135 respondents		

5. Our school provides opportunities for students to participate in activities that interest them.

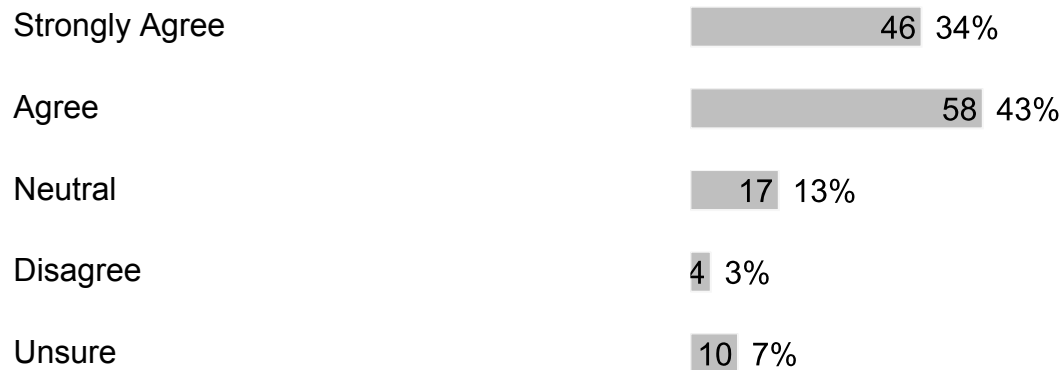
Strongly Agree	48	36%
Agree	60	44%
Neutral	17	13%
Disagree	7	5%
Strongly Disagree	1	1%
Unsure	1	1%
135 respondents		

6. Our school ensures the effective use of financial resources.



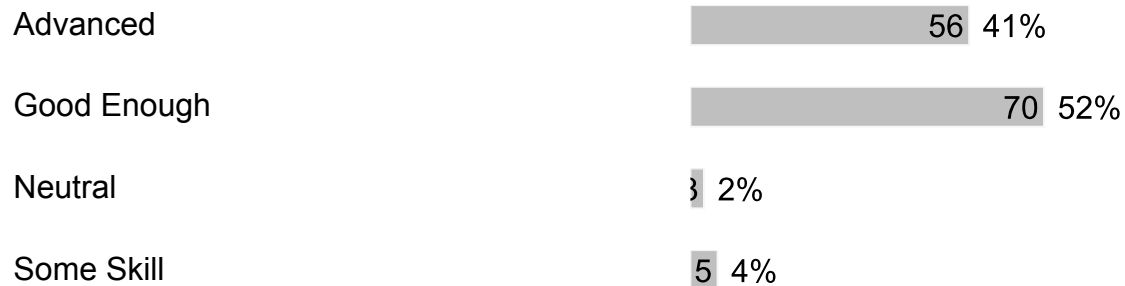
135 respondents

7. Our school ensures that instructional time is protected and interruptions are minimized.



135 respondents

8. On a scale of 1 - 5, with 1 being the lowest and 5 being the highest, how would you rate your own skills of using technology (smart phone, computer, etc.) to use our school systems (Canvas, Email, etc.)?



Beginner | 1%
135 respondents

9. With what type of technology do you regularly access our school systems? Check any that apply.

Computer | 104 77%

Mobile Device (Phone, Tablet, etc.) | 99 73%

None of the above | 1%

135 respondents

10. How frequently do you access our school systems to check on your student(s)' academic progress or attendance/engagement progress?

Daily | 63 47%

Weekly | 49 36%

Sometimes | 15 11%

Rarely | 8 6%

135 respondents

11. Which academic support(s) would benefit your child(ren)? Check any that apply.

Student Peer Tutoring | 27 20%

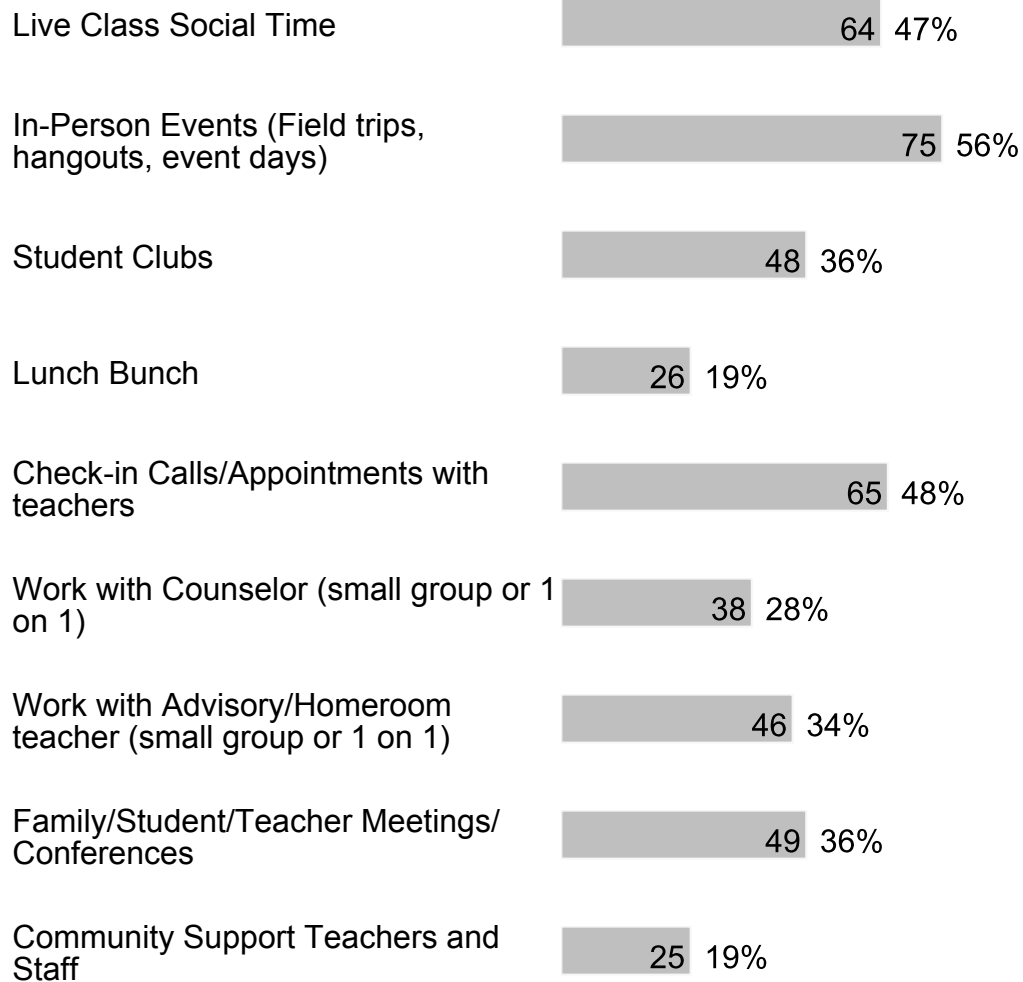
Small Instructional Student Groups | 52 39%

Teacher Open Offices | 66 49%



135 respondents

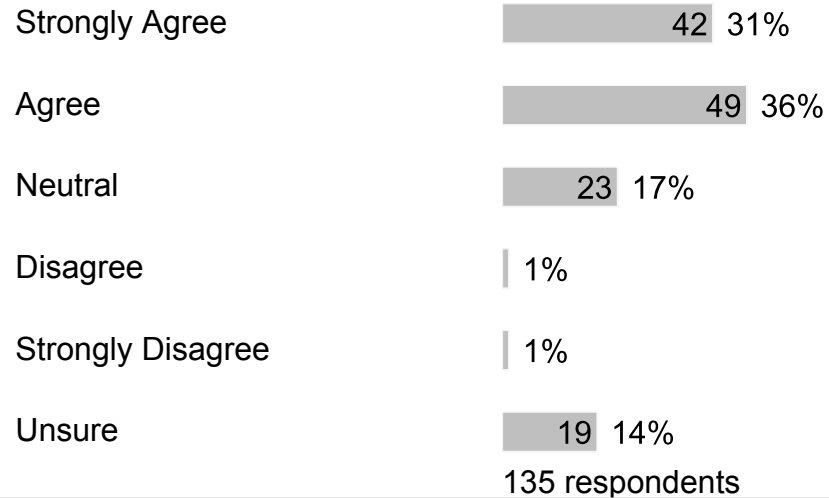
12. Which engagement support(s) would benefit your child(ren) in regular attendance and engagement at school? Check any that apply.



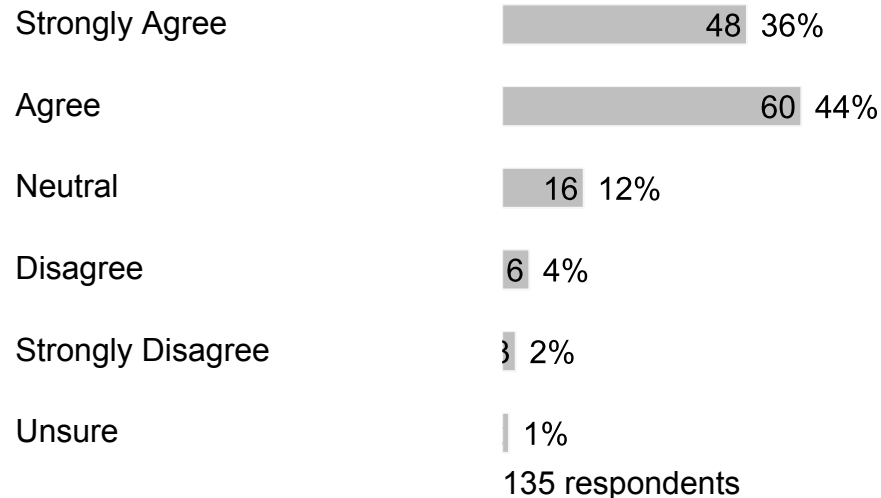
135 respondents

G. Using Results for Continuous Improvement

1. Our school ensures that all staff members monitor and report the achievement of school goals.

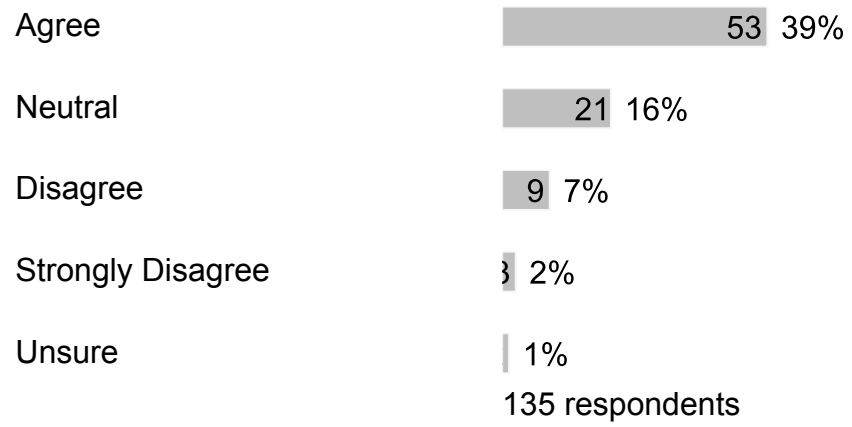


2. My child is prepared for success in the next school year.



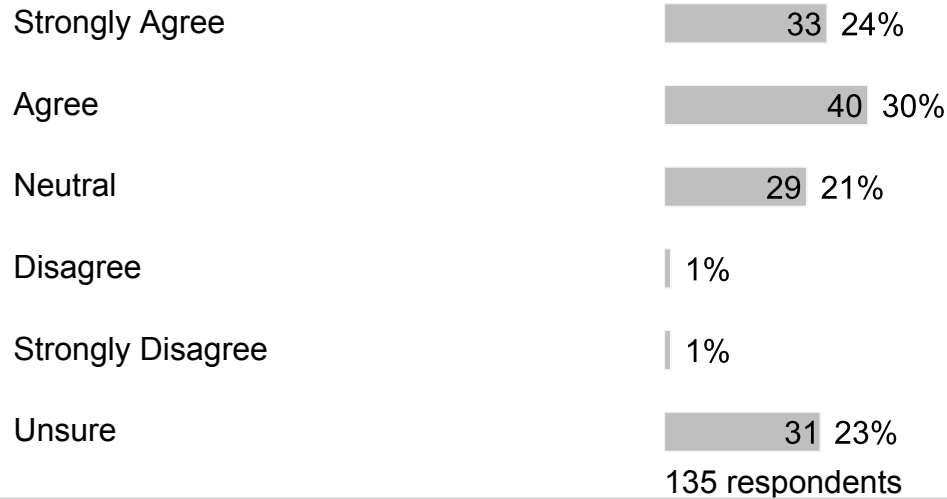
3. My child has administrators and teachers that monitor and inform me of their learning progress.



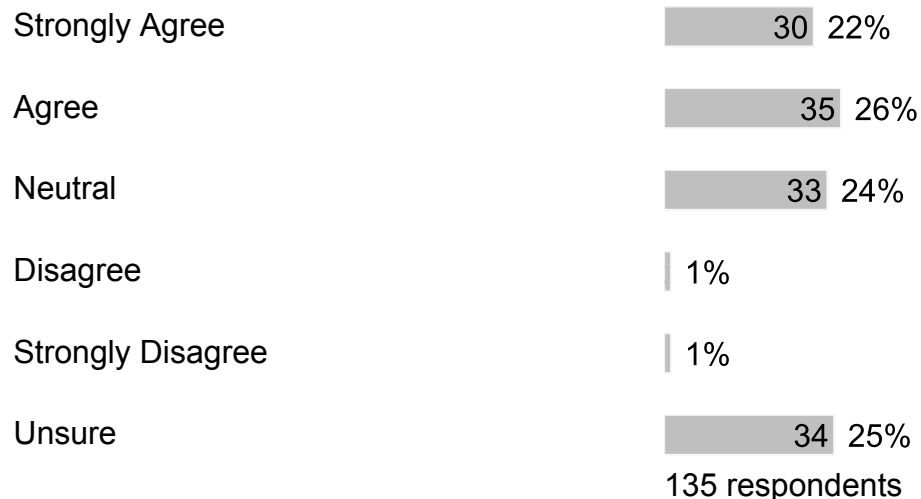


H. Community Engagement

1. My student's school addresses bias or discrimination toward my student's cultural, ethnic, language, disability status, economic, or gender group.



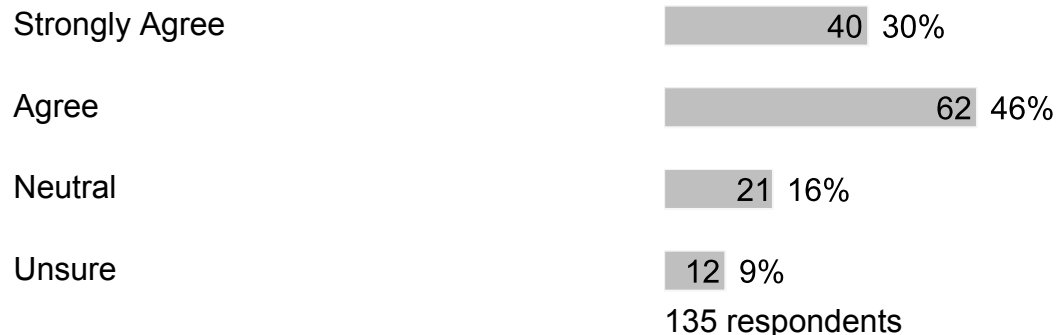
2. My student's racial and cultural diversity is recognized and discussed in a constructive way that includes staff and families (such as at family meetings, community events, school council meetings, discussion groups, etc).



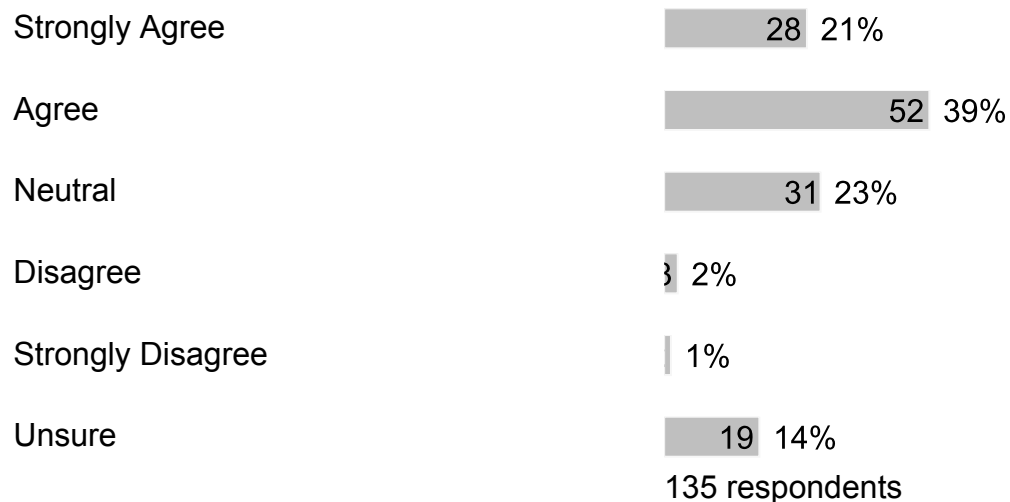
3. What are some things the school could do to support your student's cultural identity or lived experience?

Free form text answers are available in the exported CSV report

4. Students in the school treat my child with respect.



5. My student feels seen and cared for by their peers.



6. Teachers are interested in my student's well-being.



Strongly Disagree | 1%

Unsure 8 6%

135 respondents

7. I, or family members, have opportunities to voice our opinions to teachers about our student's experiences and education.

Strongly Agree 51 38%

Agree 54 40%

Neutral 18 13%

Disagree | 1%

Strongly Disagree | 1%

Unsure 9 7%

135 respondents

8. It is easy for me, or family members, to bring up problems or concerns with the principal, teachers, and/or counselors at school.

Strongly Agree 47 35%

Agree 57 42%

Neutral 19 14%

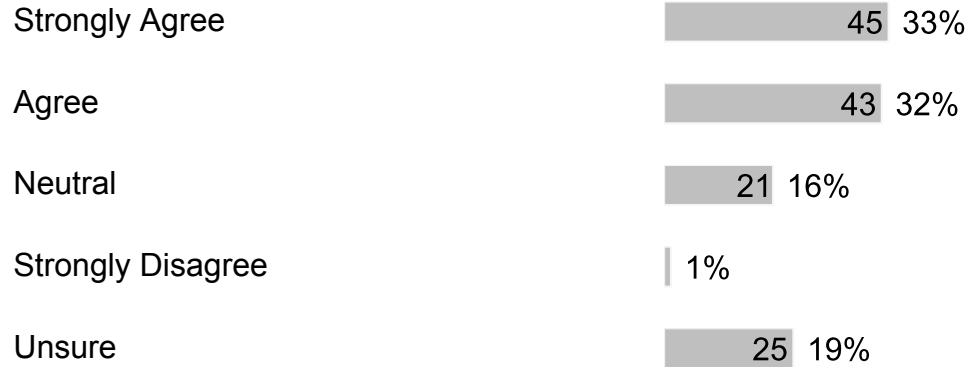
Disagree | 1%

Strongly Disagree | 1%

Unsure 9 7%

135 respondents

9. Staff members or interpreters who use my primary language are available during the school day to support families.

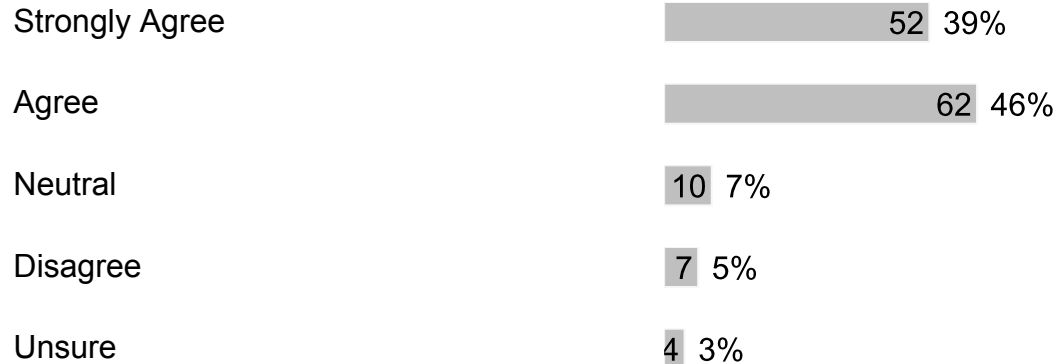


135 respondents

10. What are some steps the school could take to support your student's progress toward graduation?

Free form text answers are available in the exported CSV report

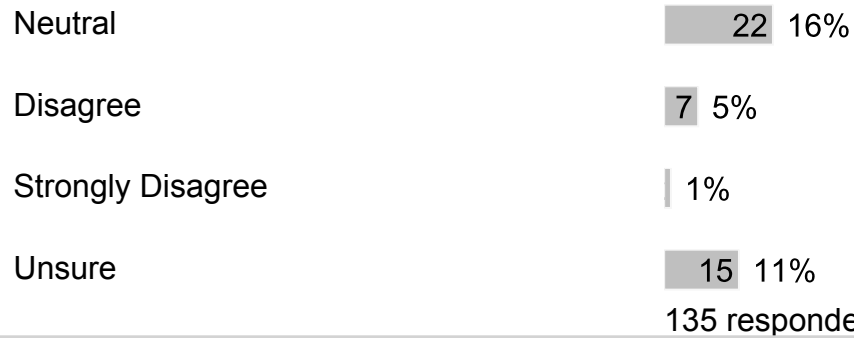
11. I know and understand how my student is being graded or evaluated in their learning.



