Alsea School Board Regular Board Meeting

Thursday, August 11, 2022 7:00 PM
Alsea School Library, 301 South 3rd Street, Alsea, OR 97324

1. **Call to Order**
2. **Flag Salute**
3. **Approval of the Agenda**
4. **District Recognition**
5. **Superintendent Report**
   Sean Gallagher
   a. **ODE Audit Report**
   b. **Bond update**
   Scott Marshall, CB Representative, BOC Representative

District Administration Office
Mr. Sean Gallagher – Acting Superintendent
301 S 3rd St
Alsea, OR 97324
Office: 541 487-5643
Fax: 541 487-4089

Email: sean.gallagher@alsea.k12.or.us
www.alsea.k12.or.us

7/27/2022

Mr. Colt Gill
ODE Director and Deputy Superintendent of Public Instruction
Oregon Department of Education
255 Capitol St NE
Salem, OR 97310

Dear Director Gill:

I have received the official ODE "Notice of potential financial and performance audit". Since I became the Alsea School District (ASD) Acting Superintendent in March 2022 after the mid-year departure of Superintendent Marc Thielman, I have been privy too multiple financial and performance issues that include those documented through public complaint as defined in your letter as well as many other areas that I would like to add to the investigatory list. I welcome ODE's presence since I do believe that ODE has more resources than the district does to fully investigate and correct any areas that need to be addressed.

I am aware of approximately 85% of the listed areas listed in the audit letter and I will have many more to add. I would prefer to discuss these additional areas in a face-to-face meeting with the auditing team. Many staff have expressed concerns over how the district conducted financial expenditures and accountabilities prior to my arrival. The 2022 business manager and I redesigned the entire budgeting process to align with state laws which resulted in presenting a balanced budget for approval in the spring of 2022. Concerns over payroll practices, expenditures, errant contracts, etc… still persist. Many areas that we have found that are out of financial compliance with state laws have been corrected. We do not have the ability to govern campaign finance concerns, we most definitely need ODE's help with this area.

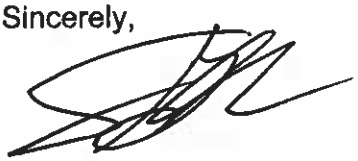
The district is currently in the middle of multiple reset projects. These include:

1. Human Resources (HR) Reset project with the help of an HR consultant secured through the Coalition of Oregon School Administrators (COSA) organization. The district is resetting contracts, job descriptions, salary schedules, classifications, staff handbooks, etc… within this project.
2. Board Policy Reset – the district's board policies are very outdated and do not include current state and federal laws. ASD has contracted with Oregon School Boards Association (OSBA) to help conduct this work. This will bring alignment of policies back to ASD.
3. School Board – The current school board has two newly appointed board members after the last board chair and vice-chair were recalled. The board has contracted with OSBA to provide strategic training to the entire board to help the board conduct efficient and effective board meetings and focus on board business.

4. Division 22 Standards – the district is currently re-evaluating the Division 22 standards requirements and attempting to address current deficiencies. The previous Division 22 standards reports were obviously falsified.
5. Teacher Evaluation – the district currently does not have a teacher evaluation tool that was developed in collaboration with the local union. The district is in the process of starting this work immediately and plans on conducting evaluations in accordance with state law for the 2022-23 school year. Prior years did not include proper teacher evaluations if they even existed.
6. Budget – the district is implementing new checks and balances processes with built in accountabilities to stay within approved budgets. Prior budgets were mismanaged, over expenditures in the 100's of thousands were common. There was not any oversight. These processes are changing, accountabilities will be in place for the 2022-23 school year.
7. Business Manager (BM) – the district has contracted with LBL ESD to provide business manager services for 2022-23. The assigned BM has multiple years of prior experience and is working hard to bring the district into further financial alignment. The district has also contracted with LBL ESD to provide a 2021-22 payroll audit as I have found many payroll practices that do not align with State BOLI laws.
8. Continuous Improvement Plan (CIP) – the district will be fully implementing the ODE designed Aligning for Student Success project during the 2022-23 school year. Any CIP's previously created were not inclusively designed.

The list above includes a small snapshot into the multiple heavy lift projects we are conducting. I look forward to working collaboratively with ODE through the audit. I hope that we will be able to evaluate current district and state practices that need to be redesigned to prevent any non-compliances with state and federal laws in the future for not only ASD, but all state school districts. This district is a very special place. The kids and staff are amazing and deserve the very best education possible. It all starts with solid personnel, policy, budget, and compliance procedures. I look forward to seeing your team soon.

Sincerely,



Sean Gallagher – Acting Superintendent

Cc: File

Oregon
Kate Brown, Governor

OREGON DEPARTMENT OF EDUCATION
Oregon achieves . . . together!

Colt Gill
Director of the Department of Education

Superintendent Sean Gallagher
Alsea School District
301 South 3rd Street
Alsea, OR 97324

RE: Notice of potential financial and performance audit

Dear Superintendent Gallagher:

Pursuant to ORS 327.141 and based on factors identified by the State Board of Education by rule, the Department of Education may initiate a financial audit or a performance audit of a school district. Prior to initiating an audit the Department must provide notice to the school district and an opportunity to provide to the Department information related to the subject of the audit.

For your reference we are providing the text of ORS 327.141:

> (1)(a) Based on factors identified by the State Board of Education by rule, the Department of Education may initiate a financial audit or a performance audit of a school district or an education service district.
>
> (b) Prior to initiating an audit, the Department of Education shall:
>
> (A) Give notice to the school district or the education service district of the department's intent to initiate the audit; and
>
> (B) Provide the school district or the education service district with the opportunity to provide to the department any information related to the subject of the audit.
>
> (c) Following the review of any information provided under paragraph (b) of this subsection, the department may:
>
> (A) Decline to proceed with the audit; or
>
> (B) Cause the audit to be conducted.
>
> (2) For the purpose of causing an audit to be conducted as authorized by this section, the department may enter into a contract with:
>
> (a) The Secretary of State in accordance with ORS 297.210; or
>
> (b) If the Secretary of State is unable or unwilling to conduct the audit, a private entity.
>
> (3)(a) If the Secretary of State conducts the audit, the school district or education service district may be charged for a portion of the costs incurred for the audit as provided by ORS 297.210.
>
> (b) If a private entity conducts an audit, the Department of Education may charge the school district or education service district for a portion of the costs incurred for the audit.
>
> (4) A copy of an audit conducted as provided by this section must be forwarded to the Department of Education and to any other entity identified by the department in accordance with rules adopted by the State Board of Education.

The State Board of Education has provided through OAR 581-023-0036 factors that Department is required to follow in determining whether to initiate an audit under ORS 327.141:

581-023-0036
Factors for when audit initiated by Department

(1) Pursuant to ORS 327.141, the Department of Education shall use the following factors to determine whether to initiate a financial audit or a performance audit of a school district or an education service district:

(a) Total annual expenditures of district.

(b) Total full time equivalent employees of district.

(c) The district's annual financial audit, including any findings it contains.

(d) Any other audits, reviews or reports indicating inappropriate, inefficient or ineffective operations or business practices at one or more school districts or education service districts.

(e) A request from the Governor.

(f) A request from a member or committee of the Oregon Legislature.

(g) A request from a school district or education service district.

(h) A request from a member of the public.

(2) The Department shall weigh these factors when determining whether to initiate an audit.

(3) The Department shall forward a copy of any audit conducted as provided in ORS 327.141 to:

(a) The school district or education service district that is the subject of the audit;

(b) The requestor of the audit; and

(c) Any other entity that either the Department determines would benefit from review of the audit or that has requested a copy of the audit.

Multiple members of the public have raised concerns to the Oregon Department of Education about the administration of the Alsea School District and have requested that the Department initiate an audit. After reviewing these concerns we believe that the following may rise to the level of a financial or performance audit:

Type of Audit	Allegation/Concern	School District response
Financial	Actual student enrollment was significantly different from forecast which may put the district in a negative financial situation of approximately $1.3 million.	
Performance or financial	A former school board chair supervised the executive assistant who was the chair's spouse. In the Learn at Home Program, a mother supervises her daughter.	
Financial	Alsea School District has paid a substantial sum of money to a firm called All Stages Marketing, which is not a firm widely used in the education field, and according to campaign finance records, is also engaged to perform work for former Superintendent Thielman's gubernatorial campaign.	
Performance	Concerns about whether Alsea School District is operating in compliance with Local Budget and Public Contracting Law. There are numerous instances where it is not at all clear to district employees that public contracting processes have been followed or that expenditures are within the parameters of budgets adopted in accordance with Local Budget Law	
Financial	Concerns about the use of District credit cards to ensure they are not being misused.	

This notice also provides the District with an opportunity to respond by August 12, 2022. A response may include any measures taken by the district since Superintendent Thielman's departure from the district to address the allegation or concern. Additionally, the district may choose to add areas for audit consideration. The district also is not required at this point in the process to provide ODE with information or a specific response to each allegation or concern.

Additionally, the Secretary of State or contract auditor may add areas to the audit that are discovered during the audit. If you have any questions about this notice or process please contact Cindy Hunt at Cindy.L.Hunt@ode.oregon.gov.

Sincerely

Colt Gill
Director of the Oregon Department of Education and
Deputy Superintendent of Public Instruction

Copy:

- Kip Memmott, Oregon Secretary of State Audits Director
- Efren Zamudio, Governor Brown's Education Policy Advisor
- Cindy Hunt, Oregon Department of Education (ODE) Chief of Staff
- Kai Turner, Assistant Superintendent for the ODE Office of Finance and Information Technology
- Mike Wiltfong, Director of School Finance in the ODE Office of Finance and Information Technology

ALSEA SCHOOL DISTRICT:
MONTHLY BOND REPORT – JULY 2022

DATE OF ISSUE: August 11, 2022

GENERAL PROGRAM UPDATE & PROJECT ADMINISTRATION:

Straightline will be addressing design and process related efforts. CB Construction will be addressing construction related activities.

COMPREHENSIVE CONDITIONAL USE: Approved

BUILDING PERMITS: VOC permit issued with no corrections. All other projects being processed for issuance anytime.

VOC BUILDING: Construction has begun. CB Construction will report on progress.

HVAC UPGRADE: The mechanical engineer was on site yesterday to verify a few things and is anticipating completion of the HVAC drawings next week for bidding and budgeting.

HALLWAY / POWER PANEL:
Straightline is working on a revised value engineered design to reduce costs and help the projects overall budget.

POWER UPGRADE:
We are working on value engineering the design to determine potential cost savings.

ACTIVITIES SCHEDULED DURING THE NEXT MONTH:

- Hallway / Power Panel re-design & value engineering
- Power upgrade value engineering potential
- HVAC upgrade bidding
- Overall project construction cost tabulation

HIGHLIGHTS, CHALLENGES, SOLUTIONS

- Rising construction costs have been challenging. The design team, School District, and CB construction have been working together to implement re-design and value engineering strategies to re-align with the budget.

EXPENDITURES:

CONSTRUCTION COSTS (To Date)

1b.4	Student Toilet Room Remodel	$ 237,557

SOFT COSTS (To Date)

Permits, Fees, Utilities, Engineering	$ 163,733

TOTAL TABULATIONS

Total Bond Fund Expenditures to Date:	$ 401,290
Estimated Bond Funding:	$ 4,389,477
Remaining Bond Funds	$ 3,988,187

6. **Financial Report**
   a. Personell Report

Linn Benton Lincoln Education Service District • 905 4th Avenue SE • Albany, Oregon 97321 • Phone: 541-812-2600 • Fax: 541-926-6047 • www.lblesd.k12.or.us

MEMORANDUM

August 5, 2022

TO: Alsea School District Board of Directors
FROM: LaRae Sullivan, LBL-ESD Assistant Business Manager
RE: July 31, 2022 Financial Statements

Board Members,

Attached you will find the 2022-23 financial statements through July 31, 2022. These statements include the General Fund Statement of Revenues Budget vs. Actual, General Fund Statement of Expenditures Budget vs. Actual, and total Appropriations for the year.

The General Fund statements include the actual revenues and expenditures from July 1, 2022 through July 31, 2022. The estimated General Fund Ending Fund Balance is $1,438,231. Unappropriated Ending Fund Balance make up $1,341,734 of the Fund Balance total.

At this time there are still no additional funds being released to the State School fund for next fiscal year.

All of Alsea School District 7J investments are held in the Local Government Investment Pool. Investments total $3,603,681.08 and are yielding an annualized interest rate of 1.25% through July 31, 2022.

Please let me know if you have any questions or concerns regarding these statements.

Tonja Everest Superintendent | Frank Bricker Board Member | Miriam Cummins Board Member | David Dunsdon Board Member | Roger Irvin Board Member | Amy Vetor Board Member | Jean Wooten Board Member | Penny York Board Member

2022-2023 Alsea SD 7J | General Fund Overview - Revenue

YTD Local Sources

0.86% of Budget

Prior Year YTD: 0.62% of Actuals

YTD State Sources

16.56% of Budget

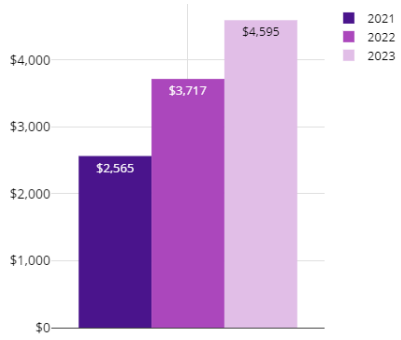
Prior Year YTD: 12.72% of Actuals

YTD All Sources (except 5400s)

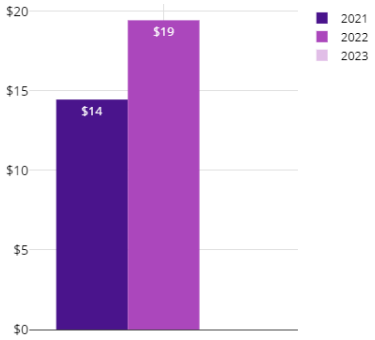
15.79% of Budget

Prior Year YTD: 12.08% of Actuals

Local Sources (1000s)



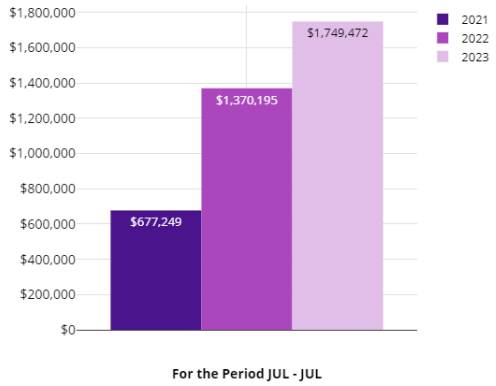
Property Taxes (1100s)



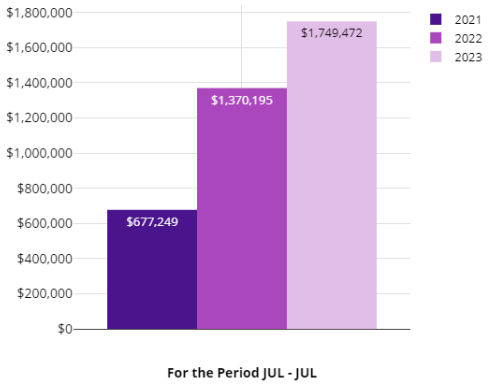
Interest Earnings (1500s)



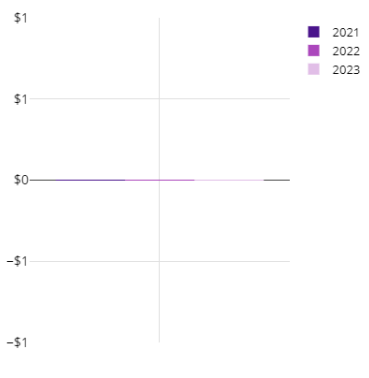
State Sources (3000s)



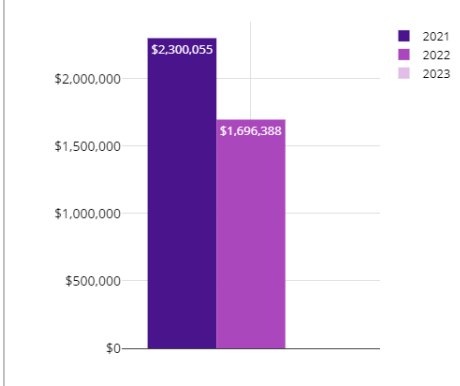
State School Fund (3101)



Intermediate Sources (2000s)



Other Sources (5000s)



2022-2023 Alsea SD 7J | General Fund Overview - Expense

YTD Salary and Benefits

2.85% of Budget

Prior Year YTD: 2.78% of Actuals

YTD Purchased Services

1.93% of Budget

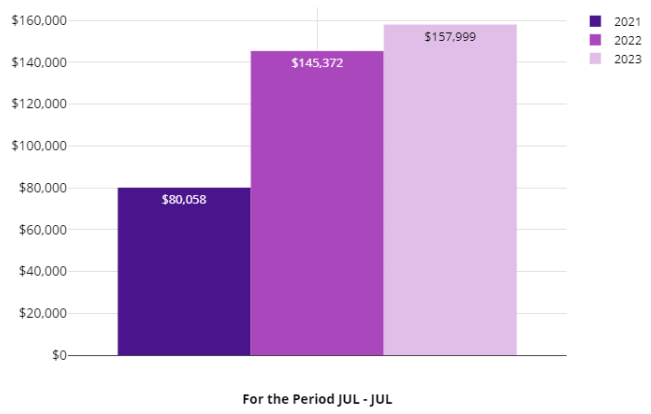
Prior Year YTD: 1.29% of Actuals

YTD Other Expenses

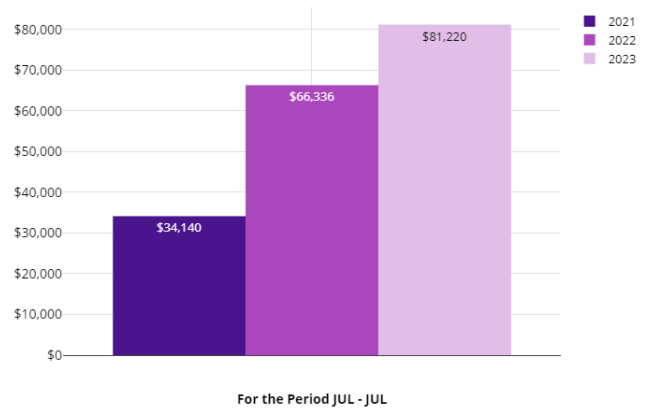
6.91% of Budget

Prior Year YTD: 10.38% of Actuals

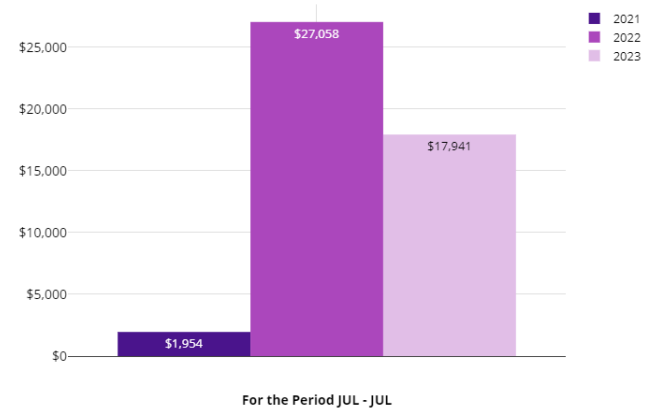
Salaries (100s)



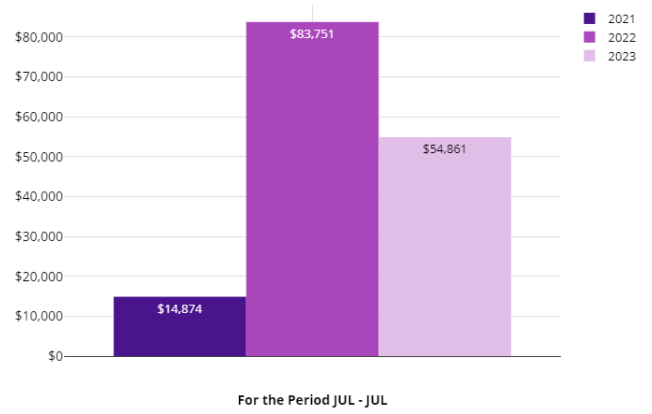
Benefits (200s)



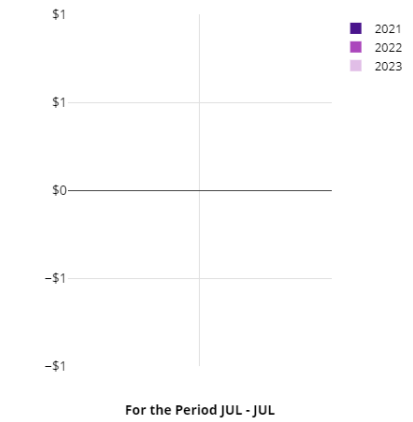
Purchased Services (300s)



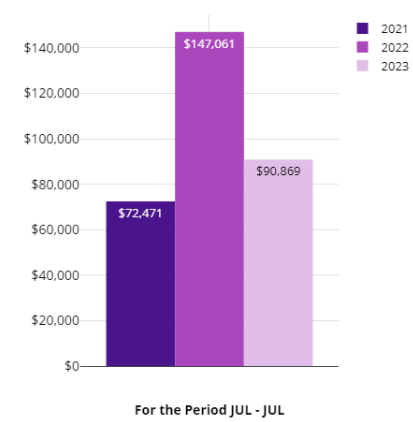
Supplies (400s)



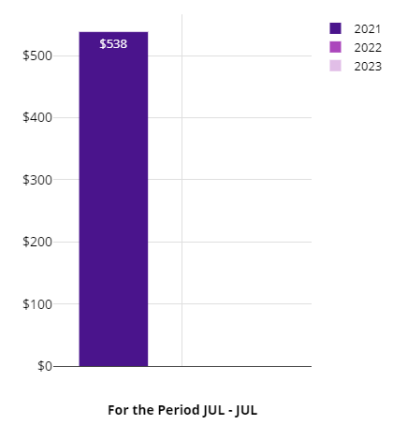
Capital Outlay (500s)



Other Objects (600s)



Transfers (700s)



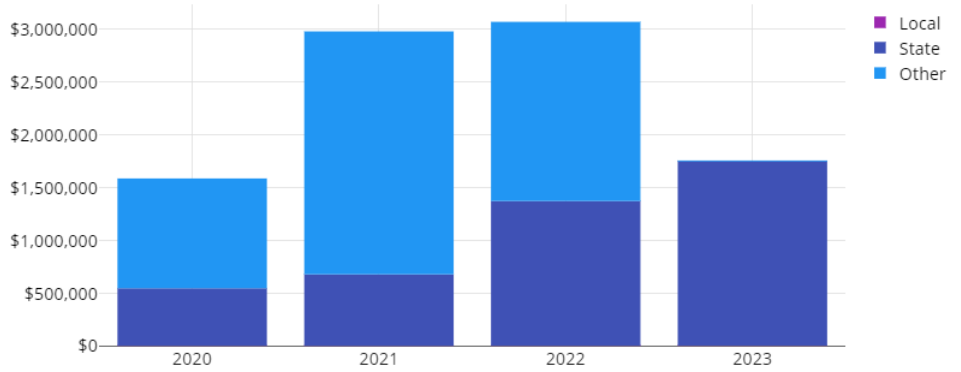
2022-2023 Alsea SD 7J | General Fund Monthly Revenue Overview

Total YTD Revenues
$1,754,067
Variance to Budget $-1,262,252
UNFAVORABLE

YTD State School Fund Formula
$1,749,472
Variance to Budget $535,950
FAVORABLE

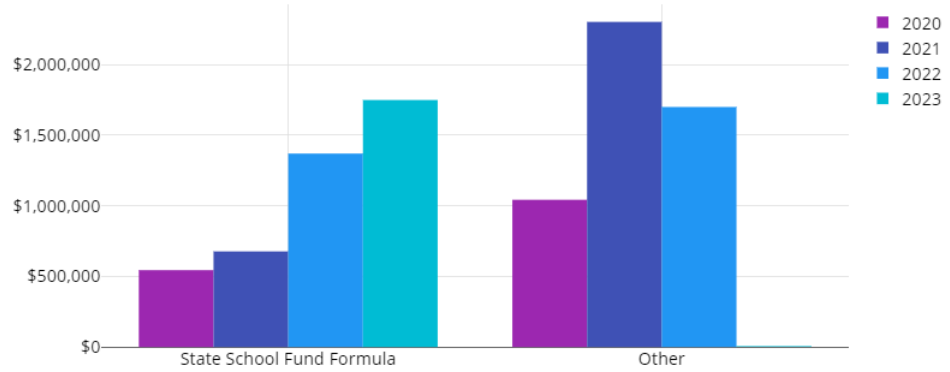
YTD Other Sources
$4,595
Variance to Budget $-1,798,202
UNFAVORABLE

General Fund Historical Revenues for Current Month



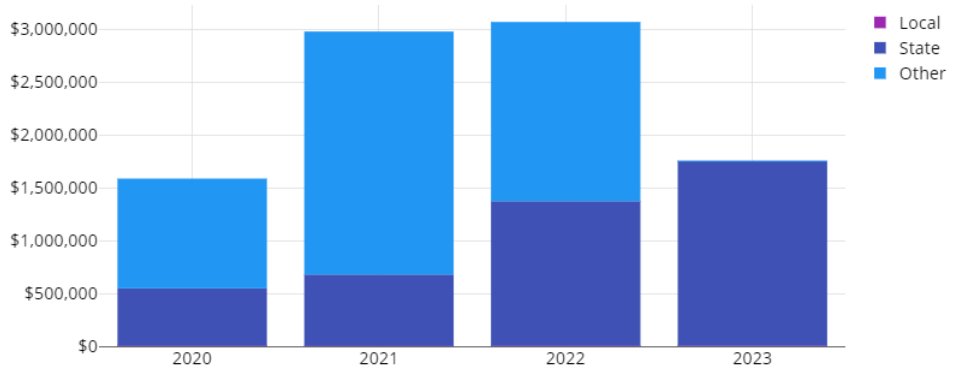
For the Month Ending - JUL

General Fund Year to Date Revenues



For the Period JUL - JUL

General Fund Year to Date Revenues by Source



For the Period JUL - JUL

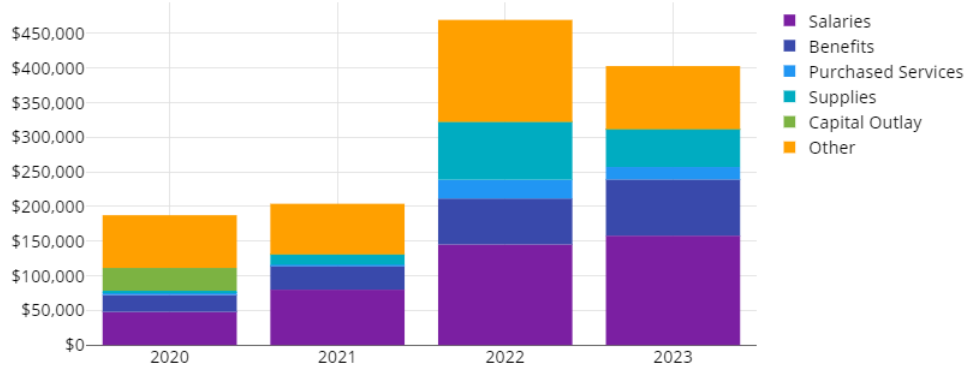
Source Level 1	For the Period JUL - JUL			
	2020	2021	2022	2023
	YTD Amount	YTD Amount	YTD Amount	YTD Amount
1000-1999 Local Sources	$3,119	$2,565	$3,717	$4,595
3000-3999 State Sources	$544,545	$677,249	$1,370,195	$1,749,472
5000-5999 Other Sources	$1,039,793	$2,300,055	$1,696,388	$0

2022-2023 Alsea SD 7J | General Fund Monthly Expenditure Overview

frontline education

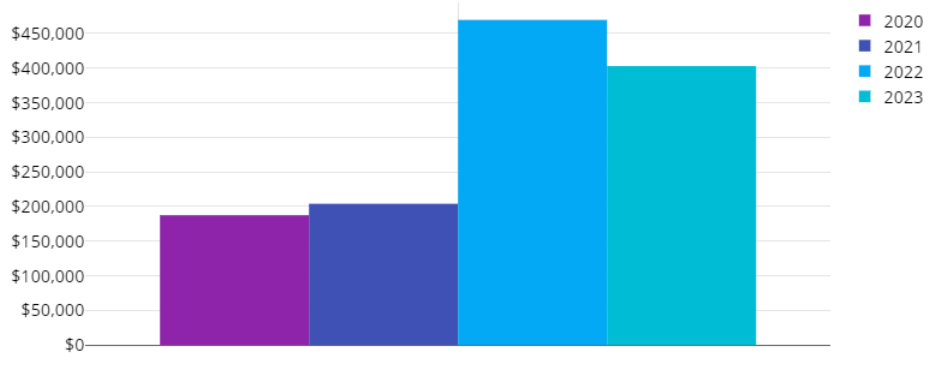
Total YTD Expenses	YTD Salaries & Benefits	YTD Purchased Services	YTD Other Expenses
$402,892	**$239,219**	**$17,941**	**$145,731**
Variance to Budget $-63,565	Variance to Budget $22,723	Variance to Budget $-21,251	Variance to Budget $-65,037
FAVORABLE	**UNFAVORABLE**	**FAVORABLE**	**FAVORABLE**