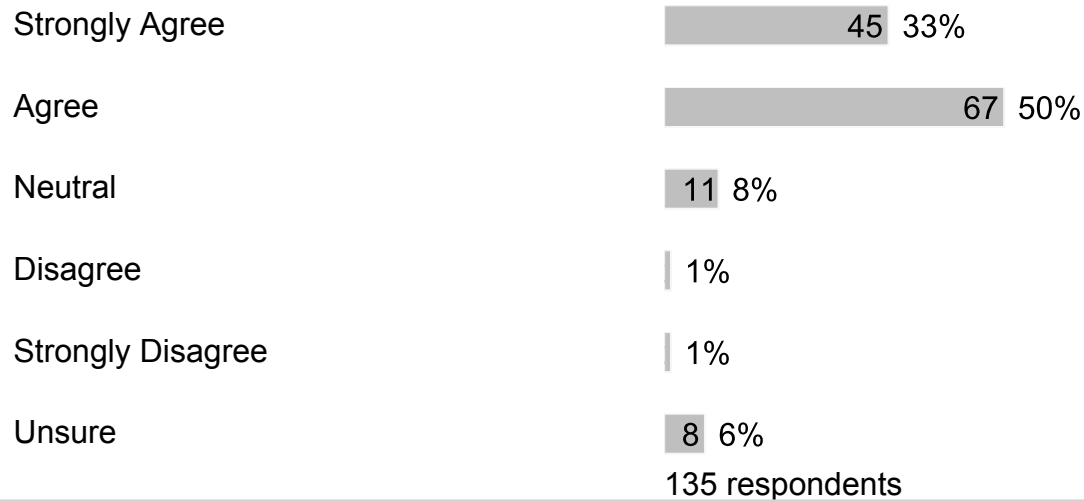
135 respondents

12. The school changes or adapts teaching methods, practices, and/or lessons based on the needs of my student.

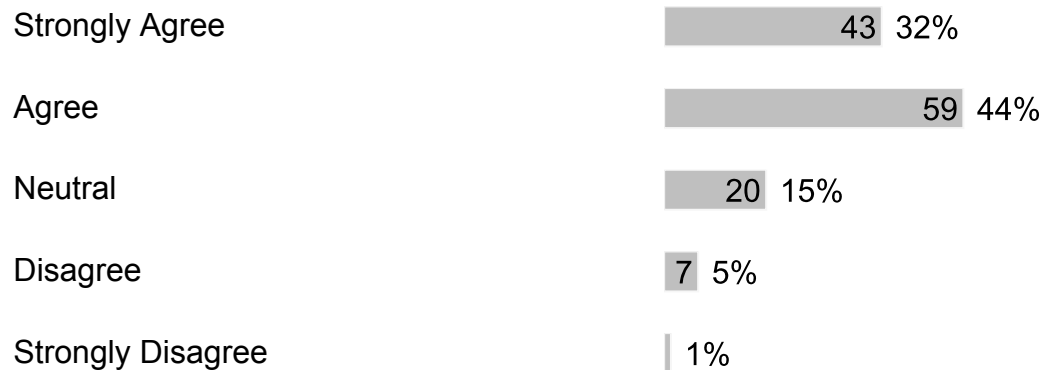




13. My student has opportunities to demonstrate understanding to peers and teachers.



14. My student has opportunities to take courses that are of interest to them.



Unsure 5 4%
135 respondents

15. I, or family members, know how college credit earned while in high school will help our student gain employment, be applied to a career pathway certificate, or college degree.

Strongly Agree 36 27%
Agree 46 34%
Neutral 28 21%
Disagree 7 5%
Unsure 18 13%
135 respondents

16. My student has a wide selection of Career Technical course (such as Agriculture, Computers, Design, Health Sciences, etc) available to choose from in their school that will prepare them for a current or future good paying occupation.

Strongly Agree 23 17%
Agree 50 37%
Neutral 27 20%
Disagree 1 1%
Strongly Disagree 4 3%
Unsure 29 21%
135 respondents

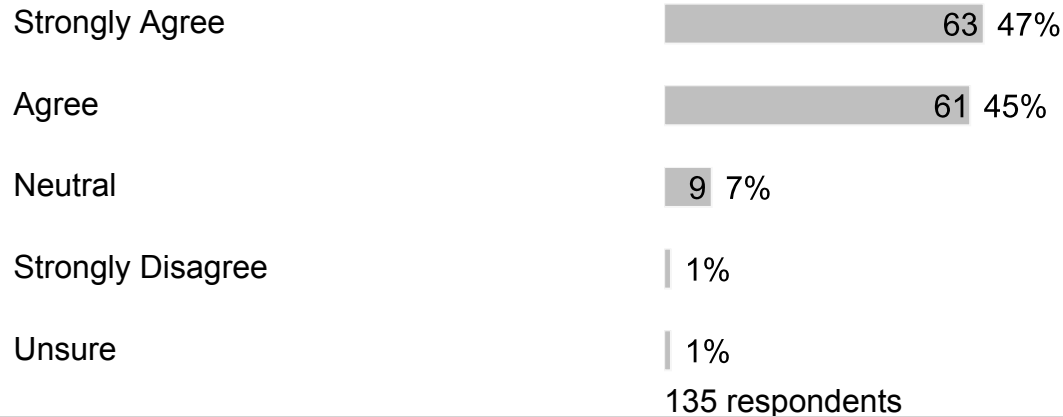
17. What courses would you like to be available for your student that aren't currently offered?

Free form text answers are available in the exported CSV report

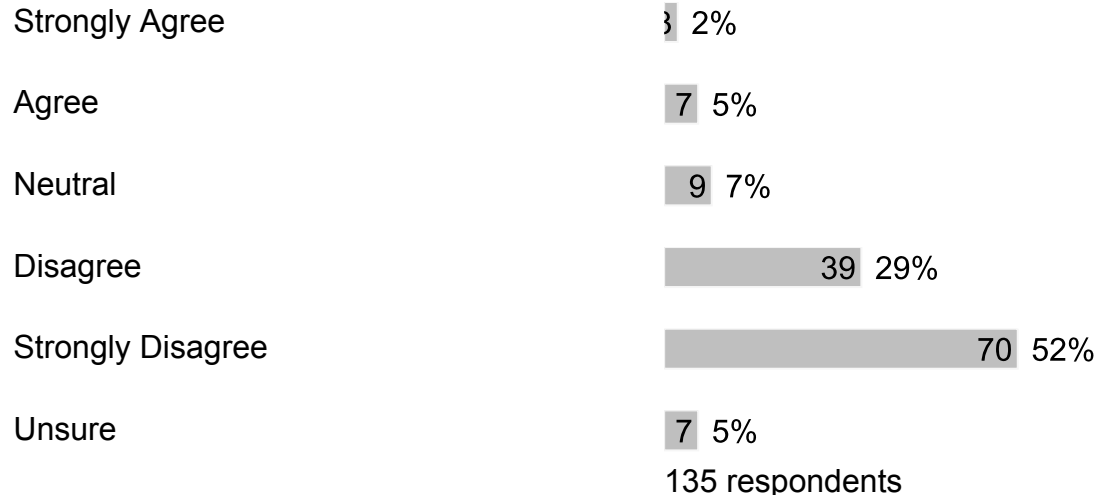
18. What is something school leaders could do to increase your student's sense of social and emotional security and their well being?

Free form text answers are available in the exported CSV report

19. My student feels protected from harm or danger at their school.



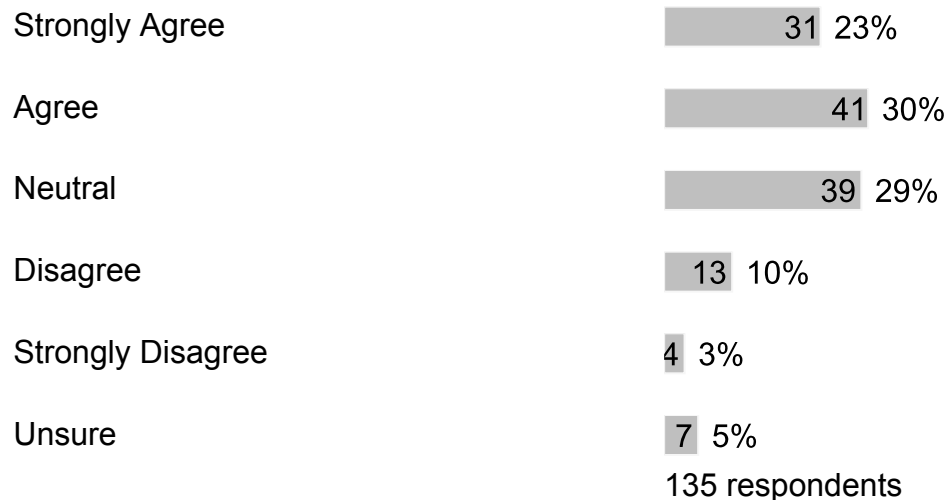
20. Students bully or harass my student online.



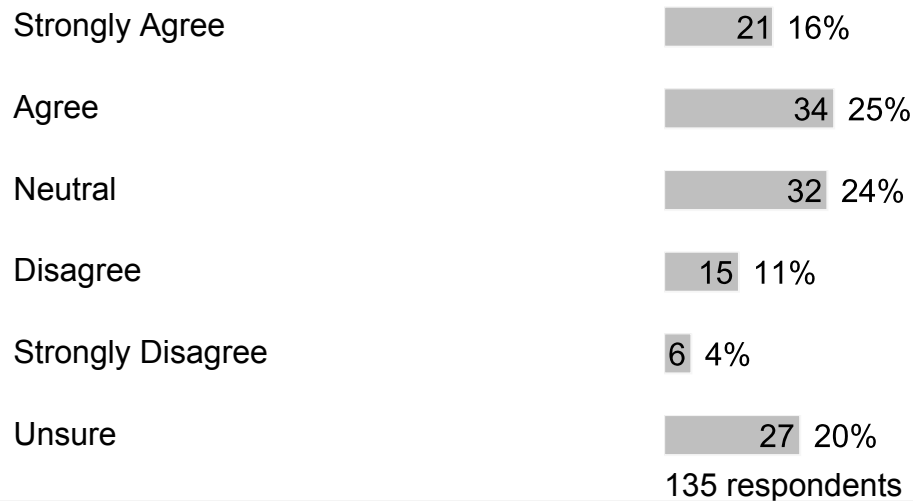
21. What are some steps the school could take to support your student's sense of belonging and inclusion?

Free form text answers are available in the exported CSV report

22. I am satisfied with the choice of school activities (e.g., clubs, field trips, events) outside of the regular school hours.



23. I understand what the ASCEND (Career Technical Education) program is and how it can benefit my student?



24. What are some things about the school that have had a positive impact on your student's education?

Free form text answers are available in the exported CSV report

25. What are some things the school could do to improve relationships between students, teachers, and other school staff?

Free form text answers are available in the exported CSV report

I. Open Ended Questions

1. What do you like best about Oregon Charter Academy?

Free form text answers are available in the exported CSV report

2. What you do like least about Oregon Charter Academy?

Free form text answers are available in the exported CSV report

3. What is one suggestion you would like to offer to improve our school?

Free form text answers are available in the exported CSV report

4. What do you wish you knew on day one at ORCA?

Free form text answers are available in the exported CSV report

5. What advice would you give to parent of a new student at ORCA?

Free form text answers are available in the exported CSV report



Exhibit E

2024-25 School Improvement Plan



School Improvement Plan
2024-25



Preamble:

When crafting the 2024-25 school year goals, Oregon Charter Academy leads with genuine commitment to our mission to prepare **ALL** of our students for success in a global society. With that guiding principle in mind, the measurements by which we are basing our success show evidence of a continuum of growth where we will incrementally increase our success rates, building victory upon victory.

Overall, there will be alignment between the goals outlined in the school improvement plan (SIP) and the charter contract. Initiatives, professional development, and processes and procedures will be driven by these three goals.

1. **Academic Growth**: 95% of full-academic-year students in grades K-8 will demonstrate academic growth, measured by internal assessments and data monitoring throughout the school year, and 90% of full-academic-year high school students will earn 6 or more credits a year.
2. **Regular Attendees**: ORCA's regular attendee rate will be within 90% of the state-published average.
3. **Graduation**: ORCA's annual graduation rate will be within 90% of the state-averaged graduation rate.

All goals will be evaluated quarterly on November 1, January 27, April 4, and June 13.



Academic Growth

Goal: 95% of full-academic-year students in grades K-8 will demonstrate academic growth, measured by internal assessments and data monitoring throughout the school year, and 90% of full-academic-year high school students will earn 6 or more credits a year.

Sub-Goals:

1. K-8: In reading and math, 90% of students will meet or exceed their targeted growth plan designated in the fall iReady diagnostic with a specific emphasis on achievement within the following groups:
 - a. Low socioeconomic
 - b. ELL
 - c. Special Education (SWD)
 - d. 504
 - e. Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander
 - f. Ethnicity: Hispanic Latino

2. High School: Successful course completion in core content area courses with a specific emphasis on the following subgroups:
 - a. Low socioeconomic
 - b. ELL
 - c. Special Education (SWD)
 - d. 504
 - e. Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander
 - f. Ethnicity: Hispanic Latino

Target pass rates for 2024-25 are:

LA	Math	Science	Social Studies	Applied Core	CTE
85%	80%	90%	90%	85%	95%



Academic Growth - Action Plan

Goal	Evidence-Based Practice/ Strategy	Grade Band	Expectations	Responsible Persons Involved	Resources/PD	Timeline	Measurement of Progress
SG1	Prioritization of iReady Usage	K-8	Use of iReady or IXL individual pathway assignments to practice standards-based skills regularly. (1 lesson passed a week at a minimum)	K-8 Staff	IXL and i-Ready lessons	Ongoing, beginning September 3	Usage report.
SG1, SG2	6-12 Peer Tutoring	6-12	Weekly availability for peer tutoring support at least 2x per week	6-12 Staff		Ongoing, beginning October 1	
SG1	Core course intervention classes in grades 6-8	6-8	Students in need of foundational support will be enrolled in intervention courses.	MS Admin and staff	Intervention courses are built to meet the individual needs of students.	Ongoing	Increased achievement in core courses.
SG1	Oral reading assessments with all elementary students	K-5	Baseline with all students. Progress monitoring with below grade level.	K-5 Staff	Sounds to Spelling, i-Ready	Ongoing, beginning September 3	Teacher data tracking.
SG1	K-5 Math Interventionist	K-5	Build and facilitate mastery pathways in Canvas for math intervention.	K-5 Math Interventionist	Canvas Mastery, i-Ready, IXL	Ongoing, beginning October 1	Student referral and exit.
SG1	Formative Reading and Math Assessments at least 3 times per year	K-8	All students' baseline reading and math abilities were assessed using the	K-8 teachers	iReady	Ongoing / Quarterly	iReady data

The mission of Oregon Charter Academy is to prepare all students for success in a global society through an inclusive, rigorous, academic environment where students have daily live interaction with highly qualified teachers and continuous access to curriculum. Oregon Charter Academy staff partners with families in a transparent, collaborative school environment to support all students in their academic journey.



			iReady diagnostic				
SG1	Individualized learning paths for students.	K-8	Developmentally appropriate weekly expectations for time and lesson completion.	K-8 Teachers	i-Ready and/or IXL	Ongoing	iReady and IXL Usage Data
SG1	Use of schoolwide collaborative study groups	6-8	Weekly, 1x per week	6-8 Teachers, Admin	AVID CSG Training and Implementation	Ongoing	Attendance and Pass Rates
SG1	Offer both Math and Core live class each day (M-Th)	K-5	All teachers adopt this model for 24-25	K-5 Teachers, Admin	Teacher collaboration	Ongoing	Attendance and Pass Rates
SG1	iReady Reports sent 3x per year to families	K-8	At the conclusion of each diagnostic window	Admin, K-5 teachers	iReady Reports	October, February, June	i-Ready MyPath engagement
SG1	iReady Diagnostics proctored via live class	6-8	Within the diagnostic window, teachers will provide live class time for completion of iReady	6-8 Teachers	N/A	October, February, May	Completion Rates
SG 2	High School Grade Level PLCs	9-12	Regular PLC meetings, data review	9-12 Teachers, Admin	Grade Guardian and PowerSchool Data, Teacher collaboration	Quarterly	Attendance and Pass Rates
SG 2	Algebra 1 Prioritization	9-12	Reduce class size in Algebra 1 courses, secondary math vertical alignment, Algebra 1 course revisions	6-12 Math Teachers, Admin	iReady reports, Teacher collaboration	Ongoing	Attendance and Pass Rates

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SG 2	Landing Page Revisions	9-12	Task force to refine home pages to better meet the diverse needs of students	9-12 Teachers, Admin	Canvas, Teacher collaboration, SYS tech, and accessibility support	Ongoing in 2024-25 school year	Testing throughout the year, full implementation in 2025-26
SG 2	CTE Integration	9-12	Every student will take at least one CTE course in high school	8-12 Advisors and Counselors, Admin, CTE Teachers	PowerSchool data	Ongoing	Transcript data

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Regular Attendees

Goal: ORCA's regular attendee rate will be within 90% of the state-published average.

Sub-Goal:

1. Weekly attendance data will meet or exceed the target weekly attendance rates based on grade band with a specific emphasis on the following subgroups:
 - g. Low socioeconomic
 - h. ELL
 - i. Special Education (SWD)
 - j. 504
 - k. Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander
 - l. Ethnicity: Hispanic Latino

K-5	6-8	9-12
94%	90%	85%



Regular Attendees - Action Plan

Evidence-Based Practice/ Strategy	Grade Band	Expectations	Responsible Persons Involved	Resources/PD	Timeline	Measurement of Progress
Instructional Mentors and/or Peer Observations focus on highlighting Instructional Framework usage during class visits.	K-12	Instructional Mentors and peer observations will utilize the Instructional Framework to support best practices in online education.	Instructional Mentors, K-12 Teachers	PD Pathways, Teacher collaboration, Instructional Mentors	Ongoing	Attendance data, pass rates
Supervisors focus on highlighting Instructional Framework usage during class observations.	K-12	All administrators will use the Instructional Framework as a tool in classroom observations, celebrating examples and coaching for improvement.	Admin	PD Pathways, Teacher collaboration, Instructional Mentors	Ongoing	Attendance data, pass rates
Professional Development Sessions use/frame session outcomes using Instructional Framework language.	K-12	Facilitators of PD will integrate online best practices outlined in the Instructional Framework.	Instructional Mentors, Admin	PD Pathways, Teacher collaboration, Instructional Mentors	Ongoing	Attendance data, pass rates



Implementation of student collaborative experiences through weekly collaborative study groups.	6-8	Increased peer-to-peer discourse regarding coursework weekly.	6-8 Staff, Admin	AVID Collaborative Structures Professional Learning		
Peer-to-peer support through tutoring and mentoring.	6-12	Weekly opportunity for students to connect with peers regarding coursework and student experience	6-12 Staff	Peer Tutoring course, Student Government, NHS	Ongoing	Attendance Data, Pass rates
Onboarding Support	K-12	Increased student engagement early in enrollment. Long-term success at ORCA.	Madeline Smith Teacher referral	Advisor collaboration, HS New Student Docs	Ongoing	Teacher feedback, late start attendance data and pass rates
Student Clubs - Marquee and student suggested	K-12	Additional social opportunities and exploration of interest(s)	K-12 Staff	Clubs website, teacher advisors	Ongoing	Attendance Data
Continued development of a schoolwide, comprehensive mental health system.	K-12	Increase in regular attendance rate and retention rate.	K-12 Staff	NCS3 Year Two PD	Ongoing	Attendance Data, Pass rates
Attendance All-Star awards	K-12	Monthly recognition of students with a monthly attendance rate of 90% or better	K-8 Admin	Award templates in PS, email templates in K-8 communication document	Monthly	Attendance Data

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Weekly Celebrations	K-8	Weekly recognition of achievements for attendance, i-Ready completion, etc.	K-8 Admin	Weekly attendance data, i-Ready lesson completion report	Weekly	Attendance Data, Pass rates
Maintain or improve upon Friday live class offerings	K-12	HS math help sessions, Career Explorations, MS PE, Clubs, and Explorations Courses on Fridays	K-12 Staff	Zoom, Live Class Schedule	Ongoing	Attendance Data
Weekly contact with families missing 50% of the previous 10-day attendance	K-12	Use of classified attendance support to contact truant students	K-12 Admin, Classified Attendance Support	Bulk Texter Tool	Weekly	Number of occurrences in the 50% report
High School Grade Level PLCs	9-12	Regular PLC meetings, data review	9-12 Teachers, Admin	Grade Guardian and PowerSchool Data, Teacher collaboration	Quarterly	Attendance and Pass Rates

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Graduation

Goal: ORCA's annual graduation rate will be within 90% of the state-averaged graduation rate.

Sub-Goals:

1. Graduation Rate - As calculated by the state, the 4-year graduation rate to be 72% or higher, and the 5-year graduation rate to be 78% or higher with a specific emphasis on achievement within the following groups:
 - a. Low socioeconomic
 - b. ELL
 - c. Special Education (SWD)
 - d. 504
 - e. Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander
 - f. Ethnicity - Hispanic Latino

2. High School On Track - As calculated by the state, 80% of students at each grade level will earn a total of 6 full credits towards graduation by the end of the school year with a specific emphasis on achievement within the following groups:
 - a. Low socioeconomic
 - b. ELL
 - c. Special Education (SWD)
 - d. 504
 - e. Race: Asian, African-American, American Indian or Alaska Native, Native Hawaiian or Other Pac Islander
 - f. Ethnicity - Hispanic Latino



Graduation - Action Plan

Goal	Evidence-Based Practice/ Strategy	Grade Band	Expectations	Responsible Persons Involved	Resources/PD	Timeline	Measurement of Progress
SG 1, 2	Implementation of intervention courses at the middle school level to solidify learning habits.	6-8	Students in need of foundational support will be enrolled in intervention courses.	MS Admin and staff	Intervention courses are built to meet the individual needs of students.	Ongoing	Increased achievement in core courses.
SG 1, 2	Implementation of Enroll, Enlist, Employ to broaden awareness of post-secondary options and pathways.	6-12	Students will have opportunities to understand the variety of post-secondary options available to them and how to identify and pursue options of interest.	AVID, ASCEND, Counselors, Advisory staff, 6-12 Teachers, Admin	Open House, Spring Celebration, Post-Secondary planning/options live sessions (via CE STAR and Advisory courses), FAFSA night event, collaboration with teachers, Industry tours, College and trade school campus tours, Military recruiter interactions.	Ongoing	Increase in grad rate and enrollment in post-secondary options
SG 1, 2	AVID "Organization" Vertical Alignment	K-12	Students will progressively learn Organizational strategies through the AVID framework	K-12 Teachers, Admin, AVID Site Team	AVID PD Pathway, AVID Resources, Teacher collaboration	Ongoing	Attendance and Pass Rates

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SG 1, 2	High School Grade Level PLCs	9-12	Collaboration to improve pass rates at each grade level, regular PLC meetings, data review	9-12 Teachers, Admin	Grade Guardian and PowerSchool Data, Teacher Collaboration	Quarterly	Attendance and Pass Rates
SG 1, 2	Algebra 1 Prioritization	9-12	Reduce class size in Algebra 1 courses, secondary math vertical alignment, Algebra 1 course revisions	6-12 Math Teachers, Admin	iReady reports, Teacher collaboration	Ongoing	Attendance and Pass Rates
SG 1, 2	Landing Page Revisions	9-12	Task force to refine home pages to better meet the diverse needs of students	9-12 Teachers, Admin	Canvas, Teacher collaboration, SYS tech, and accessibility support	Ongoing in 2024-25 school year	Testing throughout the year, full implementation in 2025-26
SG 1, 2	CTE Exposure	9-12	Every student will take at least one CTE course in high school	8-12 Advisors and Counselors, Admin, CTE Teachers	PowerSchool data	Ongoing	Transcript data
SG 1, 2	Peer-to-peer support through tutoring and mentoring.	6-12	Weekly opportunity for students to connect with peers regarding coursework and student experience	6-12 Staff	Peer Tutoring course, Student Government, NHS	Ongoing	Attendance Data, Pass rates

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Exhibit F

Financial Audit

**OREGON CHARTER ACADEMY
LINN COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025



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

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OREGON CHARTER ACADEMY

LINN COUNTY, OREGON

FINANCIAL REPORT

For the Year Ended June 30, 2025

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OREGON CHARTER ACADEMY

2024-2025

BOARD OF DIRECTORS

TERM EXPIRE DATE

Joseph Brown – President	June 2027
Kim Thatcher – Vice President	June 2025
Jennifer Brady – Secretary	June 2027
Misty Galofteanu – Treasurer	June 2026
Laura Dillon – Board Member	June 2025

Board members receive mail at the address listed below.

ADMINISTRATION

Allison Galvin– Executive Director (Registered Agent)
833 NW Santiam Blvd.
Mill City, OR 97360

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OREGON CHARTER ACADEMY

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Independent Auditors' Report	<i>i</i>
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Management's Discussion and Analysis	<i>iv</i>
<u>BASIC FINANCIAL STATEMENTS</u>	
Government Wide Basic Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Basic Financial Statements:	
Balance Sheet – Governmental Fund	3
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund	5
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	6
Notes to Basic Financial Statements	7
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of the Proportionate Share of the Net Pension Liability - PERS	39
Schedule of Contributions - PERS	39
Schedule of the Proportionate Share of the Net OPEB Liability - RHIA	40
Schedule of Contributions - RHIA	40
<u>OTHER INFORMATION</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget and Actual	41
<u>REPORT ON LEGAL AND OTHER REGULATORY REQUIREMENTS</u>	
Independent Auditors' Report Required by Oregon State Regulations	42

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OREGON CHARTER ACADEMY

INDEPENDENT AUDITORS REPORT

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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

December 17, 2025

INDEPENDENT AUDITORS' REPORT

To the Board of Director
Oregon Charter Academy
Mill City, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying basic financial statements of the governmental activities, and the major fund of Oregon Charter Academy (the Academy), for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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 the Academy as of June 30, 2025, 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.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Academy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of system 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.

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of the Academy's system of internal 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 Academy's system of internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain system of internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 17, 2025 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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OREGON CHARTER ACADEMY

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION & ANALYSIS

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OREGON CHARTER ACADEMY MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Our discussion and analysis of Oregon Charter Academy's financial performance provides an overview of the Academy's financial activity for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the Academy's financial statements. The fiscal year 2024-25 was the twentieth year of the Academy's operation.

FINANCIAL HIGHLIGHTS

- Total revenues increased by \$3,732,748 due to increased enrollment and funding per student.
- At June 30, 2025, the Academy's Governmental Fund balance was \$21,945,421.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is an introduction to the Academy's financial statements which consist of the MD&A, the basic financial statements, and supplementary information. The financial statements provide information for the Academy as a whole, its funds, and its fiduciary responsibilities.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Government-wide statements present information on the Academy's finances in a manner similar to a private sector business. One of the most important questions asked about the Academy is, "Is the Academy as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and Statement of Activities report help answer this question as they provide information about the activities of the Academy as a whole and present a longer-term view of the Academy's finances. As of fiscal year ending June 30, 2015, GASB Statement no. 68 - Accounting and Financial Reporting for Pensions ("GASB 68") was implemented. This resulted in the inclusion of an actuarial portion of the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans in the school's financial results (see Note 4).

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

The *Statement of Activities* presents information showing how the Academy's net position changed during the most recent fiscal year, or in other words the revenues and expenses for the period. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows.



FUND FINANCIAL STATEMENTS

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The Academy, like governmental type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements also report operations in more detail than the government-wide financial statements by providing information about the most significant fund, the general fund. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the government statements. Fund statements also may give you some insights into the Academy's overall financial health. The Academy has only one fund type, the governmental general fund.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

SUPPLEMENTARY INFORMATION

The governmental fund budgetary comparison schedule is presented for purposes of additional analysis.

~ Discussion Continues on Next Page ~



GOVERNMENT-WIDE FINANCIAL ANALYSIS

Management has adopted Governmental Accounting Standards Board (“GASB”) Statement 34, which requires a comparative analysis of current and prior periods.

	2025	2024	% Change
Assets			
Current and Other Assets	\$ 26,158,801	\$ 20,203,231	29.5%
Capital Assets (net)	9,342,725	9,285,023	0.6%
Total Assets	35,501,526	29,488,254	20.4%
Deferred Outflows of Resources			
Pension Related Deferrals	10,034,349	9,026,921	11.2%
Total Assets and Pension Related Deferrals	\$ 45,535,875	\$ 38,515,175	17.7%
Liabilities			
Current and Other Liabilities	22,871,688	24,935,892	-8.3%
Deferred Inflows of Resources			
Pension & Other Related Deferrals	7,543,044	4,134,620	82.4%
Total Liabilities and Pension Related Deferrals	\$ 30,414,732	\$ 29,070,512	4.6%
Net Position			
Investment in Capital Assets	9,345,097	9,275,262	0.8%
Restricted for Net OPEB Asset – RHIA	329,835	217,371	51.7%
Net Position: unrestricted	5,446,211	(47,970)	11,454%
Total Net Position	\$ 15,121,143	\$ 9,444,663	60.1%
Total Liabilities, Pension Related Deferrals and Net Position	\$ 45,535,875	\$ 38,515,175	18.2%



As noted earlier, net position may serve as a useful indicator over time of the Academy’s financial position. As of June 30, 2025 the Academy’s assets exceeded liabilities by \$15,121,143, an increase of 60% from June 2024.

	2025	2024	% Change
<u>Revenue:</u>			
State School Fund	\$ 32,090,872	\$ 28,528,569	12.5%
Operating Grants & Contributions	1,931,288	2,014,927	-4.2%
Other – Charges for Services & Misc	1,035,812	781,728	32.5%
Total Revenue	\$ 35,057,972	\$ 31,325,224	11.9%
<u>Expenditures:</u>			
Instruction	13,669,729	12,943,095	5.6%
Support Services	15,711,763	14,896,924	5.5%
Total Governmental Expenditures	\$ 29,381,492	\$ 27,840,019	5.5%
Gain (Loss) on Disposal of Assets	-	-	0.0%
Change in Net Position	5,676,480	3,485,205	
Beginning Net Position	9,444,663	5,959,458	58.5%
Ending Net Position	\$ 15,121,143	\$ 9,444,663	60.4%

The Academy’s revenues are predominantly state school funds based on student enrollment. For the year ending June 30, 2025, the Academy’s total revenues of \$35,057,972 were more than expenses of \$29,381,492 by \$5,676,480. The 11.9% revenue increase was due to continued student enrolment growth, which began during the 2022-23 school year.



GOVERNMENTAL FUNDS

Governmental funds are reported using the accounting method called “modified accrual” accounting, which measures cash and all other financial assets that can be readily converted to cash. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Such information is useful in assessing the Academy’s financing requirements.

The Academy’s governmental fund (the General Fund) reported an ending fund balance of \$21,945,421, an increase of \$5,238,789 from the prior year.

BUDGET VARIATIONS

Actual revenue exceeded the budget by \$4,956,008 due to increased enrollment. Net expenses were \$1,184,083 more than budgeted, due to increased costs associated with enrollment growth.

CAPITAL ASSETS

The Academy had \$9,342,725 in capital assets, net of depreciation, at June 30, 2025. Please refer to Note 3 in the notes to the basic financial statements for further information.

REQUESTS FOR INFORMATION

Our financial report is designed to provide our parents, teachers, students, investors and creditors with an overview of the Academy’s finances. If you have any questions about this report or need any clarification of information please contact the Oregon Charter Academy offices, located at:

PO Box 1129
Mill City OR 97360

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OREGON CHARTER ACADEMY

BASIC FINANCIAL STATEMENTS

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OREGON CHARTER ACADEMY

STATEMENT OF NET POSITION

June 30, 2025

ASSETS:

Cash	\$ 16,311,536
Accounts receivable	1,105,724
Prepaid expenses	15,850
Lease Receivable	1,757,694
Long-Term Investments	6,635,790
Net OPEB asset - RHIA	329,835
Capital assets, net of accumulated depreciation	9,342,725
Subscription right-to-use asset, net of amortization	2,372
Total Assets	<u>35,501,526</u>

DEFERRED OUTFLOWS OF RESOURCES:

Pension related deferrals - PERS	10,025,036
OPEB related deferrals - RHIA	<u>9,313</u>
Total Deferred Outflows	<u>10,034,349</u>

TOTAL ASSETS AND PENSION RELATED DEFERRALS \$ 45,535,875

LIABILITIES:

Accounts payable	\$ 324,694
Payroll liability	1,878,654
Unearned revenue	28,306
Other current liabilities	9,525
Net pension liability - PERS	<u>20,630,509</u>
Total Liabilities	<u>22,871,688</u>

DEFERRED INFLOWS OF RESOURCES:

Pension related deferrals - PERS	5,844,385
OPEB related deferrals - RHIA	58,665
Deferred Lease Receivable	<u>1,639,994</u>
Total Deferred Inflows	<u>7,543,044</u>

TOTAL LIABILITIES AND PENSION RELATED DEFERRALS 30,414,732

NET POSITION:

Restricted for Net OPEB Asset - RHIA	329,835
Net investment in capital assets	9,345,097
Unrestricted	<u>5,446,211</u>
Total Net Position:	<u>15,121,143</u>

TOTAL LIABILITIES, PENSION RELATED DEFERRALS AND NET POSITION \$ 45,535,875

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 13,669,729	\$ 3,752	\$ 1,931,288	\$ (11,734,689)
Support Services	15,711,763	-	-	(15,711,763)
Total Governmental Activities	<u>\$ 29,381,492</u>	<u>\$ 3,752</u>	<u>\$ 1,931,288</u>	<u>(27,446,452)</u>
General Revenues:				
				32,090,872
				363,830
				659,711
				<u>8,519</u>
				<u>33,122,932</u>
				5,676,480
				<u>9,444,663</u>
				<u>\$ 15,121,143</u>

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY
BALANCE SHEET - GENERAL FUND
June 30, 2025

	GENERAL FUND
ASSETS:	
Cash	\$ 16,311,536
Accounts receivable	1,105,724
Lease receivable	1,757,694
Prepaid expenses	15,850
Investments	6,635,790
Total Assets	\$ 25,826,594
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE:	
Liabilities:	
Accounts payable	\$ 324,694
Payroll liabilities	1,878,654
Other current liabilities	9,525
Unearned Revenue	28,306
Total Liabilities	2,241,179
 Deferred Inflows of Resources:	
Deferred Lease receivable	1,639,994
 Fund Balance:	
Nonspendable	
Leases receivable, net deferred inflows	117,700
Prepaid expenses	15,850
Unassigned	21,811,871
Total Fund Balance	21,945,421
Total Liabilities and Fund Balance	\$ 25,826,594

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

Reconciliation of the General Fund
Balance Sheet to the Statement of Net Position
June 30, 2025

Total Fund Balances – General Fund		\$	21,945,421
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.			
			(20,630,509)
The proportionate share of the OPEB Retiree Health Insurance account (RHIA) OPEB asset is not reported as an asset in the general fund activities.			
			329,835
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	\$	10,025,036	
Deferred inflows - PERS		(5,844,385)	
Deferred outflows - RHIA		9,313	
Deferred inflows - RHIA		(58,665)	4,131,299
The cost of capital assets (land, buildings, furniture 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 Academy as a whole.			
Capital Assets (Net of Depreciation)			9,342,725
Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.			
Subscription right-to-use asset, (Net of Amortization)			2,372
Net Position		\$	<u>15,121,143</u>

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND

For the Year Ended June 30, 2025

REVENUES:	GENERAL FUND
From State Sources:	
State School Fund General Support	\$ 32,090,872
State Grant Funding	1,318,252
From Federal Sources:	
Federal Grants	613,036
From Local Sources:	
Rental income	363,830
Interest and investment earnings	659,711
Program Fees	3,752
Miscellaneous Revenue	8,519
	35,057,972
 EXPENDITURES:	
Instruction	14,310,818
Support Services	15,508,365
	29,819,183
 Excess of Revenues Over, (Under) Expenditures	5,238,789
 OTHER FINANCING SOURCES (USES)	
Transfers In	42,303
Transfers Out	(42,303)
	-
 Net Change in Fund Balance	5,238,789
 Beginning Fund Balance	16,706,632
 Ending Fund Balance	\$ 21,945,421

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

Reconciliation of the General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
to the Statement of Activities
For the Year Ended June 30, 2025

Total Net Changes in Fund Balances – General Funds	\$	5,238,789
The PERS pension income (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.		281,107
OPEB - RHIA income represents the net change in total OPEB liability from year to year related to the medical benefit OPEB and is not included in the general fund.		86,749
Long-term lease proceeds are recorded as an other financing sources in governmental funds. This debt, however, increases liabilities in the Statement of Net Position.		
Payment on Lease Liability		15,846
Payment on Subscription Liability		70,451
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.		
Capital Asset Additions		273,233
Depreciation Expense		(215,531)
Amortization Expense - Leases		(16,605)
Amortization Expense - Subscriptions		(57,559)
		(57,559)
Change in Net Position of Governmental Activities	\$	5,676,480

See accompanying notes to the basic financial statements.

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OREGON CHARTER ACADEMY

NOTES TO THE BASIC FINANCIAL STATEMENTS

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OREGON CHARTER ACADEMY

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. Significant accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Oregon Charter Academy (the Academy) is a nonprofit corporation organized under provisions of Oregon Revised Statutes Chapter 338 as a public virtual charter school to serve students in grades K–12. The Academy was previously named Oregon Connections Academy, and effective on July 1, 2020, the Academy changed its name to Oregon Charter Academy. It is governed by a board. Accounting principles generally accepted in the United States of America require that these basic financial statements present the Oregon Charter 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 BASIC FINANCIAL STATEMENTS (GWFS)

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

FUND BASIC 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 assist management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental funds are used to account for the general government activities. Governmental fund types use 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”).

OREGON CHARTER ACADEMY

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

“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, and local shared revenue and federal grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Financial operations are accounted for in 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 Santiam Canyon School District, grants, program fees, fundraising and donations.

GRANTS

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 is recorded as a liability in the Balance Sheet and Statement of Net Position.

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 equipment and other capital asset, 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.

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

OREGON CHARTER ACADEMY

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. At June 30, 2025, there were deferred outflows representing PERS pension and OPEB-RHIA 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, 2025, there were deferred inflows representing PERS pension and OPEB-RHIA related deferrals reported in the Statement of Net Position. There is also a deferred lease receivable reported in both the Governmental Fund Balance Sheet and the Statement of Net Position.