General Fund Historical Expenses for Current Month



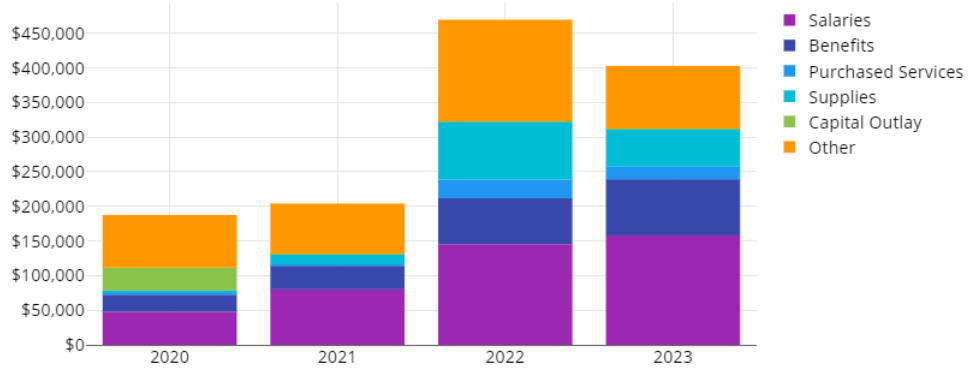
For the Month Ending - JUL

General Fund Year to Date Expenses



For the Period JUL - JUL

General Fund Year to Date Expenses by Object

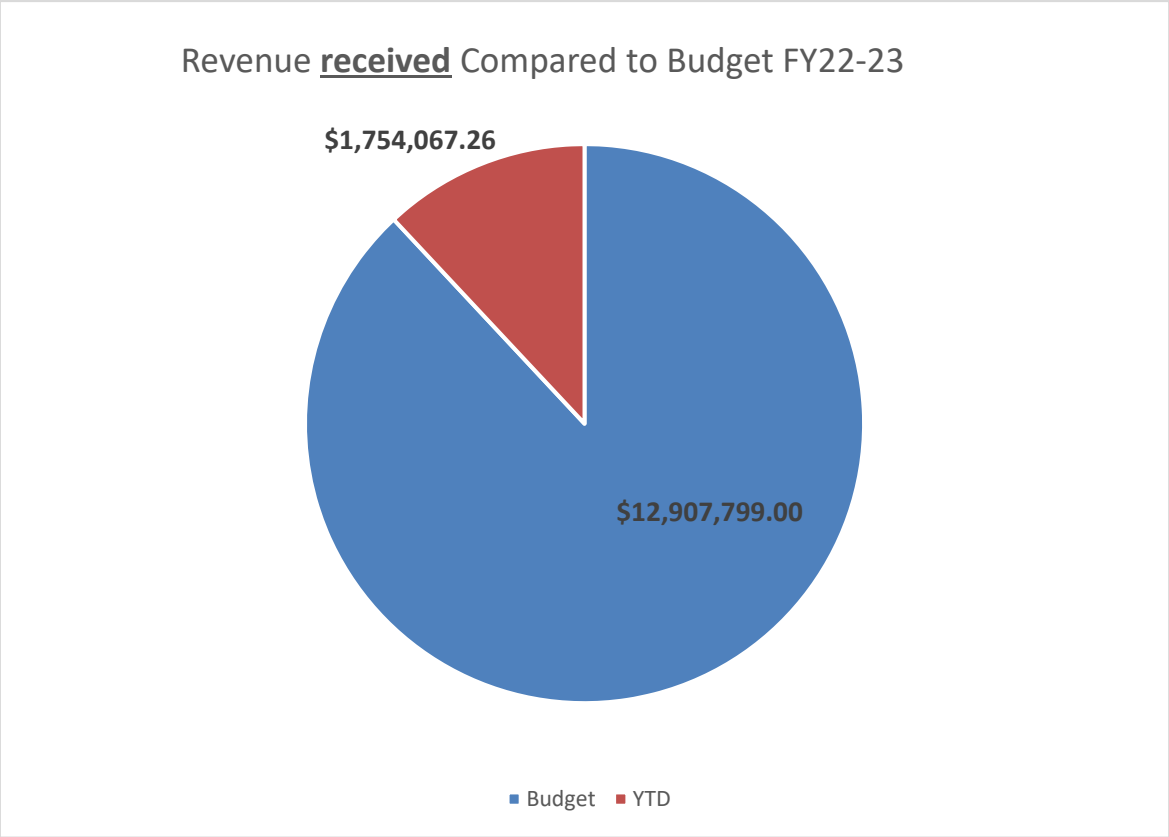


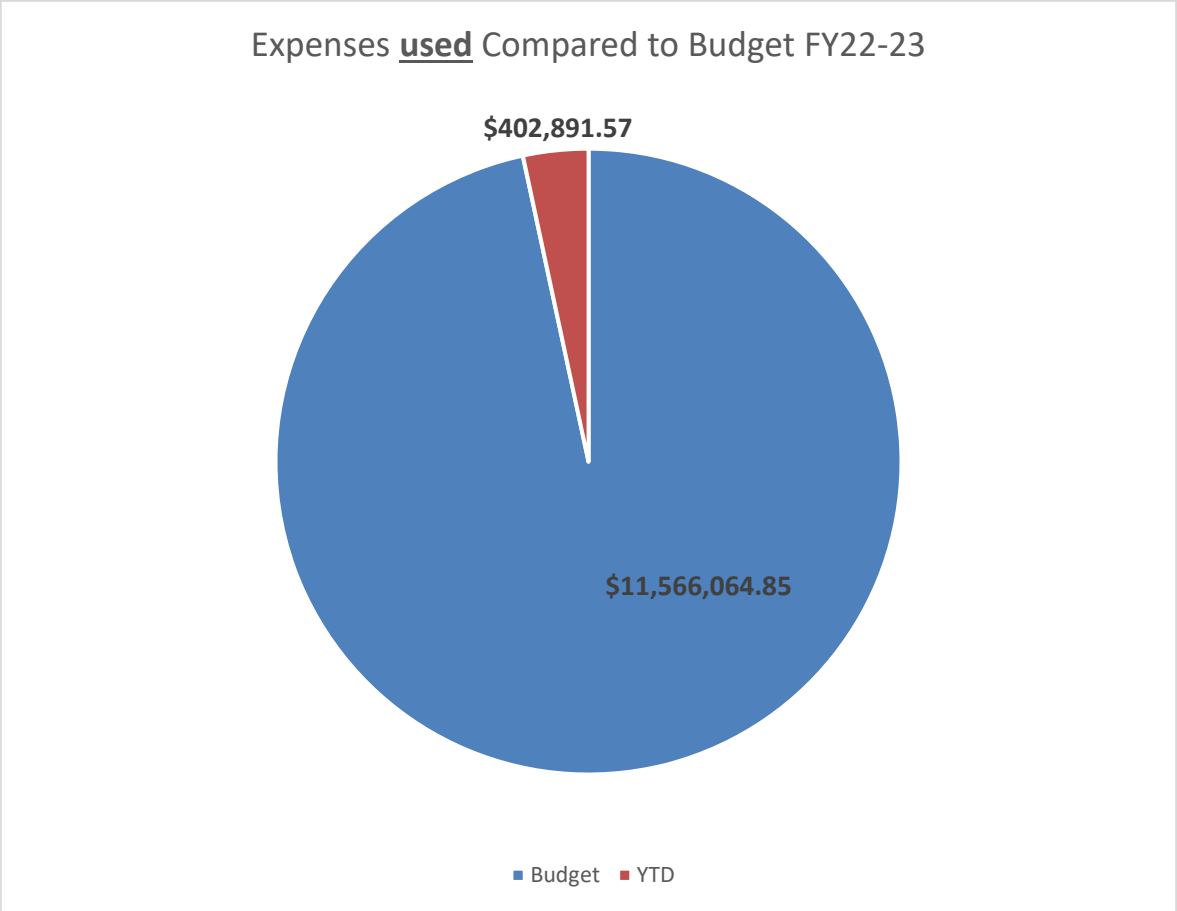
For the Period JUL - JUL

Object Level 1	For the Period JUL - JUL			
	2020	2021	2022	2023
	YTD Amount	YTD Amount	YTD Amount	YTD Amount
Salaries	$47,909	$80,058	$145,372	$157,999
Benefits	$24,540	$34,140	$66,336	$81,220
Purchased Services	$3,890	$1,954	$27,058	$17,941
Supplies	$2,084	$14,874	$83,751	$54,861
Capital Outlay	$32,940	$0	$0	$0
Other	$76,162	$73,009	$147,061	$90,869

Information as of 07/31/2022

General Fund Only





Alsea School District 7J
General Fund: Statement of Revenue Budget Vs. Actual
For the Fiscal Year 2022-2023
As of 07/31/2022

Source	Adopted 2022-23 Budget	Actual YTD Rev. 7/31/2022	Projected through 6/30/2023	Total Estimated 2022-2023	(Over)/Under Budget	Total Actual* 7/31/2022	Adopted 2021-22 Budget
SSF Funding							
1111 Current Year Property Taxes	$ 450,000	-	450,000	$ 450,000	$ -	-	$ 425,000
1112 Prior Year's Property Taxes	1,500	-	1,500	$ 1,500	-	-	5,000
1190 Pentalties & Interest	1,000	-	1,000	$ 1,000	-	19	1,500
2101 County School Funds	2,500	-	2,500	$ 2,500	-	-	2,400
3101 State School Support Funds	10,531,799	**1,749,472**	7,800,931	$ 9,550,403	981,396	1,370,195	7,548,592
3101 SSF- High Cost Disability Payment	-	-	-	$ -	-	-	-
3101 SSF- May Adjustment	-		-	$ -	-		-
3103 Common School Fund	26,000	-	49,000	$ 49,000	(23,000)	-	26,000
Total SSF Funding	**11,012,799**	**1,749,472**	**8,304,931**	**10,054,403**	**958,396**	**1,370,214**	**8,008,492**
Non State School Support Formula Sources							
Local Sources							
1412 Transportation Fees from Other Dist.	-	-	-	$ -	-	-	-
1510 Interest on Investments/Taxes	25,000	**3,609**	21,391	$ 25,000	-	2,300	20,000
1710 Admissions	-	-	-	$ -	-	-	100
1920 Donations from Private Sources	1,000	-	1,000	$ 1,000	-	-	1,000
1940 Services Provided to Other Ed.- General	35,000	-	35,000	$ 35,000	-	-	- 50,000
1940 Services Provided to Other Ed.- KVCS		-	-	$ -	-	-	- 66,000
1940 Services Provided to Other Ed.- Greenway		-	-	$ -	-	-	-
1940 Services Provided to Other Ed.- WLA		-	-	$ -	-	-	120,000
1960 Recovery of Prior Year Exp.	-	-	-	$ -	-	-	-
1980 Fees Charged to Grants	4,000	-	4,000	$ 4,000	-	1,398	-
1990 Miscellaneous Local Revenue	15,000	**987**	14,013	$ 15,000	-	-	15,000
1991 Misc. Erate	-	-	-	$ -	-	-	20,000
2102 Education Service District Resources	5,000	-	5,000	$ 5,000	-	-	40,000
2199 Other Intermediate Source	-	-	-	$ -	-	-	-
Total Non Formula Local Sources	**85,000**	**4,595**	**80,405**	**85,000**	**-**	**3,698**	**332,100**
State/Federal Sources							
3199 Other Grants-In-Aid	-	-	-	-	-	-	-
3203 Special Ed	5,000	-	5,000	5,000	-	-	-
Total State/Federal Sources	**5,000**	**-**	**5,000**	**5,000**	**-**	**-**	**-**
Other Sources							
5160 Lease Purchase	-	-	-	-	-	-	-
5300 Sale/Loss of Fixed Assets	5,000	-	-	-	5,000	-	5,000
5400 Beginning Fund Balance	1,800,000	-	1,093,000	1,093,000	707,000	1,696,388	2,100,000
Total Other Sources	**1,805,000**	**-**	**1,093,000**	**1,093,000**	**712,000**	**1,696,388**	**2,105,000**
Total Non SSF Revenue	**1,895,000**	**4,595** -	**1,178,405** -	**1,183,000**	**712,000**	**1,700,086** -	**2,437,100**
						$ -	
Total Resources	**$ 12,907,799**	**1,754,067**	**$ 9,483,336**	**$ 11,237,403**	**$ 1,670,396**	**$ 3,070,300**	**$ 10,445,592**
		Less Estimated Requirements		$ (9,799,172)			
		Estimated Ending Fund Balance		***$ 1,438,231***			
		Less UEFB		$ 1,341,734			
		Estimated Ending Fund Balance		$ 96,497			

Alsea School District 7J
General Fund: Statement of Expenditures Budget Vs. Actual
For the Fiscal Year 2022-2023
As of 07/31/2022

Function	Adopted 2022-23 Budget	Actual YTD Exp. 7/31/2022	Projected through 6/30/2023	Total Estimated 2022-2023	(Over)/ Under Budget	% Committed	Total Actuals* 7/31/2022
Instruction							
1111 Elementary, K-6	1,777,633	**24,060**	1,486,928	1,510,988	266,645	85.00%	42,707
1112 Learn at Home (LAHO)	-	**-**	-	-	-	0.00%	-
1113 Elementary Extracurricular	17,443	**-**	14,827	14,827	2,616	0.00%	-
1121 Middle/Junior High Programs	734,134	**5,289**	618,724	624,014	110,120	85.00%	5,211
1122 Middle/Junior High School Extracurricular	24,371	**-**	20,715	20,715	3,656	85.00%	118
1131 High School Programs	515,653	**6,670**	431,635	438,305	77,348	85.00%	5,739
1132 High School Extracurricular	109,764	**3,193**	90,107	93,299	16,465	85.00%	1,058
1140 Pre-K	14,826	**120**	-	120	14,706	0.81%	-
1210 Programs for the Talented and Gifted	21,831	**2,704**	15,852	18,556	3,275	85.00%	-
1250 Programs for Students w/Severe Disabilities	1,457,424	**44,773**	1,194,038	1,238,810	218,614	85.00%	18,496
1280 District Alternative Programs	49,288	**-**	41,895	41,895	7,393	85.00%	-
1288 Charter School Payments	900,000	**-**	765,000	765,000	135,000	85.00%	25,000
1291 ELL	92,746	**319**	78,515	78,834	13,912	0.00%	-
Total Instruction	**5,715,113**	**87,128**	**4,758,236**	**4,845,364**	**869,749**		**98,329**
Support Services							
2113 Family Support Liaison	56,254 -	**0.00**	47,816	47,816	8,438	85.00%	1,520.00
2114 Staff Accounting Services	134,066 -	**22,404.48**	91,552	113,956	20,110	0.00%	0.00
2120 Guidance Services	111,172	**0**	94,496	94,496		85.00%	0
2142 Psychological Testing Services	40,000	**-**	34,000	34,000		85.00%	-
2152 Speech Pathology Services	49,809	**-**	42,338	42,338	7,471	85.00%	-
2160 Other Student Treatment Services	14,000	**-**	11,900	11,900	2,100	0.00%	-
2190 Service Direction, Student Support Services	260,933	**-**	221,793	221,793		85.00%	8885
2222 Library/Media Center	1,250	**-**	1,063	1,063	188	85.00%	-
2240 Staff Development	1,000	**-**	850	850	150	85.00%	131
2310 Board of Education	180,750	**6,586**	147,052	153,638	27,113	85.00%	11,519
2321 Office of the Superintendent Services	373,103	**26,436**	290,701	317,138	55,965	85.00%	25,123
2410 Office of the Principal Services	1,046,124	**53,739**	835,466	889,205	156,919	85.00%	79,079
2520 Fiscal Services	484,103	**39,461**	372,026	411,488	72,615	85.00%	37,052
2540 Operation & Maintenance of Plant	647,012	**96,188**	453,772	549,960	97,052	85.00%	69,059
2544 Maintenance	-	**-**	-	-	-	#DIV/0!	1,202
2550 Student Transportation Services- Alsea	683,498	**35,342**	545,631	580,973	102,525	85.00%	46,898
2550 Student Transportation Services- KV	365,650	**19,149**	291,654	310,803	54,848	85.00%	10,246
2550 Student Transportation Services- WLA	410,215	**8,882**	339,801	348,683		85.00%	2,534
2558 Special Ed Transportation Services	54,103	**1**	45,987	45,988	8,115	85.00%	-
2572 Purchasing Services	-	**-**	-	-	-	#DIV/0!	-
2660 Technology	267,915	**7,576**	220,152	227,728	40,187	85.00%	5,622
Total Support Services	5,180,957	315,763	4,088,050	4,403,813	653,796		298,870
						-	
Other Requirements							
5110 Bus	19,995	**0**	19,995	19,995	-	100.00%	$ 72,377.00
5200 Transfers of Funds	530,000	**0**	530,000	530,000	-	100.00%	$ -
6000 Contingency	120,000	**0**	-	-	120,000	0.00%	$ -
Total Other Requirements	**669,995**	**-**	**549,995**	**549,995**	**120,000**		**72,377**
		-					-
Total Requirements	**$ 11,566,065**	**$ 402,892**	**$ 9,396,280**	**$ 9,799,172**	**$ 1,643,545**		**$ 469,576**

Alsea School District 7J
YTD Appropriations - General Fund
For the Fiscal Year 2022-2023
As of 07/31/2022

Fund	Appropriations	Resolutions	YTD	Encumbrances	Totals	(Over)/Under Budget
General Fund, 100						
1000 Instruction	$ 5,715,113	$ -	$ 87,128	$ 4,758,236	$ 4,845,364	$ 869,749
2000 Support Services	$ 5,180,957	$ -	$ 315,763	$ 4,088,050	$ 4,403,813	$ 777,144
5100 Debt Service	$ 19,995	$ -	$ -	$ 19,995	$ 19,995	$ -
5200 Transfers	$ 530,000	$ -	$ -	$ 530,000	$ 530,000	$ -
6000 Contigency	$ 120,000	$ -	$ -	$ -	$ -	$ 120,000
Sub Totals	**$ 11,566,065**	**$ -**	**$ 402,892**	**$ 9,396,280**	**$ 9,799,172**	**$ 1,766,893**
Totals	**$ 11,566,065**	**$ -**	**$ 402,892**	**$ 9,396,280**	**$ 9,799,172**	**$ 1,766,893**

Brick and Mortar Vs. Learn at Home Online (LAHO)

ADMw - Based off Average of FY21-22 Enrollment Plus weights		380.78		575.95
State School Fund Support - 05/19/2022 Estimate	$	9,078.00		$9,078
	$	3,456,720.84	$	5,228,474.10
Additional Revenue for Brick and Mortar				
Local Sources & Property Tax	$	563,714		
70% of Budgeted Alsea Transportation Costs	$	516,321		
Beginning Fund **Estimated Budget (not Actual)** (FY22-23)	$	1,800,000		
Total Estimated Revenue - General Fund	$	6,336,755.86	$	5,228,474.10