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, there are five fund balance classifications – non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable represents amounts that are not in a spendable form. The non-spendable fund balance represents prepaid items and lease receivable.
- 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.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BUDGET

A budget is prepared 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 and amortization expenses are recognized, pension and OPEB costs are not recorded until paid and capital assets are expensed when purchased.

Expenditures are made at the following levels for each fund:

LEVEL OF CONTROL

Salaries
Employee Benefits
Purchased Services
Supplies and Materials
Capital Outlay
Other Objects

See page 41 for a comparison of budget to actual.

D. CAPITAL ASSETS

Capital assets, which include land, building, leasehold improvements, equipment, and furniture, are reported in the government-wide basic financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and a useful life of more than 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. Depreciation is recorded on capital assets on the straight line method over the following useful lives of the asset:

Buildings	40 years
Leasehold Improvements	5 to 13 years
Equipment	5 to 10 years
Furniture	5 to 10 years

E. SUPPLY INVENTORY

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

F. PREPAID EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Prepaid expenses primarily represent payments for curriculum materials and supplies to be used in the subsequent fiscal year. Prepaid expenses also represent payments for business insurance and service contracts that extend into the subsequent fiscal year. See Note 7 for prepaid expenses related to service contracts and Note 13 for additional prepaid expense details and amounts.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. 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 certain reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

H. LEASE ACTIVITIES

Lease Receivables

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the agreement or implicitly determined by the government, reduced by principal payments received.

Lease Assets

Lease assets are assets which the government leases for a term of more than one year. The value of leases is determined by the net present value of the leases at the government's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

I. SALARIES AND RETIREMENT PLANS

All employee services, such as human resources services including recruiting, payroll (including paying the teaching staff directly, collecting and remitting taxes, etc.), benefits (including supervision and liability services) are performed as contract services from ADP, LLC. Benefits administration for the Section 403(b) Plan is performed as contract services from Carruth Compliance Consulting. All employees are on contract with Oregon Charter Academy, and the Board retains all rights regarding hiring and terminating of employees. For additional explanations on contracted services, see Note 7.

Substantially all 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.

NOTES TO BASIC FINANCIAL STATEMENTS

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.

K. SUBSCRIPTION ASSETS

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

L. SUBSCRIPTION LIABILITIES

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. ACCRUED COMPENSATED ABSENCES

The Academy's policy allows employees to accumulate earned but unused sick leave up to 80 hours. The balance of unused sick time at June 30, 2025 is immaterial to the financial statements. Upon termination of employment, unused sick leave is forfeited. Vacation leave is also forfeited at year end, and therefore is not accrued for or recorded in the basic financial statements.

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes requires 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, 2025 was \$5,126,028 of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP). Cash and cash equivalents as of June 30, 2025 consisted of \$16,311,536.

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 depository for public funds. As of June 30, 2025, none of the bank balances were exposed to custodial credit risk.

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. The Academy's investments at June 30, 2025 are all long-term annuities which comprise annuity contracts with five different life insurance and annuity companies.

CREDIT RISK – INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or United States Government-Sponsored Enterprise (USGSE).

CONCENTRATION OF CREDIT RISK – INVESTMENTS

The Academy's investments at June 30, 2025 are all long-term annuities which comprise annuity contracts with five different life insurance and annuity companies.

On May 12, 2023 the Academy deposited a premium of \$750,000 with Sagacor Life Insurance Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 19, 2023 and the maturity date is May 19, 2080. The accumulation value in the contract has an initial guaranteed interest rate of 5.20% and the initial rate guarantee period is five years. There is one additional subsequent rate guarantee period of five years, followed by annual guarantee periods, thereafter, with a guaranteed minimum interest rate of 1.25%. The surrender charge period is five years and any withdrawals during this period may be subject to penalties. The initial surrender charge period is five years.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

The initial surrender charge period will be followed by one subsequent five-year period. The surrender charge in the initial surrender period and again in the subsequent surrender period is nine percent in the first year, eight percent in the second year, seven percent in the third year, six percent in the fourth year, and five percent in the fifth year. Surrender charges will not apply beginning of contract year eleven. Any withdrawal could be subject to a market value adjustment. There is a guaranteed surrender value of 87.50% of the premium paid accumulated at a non-forfeiture rate of 2.60%, adjusted by withdrawals plus surrender charges and any premium taxes paid. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was \$830,028.

On May 12, 2023 the Academy deposited a premium of \$1,500,000 with Oceanview Life and Annuity Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 19, 2023 and the maturity date is January 1, 2075 or the last day of the initial guarantee period extending beyond such date, if later. The accumulation value in the contract is guaranteed to receive no less than 4.90% during the initial four year guarantee period and then 1% in the subsequent guarantee period. The surrender charge period is four years and any withdrawals during this period may be subject to penalties. The surrender charge percent is nine percent in the first year, eight percent in the second year, seven percent in the third year, and six percent in the fourth year of the period. Surrender charges will not apply beginning of contract year five. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with an interest rate for minimum surrender value of 2.80%. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was \$1,650,601.

On May 12, 2023 the Academy deposited a premium of \$750,000 with Americo Financial Life and Annuity Insurance Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 23, 2023 and the maturity date is May 23, 2075. The accumulation value in the contract is guaranteed to receive no less than 5.25% during the initial five year guarantee period. The surrender charge period is five years and any withdrawals during this period may be subject to penalties. The surrender charge percentage is nine percent in the first year, eight percent in the second year, seven percent in the third year, six percent in the fourth year, and five percent in the fifth year of the period. Surrender charges will not apply beginning of contract year six. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with a minimum guaranteed interest rate of 2.35%. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was \$830,933.

On May 12, 2023 the Academy deposited a premium of \$1,500,000 with Clear Spring Life and Annuity Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 25, 2023 and the maturity date is May 25, 2080. The accumulation value in the contract is guaranteed to receive no less than 4.60% during the initial two year guarantee period. The surrender charge period is two years and any withdrawals during this period may be subject to penalties. The surrender charge percentage is seven percent in the first year and six percent in the second year of the period. Surrender charges will not apply beginning of contract year three. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with a nonforfeiture interest rate of 2.80%. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The Clear Spring annuity contract expired in May 2025 and funds were transferred to a second ASPIDA account with a surrender charge period of two years and any withdrawals during this period may be subject to penalties. The accumulation value in the contract is guaranteed to receive no less than 4.80% during the initial two year guarantee period. The balance as of June 30, 2025 was \$ 1,646,241.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

On May 12, 2023 the Academy deposited a premium of \$1,500,000 with ASPIDA in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 15, 2023 and the maturity date is May 15, 2095. The accumulation value in the contract is guaranteed to receive no less than 4.90% during the initial three year guarantee period. The surrender charge period is three years and any withdrawals during this period may be subject to penalties. The surrender charge percentage is nine percent in the first year, eight percent in the second year, and seven percent in the third year of the period. Surrender charges will not apply beginning of contract year three. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with interest credited at a 2.85% annual effective rate. The fair value is the original cost plus interest earned.

The yield for the current year is estimated to be approximately 5.12%. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was 1,650,601.

In accordance with ASC No. 820, the School classifies its investments into Level 1, which refers to securities traded in an active market, Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available or Level 1 securities where there is a contractual restriction, and Level 3, which refers to securities not traded in an active market and for which no significant observable market inputs are available. As required by ASC No. 820, the Academy’s investments were classified as follows, based on fair values:

The fair value of the annuity is determined using the original contract value plus accrued and accumulated interest earned which approximates the fair market value.

Fair values of assets measured on a recurring basis at June 30, 2025 are as follows:

Fair Value Measurement at Reporting Date Using Significant Unobservable Inputs

	<u>Fair Value</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<u>Annuities:</u>		
Sagicor Life Insurance Company	\$ 830,028	\$ 830,028
Oceanview Life & Annuity Company	1,677,987	1,677,987
Americo Financial Life & Annuity Company	830,933	830,933
ASPIDA 2	1,646,241	1,646,241
ASPIDA	1,650,601	1,650,601
Subtotal	<u>\$ 6,635,790</u>	<u>\$ 6,635,790</u>

The following table presents the Academy’s activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2025:

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Balance at June 30, 2024	\$ 6,326,937
Total realized gains	-
Purchases	308,853
Sales	-
Transfers into Level 3	-
Transfers out of Level 3	-
Balance at June 30, 2025	<u>\$ 6,635,790</u>

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18+
Life Insurance Annuity Contracts	\$ 6,635,790	\$ -	\$ -	\$ 6,635,790
Subtotal	<u>\$ 6,635,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,635,790</u>

3. CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2025 are as follows:

	Capital Assets July 1, 2024	Additions	(Deletions)	Capital Assets June 30, 2025
Non-Depreciable Capital Assets				
Land	\$ 3,067,010	\$ -	\$ -	\$ 3,067,010
Total Non-Depreciable Capital Assets	<u>\$ 3,067,010</u>	<u>-</u>	<u>-</u>	<u>\$ 3,067,010</u>
Depreciable Capital Assets				
Building	\$ 6,591,212	\$ 241,000	\$ -	\$ 6,832,212
Leasehold Improvements	213,773	-	-	213,773
Equipment	287,629	32,233	-	319,862
Furniture	205,924	-	-	205,924
Total Depreciable Capital Assets	<u>7,298,538</u>	<u>273,233</u>	<u>-</u>	<u>7,571,771</u>
Accumulated Depreciation				
Building	494,064	173,031	-	667,095
Leasehold Improvements	213,774	-	-	213,774
Equipment	172,598	40,906	-	213,504
Furniture	200,089	1,594	-	201,683
Total Accumulated Depreciation	<u>1,080,525</u>	<u>215,531</u>	<u>-</u>	<u>1,296,056</u>
Total Depreciable Assets, Net	<u>\$ 6,218,013</u>			<u>\$ 6,275,715</u>
Total Capital Assets, Net	<u>\$ 9,285,023</u>			<u>\$ 9,342,725</u>

Depreciation is allocated 100% to supporting services.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. 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 Annual Comprehensive Financial Report (ACFR) which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.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.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. 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. Under House Bill (HB) 2283, passed during the 2023 legislative session and effective January 1, 2024, if a member has established retirement eligibility under the police and fire classification, they retain that eligibility even if they perform service thereafter as other than police and fire. Under HB 4045, passed during the 2024 legislative session and effective January 1, 2025, normal retirement age for police and fire members will be lowered to age 55 or age 53 with 25 years of retirement credit.

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. Disability benefits continue until the member is no longer disabled or otherwise no longer qualifies for benefits, reaches normal retirement age, or dies.

iv. **Benefit Changes After Retirement.** Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0 percent.

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, 2021 actuarial valuation, which became effective July 1, 2023. 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, 2025 were \$3,209,855, excluding amounts to fund employer specific liabilities.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2025, the Academy reported a net pension liability of \$20,630,509 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2022. 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, 2024 and 2023, the Academy’s proportion was .09 percent and .12 percent, respectively. Pension income for the year ended June 30, 2025 was \$281,107.

The rates in effect for the year ended June 30, 2025, were:

- (1) Tier 1/Tier 2 – 27.87%
- (2) OPSRP general services – 25.03%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 1,222,167	\$ 49,238
Changes in assumptions	2,074,198	2,657
Net difference between projected and actual earnings on pension plan investments	1,310,614	-
Changes in proportionate share	1,394,516	4,649,922
Differences between Academy contributions and proportionate share of contributions	813,686	1,142,568
Subtotal - Amortized deferrals (below)	6,815,181	5,844,385
Academy contributions subsequent to measurement date	3,209,855	-
Total deferred outflow (inflow) of resources	\$ 10,025,036	\$ 5,844,385

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, 2026.

Subtotal amounts related to pension as deferred outflows of resources \$6,815,181, and deferred inflows of resources, (\$5,844,385), net to \$970,796 and will be recognized in pension expense as follows:

Year ending June 30,	Amount
2026	(454,836)
2027	1,611,129
2028	244,408
2029	(306,688)
2030	(123,216)
Thereafter	-
Total	\$ 970,796

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2023 through June 30, 2025, 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, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 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	<p><u>Healthy retirees and beneficiaries:</u> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2022 Experience Study, which is reviewed for the four-year period ending December 31, 2022.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2024 PERS ACFR; p. 116)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023, 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
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Assumed Inflation - Mean		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2024 and 2023 was 6.90 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 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 6.90 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 one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Academy's proportionate share of the net pension liability	\$ 32,543,790	\$ 20,630,509	\$ 10,652,554

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, 2024, 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.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

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 Academy pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The Academy did not make any optional contributions to member IAP accounts for the year ended June 30, 2025.

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>

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN - RHIA

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.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the Academy currently contributes 0.00% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2025. 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 are included with PERS and equaled the required contributions for the year.

At June 30, 2025, the Academy reported a net OPEB asset of \$329,835 for its proportionate share of the net OPEB asset. The OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. Consistent with GASB Statement No. 75, paragraph 59(a), the Academy's proportion of the net OPEB 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 dates of June 30, 2024 and 2023, the Academy's proportion was .08 percent and .06 percent, respectively. OPEB income for the year ended June 30, 2025, was \$86,749.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

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

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (39,214)
Net amortization of employer-specific deferred amounts from:	
-Changes in proportionate share (per paragraph 64 of GASB 75)	(47,355)
-Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	<u>-</u>
Employer's Total OPEB Expense/Income	<u>\$ (86,569)</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	\$ -	\$ 6,451
Changes in assumptions	-	4,172
Net difference between projected and actual earnings investments	9,313	-
Changes in proportionate share	-	48,042
Differences between Academy contributions and proportionate share of system contributions	<u>-</u>	<u>-</u>
Subtotal - Amortized deferrals (below)	9,313	58,665
Academy contributions subsequent to measurement date	<u>-</u>	<u>-</u>
Total deferred outflow (inflow) of resources	<u>\$ 9,313</u>	<u>\$ 58,665</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB asset in the fiscal year ended June 30, 2026.

Subtotal amounts related to OPEB as deferred outflows of resources, \$9,313, and deferred inflows of resources, (\$58,665), net to (\$49,352) and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	(62,980)
2027	7,514
2028	5,038
2029	1,076
2030	-
Thereafter	-
Total	<u>\$ (49,352)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 75 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

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

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 25%; Disabled retirees: 15%
Mortality	<p><u>Healthy retirees and beneficiaries:</u> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2022 Experience Study, which is reviewed for the four-year period ending December 31, 2022.

Discount Rate:

The discount rate used to measure the total OPEB asset as of the measurement date of June 30, 2024 and 2023, was 6.90 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 asset.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN – RHIA (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 January 2023 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
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

Sensitivity of the Academy’s proportionate share of the net OPEB asset to changes in the discount rate – The following presents the Academy’s proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the Academy’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Academy's proportionate share of the net OPEB asset	\$ 305,327	\$ 329,835	\$ 350,937

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2024, Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

6. 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 management 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 by the Academy and recognize a tax liability (or asset) an uncertain tax position has been taken that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Academy is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Academy's management believes it is no longer subject to income tax examinations for years prior to 2021.

7. CONTRACTED SERVICES

On July 1, 2019, the Academy entered into a contract agreement with SYS Education LLC to provide school tech services and curriculum support starting July 1, 2020. Expenditures related to SYS Education LLC were \$4,948,025 for the year ended June 30, 2025. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On November 25, 2019, the Academy entered into a contract with Carruth Compliance Consulting Inc. to provide consulting services. Expenditures related to Carruth Compliance Consulting, Inc. for the year ended June 30, 2025 was \$0. This agreement expired December 31, 2024, but is cancelable by the Academy under certain conditions.

On March 1, 2020, the Academy entered into a contract with Instructure Inc. to provide student attendance and participation tracking services. Expenditures related to Instructure Inc. for the year ended June 30, 2025 was \$18,234. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On March 20, 2020, the Academy entered into a contract with Accelerate Education to provide digital course materials. Expenditures related to Instructure Inc. for the year ended June 30, 2025 was 161,516. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On April 4, 2020, the Academy entered into a contract with IXL Learning. to provide digital course materials starting July 1, 2020. Expenditures related to IXL Learning for the year ended June 30, 2025 was \$52,450. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On March 14, 2020, the Academy entered into a contract with eDynamic Learning to provide career & elective courses starting July 1, 2020. Expenditures related to eDynamic Learning for the year ended June 30, 2025 was \$95,510. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

On March 17, 2020, the Academy entered into a contract with sora/Overdrive Learning Inc. to provide digital course materials starting July 1, 2020. Expenditures related to sora/Overdrive Learning Inc for the year ended June 30, 2025 was \$15,250. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On September 19, 2022, the Academy entered into a contract with PowerSchool Group LLC to provide virtual education services. Expenditures related to PowerSchool Group LLC for the year ended June 30, 2025 was \$63,281. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On March 26, 2020, the Academy entered into a contract with Florida Virtual School to provide digital course materials starting April 1, 2022. Expenditures related to Florida Virtual School for the year ended June 30, 2025 was \$69,206. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2020, the Academy entered into a contract with Community Therapy Services, LLC, to provide special needs and consulting services. Expenditures related to Community Therapy Services were \$679,545 for the year ended June 30, 2025. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 1, 2022, the Academy entered into a contract with E-Therapy LLC., to provide teletherapy services. Expenditures related to Community Therapy Services were \$450,000 for the year ended June 30, 2025. The agreement automatically renews quarterly unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 1, 2020, the Academy entered into a contract with Jenelle Stone to provide special need consulting and services. Expenditures related to Jenelle Stone were \$204,104. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 1, 2020, the Academy entered into a contract with Rosetta Stone to provide language software subscription services. This agreement expires on October 11, 2024. Expenditures related to Rosetta Stone were \$1,200.

On October 31, 2022, the Academy entered into a contract with the Summit Strategies to provide governmental relation services starting October 10, 2023. Expenditures related to Summit Strategies for the year ended June 30, 2025 was \$46,000. This agreement expires October 31, 2024.

On April 15, 2024, the Academy entered into a contract with DebtBook to provide subscription services. Expenditures related to DebtBook for the year ended June 30, 2025 was \$9,000. This agreement expires April 14, 2025.

OREGON CHARTER ACADEMY
NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

On September 29, 2023, the Academy entered into a contract with Liberty Mutual to provide liability insurance services. Expenditures related to Liberty Mutual for the year ended June 30, 2025 was \$7,540. This agreement expires January 1, 2025.

On September 29, 2022, the Academy entered into a contract with the Sprout Social to provide subscription services starting September 29, 2023. Expenditures related to Sprout Social for the year ended June 30, 2025 was \$4,094. This agreement expires September 28, 2025, but is cancelable by the Academy under certain conditions.

On June 1, 2021, the Academy entered into a contract with Teach Upbeat to provide subscription services. Expenditures related to Teach Upbeat for the year ended June 30, 2025 was \$3,584. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On February 1, 2023, the Academy entered into a contract with SAP Concur Technologies to provide management cloud software. Expenditures related to SAP Concur Technologies for the year ended June 30, 2025 was \$0. This agreement expires on February 29, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2022, the Academy entered into a contract with Avid Center to provide curriculum services. Expenditures related to Avid Center for the year ended June 30, 2025 was \$5,224. This agreement expires on June 30, 2025, but is cancelable by the Academy under certain conditions.

On December 15, 2022, the Academy entered into a contract with Macadam Forbes/RHYS Konrad to provide exclusive brokerage and listing services. Expenditures related to Macadam Forbes/RHYS Konrad for the year ended June 30, 2025 was \$0. This agreement expires on June 30, 2025, but is cancelable by the Academy under certain conditions.

On April 26, 2023, the Academy entered into a contract with iHeart Media. to provide community education services. Expenditures related to Twin Cities Public Television Inc. for the year ended June 30, 2025 was \$194,068. This agreement expires on June 30, 2025.

On June 14, 2019, the Academy entered into a contract agreement with ADP, LLC, to provide HR, Payroll, and other professional services starting January 1, 2020. Expenditures related to ADP, LLC, for the year ended June 30, 2025 was \$115,000. This agreement expires October 25, 2025.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

On July 1, 2023 the Academy entered into a contract with the Salem-Keizer Public Schools 24J. Expenditures related to Salem-Keizer Public Schools for the year ended June 30, 2025 was \$0. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On October 19, 2023 the Academy entered into a contract with Jessica Bunting to provide consulting services. Expenditures related to Jessica Bunting for the year ended June 30, 2025 was \$0. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2023 the Academy entered into a contract with Care Solace Inc. to provide support services. Expenditures related to Care Solace Inc. for the year ended June 30, 2025 was \$7,500. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2023 the Academy entered into a contract with Carone Learning. to provide support services. Expenditures related to Care Solace Inc. for the year ended June 30, 2025 was \$7,248. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 31, 2023 the Academy entered into a contract with the Chemeketa Community College to provide consulting services. Expenditures related to Chemeketa Community College for the year ended June 30, 2025 was \$0. This agreement expires June 30, 2026, but is cancelable by the Academy under certain conditions.

On July 1, 2023 the Academy entered into a contract with the Linn Benton Lincoln Education Service District to provide services to school district. Expenditures related to Linn Benton Lincoln Education Service District for the year ended June 30, 2025 was \$11,007. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

Contract Start Date	Period Covered	Vendor	Services Provided	Current Year Expenditures	Cancelable	Applicable in 2025?
6/14/2019	1/1/2025 - 10/25/2025	ADP LLC	HR, Payroll	\$ 115,000	Yes*	Yes
7/1/2019	7/1/2020 - 6/30/2025	SYS Education LLC	School Curriculum	\$ 4,948,025	Yes*	Yes
11/25/2019	11/25/2019- 12/31/2024	Carruth Compliance Consulting	Section 403(b) plan administration	N/A	Yes*	Ended Jan 25
3/1/2020	7/1/2020 - 6/30/2025	Instructure Inc	Attendance and participation tracking	\$ 18,234	Yes*	Yes
3/20/2020	Until Terminated	Accelerate Education	Digital course materials	\$ 161,516	Yes*	Yes
4/4/2020	7/1/2020 - 6/30/2025	DXL Learning	Digital course materials	\$ 52,450	Yes*	Yes
3/14/2020	7/1/2020 - 6/30/2025	eDynamic Learning	Digital course materials	\$ 95,510	Yes*	Yes
3/17/2020	Until Terminated	sora/OverDrive Learning Inc	Digital content	\$ 15,250	Yes*	Yes
9/19/2022	Until Terminated	Powerschool Group LLC	Software and support services	\$ 63,281	Yes*	Yes
3/26/2020	04/01/2022 - 7/31/2024	Florida Virtual School	Digital course materials	\$ 69,206	Yes*	Yes
7/1/2020	Until Terminated	Community Therapy Services, LLC	Special Needs Consulting and Services	\$ 679,545	Yes*	Yes
7/1/2022	Until Terminated	E-Therapy LLC	Direct teletherapy and Indirect services	\$ 450,000	Yes*	Yes
7/1/2020	Until Terminated	Jenelle Stone	Special Needs Consulting and Services	\$ 204,104	Yes*	Yes
10/11/2023	10-11-2023-10-11-2024	Rosetta Stone	Software and language learning services	\$ 1,200	Yes*	Yes
10/31/2022	10/10/2023 - 10/31/2024	Summit Strategies	State Legislature Lobbying	\$ 46,000	Yes*	Yes
4/15/2023	4/15/2023 - 4/14/2025	DebtBook	Implementation and support accounting services	\$ 9,000	Yes*	Yes
1/1/2022	01/01/2024 - 01/01/2025	Liberty Mutual	Liability Insurance	\$ 7,540	Yes*	Yes
9/29/2022	9/29/2023 - 9/28/2024	Sprout Social	Software and support services	\$ 4,094	Yes*	Yes
6/1/2021	06/01/2020 - 6/01/2025	Teach Upbeat	Software and support services	\$ 3,584	Yes*	Yes
2/1/2023	2/1/2024 - 2/29/2025	SAP Concur Technologies, Inc.	Management Cloud Software	N/A	Yes*	Yes
7/1/2022	7/1/2022 - 6/30/2025	Avid Center	Curriculum	\$ 5,224	Yes*	Yes
12/15/2022	12/15/2022-06/30/2025	Macadam Forbes/RHYS Konrad	Exclusive brokerage services and listing services.	\$ 1,854	Yes*	Yes
4/27/2022	7/1/2023 - 6/30/2025	iHeart Media	Media Subscription	\$ 194,068		Yes
1/4/2023	07/01/2023-6/30/2025	Salem-Keizer Public Schools 24J	Interscholastic Activities	N/A	Yes*	Yes
11/9/2023	11/9/2023-06/30/2025	Jessca Bunting	Consulting and Service Agreements	N/A	Yes*	Yes
7/1/2023	07/01/2023 - 06/30/2025	Care Solace, Inc.	Support service	\$ 7,500	Yes*	Yes
7/1/2023	Until Terminated	Carone Learning	Software and support services	\$ 7,248	Yes*	Yes
7/1/2023	07/01/2023 - 06/30/2025	Chemeketa	Curriculum	N/A	Yes*	Yes
7/1/2023	07/01/2023 - 06/30/2025	Linn-Benton-Lincoln	Intergovernmental agreement	\$ 11,007	Yes*	Yes

8. ACCOUNTS RECEIVABLE

At June 30, 2025 there was an accounts receivable balance of \$1,105,724; of this amount, approximately 55% was due from the Oregon Department of Education while approximately 0.5% was due from a vendor for a contract settle up and the remainder was related to virtual education services. There were no account receivables greater than 90 days old at June 30, 2025. All receivables are considered fully collectible so no allowance for uncollected amounts has been made.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASE RECEIVABLES AND DEFERRED INFLOWS

For the year ended June 30, 2025, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 06/03/2022, the Academy entered into a 97 month lease as Lessor for the use of Suite 104 - West Chiropractor. An initial lease receivable was recorded in the amount of \$516,784. As of 06/30/2025, the value of the lease receivable is \$339,686. The lessee is required to make monthly fixed payments of \$5,484. The lease has an interest rate of 2.8809%. The value of the deferred inflow of resources as of 06/30/2025 was \$321,890, and the Academy recognized lease revenue of \$63,323 during the fiscal year. The lessee has 1 extension option for 60 months.

On 06/03/2022, the Academy entered into a 125 month lease as Lessor for the use of Suite 203 - Boone Dental. An initial lease receivable was recorded in the amount of \$1,604,824. As of 06/30/2025, the value of the lease receivable is \$1,226,958. The lessee is required to make monthly fixed payments of \$12,734. The lease has an interest rate of 2.8914%. The value of the deferred inflow of resources as of 06/30/2025 was \$1,134,167, and Oregon Charter Academy recognized lease revenue of \$152,921 during the fiscal year. The lessee has 1 extension option for 60 months.

On 06/03/2022, the Academy entered into a 19 month lease as Lessor for the use of Suite 103 - Burley. This lease has been extended for another 5 years. An additional lease receivable was recorded in the amount of \$235,267. As of 06/30/2025, the value of the lease receivable is \$191,050. The lessee is required to make monthly fixed payments of \$4,457, which increases every year. The lease has an interest rate of 2.8810%. The value of the deferred inflow of resources as of 06/30/2025 was \$183,937, and the Academy recognized lease revenue of \$51,330 during the fiscal year.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASE RECEIVABLES AND DEFERRED INFLOWS (CONTINUED)

The deferred inflow is amortized on a straight line basis. Future maturities for the receivables are as follows.

	Balance Beginning of Year	Additions	Deletions	Less Rent Received	Balance End Of Year	Current Lease Receivable Asset	Long Term Receivable Asset
Lease Receivable							
Building							
Boone Dental STE 203	\$ 1,358,521	\$ -	\$ -	\$ (131,563)	\$ 1,226,958	\$ 142,274	\$ 1,084,684
Burley STE 103	-	237,389	-	(46,339)	191,050	49,382	\$ 141,668
West Chiro STE 104	400,683	-	-	(60,997)	339,686	62,957	276,729
Total	\$ 1,759,204	\$ 237,389	\$ -	\$ (238,899)	\$ 1,757,694	\$ 254,613	\$ 1,503,081
Deferred Lease Revenue							
	Balance Beginning of Year	Additions	Additions	Less Deferred Revenue Recognized	Balance End Of Year	Current Deferred Lease Revenue	Long Term Deferred Lease Revenue
Building							
Boone Dental STE 203	\$ 1,287,088	\$ -	\$ -	\$ (152,921)	\$ 1,134,167	\$ 152,924	\$ 981,243
Burley STE 103	-	235,267	-	(51,330)	183,937	51,331	\$ 132,606
West Chiro STE 104	385,213	-	-	(63,323)	\$ 321,890	63,323	258,567
Total	\$ 1,672,301	\$ 235,267	\$ -	\$ (267,574)	\$ 1,639,994	\$ 267,578	\$ 1,372,416

10. LEASE LIABILITIES

On 07/01/2021, the Academy entered into a 47 month lease as Lessee for the use of Pacific Office Automation (POA) Copiers. An initial lease liability was recorded in the amount of \$66,700. As of 06/30/2025, the value of the lease liability is \$0. The Academy is required to make monthly fixed payments of \$1,448. The lease has an interest rate of 1.0112%. The value of the right to use asset as of 06/30/2025 of \$66,700 with accumulated amortization of \$66,700 is included with Equipment on the Lease Class activities table found below.

	Outstanding 7/1/2024	Issued	Matured and Redeemed	Outstanding 6/30/2025	Due Within One Year
Equipment					
POA Copier	\$ 15,846	\$ -	\$ 15,846	\$ -	\$ -
Total	\$ 15,846	\$ -	\$ 15,846	\$ -	\$ -

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

11. RIGHT-OF-USE ASSETS

Right to use assets are for the leases in Note 10.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end		
	Lease Asset Value	Accumulated Amortization	Net Book Value
Equipment	\$ 66,700	\$ 66,700	\$ -
Total Leases	\$ 66,700	\$ 66,700	\$ -

Amount of Lease Assets by Major Classes of Underlying Asset (Right to Use Asset)

	Balance Beginning of Year	Additions	(Deletions)	Balance End Of Year
Right-to-Use Asset				
Equipment	\$ 66,700	-	-	\$ 66,700
Total	66,700	-	-	66,700
Accumulated Amortization				
Equipment	50,095	16,605	-	66,700
Total	50,095	16,605	-	66,700
Net Right-to-Use Assets	\$ 16,605			\$ -

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

12. SUBSCRIPTION LIABILITIES

For the year ended 6/30/2025, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 06/14/2021 Oregon Charter Academy, OR entered into a 28 month subscription for the use of ADP. An initial subscription liability was recorded as of July 1, 2022 in the amount of \$300,530. As of 6/30/2025, the value of the subscription liability is \$0. Oregon Charter Academy, OR is required to make monthly fixed payments of \$11,000. The subscription has an interest rate of 2.1940%. The value of the right to use asset as of 6/30/2025 of \$300,530 with accumulated amortization of \$300,530 is included with Software on the Subscription Class activities table found below.

On 6/28/2019, Oregon Charter Academy, OR entered into a 26 month subscription for the use of Newsela. An initial subscription liability was recorded as of July 1, 2022 in the amount of \$47,133. As of 06/30/2025, the value of the subscription liability is \$0. Oregon Charter Academy, OR is required to make annual fixed payments of \$16,000. The subscription has an interest rate of 1.8500%. The value of the right to use asset as of 6/30/2025 of \$47,133 with accumulated amortization of \$47,133 is included with Software on the Subscription Class activities table found below. Oregon Charter Academy, OR has 2 extension option(s), each for 12 months.

On 9/19/2022, Oregon Charter Academy, OR entered into a 36 month subscription for the use of PowerSchool - Enrollment. An initial subscription liability was recorded in the amount of \$32,833. As of 06/30/2025, the value of the subscription liability is \$0. Oregon Charter Academy, OR is required to make annual fixed payments of \$11,200. The subscription has an interest rate of 2.3540%. The value of the right to use asset as of 6/30/2025 of \$32,833 with accumulated amortization of \$30,461 is included with Software on the Subscription Class activities table found below.

Changes in Subscription Based Information Technology Arrangement (SBITA) Liabilities						
Governmental Activities						
	Balance at July 1, 2024	Additions	Reductions	Balance at June 30, 2025	Due within one year	
Software						
ADP	\$ 43,800	\$ -	\$ 43,800	\$ -	\$ -	
Newsela	15,709	-	15,709	-	-	
PowerSchool Enrollment	10,942	-	10,942	-	-	
	\$ 70,451	\$ -	\$ 70,451	\$ -	\$ -	
Total	\$ 70,451	\$ -	\$ 70,451	\$ -	\$ -	

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

13. SUBSCRIPTION RIGHT-TO-USE ASSETS

Right to use assets are for the subscriptions in Note 12.

Amount of Subscription Assets by Major Class of Underlying Assets (Right to Use Assets)

Asset Class	As of Fiscal Year-end		
	Subscription Asset Value	Accumulated Amortization	Net Book Value
Software Subscriptions	\$ 380,496	\$ 378,124	\$ 2,372
Total Subscriptions Right-to-Use Assets	\$ 380,496	\$ 378,124	\$ 2,372

Changes in Subscription Right-to-Use Assets

	Balance Beginning of Year	Additions	(Deletions)	Balance End Of Year
Subscription Right-to-Use Assets				
Software				
ADP	\$ 300,530	\$ -	\$ -	\$ 300,530
Newsela	47,133	-	-	47,133
PowerSchool Enrollment	32,833	-	-	32,833
Total	380,496	-	-	380,496
Accumulated Amortization				
Software				
ADP	257,596	42,934	-	300,530
Newsela	43,452	3,681	-	47,133
PowerSchool Enrollment	19,517	10,944	-	30,461
Total	320,565	57,559	-	378,124
Net Subscription Right-to-Use Assets	\$ 59,931			\$ 2,372

13. PREPAID EXPENSES

Prepaid expenses were comprised of prepaid insurance and curriculum purchases for 2025-26.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

14. COMMITMENTS & CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon through Santiam Canyon 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 either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the Academy's operations cannot be determined.

The Academy operates under the authority of Santiam Canyon 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.

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

OREGON CHARTER ACADEMY

REQUIRED SUPPLEMENTARY INFORMATION

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OREGON CHARTER ACADEMY
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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
2025	0.09 %	\$ 20,630,509	\$ 10,018,215	205.9 %	79.3 %
2024	0.12	23,319,204	11,170,322	208.8	81.7
2023	0.13	19,974,318	13,437,766	148.6	84.5
2022	0.11	13,520,966	12,030,249	112.4	87.6
2021	0.11	24,349,252	11,495,673	211.8	75.8
2020	0.11	19,236,902	12,154,103	158.3	80.2
2019	0.11	16,058,707	8,801,745	182.4	82.1
2018	0.10	13,439,263	8,020,199	167.6	83.1
2017	0.10	15,715,745	7,174,907	219.0	80.5
2016	0.10	5,910,699	6,275,470	94.2	91.9

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.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	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
2025	\$ 3,209,855	\$ 3,209,855	\$ -	\$ 12,269,126	26.2 %
2024	2,794,184	2,794,184	-	10,018,215	27.9
2023	2,796,632	2,796,632	-	11,170,322	25.0
2022	3,159,733	3,159,733	-	13,437,766	23.5
2021	3,452,004	3,452,004	-	12,030,249	28.7
2020	3,238,574	3,238,574	-	11,495,673	28.2
2019	2,169,319	2,169,319	-	12,154,103	17.8
2018	1,902,100	1,902,100	-	8,801,745	21.6
2017	1,376,250	1,376,250	-	8,020,199	17.2
2016	1,265,483	1,265,483	-	7,174,907	17.6

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.

OREGON CHARTER ACADEMY
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB liability (asset) (NOL/(A))	(b) Employer's proportionate share of the net OPEB Liability/ (asset) (NOL/(A))	(c) Employer's covered payroll	(b/c) NOL/(A) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	0.08 %	\$ (329,835)	\$ 10,018,215	(3.3) %	220.6 %
2024	0.06	(217,371)	11,170,322	(1.9)	201.6
2023	0.04	(152,062)	13,437,766	(1.1)	194.6
2022	0.07	(231,760)	12,030,249	(1.9)	183.9
2021	0.07	(137,107)	11,495,673	(1.2)	150.1
2020	0.08	(160,840)	12,154,103	(1.6)	144.4
2019	0.08	(84,681)	8,801,745	(1.0)	124.0
2018	0.07	(29,253)	8,020,199	(0.4)	108.9
2017	0.07	18,018	7,174,907	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.

Amounts for covered payroll (c) use the prior year's data to match the measurement date used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	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
2025	* \$ N/A	\$ N/A	\$ N/A	\$ 12,269,126	N/A %
2024	N/A	N/A	N/A	10,018,215	N/A
2023	N/A	N/A	N/A	11,170,322	N/A
2022	N/A	N/A	N/A	13,437,766	N/A
2021	N/A	N/A	N/A	12,030,249	N/A
2020	N/A	N/A	N/A	11,495,673	N/A
2019	N/A	N/A	N/A	12,154,103	N/A
2018	N/A	N/A	N/A	8,801,745	N/A
2017	N/A	N/A	N/A	8,020,199	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.

* All statutorily required contributions were made and are included within PERS contributions (see pg. 39).

OREGON CHARTER ACADEMY

OTHER INFORMATION

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OREGON CHARTER ACADEMY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GENERAL FUND – BUDGET AND ACTUAL
 For the Year Ended June 30, 2025

	GENERAL FUND			VARIANCE TO BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES:				
Local Sources:				
Interest and investment earnings	\$ -	\$ -	\$ 659,711	\$ 659,711
Program Fees	-	-	3,752	3,752
Miscellaneous	-	-	8,519	8,519
Rental Revenue	-	-	363,830	363,830
From State Sources:				
State School Support	28,707,964	28,707,964	32,090,872	3,382,908
Other State/Grant Funding	-	-	1,318,252	1,318,252
From Federal Sources				
Grants (IDEA)	1,350,000	1,350,000	613,036	(736,964)
E-Rate & Other	44,000	44,000	-	(44,000)
Total Revenues	30,101,964	30,101,964	35,057,972	4,956,008
EXPENDITURES:				
Salaries and Benefits	18,125,593	18,125,593	19,249,303	(1,123,710)
Purchased Services	9,247,007	9,247,007	9,330,739	(83,732)
Supplies and Materials	505,000	505,000	388,845	116,155
Capital Outlay	-	-	273,233	(273,233)
Miscellaneous Expenditures	757,500	757,500	577,063	180,437
Total Expenditures	28,635,100	28,635,100	29,819,183	(1,184,083)
Net Change in Fund Balance	1,466,864	1,466,864	5,238,789	3,771,925
Beginning Fund Balance	-	-	16,706,632	16,706,632
Ending Fund Balance	\$ 1,466,864	\$ 1,466,864	\$ 21,945,421	\$ 20,478,557

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OREGON CHARTER ACADEMY

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

For the Year Ended June 30, 2025

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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

December 17, 2025

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Oregon Charter Academy as of and for the year ended June 30, 2025, and have issued our report thereon dated December 17, 2025. 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:

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

In connection with our testing nothing came to our attention that caused us to believe Oregon Charter 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 system of 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 system of internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the system of internal controls 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
ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

**OREGON CHARTER ACADEMY
LINN COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2025



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

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OREGON CHARTER ACADEMY

LINN COUNTY, OREGON

FINANCIAL REPORT

For the Year Ended June 30, 2025

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OREGON CHARTER ACADEMY

2024-2025

BOARD OF DIRECTORS

TERM EXPIRE DATE

Joseph Brown – President	June 2027
Kim Thatcher – Vice President	June 2025
Jennifer Brady – Secretary	June 2027
Misty Galofteanu – Treasurer	June 2026
Laura Dillon – Board Member	June 2025

Board members receive mail at the address listed below.