BASED OFF FY22-23: Budget and State School Fund Estimates - 05/19/2022

		Serving K-12 students		Serving K-8 Students	
		Alsea - Brick and Mortar		**LAHO**	
100					
1111 Elementary, K-5	$	874,698.75	$	902,933.74	
1113 Elementary Extra-curricular	$	17,442.75			
1121 Middle/Junior High Programs	$	380,616.60	$	353,517.75	
1122 Middle/Junior High School Extra-curricular	$	24,371.09			
1131 High School Programs	$	515,652.89			
1132 High School Extra-curricular	$	109,764.17			
1140 Pre-kindergarten Programs	$	14,825.68			
1210 Programs for the Talented and Gifted	$	-	$	21,831.10	
1250 Less Restrictive Programs: Students w/ Disability	$	650,883.58	$	806,540.61	
1280 Alternative Education	$	49,287.95			
1288 Charter Schools			$	900,000.00	
1291 English Second Language Programs	$	23,186.74	$	69,559.65	
2113 Social Work Services	$	56,254.00			
2114 Student Accounting Services	$	28,464.30	$	105,601.26	
2120 Guidance Services	$	111,172.48			
2142 Psychological Testing Services	$	40,000.00			
2152 Speech Pathology Services	$	49,809.00			
2160 Other Student Treatment Services	$	14,000.00			
2190 Service Direction, Student Support Services	$	35,135.95	$	225,796.82	
2222 Library/Media Center	$	1,250.00			
2240 Instructional Staff Development	$	1,000.00			
2310 Board of Education Services	$	180,750.00			*
2321 Office of the Superintendent Services	$	373,103.32			*
2410 Office of the Principal Services	$	490,396.06	$	555,727.89	
2520 Fiscal Services	$	484,102.82	$	-	*
2540 Operation and Maintenance of Plant Services	$	647,011.50	$	-	
2550 Student Transportation Services	$	683,498.41			
2558 Special Education Transportation Services	$	54,103.06			
2660 Technology Services	$	210,100.65	$	57,814.62	
5110 Long-Term Debt Service	$	19,995.00			
5200 Transfers of Funds	$	530,000.00			
Grand Total	**$**	**6,670,876.75**	**$**	**3,999,323.44**	
* 50/50 Split Addition/Subtraction	$	(518,978.07)	$	518,978.07	
Values with the 50/50 Split additions	**$**	**6,151,898.68**	**$**	**4,518,301.51**	
Revenue Over/(Under) Expenditures	$	184,857.18	$	710,172.59	

7. **Consent Agenda**
   - **a. Approval of Minutes**
   - **b. Approval of Bills for July and August**

Alsea School District 7J

Reprint Check Listing

Fiscal Year: 2022-2023

Criteria:

Bank Account: Citizens Bank - Checking 224 7009331 **From Date:** 07/15/2022 **To Date:** 08/11/2022

From Check: **To Check:** **From Clear Date:** **To Clear Date:**

From Voucher: **To Voucher:**

Types: ☑ Expense ☐ Manual ☐ Payroll ☐ Payroll Deductions ☐ Other Disbursements

Fund: 100 General Fund

Check Number	Date	Payee	Amount	Voucher	Status	Type	Cleared?	Clear Date	Void Date
10203	07/21/2022	CTX-Xerox	$161.52	1315	Printed	Expense	☑	07/31/2022	
10205	07/21/2022	Ronda Petrasek	$182.00	1315	Printed	Expense	☐		
10206	07/21/2022	SAMARITAN OCCUPATIONAL MEDICINE	$55.00	1315	Printed	Expense	☑	07/31/2022	
10207	07/21/2022	SCHOOL SPECIALTY INC	$9,808.35	1315	Printed	Expense	☐		
10208	07/21/2022	Sean Gallagher	$194.22	1315	Printed	Expense	☐		
10209	07/21/2022	Day Wireless Systems	$1,801.22	1002	Printed	Expense	☑	07/31/2022	
10210	07/21/2022	Risteen Follett	$541.86	1002	Printed	Expense	☐		
10211	07/21/2022	Ryan VanLeuven	$1,267.15	1002	Printed	Expense	☑	07/31/2022	
10212	07/21/2022	SCHOLASTIC CLASSROOM MAGAZINES	$471.25	1002	Printed	Expense	☐		
10213	07/21/2022	SCHOOL SPECIALTY INC	$1,214.00	1002	Printed	Expense	☐		
10214	07/21/2022	Shirley Koetz	$268.25	1002	Printed	Expense	☑	07/31/2022	
10221	07/28/2022	CONSUMERS POWER INC.	$0.61	1316	Printed	Expense	☐		
10223	07/28/2022	FRANKLIN PRESS	$150.00	1316	Printed	Expense	☐		
10224	07/28/2022	Greenways Academy LLC	$161,327.41	1316	Printed	Expense	☐		
10225	07/28/2022	M Christine Carley	$470.20	1316	Printed	Expense	☐		
10226	07/28/2022	Miller Nash LLP	$18,644.00	1316	Printed	Expense	☐		
10227	07/28/2022	WILLAMETTE LEADERSHIP ACADEMY	$20,468.65	1316	Printed	Expense	☐		
10228	07/28/2022	CARSON OIL CO., INC./MSC 63052	$1,711.33	1003	Printed	Expense	☐		
10229	07/28/2022	COENERGY -Valley Office	$1,123.28	1003	Printed	Expense	☐		
10230	07/28/2022	COSA	$147.50	1003	Printed	Expense	☐		
10232	07/28/2022	Hudl	$1,700.00	1003	Printed	Expense	☐		
10233	07/28/2022	n2y, LLC	$3,320.49	1003	Printed	Expense	☐		

Alsea School District 7J

Reprint Check Listing

Fiscal Year: 2022-2023

Criteria:

Bank Account: Citizens Bank - Checking 224 7009331 **From Date:** 07/15/2022 **To Date:** 08/11/2022

From Check: **To Check:** **From Clear Date:** **To Clear Date:**

From Voucher: **To Voucher:**

Types: ☑ Expense ☐ Manual ☐ Payroll ☐ Payroll Deductions ☐ Other Disbursements

Fund: 100 General Fund

Check Number	Date	Payee	Amount	Voucher	Status	Type	Cleared?	Clear Date	Void Date
10234	07/28/2022	OREGON SCHOOL BOARDS ASSOCIATION	$5,820.50	1003	Printed	Expense	☐		
10235	07/28/2022	PACE	$87,756.00	1003	Printed	Expense	☐		
10236	07/28/2022	PIONEER TELEPHONE COOPERATIVE	$3,375.05	1003	Printed	Expense	☐		
10237	07/28/2022	SCHOOL SPECIALTY INC	$147.90	1003	Printed	Expense	☐		

Total Checks for Fund 100 26 Total Amount: $322,127.74

Fund: 254 Summer Learning Grants

Check Number	Date	Payee	Amount	Voucher	Status	Type	Cleared?	Clear Date	Void Date
10231	07/28/2022	Dolores Gefroh	$58.45	1003	Printed	Expense	☐		

Total Checks for Fund 254 1 Total Amount: $58.45

Fund: 259 Student Activity Funds

Check Number	Date	Payee	Amount	Voucher	Status	Type	Cleared?	Clear Date	Void Date
10204	07/21/2022	Eleanor Jones	$106.52	1315	Printed	Expense	☐		
10238	07/28/2022	Newport Boys Basketball	$350.00	1004	Printed	Expense	☐		
10239	07/28/2022	Pure Focus Sports	$250.00	1004	Printed	Expense	☐		

Total Checks for Fund 259 3 Total Amount: $706.52

Fund: 299 Nutrition Services

Check Number	Date	Payee	Amount	Voucher	Status	Type	Cleared?	Clear Date	Void Date
10222	07/28/2022	CORVALLIS SCHOOL DISTRICT 509J	$31,346.25	1316	Printed	Expense	☐		

Total Checks for Fund 299 1 Total Amount: $31,346.25

Total Amount: $354,238.96

Reprint Check Listing

Fiscal Year: 2022-2023

Criteria:

Bank Account: Citizens Bank - Checking 224 7009331 **From Date:** 07/15/2022 **To Date:** 08/11/2022

From Check: **To Check:** **From Clear Date:** **To Clear Date:**

From Voucher: **To Voucher:**

Types: ☑ Expense ☐ Manual ☐ Payroll ☐ Payroll Deductions ☐ Other Disbursements

Report Total Amount: Amount

End of Report

8. **Action Items:**
   - **a. Library Books Recommendation**
   - **b. Approval of Corvallis Food Service Contract for 2022-2023**
   - **c. Approval of the Retention and Recruitment of K-12 Educator Grant**
   - **d. Second Reading of Policies (Personnel Policy Revisions)**
     - **i. GAA Personnel Definitions**
     - **ii. GAB Job Description**
     - **iii. GB General Personnel Policies**
     - **iv. GD Classified Staff/Classified Positions**
     - **v. GCN/GDN Evaluation of Staff**
   - **e. Vote on Superintendent Search Process**

District Administration Office
Mr. Sean Gallagher – Acting Superintendent
301 S 3rd St
Alsea, OR 97324
Office: 541 487-5643
Fax: 541 487-4089

Email: sean.gallagher@alsea.k12.or.us
www.alsea.k12.or.us

MEMO

Date: 8/9/2022

To: Board of Directors

From: Sean Gallagher – Acting Superintendent

Re: IGA Corvallis School District Foods

Attached is the Intergovernmental Agreement (IGA) with Corvallis School District Food Service Department. I have been negotiating this agreement in good faith with Tara Sanders – Director of CSD Food Services. With the increased costs of food, supplies, labor, etc… this agreement covers the costs for CSD and includes a reimbursement of $34,383 back to ASD to help cover labor costs. There is a slight increase in adult meal costs, the student meal costs remain free K-12 since our district still qualifies for the Community Eligibility Provision based upon community income and students served. Our school district has a long standing history with CSD providing meal services. I look forward to continuing this relationship until come day the district is hopefully in the place to become a stand alone food service program.

INTERGOVERNMENTAL AGREEMENT
For Food Services
For use by Oregon Child Nutrition Programs (CNP) Sponsors

Sponsor's Agency Number (from CNPweb):0201001

This Agreement is entered into by and between **Alsea School District and Corvallis School District**. The **Alsea School District** shall be referred to as **ASD** and **Corvallis School District** shall be referred to as **CSD** in the remainder of this Intergovernmental Agreement.

RECITALS

WHEREAS, ASD AND CSD as units of local government; as that term is defined in ORS 19.003; and

WHEREAS, ORS 190.010 provides units of local government may enter into written agreements for the performance of any or all functions and activities that a party to the agreement, its officers or agencies, have authority to perform; and states further that the agreement may provide for the performance of a function or activity:

1. By a consolidated department
2. By jointly providing for administrative officers
3. By means of facilities or equipment jointly constructed, owned, leased or operated
4. By one of the parties for any other party
5. By an intergovernmental entity created by the agreement and governed by a board or commission appointed by, responsible to enacting on behalf of the units of local government that are parties to the agreement; or
6. By a combination of the methods described above; and

WHEREAS, ORS 190.020 requires the agreement to specify the function s or activities to be performed and by what means they shall be performed and, where applicable, the agreement shall provide for:
1. The apportionment among the parties to the agreement of the responsibilities for providing funds to pay for expenses incurred in the performance of the functions or activities
2. The apportionment of fees or other revenue derived from the functions or activities and the manner in which such revenue shall be accounted for;
3. The transfer of personnel and the preservation of their employment benefits;
4. The transfer of possession of or title to real or personal property;
5. The term or duration of the agreement, which may be perpetual;
6. The rights f the parties to terminate the agreement and;

WHEREAS, concerning the effect the agreement, ORS 190.030 states:
1. When an agreement under ORS 190.010 has been entered into, the unit of the local government, consolidated department, intergovernmental entity or administrative officer designated therein to perform special functions or activities is vested with all powers, rights, and duties relating to those functions and activities that are vested in law in each separate party to the agreement, its officers and agencies;
2. An officer designated in an agreement to perform specified duties, functions or activities or two or more public officers shall be considered to be holding only one office;
3. An elected office may not be terminated by an agreement under ORS 191.010 and

WHEREAS, ASD AND CSD recognize that the consolidation of programs is the best utilization of public tax dollars; and,

WHEREAS, ASD AND CSD wish to enter into an agreement in which the **CSD** provides meal services to the **ASD.**

NOW, THEREFORE, in consideration of the promises and covenants herein contained, the parties enter into the following agreement.

AGREEMENT

1. Purposed and Effective Date of Agreement

1.1. The purpose of the Agreement is for the **CSD** to provide food/meal services to **ASD**.
1.2. This Agreement becomes effective upon execution by both parties and services shall remain in effect until **June 30th, 2023**. Any changes to this Agreement must be in writing, in the form of an amendment to this agreement and signed by both parties.
1.3. This agreement is for the school calendar and does not include summer services and participation in Summer Food Service Program (SFSP).

2. Duties and Responsibilities of the CSD

2.1. The **CSD** will provide the following service to the **ASD**
2.1.1. Provide meals Monday-Thursday and on occasion on Fridays based on the school calendar. Meals will not be provided on holidays or when school is not in session, teacher planning days for either district, or any other days when school is not in session at either the **CSD or ASD.** Deliveries will be made twice per week by 11:30 AM in bulk food quantities (e.g., hotel pans, storage containers, cases of goods) and delivered in insulated carts.
2.1.2. In the event of an emergency closure by either **CSD** or **ASD** the vendor will not provide food service to Alsea. In the event of a delayed opening or early release of students due to emergency circumstances, food service will be provided unless school will not be in session for either **CSD or ASD** during normal meal service hours.
2.1.3. The **CSD** will be responsible for internal site visits to the **ASD** to assure federal and state standards are met. The **CSD** will provide training to **ASD** kitchen staff regarding adherence to state and federal regulations.
2.1.4. The content of the meals served will be decided by the **CSD** and will be based on a four week cycle menu. The **CSD** will prepare a proposed menu for the following month and submit it to the **ASD** no later than the 25th of each month. The **CSD** retains the right to change the menu in the event of unavailability or an increase in prices. Substituted menu items shall meet the conditions described in this Agreement.
2.1.5. All reimbursable meals shall meet the qualifications of the USDA reimbursement as described in National School Lunch Program 7 CFR 210.10 and School Breakfast Program 220.8, Summer Food Service Program 225.16 and Child and Adult Care Food Program 226.20 (as applicable)
2.1.6. Meals will be prepared and served in accordance with **ASD** established breakfast and lunch meal periods.
2.1.7. Meal prices will be set according to Oregon Department of Education guidelines and recommendations, except for Federally set reduced meal price or free determined
2.1.7.1. The **CSD** will bill **ASD** for Adult Meals, ala cart sales and individual milks for 75% of the selling price. Accounts receivable will process a bill by the 20th of each month for the previous month.

2021-22 School Year Selling Price	2022-23 School Year Selling Price
Selling Price Breakfast K-5-Free Breakfast 6-12-Free Lunch K-5-Free Lunch 6-12-Free Breakfast Adult: $2.35 Lunch Adult: $4.00 Milk: .60	Breakfast K-5-Free Breakfast 6-12-Free Lunch K-5-Free Lunch 6-12-Free Breakfast Adult: $2.50 Lunch Adult: $4.25 Milk: .60

2.1.8. The **CSD** will process monthly reimbursement claims using appropriate USDA reimbursement rates for Community Eligibility Provision. The **CSD** will bill **ASD** on the agreed upon fixed meal price. Meals will be billed on what is ordered based on projections.

2021-22 Reimbursement Rates (All Kids Eat Free)	2022-23 Reimbursement Rates (Community Eligibility Provision)	2022-23 Fixed Meal Price for Billing
Breakfast Free SSO: $2.605 Lunch Free SSO: $4.5625	Breakfast Oregon CEP: $2.48 Lunch Oregon CEP: $3.98	Breakfast: $2.00 Lunch: 3.00

2.1.9. The **CSD** is responsible for ordering and storage of USDA Foods that will be incorporated into the menu.

Alsea USDA Commodity Value 2021-22	**Alsea USDA Commodity Value 2022-23**
$5255	$5382

3. Duties and Responsibilities of ASD

3.1. The **ASD** shall pay the **CSD** invoice within 20 days after they receive ODE reimbursement funds. If there is a discrepancy or disagreement of charge, notify the CSD within 5 business days of receipt of the invoice.

3.2. The **ASD** is responsible for giving the **CSD** 100% of any additional USDA funds that are allocated for food service expense. This includes, but is not limited to, the Supply Chain Assistance Funds.

3.3. The **ASD** shall notify the **CSD** of any changes in anticipated number of meals within 48 hours of scheduled delivery of goods. Any mistakes in projected meals shall be the responsibility of the **ASD** and will be charged for what was delivered.

3.4. The **ASD** is responsible for providing kitchen staff to receive meals from the **CSD** at agreed upon delivery times. **ASD** kitchen staff are responsible for proper record keeping and assuring meal requirements and food safety and sanitation standards are met.

3.5. The **ASD** is responsible for purchasing their own equipment and small wares. Any borrowed equipment from the **CSD** will be tracked and the **ASD** is responsible for any replacement of damaged equipment.