ADMINISTRATION

Allison Galvin– Executive Director (Registered Agent)
833 NW Santiam Blvd.
Mill City, OR 97360

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OREGON CHARTER ACADEMY

TABLE OF CONTENTS

	<u>PAGE NUMBER</u>
Independent Auditors' Report	<i>i</i>
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Management's Discussion and Analysis	<i>iv</i>
<u>BASIC FINANCIAL STATEMENTS</u>	
Government Wide Basic Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Basic Financial Statements:	
Balance Sheet – Governmental Fund	3
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Fund	5
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities	6
Notes to Basic Financial Statements	7
<u>REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule of the Proportionate Share of the Net Pension Liability - PERS	39
Schedule of Contributions - PERS	39
Schedule of the Proportionate Share of the Net OPEB Liability - RHIA	40
Schedule of Contributions - RHIA	40
<u>OTHER INFORMATION</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – General Fund – Budget and Actual	41
<u>REPORT ON LEGAL AND OTHER REGULATORY REQUIREMENTS</u>	
Independent Auditors' Report Required by Oregon State Regulations	42

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OREGON CHARTER ACADEMY

INDEPENDENT AUDITORS REPORT

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December 17, 2025

INDEPENDENT AUDITORS' REPORT

To the Board of Director
Oregon Charter Academy
Mill City, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying basic financial statements of the governmental activities, and the major fund of Oregon Charter Academy (the Academy), for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

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 the Academy as of June 30, 2025, 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.

Basis for Opinions

We conducted our audit in accordance with the auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Academy and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management 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, and for the design, implementation, and maintenance of system 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.

In preparing the basic financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the basic financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the basic financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the basic financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the basic financial statements.
- Obtain an understanding of the Academy's system of internal 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 Academy's system of internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the basic financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Academy's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain system of internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

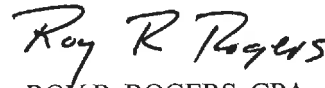
Other Information

Management is responsible for the other information included in the annual report. The other information comprises the other information, as listed in the table of contents, and the listing of board members containing their term expiration dates, located before the table of contents, but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Report on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 17, 2025 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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OREGON CHARTER ACADEMY

REQUIRED SUPPLEMENTARY INFORMATION

MANAGEMENT'S DISCUSSION & ANALYSIS

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OREGON CHARTER ACADEMY MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Our discussion and analysis of Oregon Charter Academy's financial performance provides an overview of the Academy's financial activity for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the Academy's financial statements. The fiscal year 2024-25 was the twentieth year of the Academy's operation.

FINANCIAL HIGHLIGHTS

- Total revenues increased by \$3,732,748 due to increased enrollment and funding per student.
- At June 30, 2025, the Academy's Governmental Fund balance was \$21,945,421.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is an introduction to the Academy's financial statements which consist of the MD&A, the basic financial statements, and supplementary information. The financial statements provide information for the Academy as a whole, its funds, and its fiduciary responsibilities.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Government-wide statements present information on the Academy's finances in a manner similar to a private sector business. One of the most important questions asked about the Academy is, "Is the Academy as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Position and Statement of Activities report help answer this question as they provide information about the activities of the Academy as a whole and present a longer-term view of the Academy's finances. As of fiscal year ending June 30, 2015, GASB Statement no. 68 - Accounting and Financial Reporting for Pensions ("GASB 68") was implemented. This resulted in the inclusion of an actuarial portion of the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans in the school's financial results (see Note 4).

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

The *Statement of Activities* presents information showing how the Academy's net position changed during the most recent fiscal year, or in other words the revenues and expenses for the period. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of related cash flows.



FUND FINANCIAL STATEMENTS

A *fund* is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. The Academy, like governmental type entities, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Fund financial statements also report operations in more detail than the government-wide financial statements by providing information about the most significant fund, the general fund. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliations following the government statements. Fund statements also may give you some insights into the Academy's overall financial health. The Academy has only one fund type, the governmental general fund.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

SUPPLEMENTARY INFORMATION

The governmental fund budgetary comparison schedule is presented for purposes of additional analysis.

~ Discussion Continues on Next Page ~



GOVERNMENT-WIDE FINANCIAL ANALYSIS

Management has adopted Governmental Accounting Standards Board (“GASB”) Statement 34, which requires a comparative analysis of current and prior periods.

	2025	2024	% Change
Assets			
Current and Other Assets	\$ 26,158,801	\$ 20,203,231	29.5%
Capital Assets (net)	9,342,725	9,285,023	0.6%
Total Assets	35,501,526	29,488,254	20.4%
Deferred Outflows of Resources			
Pension Related Deferrals	10,034,349	9,026,921	11.2%
Total Assets and Pension Related Deferrals	\$ 45,535,875	\$ 38,515,175	17.7%
Liabilities			
Current and Other Liabilities	22,871,688	24,935,892	-8.3%
Deferred Inflows of Resources			
Pension & Other Related Deferrals	7,543,044	4,134,620	82.4%
Total Liabilities and Pension Related Deferrals	\$ 30,414,732	\$ 29,070,512	4.6%
Net Position			
Investment in Capital Assets	9,345,097	9,275,262	0.8%
Restricted for Net OPEB Asset – RHIA	329,835	217,371	51.7%
Net Position: unrestricted	5,446,211	(47,970)	11,454%
Total Net Position	\$ 15,121,143	\$ 9,444,663	60.1%
Total Liabilities, Pension Related Deferrals and Net Position	\$ 45,535,875	\$ 38,515,175	18.2%



As noted earlier, net position may serve as a useful indicator over time of the Academy’s financial position. As of June 30, 2025 the Academy’s assets exceeded liabilities by \$15,121,143, an increase of 60% from June 2024.

	2025	2024	% Change
<u>Revenue:</u>			
State School Fund	\$ 32,090,872	\$ 28,528,569	12.5%
Operating Grants & Contributions	1,931,288	2,014,927	-4.2%
Other – Charges for Services & Misc	1,035,812	781,728	32.5%
Total Revenue	\$ 35,057,972	\$ 31,325,224	11.9%
<u>Expenditures:</u>			
Instruction	13,669,729	12,943,095	5.6%
Support Services	15,711,763	14,896,924	5.5%
Total Governmental Expenditures	\$ 29,381,492	\$ 27,840,019	5.5%
Gain (Loss) on Disposal of Assets	-	-	0.0%
Change in Net Position	5,676,480	3,485,205	
Beginning Net Position	9,444,663	5,959,458	58.5%
Ending Net Position	\$ 15,121,143	\$ 9,444,663	60.4%

The Academy’s revenues are predominantly state school funds based on student enrollment. For the year ending June 30, 2025, the Academy’s total revenues of \$35,057,972 were more than expenses of \$29,381,492 by \$5,676,480. The 11.9% revenue increase was due to continued student enrolment growth, which began during the 2022-23 school year.



GOVERNMENTAL FUNDS

Governmental funds are reported using the accounting method called “modified accrual” accounting, which measures cash and all other financial assets that can be readily converted to cash. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Such information is useful in assessing the Academy’s financing requirements.

The Academy’s governmental fund (the General Fund) reported an ending fund balance of \$21,945,421, an increase of \$5,238,789 from the prior year.

BUDGET VARIATIONS

Actual revenue exceeded the budget by \$4,956,008 due to increased enrollment. Net expenses were \$1,184,083 more than budgeted, due to increased costs associated with enrollment growth.

CAPITAL ASSETS

The Academy had \$9,342,725 in capital assets, net of depreciation, at June 30, 2025. Please refer to Note 3 in the notes to the basic financial statements for further information.

REQUESTS FOR INFORMATION

Our financial report is designed to provide our parents, teachers, students, investors and creditors with an overview of the Academy’s finances. If you have any questions about this report or need any clarification of information please contact the Oregon Charter Academy offices, located at:

PO Box 1129
Mill City OR 97360

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OREGON CHARTER ACADEMY

BASIC FINANCIAL STATEMENTS

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OREGON CHARTER ACADEMY

STATEMENT OF NET POSITION

June 30, 2025

ASSETS:

Cash	\$ 16,311,536
Accounts receivable	1,105,724
Prepaid expenses	15,850
Lease Receivable	1,757,694
Long-Term Investments	6,635,790
Net OPEB asset - RHIA	329,835
Capital assets, net of accumulated depreciation	9,342,725
Subscription right-to-use asset, net of amortization	2,372
Total Assets	<u>35,501,526</u>

DEFERRED OUTFLOWS OF RESOURCES:

Pension related deferrals - PERS	10,025,036
OPEB related deferrals - RHIA	<u>9,313</u>
Total Deferred Outflows	<u>10,034,349</u>

TOTAL ASSETS AND PENSION RELATED DEFERRALS \$ 45,535,875

LIABILITIES:

Accounts payable	\$ 324,694
Payroll liability	1,878,654
Unearned revenue	28,306
Other current liabilities	9,525
Net pension liability - PERS	<u>20,630,509</u>
Total Liabilities	<u>22,871,688</u>

DEFERRED INFLOWS OF RESOURCES:

Pension related deferrals - PERS	5,844,385
OPEB related deferrals - RHIA	58,665
Deferred Lease Receivable	<u>1,639,994</u>
Total Deferred Inflows	<u>7,543,044</u>

TOTAL LIABILITIES AND PENSION RELATED DEFERRALS 30,414,732

NET POSITION:

Restricted for Net OPEB Asset - RHIA	329,835
Net investment in capital assets	9,345,097
Unrestricted	<u>5,446,211</u>
Total Net Position:	<u>15,121,143</u>

TOTAL LIABILITIES, PENSION RELATED DEFERRALS AND NET POSITION \$ 45,535,875

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 13,669,729	\$ 3,752	\$ 1,931,288	\$ (11,734,689)
Support Services	15,711,763	-	-	(15,711,763)
Total Governmental Activities	<u>\$ 29,381,492</u>	<u>\$ 3,752</u>	<u>\$ 1,931,288</u>	<u>(27,446,452)</u>
General Revenues:				
				32,090,872
				363,830
				659,711
				<u>8,519</u>
				<u>33,122,932</u>
				5,676,480
				<u>9,444,663</u>
				<u>\$ 15,121,143</u>

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY
BALANCE SHEET - GENERAL FUND
June 30, 2025

	GENERAL FUND
ASSETS:	
Cash	\$ 16,311,536
Accounts receivable	1,105,724
Lease receivable	1,757,694
Prepaid expenses	15,850
Investments	6,635,790
Total Assets	\$ 25,826,594
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE:	
Liabilities:	
Accounts payable	\$ 324,694
Payroll liabilities	1,878,654
Other current liabilities	9,525
Unearned Revenue	28,306
Total Liabilities	2,241,179
 Deferred Inflows of Resources:	
Deferred Lease receivable	1,639,994
 Fund Balance:	
Nonspendable	
Leases receivable, net deferred inflows	117,700
Prepaid expenses	15,850
Unassigned	21,811,871
Total Fund Balance	21,945,421
Total Liabilities and Fund Balance	\$ 25,826,594

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

Reconciliation of the General Fund
Balance Sheet to the Statement of Net Position
June 30, 2025

Total Fund Balances – General Fund		\$ 21,945,421
<p>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.</p>		
		(20,630,509)
<p>The proportionate share of the OPEB Retiree Health Insurance account (RHIA) OPEB asset is not reported as an asset in the general fund activities.</p>		
		329,835
<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 earning, and contributions subsequent to the measurement date.</p>		
Deferred outflows - PERS	\$ 10,025,036	
Deferred inflows - PERS	(5,844,385)	
Deferred outflows - RHIA	9,313	
Deferred inflows - RHIA	<u>(58,665)</u>	4,131,299
<p>The cost of capital assets (land, buildings, furniture 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 Academy as a whole.</p>		
Capital Assets (Net of Depreciation)		9,342,725
<p>Right-to-use assets are not financial resources and therefore are not reported in the governmental funds.</p>		
Subscription right-to-use asset, (Net of Amortization)		2,372
Net Position		<u>\$ 15,121,143</u>

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND

For the Year Ended June 30, 2025

REVENUES:	GENERAL FUND
From State Sources:	
State School Fund General Support	\$ 32,090,872
State Grant Funding	1,318,252
From Federal Sources:	
Federal Grants	613,036
From Local Sources:	
Rental income	363,830
Interest and investment earnings	659,711
Program Fees	3,752
Miscellaneous Revenue	8,519
	35,057,972
 Total Revenues	 35,057,972
 EXPENDITURES:	
Instruction	14,310,818
Support Services	15,508,365
	29,819,183
 Total Expenditures	 29,819,183
 Excess of Revenues Over, (Under) Expenditures	 5,238,789
 OTHER FINANCING SOURCES (USES)	
Transfers In	42,303
Transfers Out	(42,303)
	-
 Total Expenditures	 -
 Net Change in Fund Balance	 5,238,789
 Beginning Fund Balance	 16,706,632
 Ending Fund Balance	 \$ 21,945,421

See accompanying notes to the basic financial statements.

OREGON CHARTER ACADEMY

Reconciliation of the General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
to the Statement of Activities
For the Year Ended June 30, 2025

Total Net Changes in Fund Balances – General Funds	\$	5,238,789
The PERS pension income (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.		281,107
OPEB - RHIA income represents the net change in total OPEB liability from year to year related to the medical benefit OPEB and is not included in the general fund.		86,749
Long-term lease proceeds are recorded as an other financing sources in governmental funds. This debt, however, increases liabilities in the Statement of Net Position.		
Payment on Lease Liability		15,846
Payment on Subscription Liability		70,451
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.		
Capital Asset Additions		273,233
Depreciation Expense		(215,531)
Amortization Expense - Leases		(16,605)
Amortization Expense - Subscriptions		(57,559)
		<u> </u>
Change in Net Position of Governmental Activities	\$	<u><u>5,676,480</u></u>

See accompanying notes to the basic financial statements.

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OREGON CHARTER ACADEMY

NOTES TO THE BASIC FINANCIAL STATEMENTS

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OREGON CHARTER ACADEMY

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. Significant accounting policies are described below.

A. THE FINANCIAL REPORTING ENTITY

Oregon Charter Academy (the Academy) is a nonprofit corporation organized under provisions of Oregon Revised Statutes Chapter 338 as a public virtual charter school to serve students in grades K–12. The Academy was previously named Oregon Connections Academy, and effective on July 1, 2020, the Academy changed its name to Oregon Charter Academy. It is governed by a board. Accounting principles generally accepted in the United States of America require that these basic financial statements present the Oregon Charter 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 BASIC FINANCIAL STATEMENTS (GWFS)

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

FUND BASIC 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 assist management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Governmental funds are used to account for the general government activities. Governmental fund types use 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”).

OREGON CHARTER ACADEMY

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

“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, and local shared revenue and federal grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Financial operations are accounted for in 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 Santiam Canyon School District, grants, program fees, fundraising and donations.

GRANTS

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 is recorded as a liability in the Balance Sheet and Statement of Net Position.

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 equipment and other capital asset, 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.

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

OREGON CHARTER ACADEMY

NOTES TO THE BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (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 a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. At June 30, 2025, there were deferred outflows representing PERS pension and OPEB-RHIA 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, 2025, there were deferred inflows representing PERS pension and OPEB-RHIA related deferrals reported in the Statement of Net Position. There is also a deferred lease receivable reported in both the Governmental Fund Balance Sheet and the Statement of Net Position.

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, there are five fund balance classifications – non-spendable, restricted, committed, assigned, and unassigned.

- Non-spendable represents amounts that are not in a spendable form. The non-spendable fund balance represents prepaid items and lease receivable.
- 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.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. BUDGET

A budget is prepared 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 and amortization expenses are recognized, pension and OPEB costs are not recorded until paid and capital assets are expensed when purchased.

Expenditures are made at the following levels for each fund:

LEVEL OF CONTROL

- Salaries
- Employee Benefits
- Purchased Services
- Supplies and Materials
- Capital Outlay
- Other Objects

See page 41 for a comparison of budget to actual.

D. CAPITAL ASSETS

Capital assets, which include land, building, leasehold improvements, equipment, and furniture, are reported in the government-wide basic financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and a useful life of more than 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. Depreciation is recorded on capital assets on the straight line method over the following useful lives of the asset:

Buildings	40 years
Leasehold Improvements	5 to 13 years
Equipment	5 to 10 years
Furniture	5 to 10 years

E. SUPPLY INVENTORY

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

F. PREPAID EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Prepaid expenses primarily represent payments for curriculum materials and supplies to be used in the subsequent fiscal year. Prepaid expenses also represent payments for business insurance and service contracts that extend into the subsequent fiscal year. See Note 7 for prepaid expenses related to service contracts and Note 13 for additional prepaid expense details and amounts.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. 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 certain reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the basic financial statements and the reported amounts of revenues and expenses during the reported period. Accordingly, actual results could differ from those estimates.

H. LEASE ACTIVITIES

Lease Receivables

Lease receivables are recognized at the net present value of the leased assets at a borrowing rate either explicitly described in the agreement or implicitly determined by the government, reduced by principal payments received.

Lease Assets

Lease assets are assets which the government leases for a term of more than one year. The value of leases is determined by the net present value of the leases at the government's incremental borrowing rate at the time of the lease agreement, amortized over the term of the agreement.

Leases Payable

In the government-wide financial statements, leases payable are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of lease payments is reported as other financing sources.

I. SALARIES AND RETIREMENT PLANS

All employee services, such as human resources services including recruiting, payroll (including paying the teaching staff directly, collecting and remitting taxes, etc.), benefits (including supervision and liability services) are performed as contract services from ADP, LLC. Benefits administration for the Section 403(b) Plan is performed as contract services from Carruth Compliance Consulting. All employees are on contract with Oregon Charter Academy, and the Board retains all rights regarding hiring and terminating of employees. For additional explanations on contracted services, see Note 7.

Substantially all 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.

K. SUBSCRIPTION ASSETS

Subscription assets are assets in which the government obtains control of the right to use the underlying IT asset. The value of the subscription asset is initially measured as the sum of the initial subscription liability amount, any payments made to the IT software vendor before commencement of the subscription term, and any capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. The subscription asset is amortized in a straight-line manner over the course of the subscription term.

L. SUBSCRIPTION LIABILITIES

In the government-wide financial statements, subscription liabilities are reported as liabilities in the Statement of Net Position. In the governmental fund financial statements, the present value of subscription payments expected to be made during the subscription term is reported as other financing sources. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government’s incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in subsequent financial reporting periods.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. ACCRUED COMPENSATED ABSENCES

The Academy's policy allows employees to accumulate earned but unused sick leave up to 80 hours. The balance of unused sick time at June 30, 2025 is immaterial to the financial statements. Upon termination of employment, unused sick leave is forfeited. Vacation leave is also forfeited at year end, and therefore is not accrued for or recorded in the basic financial statements.

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes requires 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, 2025 was \$5,126,028 of which \$250,000 was covered by federal depository insurance and the remainder was collateralized by the Oregon Public Funds Collateralization Program (PFCP). Cash and cash equivalents as of June 30, 2025 consisted of \$16,311,536.

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, 2025, none of the bank balances were exposed to custodial credit risk.

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. The Academy's investments at June 30, 2025 are all long-term annuities which comprise annuity contracts with five different life insurance and annuity companies.

CREDIT RISK – INVESTMENTS

Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from US Government Agencies or United States Government-Sponsored Enterprise (USGSE).

CONCENTRATION OF CREDIT RISK – INVESTMENTS

The Academy's investments at June 30, 2025 are all long-term annuities which comprise annuity contracts with five different life insurance and annuity companies.

On May 12, 2023 the Academy deposited a premium of \$750,000 with Sagicor Life Insurance Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 19, 2023 and the maturity date is May 19, 2080. The accumulation value in the contract has an initial guaranteed interest rate of 5.20% and the initial rate guarantee period is five years. There is one additional subsequent rate guarantee period of five years, followed by annual guarantee periods, thereafter, with a guaranteed minimum interest rate of 1.25%. The surrender charge period is five years and any withdrawals during this period may be subject to penalties. The initial surrender charge period is five years.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

The initial surrender charge period will be followed by one subsequent five-year period. The surrender charge in the initial surrender period and again in the subsequent surrender period is nine percent in the first year, eight percent in the second year, seven percent in the third year, six percent in the fourth year, and five percent in the fifth year. Surrender charges will not apply beginning of contract year eleven. Any withdrawal could be subject to a market value adjustment. There is a guaranteed surrender value of 87.50% of the premium paid accumulated at a non-forfeiture rate of 2.60%, adjusted by withdrawals plus surrender charges and any premium taxes paid. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was \$830,028.

On May 12, 2023 the Academy deposited a premium of \$1,500,000 with Oceanview Life and Annuity Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 19, 2023 and the maturity date is January 1, 2075 or the last day of the initial guarantee period extending beyond such date, if later. The accumulation value in the contract is guaranteed to receive no less than 4.90% during the initial four year guarantee period and then 1% in the subsequent guarantee period. The surrender charge period is four years and any withdrawals during this period may be subject to penalties. The surrender charge percent is nine percent in the first year, eight percent in the second year, seven percent in the third year, and six percent in the fourth year of the period. Surrender charges will not apply beginning of contract year five. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with an interest rate for minimum surrender value of 2.80%. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was \$1,650,601.

On May 12, 2023 the Academy deposited a premium of \$750,000 with Americo Financial Life and Annuity Insurance Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 23, 2023 and the maturity date is May 23, 2075. The accumulation value in the contract is guaranteed to receive no less than 5.25% during the initial five year guarantee period. The surrender charge period is five years and any withdrawals during this period may be subject to penalties. The surrender charge percentage is nine percent in the first year, eight percent in the second year, seven percent in the third year, six percent in the fourth year, and five percent in the fifth year of the period. Surrender charges will not apply beginning of contract year six. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with a minimum guaranteed interest rate of 2.35%. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was \$830,933.

On May 12, 2023 the Academy deposited a premium of \$1,500,000 with Clear Spring Life and Annuity Company in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 25, 2023 and the maturity date is May 25, 2080. The accumulation value in the contract is guaranteed to receive no less than 4.60% during the initial two year guarantee period. The surrender charge period is two years and any withdrawals during this period may be subject to penalties. The surrender charge percentage is seven percent in the first year and six percent in the second year of the period. Surrender charges will not apply beginning of contract year three. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with a nonforfeiture interest rate of 2.80%. The fair value is the original cost plus interest earned. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The Clear Spring annuity contract expired in May 2025 and funds were transferred to a second ASPIDA account with a surrender charge period of two years and any withdrawals during this period may be subject to penalties. The accumulation value in the contract is guaranteed to receive no less than 4.80% during the initial two year guarantee period. The balance as of June 30, 2025 was \$ 1,646,241.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

On May 12, 2023 the Academy deposited a premium of \$1,500,000 with ASPIDA in a long-term insurance product called a Single Premium Deferred Multi-Year Guaranteed Annuity (MYGA). The effective date of the annuity contract was May 15, 2023 and the maturity date is May 15, 2095. The accumulation value in the contract is guaranteed to receive no less than 4.90% during the initial three year guarantee period. The surrender charge period is three years and any withdrawals during this period may be subject to penalties. The surrender charge percentage is nine percent in the first year, eight percent in the second year, and seven percent in the third year of the period. Surrender charges will not apply beginning of contract year three. Any withdrawal could be subject to a market value adjustment. There is a minimum surrender value of 87.50% with interest credited at a 2.85% annual effective rate. The fair value is the original cost plus interest earned.

The yield for the current year is estimated to be approximately 5.12%. This annuity is not “risk free” or “guaranteed safe”. It is only as sound as the issuing insurance company. The balance as of June 30, 2025 was 1,650,601.

In accordance with ASC No. 820, the School classifies its investments into Level 1, which refers to securities traded in an active market, Level 2, which refers to securities not traded on an active market but for which observable market inputs are readily available or Level 1 securities where there is a contractual restriction, and Level 3, which refers to securities not traded in an active market and for which no significant observable market inputs are available. As required by ASC No. 820, the Academy’s investments were classified as follows, based on fair values:

The fair value of the annuity is determined using the original contract value plus accrued and accumulated interest earned which approximates the fair market value.

Fair values of assets measured on a recurring basis at June 30, 2025 are as follows:

Fair Value Measurement at Reporting Date Using Significant Unobservable Inputs

	Fair Value	Significant Unobservable Inputs (Level 3)
Annuities:		
Sagicor Life Insurance Company	\$ 830,028	\$ 830,028
Oceanview Life & Annuity Company	1,677,987	1,677,987
Americo Financial Life & Annuity Company	830,933	830,933
ASPIDA 2	1,646,241	1,646,241
ASPIDA	1,650,601	1,650,601
Subtotal	\$ 6,635,790	\$ 6,635,790

The following table presents the Academy’s activity for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the year ended June 30, 2025:

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH DEPOSITS, CASH EQUIVALENTS, AND INVESTMENTS (CONTINUED)

Balance at June 30, 2024	\$ 6,326,937
Total realized gains	-
Purchases	308,853
Sales	-
Transfers into Level 3	-
Transfers out of Level 3	-
Balance at June 30, 2025	<u>\$ 6,635,790</u>

Investment Type	Fair Value	Investment Maturities (in months)		
		Less than 3	3-18	18+
Life Insurance Annuity Contracts	\$ 6,635,790	\$ -	\$ -	\$ 6,635,790
Subtotal	<u>\$ 6,635,790</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,635,790</u>

3. CAPITAL ASSETS

Changes in capital assets for the year ended June 30, 2025 are as follows:

	Capital Assets July 1, 2024	Additions	(Deletions)	Capital Assets June 30, 2025
Non-Depreciable Capital Assets				
Land	\$ 3,067,010	\$ -	\$ -	\$ 3,067,010
Total Non-Depreciable Capital Assets	<u>\$ 3,067,010</u>	<u>-</u>	<u>-</u>	<u>\$ 3,067,010</u>
Depreciable Capital Assets				
Building	\$ 6,591,212	\$ 241,000	\$ -	\$ 6,832,212
Leasehold Improvements	213,773	-	-	213,773
Equipment	287,629	32,233	-	319,862
Furniture	205,924	-	-	205,924
Total Depreciable Capital Assets	<u>7,298,538</u>	<u>273,233</u>	<u>-</u>	<u>7,571,771</u>
Accumulated Depreciation				
Building	494,064	173,031	-	667,095
Leasehold Improvements	213,774	-	-	213,774
Equipment	172,598	40,906	-	213,504
Furniture	200,089	1,594	-	201,683
Total Accumulated Depreciation	<u>1,080,525</u>	<u>215,531</u>	<u>-</u>	<u>1,296,056</u>
Total Depreciable Assets, Net	<u>\$ 6,218,013</u>			<u>\$ 6,275,715</u>
Total Capital Assets, Net	<u>\$ 9,285,023</u>			<u>\$ 9,342,725</u>

Depreciation is allocated 100% to supporting services.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. 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 Annual Comprehensive Financial Report (ACFR) which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.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.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. 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. Under House Bill (HB) 2283, passed during the 2023 legislative session and effective January 1, 2024, if a member has established retirement eligibility under the police and fire classification, they retain that eligibility even if they perform service thereafter as other than police and fire. Under HB 4045, passed during the 2024 legislative session and effective January 1, 2025, normal retirement age for police and fire members will be lowered to age 55 or age 53 with 25 years of retirement credit.

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. Disability benefits continue until the member is no longer disabled or otherwise no longer qualifies for benefits, reaches normal retirement age, or dies.

iv. **Benefit Changes After Retirement.** Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes (COLA), starting with the monthly benefits received or entitled to be received on August 1. The COLA is capped at 2.0 percent.

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, 2021 actuarial valuation, which became effective July 1, 2023. 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, 2025 were \$3,209,855, excluding amounts to fund employer specific liabilities.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Pension Asset or Liability – At June 30, 2025, the Academy reported a net pension liability of \$20,630,509 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2022. 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, 2024 and 2023, the Academy’s proportion was .09 percent and .12 percent, respectively. Pension income for the year ended June 30, 2025 was \$281,107.

The rates in effect for the year ended June 30, 2025, were:

- (1) Tier 1/Tier 2 – 27.87%
- (2) OPSRP general services – 25.03%

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Difference between expected and actual experience	\$ 1,222,167	\$ 49,238
Changes in assumptions	2,074,198	2,657
Net difference between projected and actual earnings on pension plan investments	1,310,614	-
Changes in proportionate share	1,394,516	4,649,922
Differences between Academy contributions and proportionate share of contributions	<u>813,686</u>	<u>1,142,568</u>
Subtotal - Amortized deferrals (below)	6,815,181	5,844,385
Academy contributions subsequent to measurement date	<u>3,209,855</u>	-
Total deferred outflow (inflow) of resources	<u>\$ 10,025,036</u>	<u>\$ 5,844,385</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, 2026.

Subtotal amounts related to pension as deferred outflows of resources \$6,815,181, and deferred inflows of resources, (\$5,844,385), net to \$970,796 and will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	(454,836)
2027	1,611,129
2028	244,408
2029	(306,688)
2030	(123,216)
Thereafter	-
Total	<u>\$ 970,796</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Actuarial Valuations – The employer contribution rates effective July 1, 2023 through June 30, 2025, 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, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 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	<p><u>Healthy retirees and beneficiaries:</u> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2022 Experience Study, which is reviewed for the four-year period ending December 31, 2022.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Debt Securities	20.0%	30.0%	25.0%
Public Equity	22.5%	32.5%	27.5%
Real Estate	7.5%	17.5%	12.5%
Private Equity	15.0%	27.5%	20.0%
Real Assets	2.5%	10.0%	7.5%
Diversifying Strategies	2.5%	10.0%	7.5%
Opportunity Portfolio	0.0%	5.0%	0.0%
Total			100.0%

(Source: June 30, 2024 PERS ACFR; p. 116)

Long-Term Expected Rate of Return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in January 2023, 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
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
Assumed Inflation - Mean		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement dates of June 30, 2024 and 2023 was 6.90 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 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 6.90 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 one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Academy's proportionate share of the net pension liability	\$ 32,543,790	\$ 20,630,509	\$ 10,652,554

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, 2024, 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.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

4. PENSION PLAN (CONTINUED)

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 Academy pay six (6) percent of their covered payroll. Effective July 1, 2020, currently employed Tier 1/Tier 2 and OPSRP members earning \$2,500 or more per month (increased to \$3,333 per month in 2022) will have a portion of their 6 percent monthly IAP contributions redirected to an Employee Pension Stability Account. The Employee Pension Stability Account will be used to pay part of the member's future benefit. Of the 6 percent monthly IAP contribution, Tier 1/Tier 2 will have 2.5 percent redirected to the Employee Pension Stability Account and OPSRP will have 0.75 percent redirected to the Employee Pension Stability Account, with the remaining going to the member's existing IAP account. Members may voluntarily choose to make additional after-tax contributions into their IAP account to make a full 6 percent contribution to the IAP. The Academy did not make any optional contributions to member IAP accounts for the year ended June 30, 2025.

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>

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN - RHIA

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.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the Academy currently contributes 0.00% of annual covered OPERF payroll and 0.00% of OPSRP payroll under a contractual requirement in effect until June 30, 2025. 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 are included with PERS and equaled the required contributions for the year.

At June 30, 2025, the Academy reported a net OPEB asset of \$329,835 for its proportionate share of the net OPEB asset. The OPEB asset was measured as of June 30, 2024, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2022. Consistent with GASB Statement No. 75, paragraph 59(a), the Academy's proportion of the net OPEB 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 dates of June 30, 2024 and 2023, the Academy's proportion was .08 percent and .06 percent, respectively. OPEB income for the year ended June 30, 2025, was \$86,749.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

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

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ (39,214)
Net amortization of employer-specific deferred amounts from:	
-Changes in proportionate share (per paragraph 64 of GASB 75)	(47,355)
-Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	<u>-</u>
Employer's Total OPEB Expense/Income	<u>\$ (86,569)</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	\$ -	\$ 6,451
Changes in assumptions	-	4,172
Net difference between projected and actual earnings investments	9,313	-
Changes in proportionate share	-	48,042
Differences between Academy contributions and proportionate share of system contributions	<u>-</u>	<u>-</u>
Subtotal - Amortized deferrals (below)	9,313	58,665
Academy contributions subsequent to measurement date	<u>-</u>	<u>-</u>
Total deferred outflow (inflow) of resources	<u>\$ 9,313</u>	<u>\$ 58,665</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB asset in the fiscal year ended June 30, 2026.

Subtotal amounts related to OPEB as deferred outflows of resources, \$9,313, and deferred inflows of resources, (\$58,665), net to (\$49,352) and will be recognized in OPEB expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2026	(62,980)
2027	7,514
2028	5,038
2029	1,076
2030	-
Thereafter	-
Total	<u>\$ (49,352)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 75 reporting summary dated January 31, 2025. Oregon PERS produces an independently audited ACFR which can be found at:

<https://www.oregon.gov/pers/Documents/Financials/ACFR/2024-ACFR.pdf>

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

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

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2022
Measurement Date	June 30, 2024
Experience Study Report	2022, Published July 24, 2023
Actuarial cost method	Entry Age Normal
Inflation rate	2.40 percent
Investment rate of return	6.90 percent
Discount rate	6.90 percent
Projected salary increase	3.40 percent
Retiree healthcare participation	Healthy retirees: 25%; Disabled retirees: 15%
Mortality	<p><u>Healthy retirees and beneficiaries:</u> Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Active members:</u> Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p><u>Disabled retirees:</u> Pub-2010 Disabled Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

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 2022 Experience Study, which is reviewed for the four-year period ending December 31, 2022.

Discount Rate:

The discount rate used to measure the total OPEB asset as of the measurement date of June 30, 2024 and 2023, was 6.90 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 asset.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

5. OTHER POST-EMPLOYMENT BENEFIT PLAN – RHIA (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 January 2023 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
Global Equity	27.50%	7.07%
Private Equity	25.50%	8.83%
Core Fixed Income	25.00%	4.50%
Real Estate	12.25%	5.83%
Master Limited Partnerships	0.75%	6.02%
Infrastructure	1.50%	6.51%
Hedge Fund of Funds - Multistrategy	1.25%	6.27%
Hedge Fund Equity - Hedge	0.63%	6.48%
Hedge Fund - Macro	5.62%	4.83%
<i>Assumed Inflation - Mean</i>		2.35%

(Source: June 30, 2024 PERS ACFR; p. 88)

Sensitivity of the Academy’s proportionate share of the net OPEB asset to changes in the discount rate – The following presents the Academy’s proportionate share of the net OPEB asset calculated using the discount rate of 6.90 percent, as well as what the Academy’s proportionate share of the net OPEB asset would be if it were calculated using a discount rate that is one percent lower (5.90 percent) or one percent higher (7.90 percent) than the current rate.

	1% Decrease (5.90%)	Discount Rate (6.90%)	1% Increase (7.90%)
Academy's proportionate share of the net OPEB asset	\$ 305,327	\$ 329,835	\$ 350,937

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2024, Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

6. 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 management 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 by the Academy and recognize a tax liability (or asset) an uncertain tax position has been taken that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Academy is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Academy's management believes it is no longer subject to income tax examinations for years prior to 2021.

7. CONTRACTED SERVICES

On July 1, 2019, the Academy entered into a contract agreement with SYS Education LLC to provide school tech services and curriculum support starting July 1, 2020. Expenditures related to SYS Education LLC were \$4,948,025 for the year ended June 30, 2025. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On November 25, 2019, the Academy entered into a contract with Carruth Compliance Consulting Inc. to provide consulting services. Expenditures related to Carruth Compliance Consulting, Inc. for the year ended June 30, 2025 was \$0. This agreement expired December 31, 2024, but is cancelable by the Academy under certain conditions.

On March 1, 2020, the Academy entered into a contract with Instructure Inc. to provide student attendance and participation tracking services. Expenditures related to Instructure Inc. for the year ended June 30, 2025 was \$18,234. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On March 20, 2020, the Academy entered into a contract with Accelerate Education to provide digital course materials. Expenditures related to Instructure Inc. for the year ended June 30, 2025 was 161,516. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On April 4, 2020, the Academy entered into a contract with IXL Learning. to provide digital course materials starting July 1, 2020. Expenditures related to IXL Learning for the year ended June 30, 2025 was \$52,450. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On March 14, 2020, the Academy entered into a contract with eDynamic Learning to provide career & elective courses starting July 1, 2020. Expenditures related to eDynamic Learning for the year ended June 30, 2025 was \$95,510. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

On March 17, 2020, the Academy entered into a contract with sora/Overdrive Learning Inc. to provide digital course materials starting July 1, 2020. Expenditures related to sora/Overdrive Learning Inc for the year ended June 30, 2025 was \$15,250. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On September 19, 2022, the Academy entered into a contract with PowerSchool Group LLC to provide virtual education services. Expenditures related to PowerSchool Group LLC for the year ended June 30, 2025 was \$63,281. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On March 26, 2020, the Academy entered into a contract with Florida Virtual School to provide digital course materials starting April 1, 2022. Expenditures related to Florida Virtual School for the year ended June 30, 2025 was \$69,206. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2020, the Academy entered into a contract with Community Therapy Services, LLC, to provide special needs and consulting services. Expenditures related to Community Therapy Services were \$679,545 for the year ended June 30, 2025. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 1, 2022, the Academy entered into a contract with E-Therapy LLC., to provide teletherapy services. Expenditures related to Community Therapy Services were \$450,000 for the year ended June 30, 2025. The agreement automatically renews quarterly unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 1, 2020, the Academy entered into a contract with Jenelle Stone to provide special need consulting and services. Expenditures related to Jenelle Stone were \$204,104. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 1, 2020, the Academy entered into a contract with Rosetta Stone to provide language software subscription services. This agreement expires on October 11, 2024. Expenditures related to Rosetta Stone were \$1,200.

On October 31, 2022, the Academy entered into a contract with the Summit Strategies to provide governmental relation services starting October 10, 2023. Expenditures related to Summit Strategies for the year ended June 30, 2025 was \$46,000. This agreement expires October 31, 2024.

On April 15, 2024, the Academy entered into a contract with DebtBook to provide subscription services. Expenditures related to DebtBook for the year ended June 30, 2025 was \$9,000. This agreement expires April 14, 2025.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

On September 29, 2023, the Academy entered into a contract with Liberty Mutual to provide liability insurance services. Expenditures related to Liberty Mutual for the year ended June 30, 2025 was \$7,540. This agreement expires January 1, 2025.

On September 29, 2022, the Academy entered into a contract with the Sprout Social to provide subscription services starting September 29, 2023. Expenditures related to Sprout Social for the year ended June 30, 2025 was \$4,094. This agreement expires September 28, 2025, but is cancelable by the Academy under certain conditions.

On June 1, 2021, the Academy entered into a contract with Teach Upbeat to provide subscription services. Expenditures related to Teach Upbeat for the year ended June 30, 2025 was \$3,584. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On February 1, 2023, the Academy entered into a contract with SAP Concur Technologies to provide management cloud software. Expenditures related to SAP Concur Technologies for the year ended June 30, 2025 was \$0. This agreement expires on February 29, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2022, the Academy entered into a contract with Avid Center to provide curriculum services. Expenditures related to Avid Center for the year ended June 30, 2025 was \$5,224. This agreement expires on June 30, 2025, but is cancelable by the Academy under certain conditions.

On December 15, 2022, the Academy entered into a contract with Macadam Forbes/RHYS Konrad to provide exclusive brokerage and listing services. Expenditures related to Macadam Forbes/RHYS Konrad for the year ended June 30, 2025 was \$0. This agreement expires on June 30, 2025, but is cancelable by the Academy under certain conditions.

On April 26, 2023, the Academy entered into a contract with iHeart Media. to provide community education services. Expenditures related to Twin Cities Public Television Inc. for the year ended June 30, 2025 was \$194,068. This agreement expires on June 30, 2025.