3.6. The **ASD** is responsible for keeping a record of this agreement for the Oregon Department of Education (ODE).

4. Contract Conditions

4.1. This agreement is for the school calendar year and does not include summer services. The contract may be extended to include summer services with a minimum of 60 days' notice by the **ASD**.
4.2. The **ASD** and **CSD** reserve the right to terminate this agreement within 60 days of written notice without penalty.
4.3. The **ASD** may terminate this agreement entirely or partially with a minimum of the 30 days' written notice if there is failure with the **CSD** in fulfilling their obligation.
4.4. **CSD** is responsible for obtaining all proper licenses and state and federal approvals for Child Nutrition Program requirements.

THIS SERVICE AGREEMENT IS MADE BETWEEN ALSEA SCHOOL DISTRICT (ASD) AND CORVALLIS SCHOOL DISTRICT 509J FOOD SERVICE DEPARTMENT (CSD) FOR THE FOLLOWING SERVICES AND CONSIDERATIONS.

To the extent permitted by law, including ORS 30.260 to 30.300 and the Oregon Constitution, ASD will indemnify CSD against all claims arising out of or related to negligent or intentional acts or omissions of ASD in connection or associated with the performance of this contact; and CSD will indemnify ASD against all claims arising out of or related to negligent acts or omissions of ASD in connection or associated with the performance of this contract.

This agreement may be terminated by notice in writing given by any party to the other party at least 60 days prior to the date of termination.

THIS AGREEMENT is made and entered into by and between:

ALSEA SCHOOL DISTRICT and CORVALLIS SCHOOL DISTRICT

Dated this _____day of _____, 2022

_____(signature)
Sean Gallagher
Superintendent, Alsea School District

Alsea School District
(541)487-4305
PO Box B 301 3rd St
Alsea, OR
97324

_____(signature)
Olivia Meyers Bush
Director of Finance and Operations

Corvallis School District Food Service
(541) 757-5867
PO Box 3509 J
Corvallis, OR
97339

INTERGOVERNMENTAL AGREEMENT
For Food Services
For use by Oregon Child Nutrition Programs (CNP) Sponsors

Sponsor's Agency Number (from CNPweb):0201001

This Agreement is entered into by and between **Alsea School District and Corvallis School District**. The **Alsea School District** shall be referred to as **ASD** and **Corvallis School District** shall be referred to as **CSD** in the remainder of this Intergovernmental Agreement.

RECITALS

WHEREAS, ASD AND CSD as units of local government; as that term is defined in ORS 19.003; and

WHEREAS, ORS 190.010 provides units of local government may enter into written agreements for the performance of any or all functions and activities that a party to the agreement, its officers or agencies, have authority to perform; and states further that the agreement may provide for the performance of a function or activity:

1. By a consolidated department
2. By jointly providing for administrative officers
3. By means of facilities or equipment jointly constructed, owned, leased or operated
4. By one of the parties for any other party
5. By an intergovernmental entity created by the agreement and governed by a board or commission appointed by, responsible to enacting on behalf of the units of local government that are parties to the agreement; or
6. By a combination of the methods described above; and

WHEREAS, ORS 190.020 requires the agreement to specify the function s or activities to be performed and by what means they shall be performed and, where applicable, the agreement shall provide for:

1. The apportionment among the parties to the agreement of the responsibilities for providing funds to pay for expenses incurred in the performance of the functions or activities
2. The apportionment of fees or other revenue derived from the functions or activities and the manner in which such revenue shall be accounted for;
3. The transfer of personnel and the preservation of their employment benefits;
4. The transfer of possession of or title to real or personal property;
5. The term or duration of the agreement, which may be perpetual;
6. The rights f the parties to terminate the agreement and;

WHEREAS, concerning the effect the agreement, ORS 190.030 states:

1. When an agreement under ORS 190.010 has been entered into, the unit of the local government, consolidated department, intergovernmental entity or administrative officer designated therein to perform special functions or activities is vested with all powers, rights, and duties relating to those functions and activities that are vested in law in each separate party to the agreement, its officers and agencies;
2. An officer designated in an agreement to perform specified duties, functions or activities or two or more public officers shall be considered to be holding only one office;
3. An elected office may not be terminated by an agreement under ORS 191.010 and

WHEREAS, **ASD AND CSD** recognize that the consolidation of programs is the best utilization of public tax dollars; and,

WHEREAS, **ASD AND CSD** wish to enter into an agreement in which the **CSD** provides meal services to the **ASD.**

NOW, THEREFORE, in consideration of the promises and covenants herein contained, the parties enter into the following agreement.

AGREEMENT

1. **Purposed and Effective Date of Agreement**

1.1. The purpose of the Agreement is for the **CSD** to provide food/meal services to **ASD**.
1.2. This Agreement becomes effective upon execution by both parties and services shall remain in effect until **June 30th, 2023**. Any changes to this Agreement must be in writing, in the form of an amendment to this agreement and signed by both parties.
1.3. This agreement is for the school calendar and does not include summer services and participation in Summer Food Service Program (SFSP).

2. **Duties and Responsibilities of the CSD**

2.1. The **CSD** will provide the following service to the **ASD**
2.1.1. Provide meals Monday-Thursday and on occasion on Fridays based on the school calendar. Meals will not be provided on holidays or when school is not in session, teacher planning days for either district, or any other days when school is not in session at either the **CSD or ASD.** Deliveries will be made twice per week by 11:30 AM in bulk food quantities (e.g., hotel pans, storage containers, cases of goods) and delivered in insulated carts.
2.1.2. In the event of an emergency closure by either **CSD** or **ASD** the vendor will not provide food service to Alsea. In the event of a delayed opening or early release of students due to emergency circumstances, food service will be provided unless school will not be in session for either **CSD or ASD** during normal meal service hours.
2.1.3. The **CSD** will be responsible for internal site visits to the **ASD** to assure federal and state standards are met. The **CSD** will provide training to **ASD** kitchen staff regarding adherence to state and federal regulations.
2.1.4. The content of the meals served will be decided by the **CSD** and will be based on a four week cycle menu. The **CSD** will prepare a proposed menu for the following month and submit it to the **ASD** no later than the 25th of each month. The **CSD** retains the right to change the menu in the event of unavailability or an increase in prices. Substituted menu items shall meet the conditions described in this Agreement.
2.1.5. All reimbursable meals shall meet the qualifications of the USDA reimbursement as described in National School Lunch Program 7 CFR 210.10 and School Breakfast Program 220.8, Summer Food Service Program 225.16 and Child and Adult Care Food Program 226.20 (as applicable)
2.1.6. Meals will be prepared and served in accordance with **ASD** established breakfast and lunch meal periods.
2.1.7. Meal prices will be set according to Oregon Department of Education guidelines and recommendations, except for Federally set reduced meal price or free determined
2.1.7.1. The **CSD** will bill **ASD** for Adult Meals, ala cart sales and individual milks for 75% of the selling price. Accounts receivable will process a bill by the 20th of each month for the previous month.

2021-22 School Year Selling Price	**2022-23 School Year Selling Price**
Selling Price Breakfast K-5-Free Breakfast 6-12-Free Lunch K-5-Free Lunch 6-12-Free Breakfast Adult: $2.35 Lunch Adult: $4.00 Milk: .60	Breakfast K-5-Free Breakfast 6-12-Free Lunch K-5-Free Lunch 6-12-Free Breakfast Adult: $2.50 Lunch Adult: $4.25 Milk: .60

2.1.8. The **CSD** will process monthly reimbursement claims using appropriate USDA reimbursement rates for Community Eligibility Provision. The **CSD** will bill **ASD** on the agreed upon fixed meal price. Meals will be billed on what is ordered based on projections.

2021-22 Reimbursement Rates (All Kids Eat Free)	2022-23 Reimbursement Rates (Community Eligibility Provision)	2022-23 Fixed Meal Price for Billing
Breakfast Free SSO: $2.605 Lunch Free SSO: $4.5625	Breakfast Oregon CEP: $2.48 Lunch Oregon CEP: $3.98	Breakfast: $2.00 Lunch: 3.00

2.1.9. The **CSD** is responsible for ordering and storage of USDA Foods that will be incorporated into the menu.

Alsea USDA Commodity Value 2021-22	**Alsea USDA Commodity Value 2022-23**
$5255	$5382

3. Duties and Responsibilities of ASD

3.1. The **ASD** shall pay the **CSD** invoice within 20 days after they receive ODE reimbursement funds. If there is a discrepancy or disagreement of charge, notify the CSD within 5 business days of receipt of the invoice.

3.2. The **ASD** is responsible for giving the **CSD** 100% of any additional USDA funds that are allocated for food service expense. This includes, but is not limited to, the Supply Chain Assistance Funds.

3.3. The **ASD** shall notify the **CSD** of any changes in anticipated number of meals within 48 hours of scheduled delivery of goods. Any mistakes in projected meals shall be the responsibility of the **ASD** and will be charged for what was delivered.

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4.2. The **ASD** and **CSD** reserve the right to terminate this agreement within 60 days of written notice without penalty.
4.3. The **ASD** may terminate this agreement entirely or partially with a minimum of the 30 days' written notice if there is failure with the **CSD** in fulfilling their obligation.
4.4. **CSD** is responsible for obtaining all proper licenses and state and federal approvals for Child Nutrition Program requirements.

THIS SERVICE AGREEMENT IS MADE BETWEEN ALSEA SCHOOL DISTRICT (ASD) AND CORVALLIS SCHOOL DISTRICT 509J FOOD SERVICE DEPARTMENT (CSD) FOR THE FOLLOWING SERVICES AND CONSIDERATIONS.

To the extent permitted by law, including ORS 30.260 to 30.300 and the Oregon Constitution, ASD will indemnify CSD against all claims arising out of or related to negligent or intentional acts or omissions of ASD in connection or associated with the performance of this contact; and CSD will indemnify ASD against all claims arising out of or related to negligent acts or omissions of ASD in connection or associated with the performance of this contract.

This agreement may be terminated by notice in writing given by any party to the other party at least 60 days prior to the date of termination.

THIS AGREEMENT is made and entered into by and between:

ALSEA SCHOOL DISTRICT and CORVALLIS SCHOOL DISTRICT

Dated this _____day of _____, 2022

_____(signature)
Sean Gallagher
Superintendent, Alsea School District

_____(signature)
Olivia Meyers Bush
Director of Finance and Operations

Alsea School District
(541)487-4305
PO Box B 301 3rd St
Alsea, OR
97324

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(541) 757-5867
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Corvallis, OR
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Alsea and Nutrition Services Agreement

Using the actual meal counts for 2021-22 SY
Here would be the Current and Proposed senarios for 2022-23.

Current:

Breakfasts Served	23,106					
90% at Free Rate		20,795	X	$2.70	=	$56,147.58
10% at Paid Rate		2,311	X	$0.51	=	$1,178.41
						$57,325.99
Lunches Served	22,830					
OR CEP Lunch		22,830	X	$3.98	=	$90,863.40
Corvallis Reimbursement Claims						**$148,189.39**

Proposed:

Alsea will retain $.50 per breakfast					
	23,106	X	$0.50	=	$11,553.00
Alsea will retain $1.00 per lunch					
	22,830	X	$1.00	=	$22,830.00
Alsea portion of Reimbursement Claims					**$34,383.00**
Corvallis portion of Reimbursement Claims					**$113,806.39**

Ala-Carte Purchases:

Alsea will retain 25% of Ala-Carte purchases.					
2021-22 Ala-Carte Sales	$1,632.50	X	25%	=	**$408.13**

District Administration Office
Mr. Sean Gallagher – Acting Superintendent
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Alsea, OR 97324
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Fax: 541 487-4089
Cell: 541 417-0326
Email: sean.gallagher@alsea.k12.or.us
www.alsea.k12.or.us

MEMO

Date: 7/7/22

To: Board of Directors

From: Sean Gallagher – Acting Superintendent

Re: Personnel Policy Revisions

As a part of the HR Reset project, a number of board policies need to be updated, sooner than later. I will review each of these policies below to help explain as to why these changes are necessary, some are simply to comply with recent legal changes. Keep in mind that any section with brackets [ ] indicates this language is only recommended by OSBA, not required. The board has full dominion over this language. All other language reflects state laws referenced at the end of the policy and can't be changed. I recommend that the board approves as a first reading any new policies, then conducts a final approval during the second reading. The board can choose to go to a third reading if further research and time for consideration is needed. I do not recommend going past three readings before a policy is approved.

BP GAA – Personnel Definitions

This policy update is vitally important as the district current maintains Coordinator, Manager, and Specialist categories as a part of the administrative salary schedule. It is important that these allocations are actually used following board and state definitions. The policy upgrade includes:

1. An expanded definition of "administrator" to include Oregon administrative licensure
2. Restricts classified definitions to only regular, part-time, and temporary. I recommend that the board adopts all bracketed language under "Classified Personnel"
3. Supervisory employees – eliminates reference to nurses
4. Confidential employees – further defines the definition and references the ORS

BP GCN/GDN – Evaluation of Staff

This policy brings the district into compliance with current state law in regards to staff evaluations. The highlights of the policy include:

1. Reference to core teaching standards set by Oregon State Board of Education and the Oregon Framework for Teacher and Administrator Evaluation and Support systems. All evaluation systems used by the district must comply with these standards.
2. The remainder of the policy simply defines in detail the requirements referenced in #1 above

BP GB – General Personnel Policies

This policy reflects current best practices associated with hiring employees. It reinforces that districts are obligated to hire the best qualified person for the job….period. If a district does not do this and hires in accordance to favoritism and/or other inappropriate standards, it would violate this policy and subject the district to liabilities. Highlights include:

1. Advertising requirements
2. To whom to direct applications and who supervises the process I recommend [personnel] office for applications and the [superintendent] to supervise the process
3. Indicates that licensed hires are to be board approved and the [superintendent] handles all classified hires
4. The superintendent will establish [guidelines] regarding the process. This is usually defined in a staff and/or HR handbook.

BP GD – Classified Staff/Classified Staff Positions

This policy simply reinforces the definition of a classified employee under current laws referenced at the end of the policy.

BP GAB – Job Descriptions

This policy is crucial to be updated as the district is revising and reauthoring job descriptions. I recommend that the board approves "Job Descriptions for the [Alsea School] District" be adopted. I also recommend that the district reviews [annually] all job descriptions. This should be a natural part of the annual evaluation process where the job description is reviewed with each employee to further define job duties and any updates that need to be reflected.

OSBA Model Sample Policy

Code: GAA
Adopted:

Personnel: Definitions *

"Licensed employees" are those holding a position that requires a license issued by the state Teacher Standards and Practices Commission (TSPC).

1. A "teacher" is an employee who holds a teacher's license or is registered to teach by TSPC.

2. A "contract teacher" is any teacher who has been regularly employed by a district for a probationary period of not more than three successive school years and who has been retained for the next succeeding school year.

3. A "probationary teacher" is one who is not a contract teacher and who is employed for at least 135 consecutive days in any school year as a teacher in the district. At least 30 consecutive days of employment in the district in a successive year shall be sufficient to keep the service intact, and the teacher shall not lose credit for previous probationary years served.

4. A "temporary teacher" is any teacher employed to fill a position designated as temporary or experimental or to fill a vacancy that occurs after the opening of school because of unanticipated enrollment or the death, disability, retirement, resignation, contract non-extension or dismissal of a contract or probationary teacher.

5. A "substitute teacher" is any teacher employed to take the place of a probationary or contract teacher who is temporarily absent. A substitute teacher is employed on a day-to-day basis, without contract, and does the work of the regularly assigned teacher during the latter's absence from duty. [Substitutes will not be eligible for fringe benefits and will be paid at a rate established annually by the Board in accordance with the provisions of Oregon law.]

6. An "intern teacher" is a regularly enrolled candidate of an approved educator preparation provider, who teaches under the supervision of the staff of the provider and of the employing district, in order to acquire practical experience in teaching. The intern teacher receives both academic credit from the provider and financial compensation from the district or education service district.

7. An "administrator" is an employee who holds a valid Oregon administrative license or registration and who works in a position requiring an administrative license. An administrator includes, but is not limited to, all superintendents, assistant superintendents, principals and academic program directors in public schools or education service districts, who have direct responsibility for supervision or evaluation of licensed teachers and who are compensated for their services with public funds.

8. A "specialist" is an employee who has a teaching license or a letter of authorization from the Oregon Department of Education and who is employed half-time or more.

OSBA Model Sample Policy

Code: GCN/GDN
Adopted:

Evaluation of Staff *

An effective evaluation program is essential to a quality educational program. It is an important tool to determine the current level of a teacher's performance of the teaching responsibilities. It is also an important assessment of classified employees and current performance of their job assignments. Under Board policy, administrators are charged with the responsibility of evaluating the staff. An evaluation program provides a tool for supervisors who are responsible for making decisions about promotion, demotion, contract extension, contract non-extension, contract renewal or non-renewal, dismissal and discipline.

Licensed Staff

The evaluations for licensed staff shall be based on the core teaching standards adopted by the Oregon State Board of Education. The standards shall be customized based on collaborative efforts with teachers and any exclusive representatives of the licensed staff.

Evaluation and support systems established by the district for teachers must be designed to meet or exceed the requirements defined in the Oregon Framework for Teacher and Administrator Evaluation and Support Systems, including:

1. Four performance level ratings of effectiveness;

2. Classroom-level student learning and growth goals set collaboratively between the teacher and the evaluator;

3. Consideration of multiple measures of teacher practice and responsibility which may include, but are not limited to:

    a. Classroom-based assessments including observations, lesson plans and assignments;
    b. Portfolios of evidence;
    c. Supervisor reports; and
    d. Self-reflections and assessments.

4. Consideration of evidence of student academic growth and learning based on multiple measures of student progress, including performance data of students, that is both formative and summative. Evidence may also include other indicators of student success;

5. A summative evaluation method for considering multiple measures of professional practice, professional responsibilities and student learning and growth to determine the teacher's professional growth path;

6. Customized by each district, which may include individualized weighting and application of standards.

OSBA Model Sample Policy

Code: GB
Adopted:

General Personnel Policies *

The quality of the professional and support staff is of primary importance in achieving the district's educational objectives. In filling any licensed or classified position, the district will seek out and appoint the best qualified person available for the position.

* Notice of all regular job openings will be available to current staff members. Vacant positions may also be advertised through professional and institutional placement agencies, appropriate employment agencies, and general and specialized media.

Applications or inquiries concerning job openings will be directed to the [personnel] office on standard district application forms. The selection process will be coordinated and supervised by the [ ], with the involvement of other appropriate administrators and supervisors.

Each candidate selected for a position with the district must possess or demonstrate eligibility for any license or permit required to fill the position. In addition, the individual must be insurable by the district's insurance carrier for any position requiring liability insurance coverage or bonding.

In accordance with Oregon law, the district may require any candidate, as a condition of employment, to hold a current, recognized first-aid card. A current employee required to hold a card will obtain it within 90 days from the date the district gives notification.

The superintendent will recommend candidates to fill licensed positions for Board approval. The [superintendent] will hire all classified employees, substitutes and part-time personnel as needed.

* Personnel selected for employment will be notified in writing following Board approval. This notification will specify the assignment, the job classification, the salary or hourly rate, the length of the workweek and the length of the assignment. Unsuccessful applicants [who were interviewed] will be notified.

Initial assignments of staff will be made by the superintendent or designee.

The superintendent will establish [rules] [guidelines] governing the recruitment, selection and employment of personnel in accordance with this policy.

END OF POLICY

Legal Reference(s):

ORS 342.664
ORS 408.225
ORS 408.230
ORS 408.235
ORS 653.305 to -653.326
ORS 659A.309

OAR 581-022-2405
OAR 839-006-0435
OAR 839-006-0440
OAR 839-006-0450
OAR 839-006-0455
OAR 839-006-0460
OAR 839-006-0465

OSBA Model Sample Policy

Code: GD
Adopted:

Classified Staff/Classified Staff Positions *

"Classified employee" means any district employee not required to hold a teaching license. The superintendent or designee will designate classified employee positions. The essential job functions, titles and examples of work performed are to be prescribed in a written job description for each position classification.

END OF POLICY

Legal Reference(s):

ORS 326.051
ORS 332.505
ORS 659.805
ORS 659.850
ORS 659A.009
ORS 659A.029
ORS 659A.030
ORS 659A.142
ORS 659A.145
ORS 659A.233
ORS 659A.236
ORS 659A.309
ORS 659A.409

OAR 581-021-0045
OAR 581-022-2405

Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d (2012).
Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e (2012).
Age Discrimination Act of 1975, 42 U.S.C. §§ 6101-6107 (2012).
Equal Pay Act of 1963, 29 U.S.C. § 206(d) (2012).
Rehabilitation Act of 1973, 29 U.S.C. §§ 503, 791, 793-794 (2012).
Title IX of the Education Amendments of 1972, 20 U.S.C. §§ 1681-1683 (2012).
Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101-12213; 29 C.F.R. Part 1630 (2016); 28 C.F.R. Part 35 (2016).
The Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (2012).
Title II of the Genetic Information Nondiscrimination Act of 2008.
Americans with Disabilities Act Amendments Act of 2008.

OSBA Model Sample Policy

Code: GAB
Adopted:

Job Descriptions

Job descriptions serve to:

1. Describe all essential functions that the individual who holds the position must be able to perform unaided or with the assistance of a reasonable accommodation;

2. Describe attendance standards;

3. Help applicants determine the qualifications needed to fill a position;

4. Help district administrators determine which candidates to recommend for appointment; and

5. Assist administrators in the evaluation of the employee's performance of position responsibilities.

"Essential functions," as used in this policy means, the fundamental job duties of the employment position. A job function may be considered essential for reasons, including, but not limited to, the following:

1. The function may be essential because the reason the position exists is to perform the function;

6. The function may be essential because of the limited number of employees available among whom the performance of the job function can be distributed; and/or

7. The function may be highly specialized so that the individual is hired for his/her expertise or ability to perform the particular function.

"Attendance standards," as used in this policy means, the regular work hours of the position, including leave and vacation provisions available through policy and/or collective bargaining agreements and any special attendance needs of the position as determined by the district.

Job descriptions will be developed under the supervision of the superintendent for each position in the district. Each job description shall be dated; as job descriptions are reviewed and/or revised new dates will be affixed.

Job descriptions will be coded and retained in a document titled *Job Descriptions for the [ ] District.* The document will be available for inspection by any district employee or patron. Each employee shall receive a copy of his/her job description. Each employee shall affix his/her signature and date after having read the job description.

Job descriptions will be reviewed [annually] [as needed]. Initial or revised job descriptions will be approved by the superintendent.

END OF POLICY

Legal Reference(s):

ORS 342.850(2)(b)(A)
OAR 581-022-2405

Americans with Disabilities Act, 42 U.S.C. §§ 12101-12213; 29 C.F.R. Part 1630 (2016); 28 C.F.R. Part 35 (2016).
The Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended, 38 U.S.C. § 4212 (2012).
Title II of the Genetic Information Nondiscrimination Act of 2008.
Section 503 of the Rehabilitation Act of 1973.
Americans with Disabilities Act Amendments Act of 2008.

District Administration Office
Mr. Sean Gallagher – Acting Superintendent
301 S 3rd St
Alsea, OR 97324
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Email: sean.gallagher@alsea.k12.or.us
www.alsea.k12.or.us

MEMO

Date: 7/26/22

To: Board of Directors

From: Sean Gallagher – Acting Superintendent

Re: HB 4030 – Retention and Recruitment of K-12 Educators

Attached is the grant agreement we received from the State of Oregon regarding recruitment and retention of educators. We have been working with this grant for awhile, the dollars will be allocated specifically to the teacher mentor/mentee program, HR Reset, and the instructional coach position. This grant will provide meaningful outcomes that will promote consistency of staffing now and in the future. I recommend the board approve this grant.

STATE OF OREGON
GRANT AGREEMENT

Grant No. 22552

This Grant Agreement ("Grant") is between the State of Oregon acting by and through its Department of Education ("Agency") and Alsea SD 7J ("Grantee"), each a "Party" and, together, the "Parties".

SECTION 1: AUTHORITY

Pursuant to HB 4030 (2022), Agency is authorized to enter into a grant agreement and provide funding for the purposes described in this Grant.

SECTION 2: PURPOSE

To support the retention and recruitment of K-12 educators and other support personnel in schools across Oregon. The intent of these grant funds is to use them for strategies to address high need specialties and workforce shortage areas for both classified and licensed staff; build on existing efforts which address root causes of workforce attrition while responding to urgent needs; and diversify the workforce, as well as ensure every educator and staff member can meet the academic and well-being needs of students from historically and persistently underserved groups.

SECTION 3: EFFECTIVE DATE AND DURATION

When all Parties have executed this Grant, and all necessary approvals have been obtained ("Executed Date"), this Grant is effective and has a Grant funding start date as of April 15, 2022 ("Effective Date"), and, unless extended or terminated earlier in accordance with its terms, will expire on June 30, 2023.

SECTION 4: GRANT MANAGERS

4.1 Agency's Grant Manager is:

Michael S. Elliott
255 Capitol St NE, Salem, OR 97310
Phone: 503-947-5627
Michael.s.elliott@ode.oregon.gov

4.2 Grantee's Grant Manager is:

Shirley Koetz

Alsea SD 7J
shirley.koetz@alsea.k12.or.us

4.3 A Party may designate a new Grant Manager by written notice to the other Party.

SECTION 5: PROJECT ACTIVITIES

Grantee must perform the project activities set forth in Exhibit A (the "Project"), attached hereto and incorporated in this Grant by this reference, for the period beginning on the Effective Date and ending on the expiration date set forth in Section 3 (the "Performance Period").

SECTION 6: GRANT FUNDS

In accordance with the terms and conditions of this Grant, Agency will provide Grantee up to $124,921.62 ("Grant Funds") for the Project. Agency will pay the Grant Funds from monies available through its Education Staff Retention and Recruitment Grants ("Funding Source").

SECTION 7: DISBURSEMENT GENERALLY

7.1 Disbursement.

7.1.1 Subject to the availability of sufficient moneys in and from the Funding Source based on Agency's reasonable projections of moneys accruing to the Funding Source, Agency will disburse Grant Funds to Grantee for the allowable Project activities described in Exhibit A that are undertaken during the Performance Period.

7.1.2 Grantee must provide to Agency any information or detail regarding the expenditure of Grant Funds required under Exhibit A prior to disbursement or as Agency may request.

7.1.3 Agency will only disburse Grant Funds to Grantee for activities completed or materials produced, that, if required by Exhibit A, are approved by Agency. If Agency determines any completed Project activities or materials produced are not acceptable and any deficiencies are the responsibility of Grantee, Agency will prepare a detailed written description of the deficiencies within 15 days of receipt of the materials or performance of the activity, and will deliver such notice to Grantee. Grantee must correct any deficiencies at no additional cost to Agency within 15 days. Grantee may resubmit a request for disbursement that includes evidence satisfactory to Agency demonstrating deficiencies were corrected.

7.2 Conditions Precedent to Disbursement. Agency's obligation to disburse Grant Funds to Grantee under this Grant is subject to satisfaction of each of the following conditions precedent:

7.2.1 Agency has received sufficient funding, appropriations, expenditure limitation, allotments or other necessary expenditure authorizations to allow Agency, in the exercise of its reasonable administrative discretion, to make the disbursement from the Funding Source;

7.2.2 No default as described in Section 15 has occurred; and

7.2.3 Grantee's representations and warranties set forth in Section 8 are true and correct on the date of disbursement(s) with the same effect as though made on the date of disbursement.

7.3 No Duplicate Payment. Grantee may use other funds in addition to the Grant Funds to complete the Project; provided, however, the Grantee may not credit or pay any Grant Funds for Project costs that are paid for with other funds and would result in duplicate funding.

7.4 Suspension of Funding and Project. Agency may by written notice to Grantee, temporarily cease funding and require Grantee to stop all, or any part, of the Project dependent upon Grant Funds for a period of up to 180 days after the date of the notice, if Agency has or reasonably projects that it will have insufficient funds from the Funding Source to disburse the full amount of the Grant Funds. Upon receipt of the notice, Grantee must immediately cease all Project activities dependent on Grant Funds, or if that is impossible, must take all necessary steps to minimize the Project activities allocable to Grant Funds.

If Agency subsequently projects that it will have sufficient funds, Agency will notify Grantee that it may resume activities. If sufficient funds do not become available, Grantee and Agency will work together to amend this Grant to revise the amount of Grant Funds and Project activities to reflect the available funds. If sufficient funding does not become available or an amendment is not agreed to within a period of 180 days after issuance of the notice, Agency will either (i) cancel or modify its cessation order by a supplemental written notice or (ii) terminate this Grant as permitted by either the termination at Agency's discretion or for cause provisions of this Grant.

SECTION 8: REPRESENTATIONS AND WARRANTIES

8.1 Organization/Authority. Grantee represents and warrants to Agency that:

8.1.1 Grantee is School District duly organized and validly existing;

8.1.2 Grantee has all necessary rights, powers and authority under any organizational documents and under Oregon Law to (i) execute this Grant, (ii) incur and perform its obligations under this Grant, and (iii) receive financing, including the Grant Funds, for the Project;

8.1.3 This Grant has been duly executed by Grantee and when executed by Agency, constitutes a legal, valid and binding obligation of Grantee enforceable in accordance with its terms;

8.1.4 If applicable and necessary, the execution and delivery of this Grant by Grantee has been authorized by an ordinance, order or resolution of its governing body, or voter approval, that was adopted in accordance with applicable law and requirements for filing public notices and holding public meetings; and

8.1.5 There is no proceeding pending or threatened against Grantee before any court or governmental authority that if adversely determined would materially adversely affect the

Project or the ability of Grantee to carry out the Project.

8.2 False Claims Act. Grantee acknowledges the Oregon False Claims Act, ORS 180.750 to 180.785, applies to any "claim" (as defined by ORS 180.750) made by (or caused by) Grantee that pertains to this Grant or to the Project. Grantee certifies that no claim described in the previous sentence is or will be a "false claim" (as defined by ORS 180.750) or an act prohibited by ORS 180.755. Grantee further acknowledges in addition to the remedies under Section 16, if it makes (or causes to be made) a false claim or performs (or causes to be performed) an act prohibited under the Oregon False Claims Act, the Oregon Attorney General may enforce the liabilities and penalties provided by the Oregon False Claims Act against the Grantee.

8.3 No limitation. The representations and warranties set forth in this Section are in addition to, and not in lieu of, any other representations or warranties provided by Grantee.

SECTION 9: OWNERSHIP

9.1 Intellectual Property Definitions. As used in this Section and elsewhere in this Grant, the following terms have the meanings set forth below:

"Third Party Intellectual Property" means any intellectual property owned by parties other than Grantee or Agency.

"Work Product" means every invention, discovery, work of authorship, trade secret or other tangible or intangible item Grantee is required to create or deliver as part of the Project, and all intellectual property rights therein.

9.2 Grantee Ownership. Grantee must deliver copies of all Work Product as directed in Exhibit A. Grantee retains ownership of all Work Product, and grants Agency an irrevocable, non-exclusive, perpetual, royalty-free license to use, to reproduce, to prepare derivative works based upon, to distribute, to perform and to display the Work Product, to authorize others to do the same on Agency's behalf, and to sublicense the Work Product to other entities without restriction.

9.3 Third Party Ownership. If the Work Product created by Grantee under this Grant is a derivative work based on Third Party Intellectual Property, or is a compilation that includes Third Party Intellectual Property, Grantee must secure an irrevocable, non-exclusive, perpetual, royalty-free license allowing Agency and other entities the same rights listed above for the pre-existing element of the Third party Intellectual Property employed in the Work Product. If state or federal law requires that Agency or Grantee grant to the United States a license to any intellectual property in the Work Product, or if state or federal law requires Agency or the United States to own the intellectual property in the Work Product, then Grantee must execute such further documents and instruments as Agency may reasonably request in order to make any such grant or to assign ownership in such intellectual property to the United States or Agency.

SECTION 10: CONFIDENTIAL INFORMATION

10.1 Confidential Information Definition. Grantee acknowledges it and its employees or agents may,

in the course of performing its responsibilities, be exposed to or acquire information that is: (i) confidential to Agency or Project participants or (ii) the disclosure of which is restricted under federal or state law, including without limitation: (a) personal information, as that term is used in ORS 646A.602(12), (b) social security numbers, and (c) information protected by the federal Family Educational Rights and Privacy Act under 20 USC § 1232g (items (i) and (ii) separately and collectively "Confidential Information").