On June 14, 2019, the Academy entered into a contract agreement with ADP, LLC, to provide HR, Payroll, and other professional services starting January 1, 2020. Expenditures related to ADP, LLC, for the year ended June 30, 2025 was \$115,000. This agreement expires October 25, 2025.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

On July 1, 2023 the Academy entered into a contract with the Salem-Keizer Public Schools 24J. Expenditures related to Salem-Keizer Public Schools for the year ended June 30, 2025 was \$0. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On October 19, 2023 the Academy entered into a contract with Jessica Bunting to provide consulting services. Expenditures related to Jessica Bunting for the year ended June 30, 2025 was \$0. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2023 the Academy entered into a contract with Care Solace Inc. to provide support services. Expenditures related to Care Solace Inc. for the year ended June 30, 2025 was \$7,500. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

On July 1, 2023 the Academy entered into a contract with Carone Learning. to provide support services. Expenditures related to Care Solace Inc. for the year ended June 30, 2025 was \$7,248. This agreement shall automatically renew each year unless either party provides a 30 day notice of intention not to renew, or other certain conditions are met.

On July 31, 2023 the Academy entered into a contract with the Chemeketa Community College to provide consulting services. Expenditures related to Chemeketa Community College for the year ended June 30, 2025 was \$0. This agreement expires June 30, 2026, but is cancelable by the Academy under certain conditions.

On July 1, 2023 the Academy entered into a contract with the Linn Benton Lincoln Education Service District to provide services to school district. Expenditures related to Linn Benton Lincoln Education Service District for the year ended June 30, 2025 was \$11,007. This agreement expires June 30, 2025, but is cancelable by the Academy under certain conditions.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

7. CONTRACTED SERVICES (CONTINUED)

Contract Start Date	Period Covered	Vendor	Services Provided	Current Year Expenditures	Cancelable	Applicable in 2025?
6/14/2019	1/1/2025 - 10/25/2025	ADP LLC	HR, Payroll	\$ 115,000	Yes*	Yes
7/1/2019	7/1/2020 - 6/30/2025	SYS Education LLC	School Curriculum	\$ 4,948,025	Yes*	Yes
11/25/2019	11/25/2019- 12/31/2024	Carruth Compliance Consulting	Section 403(b) plan administration	N/A	Yes*	Ended Jan 25
3/1/2020	7/1/2020 - 6/30/2025	Instructure Inc	Attendance and participation tracking	\$ 18,234	Yes*	Yes
3/20/2020	Until Terminated	Accelerate Education	Digital course materials	\$ 161,516	Yes*	Yes
4/4/2020	7/1/2020 - 6/30/2025	DXL Learning	Digital course materials	\$ 52,450	Yes*	Yes
3/14/2020	7/1/2020 - 6/30/2025	eDynamic Learning	Digital course materials	\$ 95,510	Yes*	Yes
3/17/2020	Until Terminated	sora/OverDrive Learning Inc	Digital content	\$ 15,250	Yes*	Yes
9/19/2022	Until Terminated	Powerschool Group LLC	Software and support services	\$ 63,281	Yes*	Yes
3/26/2020	04/01/2022 - 7/31/2024	Florida Virtual School	Digital course materials	\$ 69,206	Yes*	Yes
7/1/2020	Until Terminated	Community Therapy Services, LLC	Special Needs Consulting and Services	\$ 679,545	Yes*	Yes
7/1/2022	Until Terminated	E-Therapy LLC	Direct teletherapy and Indirect services	\$ 450,000	Yes*	Yes
7/1/2020	Until Terminated	Jenelle Stone	Special Needs Consulting and Services	\$ 204,104	Yes*	Yes
10/11/2023	10-11-2023-10-11-2024	Rosetta Stone	Software and language learning services	\$ 1,200	Yes*	Yes
10/31/2022	10/10/2023 - 10/31/2024	Summit Strategies	State Legislature Lobbying	\$ 46,000	Yes*	Yes
4/15/2023	4/15/2023 - 4/14/2025	DebtBook	Implementation and support accounting services	\$ 9,000	Yes*	Yes
1/1/2022	01/01/2024 - 01/01/2025	Liberty Mutual	Liability Insurance	\$ 7,540	Yes*	Yes
9/29/2022	9/29/2023 - 9/28/2024	Sprout Social	Software and support services	\$ 4,094	Yes*	Yes
6/1/2021	06/01/2020 - 6/01/2025	Teach Upbeat	Software and support services	\$ 3,584	Yes*	Yes
2/1/2023	2/1/2024 - 2/29/2025	SAP Concur Technologies, Inc.	Management Cloud Software	N/A	Yes*	Yes
7/1/2022	7/1/2022 - 6/30/2025	Avid Center	Curriculum	\$ 5,224	Yes*	Yes
12/15/2022	12/15/2022-06/30/2025	Macadam Forbes/RHYS Konrad	Exclusive brokerage services and listing services.	\$ 1,854	Yes*	Yes
4/27/2022	7/1/2023 - 6/30/2025	iHeart Media	Media Subscription	\$ 194,068		Yes
1/4/2023	07/01/2023-6/30/2025	Salem-Keizer Public Schools 24J	Interscholastic Activities	N/A	Yes*	Yes
11/9/2023	11/9/2023-06/30/2025	Jessca Bunting	Consulting and Service Agreements	N/A	Yes*	Yes
7/1/2023	07/01/2023 - 06/30/2025	Care Solace, Inc.	Support service	\$ 7,500	Yes*	Yes
7/1/2023	Until Terminated	Carone Learning	Software and support services	\$ 7,248	Yes*	Yes
7/1/2023	07/01/2023 - 06/30/2025	Chemeketa	Curriculum	N/A	Yes*	Yes
7/1/2023	07/01/2023 - 06/30/2025	Linn-Benton-Lincoln	Intergovernmental agreement	\$ 11,007	Yes*	Yes

8. ACCOUNTS RECEIVABLE

At June 30, 2025 there was an accounts receivable balance of \$1,105,724; of this amount, approximately 55% was due from the Oregon Department of Education while approximately 0.5% was due from a vendor for a contract settle up and the remainder was related to virtual education services. There were no account receivables greater than 90 days old at June 30, 2025. All receivables are considered fully collectible so no allowance for uncollected amounts has been made.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASE RECEIVABLES AND DEFERRED INFLOWS

For the year ended June 30, 2025, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

On 06/03/2022, the Academy entered into a 97 month lease as Lessor for the use of Suite 104 - West Chiropractor. An initial lease receivable was recorded in the amount of \$516,784. As of 06/30/2025, the value of the lease receivable is \$339,686. The lessee is required to make monthly fixed payments of \$5,484. The lease has an interest rate of 2.8809%. The value of the deferred inflow of resources as of 06/30/2025 was \$321,890, and the Academy recognized lease revenue of \$63,323 during the fiscal year. The lessee has 1 extension option for 60 months.

On 06/03/2022, the Academy entered into a 125 month lease as Lessor for the use of Suite 203 - Boone Dental. An initial lease receivable was recorded in the amount of \$1,604,824. As of 06/30/2025, the value of the lease receivable is \$1,226,958. The lessee is required to make monthly fixed payments of \$12,734. The lease has an interest rate of 2.8914%. The value of the deferred inflow of resources as of 06/30/2025 was \$1,134,167, and Oregon Charter Academy recognized lease revenue of \$152,921 during the fiscal year. The lessee has 1 extension option for 60 months.

On 06/03/2022, the Academy entered into a 19 month lease as Lessor for the use of Suite 103 - Burley. This lease has been extended for another 5 years. An additional lease receivable was recorded in the amount of \$235,267. As of 06/30/2025, the value of the lease receivable is \$191,050. The lessee is required to make monthly fixed payments of \$4,457, which increases every year. The lease has an interest rate of 2.8810%. The value of the deferred inflow of resources as of 06/30/2025 was \$183,937, and the Academy recognized lease revenue of \$51,330 during the fiscal year.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

9. LEASE RECEIVABLES AND DEFERRED INFLOWS (CONTINUED)

The deferred inflow is amortized on a straight line basis. Future maturities for the receivables are as follows.

	Balance Beginning of Year	Additions	Deletions	Less Rent Received	Balance End Of Year	Current Lease Receivable Asset	Long Term Receivable Asset
Lease Receivable							
Building							
Boone Dental STE 203	\$ 1,358,521	\$ -	\$ -	\$ (131,563)	\$ 1,226,958	\$ 142,274	\$ 1,084,684
Burley STE 103	-	237,389	-	(46,339)	191,050	49,382	\$ 141,668
West Chiro STE 104	400,683	-	-	(60,997)	339,686	62,957	276,729
Total	\$ 1,759,204	\$ 237,389	\$ -	\$ (238,899)	\$ 1,757,694	\$ 254,613	\$ 1,503,081
Deferred Lease Revenue							
	Balance Beginning of Year	Additions	Additions	Less Deferred Revenue Recognized	Balance End Of Year	Current Deferred Lease Revenue	Long Term Deferred Lease Revenue
Building							
Boone Dental STE 203	\$ 1,287,088	\$ -	\$ -	\$ (152,921)	\$ 1,134,167	\$ 152,924	\$ 981,243
Burley STE 103	-	235,267	-	(51,330)	183,937	51,331	\$ 132,606
West Chiro STE 104	385,213	-	-	(63,323)	\$ 321,890	63,323	258,567
Total	\$ 1,672,301	\$ 235,267	\$ -	\$ (267,574)	\$ 1,639,994	\$ 267,578	\$ 1,372,416

10. LEASE LIABILITIES

On 07/01/2021, the Academy entered into a 47 month lease as Lessee for the use of Pacific Office Automation (POA) Copiers. An initial lease liability was recorded in the amount of \$66,700. As of 06/30/2025, the value of the lease liability is \$0. The Academy is required to make monthly fixed payments of \$1,448. The lease has an interest rate of 1.0112%. The value of the right to use asset as of 06/30/2025 of \$66,700 with accumulated amortization of \$66,700 is included with Equipment on the Lease Class activities table found below.

	Outstanding 7/1/2024	Issued	Matured and Redeemed	Outstanding 6/30/2025	Due Within One Year
Equipment					
POA Copier	\$ 15,846	\$ -	\$ 15,846	\$ -	\$ -
Total	\$ 15,846	\$ -	\$ 15,846	\$ -	\$ -

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

11. RIGHT-OF-USE ASSETS

Right to use assets are for the leases in Note 10.

Amount of Lease Assets by Major Classes of Underlying Asset

Asset Class	As of Fiscal Year-end		
	Lease Asset Value	Accumulated Amortization	Net Book Value
	Equipment	\$ 66,700	\$ 66,700
Total Leases	\$ 66,700	\$ 66,700	\$ -

Amount of Lease Assets by Major Classes of Underlying Asset (Right to Use Asset)

	Balance Beginning of Year	Additions	(Deletions)	Balance End Of Year
Right-to-Use Asset				
Equipment	\$ 66,700	-	-	\$ 66,700
Total	66,700	-	-	66,700
Accumulated Amortization				
Equipment	50,095	16,605	-	66,700
Total	50,095	16,605	-	66,700
Net Right-to-Use Assets	\$ 16,605			\$ -

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

12. SUBSCRIPTION LIABILITIES

For the year ended 6/30/2025, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below.

On 06/14/2021 Oregon Charter Academy, OR entered into a 28 month subscription for the use of ADP. An initial subscription liability was recorded as of July 1, 2022 in the amount of \$300,530. As of 6/30/2025, the value of the subscription liability is \$0. Oregon Charter Academy, OR is required to make monthly fixed payments of \$11,000. The subscription has an interest rate of 2.1940%. The value of the right to use asset as of 6/30/2025 of \$300,530 with accumulated amortization of \$300,530 is included with Software on the Subscription Class activities table found below.

On 6/28/2019, Oregon Charter Academy, OR entered into a 26 month subscription for the use of Newsela. An initial subscription liability was recorded as of July 1, 2022 in the amount of \$47,133. As of 06/30/2025, the value of the subscription liability is \$0. Oregon Charter Academy, OR is required to make annual fixed payments of \$16,000. The subscription has an interest rate of 1.8500%. The value of the right to use asset as of 6/30/2025 of \$47,133 with accumulated amortization of \$47,133 is included with Software on the Subscription Class activities table found below. Oregon Charter Academy, OR has 2 extension option(s), each for 12 months.

On 9/19/2022, Oregon Charter Academy, OR entered into a 36 month subscription for the use of PowerSchool - Enrollment. An initial subscription liability was recorded in the amount of \$32,833. As of 06/30/2025, the value of the subscription liability is \$0. Oregon Charter Academy, OR is required to make annual fixed payments of \$11,200. The subscription has an interest rate of 2.3540%. The value of the right to use asset as of 6/30/2025 of \$32,833 with accumulated amortization of \$30,461 is included with Software on the Subscription Class activities table found below.

Changes in Subscription Based Information Technology Arrangement (SBITA) Liabilities

	Governmental Activities				
	Balance at			Balance at	Due within
	July 1, 2024	Additions	Reductions	June 30, 2025	one year
Software					
ADP	\$ 43,800	\$ -	\$ 43,800	\$ -	\$ -
Newsela	15,709	-	15,709	-	-
PowerSchool Enrollment	10,942	-	10,942	-	-
Total	\$ 70,451	\$ -	\$ 70,451	\$ -	\$ -

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

13. SUBSCRIPTION RIGHT-TO-USE ASSETS

Right to use assets are for the subscriptions in Note 12.

Amount of Subscription Assets by Major Class of Underlying Assets (Right to Use Assets)

Asset Class	As of Fiscal Year-end		
	Subscription Asset Value	Accumulated Amortization	Net Book Value
Software Subscriptions	\$ 380,496	\$ 378,124	\$ 2,372
Total Subscriptions Right-to-Use Assets	<u>\$ 380,496</u>	<u>\$ 378,124</u>	<u>\$ 2,372</u>

Changes in Subscription Right-to-Use Assets

	Balance Beginning of Year	Additions	(Deletions)	Balance End Of Year
Subscription Right-to-Use Assets				
Software				
ADP	\$ 300,530	\$ -	\$ -	\$ 300,530
Newsela	47,133	-	-	47,133
PowerSchool Enrollment	32,833	-	-	32,833
Total	<u>380,496</u>	<u>-</u>	<u>-</u>	<u>380,496</u>
Accumulated Amortization				
Software				
ADP	257,596	42,934	-	300,530
Newsela	43,452	3,681	-	47,133
PowerSchool Enrollment	19,517	10,944	-	30,461
Total	<u>320,565</u>	<u>57,559</u>	<u>-</u>	<u>378,124</u>
Net Subscription Right-to-Use Assets	<u>\$ 59,931</u>			<u>\$ 2,372</u>

13. PREPAID EXPENSES

Prepaid expenses were comprised of prepaid insurance and curriculum purchases for 2025-26.

OREGON CHARTER ACADEMY

NOTES TO BASIC FINANCIAL STATEMENTS

14. COMMITMENTS & CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon through Santiam Canyon 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 either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the Academy's operations cannot be determined.

The Academy operates under the authority of Santiam Canyon 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.

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

OREGON CHARTER ACADEMY

REQUIRED SUPPLEMENTARY INFORMATION

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OREGON CHARTER ACADEMY
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

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
2025	0.09 %	\$ 20,630,509	\$ 10,018,215	205.9 %	79.3 %
2024	0.12	23,319,204	11,170,322	208.8	81.7
2023	0.13	19,974,318	13,437,766	148.6	84.5
2022	0.11	13,520,966	12,030,249	112.4	87.6
2021	0.11	24,349,252	11,495,673	211.8	75.8
2020	0.11	19,236,902	12,154,103	158.3	80.2
2019	0.11	16,058,707	8,801,745	182.4	82.1
2018	0.10	13,439,263	8,020,199	167.6	83.1
2017	0.10	15,715,745	7,174,907	219.0	80.5
2016	0.10	5,910,699	6,275,470	94.2	91.9

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.

SCHEDULE OF CONTRIBUTIONS

Year Ended June 30,	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
2025	\$ 3,209,855	\$ 3,209,855	\$ -	\$ 12,269,126	26.2 %
2024	2,794,184	2,794,184	-	10,018,215	27.9
2023	2,796,632	2,796,632	-	11,170,322	25.0
2022	3,159,733	3,159,733	-	13,437,766	23.5
2021	3,452,004	3,452,004	-	12,030,249	28.7
2020	3,238,574	3,238,574	-	11,495,673	28.2
2019	2,169,319	2,169,319	-	12,154,103	17.8
2018	1,902,100	1,902,100	-	8,801,745	21.6
2017	1,376,250	1,376,250	-	8,020,199	17.2
2016	1,265,483	1,265,483	-	7,174,907	17.6

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.

OREGON CHARTER ACADEMY
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2025

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET) FOR RHIA

Year Ended June 30,	(a) Employer's proportion of the net OPEB liability (asset) (NOL/(A))	(b) Employer's proportionate share of the net OPEB Liability/ (asset) (NOL/(A))	(c) Employer's covered payroll	(b/c) NOL/(A) as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2025	0.08 %	\$ (329,835)	\$ 10,018,215	(3.3) %	220.6 %
2024	0.06	(217,371)	11,170,322	(1.9)	201.6
2023	0.04	(152,062)	13,437,766	(1.1)	194.6
2022	0.07	(231,760)	12,030,249	(1.9)	183.9
2021	0.07	(137,107)	11,495,673	(1.2)	150.1
2020	0.08	(160,840)	12,154,103	(1.6)	144.4
2019	0.08	(84,681)	8,801,745	(1.0)	124.0
2018	0.07	(29,253)	8,020,199	(0.4)	108.9
2017	0.07	18,018	7,174,907	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.

Amounts for covered payroll (c) use the prior year's data to match the measurement date used by the OPEB plan for each year.

SCHEDULE OF CONTRIBUTIONS FOR RHIA

Year Ended June 30,	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
2025	* \$ N/A	\$ N/A	\$ N/A	\$ 12,269,126	N/A %
2024	N/A	N/A	N/A	10,018,215	N/A
2023	N/A	N/A	N/A	11,170,322	N/A
2022	N/A	N/A	N/A	13,437,766	N/A
2021	N/A	N/A	N/A	12,030,249	N/A
2020	N/A	N/A	N/A	11,495,673	N/A
2019	N/A	N/A	N/A	12,154,103	N/A
2018	N/A	N/A	N/A	8,801,745	N/A
2017	N/A	N/A	N/A	8,020,199	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.

* All statutorily required contributions were made and are included within PERS contributions (see pg. 39).

OREGON CHARTER ACADEMY

OTHER INFORMATION

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OREGON CHARTER ACADEMY

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 GENERAL FUND – BUDGET AND ACTUAL
 For the Year Ended June 30, 2025

	GENERAL FUND			VARIANCE TO BUDGET FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES:				
Local Sources:				
Interest and investment earnings	\$ -	\$ -	\$ 659,711	\$ 659,711
Program Fees	-	-	3,752	3,752
Miscellaneous	-	-	8,519	8,519
Rental Revenue	-	-	363,830	363,830
From State Sources:				
State School Support	28,707,964	28,707,964	32,090,872	3,382,908
Other State/Grant Funding	-	-	1,318,252	1,318,252
From Federal Sources				
Grants (IDEA)	1,350,000	1,350,000	613,036	(736,964)
E-Rate & Other	44,000	44,000	-	(44,000)
Total Revenues	30,101,964	30,101,964	35,057,972	4,956,008
EXPENDITURES:				
Salaries and Benefits	18,125,593	18,125,593	19,249,303	(1,123,710)
Purchased Services	9,247,007	9,247,007	9,330,739	(83,732)
Supplies and Materials	505,000	505,000	388,845	116,155
Capital Outlay	-	-	273,233	(273,233)
Miscellaneous Expenditures	757,500	757,500	577,063	180,437
Total Expenditures	28,635,100	28,635,100	29,819,183	(1,184,083)
Net Change in Fund Balance	1,466,864	1,466,864	5,238,789	3,771,925
Beginning Fund Balance	-	-	16,706,632	16,706,632
Ending Fund Balance	\$ 1,466,864	\$ 1,466,864	\$ 21,945,421	\$ 20,478,557

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OREGON CHARTER ACADEMY

INDEPENDENT AUDITORS' REPORT REQUIRED BY OREGON STATE REGULATIONS

For the Year Ended June 30, 2025

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December 17, 2025

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Oregon Charter Academy as of and for the year ended June 30, 2025, and have issued our report thereon dated December 17, 2025. 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:

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

In connection with our testing nothing came to our attention that caused us to believe Oregon Charter 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 system of 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 system of internal controls over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the system of internal controls 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
ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.