10.2 **Nondisclosure.** Grantee agrees to hold Confidential Information as required by any applicable law and in all cases in strict confidence, using at least the same degree of care Grantee uses in maintaining the confidentiality of its own confidential information. Grantee may not copy, reproduce, sell, assign, license, market, transfer or otherwise dispose of, give, or disclose Confidential Information to third parties, or use Confidential Information except as is allowed by law and for the Project activities and Grantee must advise each of its employees and agents of these restrictions. Grantee must assist Agency in identifying and preventing any unauthorized use or disclosure of Confidential Information. Grantee must advise Agency immediately if Grantee learns or has reason to believe any Confidential Information has been, or may be, used or disclosed in violation of the restrictions in this Section. Grantee must, at its expense, cooperate with Agency in seeking injunctive or other equitable relief, in the name of Agency or Grantee, to stop or prevent any use or disclosure of Confidential Information. At Agency's request, Grantee must return or destroy any Confidential Information. If Agency requests Grantee to destroy any Confidential Information, Grantee must provide Agency with written assurance indicating how, when and what information was destroyed.

10.3 **Identity Protection Law.** Grantee must have and maintain a formal written information security program that provides safeguards to protect Confidential Information from loss, theft, and disclosure to unauthorized persons, as required by the Oregon Consumer Information Protection Act, ORS 646A.600-646A.628. If Grantee or its agents discover or are notified of a potential or actual "Breach of Security", as defined by ORS 646A.602(1)(a), or a failure to comply with the requirements of ORS 646A.600-628, (collectively, "Breach") with respect to Confidential Information, Grantee must promptly but in any event within one calendar day (i) notify the Agency Grant Manager of such Breach and (ii) if the applicable Confidential Information was in the possession of Grantee or its agents at the time of such Breach, Grantee must (a) investigate and remedy the technical causes and technical effects of the Breach and (b) provide Agency with a written root cause analysis of the Breach and the specific steps Grantee will take to prevent the recurrence of the Breach or to ensure the potential Breach will not recur. For the avoidance of doubt, if Agency determines notice is required of any such Breach to any individual(s) or entity(ies), Agency will have sole control over the timing, content, and method of such notice, subject to Grantee's obligations under applicable law.

10.4 **Subgrants/Contracts.** Grantee must require any subgrantees, contractors or subcontractors under this Grant who are exposed to or acquire Confidential Information to treat and maintain such information in the same manner as is required of Grantee under subsections 10.1 and 10.2 of this Section.

10.5 **Background Check.** If requested by Agency and permitted by law, Grantee's employees, agents, contractors, subcontractors, and volunteers that perform Project activities must agree to submit to

a criminal background check prior to performance of any Project activities or receipt of Confidential Information. Background checks will be performed at Grantee's expense. Based on the results of the background check, Grantee or Agency may refuse or limit (i) the participation of any Grantee employee, agent, contractor, subgrantee, or volunteer, in Project activities or (ii) access to Agency Personal Information or Grantee premises.

SECTION 11: INDEMNITY/LIABILITY

11.1 **Indemnity.** Grantee must defend, save, hold harmless, and indemnify the State of Oregon and Agency and their officers, employees and agents from and against all claims, suits, actions, losses, damages, liabilities, costs, and expenses of any nature whatsoever, including attorneys' fees, resulting from, arising out of, or relating to the activities of Grantee or its officers, employees, subgrantees, contractors, subcontractors, or agents under this Grant (each of the foregoing individually or collectively a "Claim" for purposes of this Section). If legal limitations apply to the indemnification ability of Grantee, this indemnification must be for the maximum amount of funds available for expenditure, including any available contingency funds, insurance, funds available under ORS 30.260 to 30.300 or other available non-appropriated funds.

11.2 **Defense.** Grantee may have control of the defense and settlement of any Claim subject to this Section. But neither Grantee nor any attorney engaged by Grantee may defend the Claim in the name of the State of Oregon, nor purport to act as legal representative of the State of Oregon or any of its agencies, without first receiving from the Attorney General, in a form and manner determined appropriate by the Attorney General, authority to act as legal counsel for the State of Oregon. Nor may Grantee settle any Claim on behalf of the State of Oregon without the approval of the Attorney General. The State of Oregon may, at its election and expense, assume its own defense and settlement in the event the State of Oregon determines Grantee is prohibited from defending the State of Oregon, or is not adequately defending the State of Oregon's interests, or an important governmental principle is at issue and the State of Oregon desires to assume its own defense. Grantee may not use any Grant Funds to reimburse itself for the defense of or settlement of any Claim.

11.3 **Limitation.** Except as provided in this Section, neither Party will be liable for incidental, consequential, or other indirect damages arising out of or related to this Grant, regardless of whether the damages or other liability is based in contract, tort (including negligence), strict liability, product liability or otherwise. Neither Party will be liable for any damages of any sort arising solely from the termination of this Grant in accordance with its terms.

SECTION 12: INSURANCE

12.1 **Private Insurance.** If Grantee is a private entity, or if any contractors, subcontractors, or subgrantees used to carry out the Project are private entities, Grantee and any private contractors, subcontractors or subgrantees must obtain and maintain insurance covering Agency in the types and amounts indicated in Exhibit B.

12.2 **Public Body Insurance.** If Grantee is a "public body" as defined in ORS 30.260, Grantee agrees to

insure any obligations that may arise for Grantee under this Grant, including any indemnity obligations, through (i) the purchase of insurance as indicated in Exhibit B or (ii) the use of self-insurance or assessments paid under ORS 30.282 that is substantially similar to the types and amounts of insurance coverage indicated on Exhibit B, or (iii) a combination of any or all of the foregoing.

SECTION 13: GOVERNING LAW, JURISDICTION

This Grant is governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of law. Any claim, action, suit or proceeding (collectively "Claim") between Agency or any other agency or department of the State of Oregon, or both, and Grantee that arises from or relates to this Grant must be brought and conducted solely and exclusively within the Circuit Court of Marion County for the State of Oregon; provided, however, if a Claim must be brought in a federal forum, then it will be brought and conducted solely and exclusively within the United States District Court for the District of Oregon. In no event may this Section be construed as a waiver by the State of Oregon of any form of defense or immunity, whether sovereign immunity, governmental immunity, immunity based on the eleventh amendment to the Constitution of the United States or otherwise, to or from any Claim or from the jurisdiction of any court. GRANTEE, BY EXECUTION OF THIS GRANT, HEREBY CONSENTS TO THE PERSONAL JURISDICTION OF SUCH COURTS.

SECTION 14: ALTERNATIVE DISPUTE RESOLUTION

The Parties should attempt in good faith to resolve any dispute arising out of this Grant. This may be done at any management level, including at a level higher than persons directly responsible for administration of the Grant. In addition, the Parties may agree to utilize a jointly selected mediator or arbitrator (for non-binding arbitration) to resolve the dispute short of litigation. Each Party will bear its own costs incurred for any mediation or non-binding arbitration.

SECTION 15: DEFAULT

15.1 **Grantee.** Grantee will be in default under this Grant upon the occurrence of any of the following events:

15.1.1 Grantee fails to use the Grant Funds for the intended purpose described in Exhibit A or otherwise fails to perform, observe or discharge any of its covenants, agreements or obligations under this Grant;

15.1.2 Any representation, warranty or statement made by Grantee in this Grant or in any documents or reports relied upon by Agency to measure the Project, the expenditure of Grant Funds or the performance by Grantee is untrue in any material respect when made; or

15.1.3 A petition, proceeding or case is filed by or against Grantee under any federal or state bankruptcy, insolvency, receivership or other law relating to reorganization, liquidation, dissolution, winding-up or adjustment of debts; in the case of a petition filed against Grantee,

Grantee acquiesces to such petition or such petition is not dismissed within 20 calendar days after such filing, or such dismissal is not final or is subject to appeal; or Grantee becomes insolvent or admits its inability to pay its debts as they become due, or Grantee makes an assignment for the benefit of its creditors.

15.2 **Agency.** Agency will be in default under this Grant if, after 15 days written notice specifying the nature of the default, Agency fails to perform, observe or discharge any of its covenants, agreements, or obligations under this Grant; provided, however, Agency will not be in default if Agency fails to disburse Grant Funds because there is insufficient expenditure authority for, or moneys available from, the Funding Source.

SECTION 16: REMEDIES

16.1 **Agency Remedies.** In the event Grantee is in default under Section 15.1, Agency may, at its option, pursue any or all of the remedies available to it under this Grant and at law or in equity, including, but not limited to: (i) termination of this Grant under Section 18.2, (ii) reducing or withholding payment for Project activities or materials that are deficient or Grantee has failed to complete by any scheduled deadlines, (iii) requiring Grantee to complete, at Grantee's expense, additional activities necessary to satisfy its obligations or meet performance standards under this Grant, (iv) initiation of an action or proceeding for damages, specific performance, or declaratory or injunctive relief, (v) exercise of its right of recovery of overpayments under Section 17 of this Grant or setoff, or both, or (vi) declaring Grantee ineligible for the receipt of future awards from Agency. These remedies are cumulative to the extent the remedies are not inconsistent, and Agency may pursue any remedy or remedies singly, collectively, successively or in any order whatsoever.

16.2 **Grantee Remedies.** In the event Agency is in default under Section 15.2 and whether or not Grantee elects to terminate this Grant, Grantee's sole monetary remedy will be, within any limits set forth in this Grant, reimbursement of Project activities completed and accepted by Agency and authorized expenses incurred, less any claims Agency has against Grantee. In no event will Agency be liable to Grantee for any expenses related to termination of this Grant or for anticipated profits.

SECTION 17: WITHHOLDING FUNDS, RECOVERY

Agency may withhold from disbursements of Grant Funds due to Grantee, or Grantee must return to Agency within 30 days of Agency's written demand:

17.1 Any Grant Funds paid to Grantee under this Grant, or payments made under any other agreement between Agency and Grantee, that exceed the amount to which Grantee is entitled;

17.2 Any Grant Funds received by Grantee that remain unexpended or contractually committed for payment of the Project at the end of the Performance Period;

17.3 Any Grant Funds determined by Agency to be spent for purposes other than allowable Project activities; or

17.4 Any Grant Funds requested by Grantee as payment for deficient activities or materials.

SECTION 18: TERMINATION

18.1 Mutual. This Grant may be terminated at any time by mutual written consent of the Parties.

18.2 By Agency. Agency may terminate this Grant as follows:

18.2.1 At Agency's discretion, upon 30 days advance written notice to Grantee;

18.2.2 Immediately upon written notice to Grantee, if Agency fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient in Agency's reasonable administrative discretion, to perform its obligations under this Grant;

18.2.3 Immediately upon written notice to Grantee, if federal or state laws, rules, regulations or guidelines are modified or interpreted in such a way that Agency's performance under this Grant is prohibited or Agency is prohibited from funding the Grant from the Funding Source; or

18.2.4 Immediately upon written notice to Grantee, if Grantee is in default under this Grant and such default remains uncured 15 days after written notice thereof to Grantee.

18.3 By Grantee. Grantee may terminate this Grant as follows:

18.3.1 If Grantee is a governmental entity, immediately upon written notice to Agency, if Grantee fails to receive funding, or appropriations, limitations or other expenditure authority at levels sufficient to perform its obligations under this Grant.

18.3.2 If Grantee is a governmental entity, immediately upon written notice to Agency, if applicable laws, rules, regulations or guidelines are modified or interpreted in such a way that the Project activities contemplated under this Grant are prohibited by law or Grantee is prohibited from paying for the Project from the Grant Funds or other planned Project funding; or

18.3.3 Immediately upon written notice to Agency, if Agency is in default under this Grant and such default remains uncured 15 days after written notice thereof to Agency.

18.4 Cease Activities. Upon receiving a notice of termination of this Grant, Grantee must immediately cease all activities under this Grant, unless Agency expressly directs otherwise in such notice. Upon termination, Grantee must deliver to Agency all materials or other property that are or would be required to be provided to Agency under this Grant or that are needed to complete the Project activities that would have been performed by Grantee.

SECTION 19: MISCELLANEOUS

19.1 Conflict of Interest. Grantee by signature to this Grant declares and certifies the award of this Grant and the Project activities to be funded by this Grant, create no potential or actual conflict of interest, as defined by ORS Chapter 244, for a director, officer or employee of Grantee.

19.2 Nonappropriation. Agency's obligation to pay any amounts and otherwise perform its duties under this Grant is conditioned upon Agency receiving funding, appropriations, limitations,

allotments, or other expenditure authority sufficient to allow Agency, in the exercise of its reasonable administrative discretion, to meet its obligations under this Grant. Nothing in this Grant may be construed as permitting any violation of Article XI, Section 7 of the Oregon Constitution or any other law limiting the activities, liabilities or monetary obligations of Agency.

19.3 **Amendments.** The terms of this Grant may not be altered, modified, supplemented or otherwise amended, except by written agreement of the Parties.

19.4 **Notice.** Except as otherwise expressly provided in this Grant, any notices to be given under this Grant must be given in writing by email, personal delivery, or postage prepaid mail, to a Party's Grant Manager at the physical address or email address set forth in this Grant, or to such other addresses as either Party may indicate pursuant to this Section. Any notice so addressed and mailed becomes effective five (5) days after mailing. Any notice given by personal delivery becomes effective when actually delivered. Any notice given by email becomes effective upon the sender's receipt of confirmation generated by the recipient's email system that the notice has been received by the recipient's email system.

19.5 **Survival.** All rights and obligations of the Parties under this Grant will cease upon termination of this Grant, other than the rights and obligations arising under Sections 11, 13, 14, 16, 17 and subsection 19.5 hereof and those rights and obligations that by their express terms survive termination of this Grant; provided, however, termination of this Grant will not prejudice any rights or obligations accrued to the Parties under this Grant prior to termination.

19.6 **Severability.** The Parties agree if any term or provision of this Grant is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected, and the rights and obligations of the Parties will be construed and enforced as if the Grant did not contain the particular term or provision held to be invalid.

19.7 **Counterparts.** This Grant may be executed in several counterparts, all of which when taken together constitute one agreement, notwithstanding that all Parties are not signatories to the same counterpart. Each copy of the Grant so executed constitutes an original.

19.8 **Compliance with Law.** In connection with their activities under this Grant, the Parties must comply with all applicable federal, state and local laws.

19.9 **Intended Beneficiaries.** Agency and Grantee are the only parties to this Grant and are the only parties entitled to enforce its terms. Nothing in this Grant provides, is intended to provide, or may be construed to provide any direct or indirect benefit or right to third persons unless such third persons are individually identified by name herein and expressly described as intended beneficiaries of this Grant.

19.10 **Assignment and Successors.** Grantee may not assign or transfer its interest in this Grant without the prior written consent of Agency and any attempt by Grantee to assign or transfer its interest in this Grant without such consent will be void and of no force or effect. Agency's consent to Grantee's assignment or transfer of its interest in this Grant will not relieve Grantee of any of its duties or obligations under this Grant. The provisions of this Grant will be binding upon and inure to the benefit of the Parties hereto, and their respective successors and permitted assigns.

19.11 **Subgrants.** Grantee may not, without Agency's prior written consent, enter into any subgrants for any of the Project activities required of Grantee under this Grant. Agency's consent to any subgrant will not relieve Grantee of any of its duties or obligations under this Grant.

19.12 **Time of the Essence.** Time is of the essence in Grantee's performance of the Project activities under this Grant.

19.13 **Records Maintenance and Access.** Grantee must maintain all financial records relating to this Grant in accordance with generally accepted accounting principles. In addition, Grantee must maintain any other records, whether in paper, electronic or other form, pertinent to this Grant in such a manner as to clearly document Grantee's performance. All financial records and other records, whether in paper, electronic or other form, that are pertinent to this Grant, are collectively referred to as "Records." Grantee acknowledges and agrees Agency and the Oregon Secretary of State's Office and the federal government and their duly authorized representatives will have access to all Records to perform examinations and audits and make excerpts and transcripts. Grantee must retain and keep accessible all Records for a minimum of six (6) years, or such longer period as may be required by applicable law, following termination of this Grant, or until the conclusion of any audit, controversy or litigation arising out of or related to this Grant, whichever date is later.

19.14 **Headings.** The headings and captions to sections of this Grant have been inserted for identification and reference purposes only and may not be used to construe the meaning or to interpret this Grant.

19.15 **Grant Documents.** This Grant consists of the following documents, which are incorporated by this reference and listed in descending order of precedence:

- This Grant less all exhibits
- Exhibit A (the "Project")
- Exhibit B (Insurance)

19.16 **Merger, Waiver.** This Grant and all exhibits and attachments, if any, constitute the entire agreement between the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written, not specified herein regarding this Grant. No waiver or consent under this Grant binds either Party unless in writing and signed by both Parties. Such waiver or consent, if made, is effective only in the specific instance and for the specific purpose given.

SECTION 20: SIGNATURES

EACH PARTY, BY SIGNATURE OF ITS AUTHORIZED REPRESENTATIVE, HEREBY ACKNOWLEDGES IT HAS READ THIS GRANT, UNDERSTANDS IT, AND AGREES TO BE BOUND BY ITS TERMS AND CONDITIONS. The Parties further agree that by the exchange of this Grant electronically, each has agreed to the use of electronic means, if applicable, instead of the exchange of physical documents and manual signatures. By inserting an electronic or manual signature below, each authorized representative acknowledges that it is their signature, that each intends to execute this Grant, and

that their electronic or manual signature should be given full force and effect to create a valid and legally binding agreement.

IN WITNESS WHEREOF, the Parties have executed this Grant as of the dates set forth below.

STATE OF OREGON acting by and through its Department of Education

By: _____ _____
Jeanie Stuntzner — Date
Procurement and Contracts Specialist

Alsea SD 7J

By: _____ _____
Authorized Signature — Date

_____ _____
Printed Name — Title

_____
Federal Tax ID Number

Approved for Legal Sufficiency in accordance with ORS 291.047 – email approval on file

By: Gretchen Gunn Merrill, Senior Assistant Attorney General — June 23, 2022
Date

EXHIBIT A
THE PROJECT

SECTION I. BACKGROUND AND GOALS

Section 7 of HB 4030 provides $78,127,971.00 in grants to support retention and recruitment of education personnel across Oregon. The legislative and executive intent for the funds is to use them for strategies identified and prioritized through involvement of school personnel to:

- Address high need specialties and workforce shortage areas for both classified and licensed staff, including non-instructional staff;
- Build on existing efforts which address root causes of workforce attrition while responding to urgent needs; and
- Diversify the workforce, as well as ensure every educator and staff member can meet the academic and well-being needs of students, particularly students from historically and persistently underserved groups.

SECTION II. PROJECT ACTIVITIES, SCHEDULE, AND BUDGET

Agency will disburse Grant Funds only for the costs of Project activities that occur, including expenses incurred, during the Performance Period.

Upon receipt of a fully executed grant agreement, the Grantee may claim up to 85% of their awarded grant funds.

Upon the completion of all final reporting requirements, the remaining 15% of funds may be claimed. If a district fails to provide the required final reporting, then all grant funds will be required to be returned to the Agency.

All funds will be distributed through ODE's Electronic Grant Management System (EGMS).

April 15, 2022:	Grant start date.
June 30, 2023:	Grant end date. All goods and services bought with grant funds must be received.
July 31, 2023:	Last day to claim funds from ODE in EGMS.

The Grantee shall expend the funds in alignment with the categories listed below and demonstrate the use of an equity lens in making budget decisions. The Grantee shall select the category/categories based on the local needs as informed by personnel needs and analysis of local workforce data. More information on these categories can be found in the Grant Parameters document at https://www.oregon.gov/ode/schools-and-districts/grants/Documents/Education%20Staff%20Retention%20Grant/Education%20Staff%20Retention%20Grant%20Parameters%204.20.22.pdf.

1. Data collection and root cause analysis
2. Reducing persistent local workforce shortages
3. Supportive working conditions
4. Local or regional career pathways
5. Education pre-service and in-service training
6. New staff support
7. School-level structural conditions

Grantee shall expend funds to implement the plan submitted to and approved by ODE in the grant application. Grantee must get prior approval from ODE if the grantee needs to create a new plan due to unforeseen circumstances.

Indirect/Administrative Costs. Grantee will not be reimbursed for any indirect or administrative costs with Grant Funds. The information described in this paragraph overrides any other verbal or written rate(s) or information provided by Agency, including in any notice of award provided by Agency's Electronic Grants Management System ("EGMS").

SECTION III. ACCESSIBILITY

Worldwide Web Accessibility. If, as part of the Project, Grantee develops data or information that will be displayed or accessed through an Agency public website or world-wide web application (the "Content"), Grantee must comply with Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), as amended by the Workforce Investment Act of 1998 (P.L. 105-220), and provide individuals with disabilities access to and use of the Content in the website or application that is comparable to the access provided to individuals without disabilities. Grantee must design and format Content that meets at least the following standards, including as the standards are updated or replaced by subsequent versions (collectively, "Mandatory Standard"):

- The Web Accessibility Initiative Accessible Rich Internet Applications Suite (WAI-ARIA) 1.0;
- The World Wide Web Consortium's (W3C's) Web Content Accessibility Guidelines (WCAG) 2.0 Level AA for web content, including as each is updated (Mandatory Standard);
- The web accessibility evaluation tool (WAVE), found at: http://wave.webaim.org/extension/
- Content to be posted on the web must be checked and made compliant using the tool available at https://www.webaccessibility.com/
- PDF files must comply with: http://webaim.org/techniques/acrobat/
- Word files must comply with: http://webaim.org/techniques/word/
- PPT files must comply with: http://webaim.org/techniques/powerpoint/
- Excel files must comply with: https://webaim.org/techniques/excel/

Testing. Grantee must test all Content prior to submission to Agency to ensure it meets the Mandatory Standard. Agency will test the web or application to validate the Content meets the Mandatory Standards, including a manual validation review of the Content against the current W3 Checklist for Web

Content Accessibility (link included for reference: https://www.w3.org/TR/1999/WAI-WEBCONTENT-19990505/full-checklist.pdf). If the Content fails the testing, Agency will notify Grantee and Grantee must remedy any deficiencies as provided in Section 7.1.3 of this Grant. If Agency determines that previously accepted Content does not meet the Mandatory Standard, Agency may issue a written notice to Grantee to remove the Content. Grantee shall remove Content identified in any such notice within 3 calendar days and take other corrective action specified in the notice.

SECTION IV. PROJECT EVALUATION/REPORTING REQUIREMENTS

The Grantee shall submit a final report with a narrative portion explaining how funds were used in support of their identified strategies. The report will also require some quantitative data from the district, including:

- How many and what types of school personnel were directly impacted through the grant funding; and
- Measurable impacts of the grant funding, such as improved retention rates for certain personnel groups, reduced substitute shortages, or increased job satisfaction among personnel.

Additionally, the Grantee shall provide a financial report of how the funds were spent. The Agency will provide the Grantee with templates for both of these reports. All reports shall be submitted electronically to the Agency using the required templates.

September 1, 2022:	Report templates and requirements posted.
May 1, 2023:	Final narrative and financial reports due to ODE. Please submit to the Agency's Grant Manager at
May 1 – June 30, 2023:	Final reports reviewed and approved by ODE. Grantees submit final claims of remaining funds upon receipt of reports' approval.

SECTION V. DISBURSEMENT PROVISIONS

Agency will disburse the Grant Funds using EGMS. Upon receipt of a fully executed grant agreement, the Agency will provide an initial disbursement of Grant Funds up to 85% of the award amount. The remaining 15% of funds will be released upon the completion of all final reporting requirements. The final disbursements will be only for reimbursement of moneys expended or contractually committed by Grantee for the Project.

With the final request for disbursement, Grantee must submit an expenditure report via email to Agency's Grant Manager identified in Section 4.

EXHIBIT B
INSURANCE

INSURANCE REQUIREMENTS

Grantee must obtain at Grantee's expense, and require its first tier contractors and subgrantees, if any, to obtain the insurance specified in this exhibit prior to performing under this Grant, and must maintain it in full force and at its own expense throughout the duration of this Grant, as required by any extended reporting period or continuous claims made coverage requirements, and all warranty periods that apply. Grantee must obtain and require its first tier contractors and subgrantees, if any, to obtain the following insurance from insurance companies or entities acceptable to Agency and authorized to transact the business of insurance and issue coverage in Oregon. Coverage must be primary and non-contributory with any other insurance and self-insurance, with the exception of professional liability and workers' compensation. Grantee must pay and require its first tier contractors and subgrantees to pay, if any, for all deductibles, self-insured retention and self-insurance, if any.

WORKERS' COMPENSATION & EMPLOYERS' LIABILITY

All employers, including Grantee, that employ subject workers, as defined in ORS 656.027, shall comply with ORS 656.017 and provide workers' compensation insurance coverage for those workers, unless they meet the requirement for an exemption under ORS 656.126(2). Grantee shall require and ensure that each of its subgrantees, contractors, and subcontractors complies with these requirements. If Grantee is a subject employer, as defined in ORS 656.023, Grantee shall also obtain employers' liability insurance coverage with limits not less than $500,000 each accident. If Grantee is an employer subject to any other state's workers' compensation law, Grantee shall provide workers' compensation insurance coverage for its employees as required by applicable workers' compensation laws including employers' liability insurance coverage with limits not less than $500,000, and shall require and ensure that each of its out-of-state subgrantees, contractors, and subcontractors complies with these requirements.

COMMERCIAL GENERAL LIABILITY

☒ **Required** ☐ **Not required**

Commercial general liability insurance covering bodily injury and property damage in a form and with coverage that are satisfactory to Agency. This insurance must include personal and advertising injury liability, products and completed operations, contractual liability coverage for the indemnity provided under this Grant, and have no limitation of coverage to designated premises, project or operation. Coverage must be written on an occurrence basis in an amount of not less than $1,000,000 per occurrence. Annual aggregate limit may not be less than $2,000,000.

AUTOMOBILE LIABILITY INSURANCE

☒ **Required** ☐ **Not required**

Automobile liability insurance covering Grantee's business use including coverage for all owned, non-owned, or hired vehicles with a combined single limit of not less than $1,000,000 for bodily injury and property damage. This coverage may be written in combination with the commercial general liability insurance (with separate limits for commercial general liability and automobile liability). Use of

personal automobile liability insurance coverage may be acceptable if evidence that the policy includes a business use endorsement is provided.

PROFESSIONAL LIABILITY

☒ **Required** ☐ **Not required**

Professional liability insurance covering any damages caused by an error, omission or any negligent acts related to the activities performed under this Grant by the Grantee and Grantee's contractors, subgrantees, agents, officers or employees in an amount not less than $1,000,000 per claim. Annual aggregate limit may not be less than $2,000,000. If coverage is on a claims made basis, then either an extended reporting period of not less than 24 months must be included in the professional liability insurance coverage, or the Grantee must provide continuous claims made coverage as stated below.

NETWORK SECURITY AND PRIVACY LIABILITY

☐ **Required** ☒ **Not required**

Grantee must provide network security and privacy liability insurance for the duration of the Grant and for the period of time in which Grantee (or its business associates, contractors, or subgrantees) maintains, possesses, stores or has access to Agency or client data, whichever is longer, with a combined single limit of no less than $_____ per claim or incident. This insurance must include coverage for third party claims and for losses, thefts, unauthorized disclosures, access or use of Agency or client data (which may include, but is not limited to, Personally Identifiable Information ("PII"), payment card data and Protected Health Information ("PHI")) in any format, including coverage for accidental loss, theft, unauthorized disclosure access or use of Agency data.

POLLUTION LIABILITY

☐ **Required** ☒ **Not required**

Pollution liability insurance covering Grantee's or appropriate contractor or subgrantee's liability for bodily injury, property damage and environmental damage resulting from sudden, accidental, or gradual pollution and related cleanup costs incurred by Grantee, all arising out of the Project activities (including transportation risk) performed under this Grant is required. Combined single limit per occurrence may not be less than $_____. Annual aggregate limit may not be less than $_____.

An endorsement to the commercial general liability or automobile liability policy, covering Grantee's, contractor, or subgrantee's liability for bodily injury, property damage and environmental damage resulting from sudden, accidental, or gradual pollution and related clean-up costs incurred by Grantee that arise from the Project activities (including transportation risk) performed by Grantee under this Grant is also acceptable.

DIRECTORS, OFFICERS AND ORGANIZATION LIABILITY

☐ **Required** ☒ **Not required**

Directors, officers and organization liability insurance covering the Grantee's organization, directors, officers, and trustees actual or alleged errors, omissions, negligent, or wrongful acts, including improper governance, employment practices and financial oversight - including improper oversight and/or use of Grant Funds and donor contributions - with a combined single limit of no less than $_____ per claim.

CRIME PROTECTION COVERAGE: EMPLOYEE DISHONESTY or FIDELITY BOND

☐ **Required** ☒ **Not required**

Employee dishonesty or fidelity bond covering loss of money, securities and property caused by dishonest acts of Grantee's employees. Coverage limits may not be less than $_____.

PHYSICAL ABUSE AND MOLESTATION INSURANCE COVERAGE

☒ **Required** ☐ **Not required**

Abuse and molestation insurance in a form and with coverage satisfactory to the State covering damages arising out of actual or threatened physical abuse, mental injury, sexual molestation, negligent: hiring, employment, supervision, investigation, reporting to proper authorities, and retention of any person for whom the Grantee, its contractors, subcontractors or subgrantees ("Covered Entity") is responsible including but not limited to any Covered Entity's employees and volunteers. Policy endorsement's definition of an insured must include the Covered Entity and its employees and volunteers. Coverage must be written on an occurrence basis in an amount of not less than $1,000,000 per occurrence. Any annual aggregate limit may not be less than $3,000,000. Coverage can be provided by a separate policy or as an endorsement to the commercial general liability or professional liability policies. The limits must be exclusive to this required coverage. Incidents related to or arising out of physical abuse, mental injury, or sexual molestation, whether committed by one or more individuals, and irrespective of the number of incidents or injuries or the time period or area over which the incidents or injuries occur, must be treated as a separate occurrence for each victim. Coverage must include the cost of defense and the cost of defense must be provided outside the coverage limit.

EXCESS/UMBRELLA INSURANCE

A combination of primary and excess/umbrella insurance may be used to meet the required limits of insurance.

ADDITIONAL INSURED

All liability insurance, except for workers' compensation, professional liability, and network security and privacy liability (if applicable), required under this Grant must include an additional insured endorsement specifying the State of Oregon, its officers, employees and agents as Additional Insureds, including additional insured status with respect to liability arising out of ongoing operations and completed operations, but only with respect to Grantee's activities to be performed under this Grant. Coverage must be primary and non-contributory with any other insurance and self-insurance. The Additional Insured endorsement with respect to liability arising out of Grantee's ongoing operations must be on ISO Form CG 20 10 07 04 or equivalent and the Additional Insured endorsement with respect to completed operations must be on ISO form CG 20 37 07 04 or equivalent.

WAIVER OF SUBROGATION

Grantee waives, and must require its first tier contractors and subgrantees waive, rights of subrogation which Grantee, Grantee's first tier contractors and subgrantees, if any, or any insurer of Grantee may acquire against the Agency or State of Oregon by virtue of the payment of any loss. Grantee must obtain, and require its first tier contractors and subgrantees to obtain, any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Agency has received a waiver of subrogation endorsement from the Grantee or the Grantee's insurer(s).

CONTINUOUS CLAIMS MADE COVERAGE

If any of the required liability insurance is on a claims made basis and does not include an extended reporting period of at least 24 months, then Grantee shall maintain continuous claims made liability coverage, provided the effective date of the continuous claims made coverage is on or before the effective date of the Grant, for a minimum of 24 months following the later of:

(i) Grantee 's completion and Agency's acceptance of all Services required under the Grant, or
(ii) Agency or Grantee termination of the Grant, or
(iii) The expiration of all warranty periods provided under the Grant.

CERTIFICATE(S) AND PROOF OF INSURANCE

Grantee must provide to Agency a Certificate(s) of Insurance for all required insurance before performing any Project activities required under this Grant. The Certificate(s) must list the State of Oregon, its officers, employees and agents as a Certificate holder and as an endorsed Additional Insured. The Certificate(s) must also include all required endorsements or copies of the applicable policy language effecting coverage required by this Grant. If excess/umbrella insurance is used to meet the minimum insurance requirement, the Certificate of Insurance must include a list of all policies that fall under the excess/umbrella insurance. As proof of insurance, Agency has the right to request copies of insurance policies and endorsements relating to the insurance requirements in this Grant. Grantee must furnish acceptable insurance certificates to: ode.insurance@ode.state.or.us or by mail to: Attention Procurement Services, Oregon Department of Education, 255 Capitol St NE, Salem OR, 97310 prior to commencing the work.

NOTICE OF CHANGE OR CANCELLATION

Grantee or its insurer must provide at least 30 days' written notice to Agency before cancellation of, material change to, potential exhaustion of aggregate limits of, or non-renewal of the required insurance coverage(s).

INSURANCE REQUIREMENT REVIEW

Grantee agrees to periodic review of insurance requirements by Agency under this Grant, and to provide updated requirements as mutually agreed upon by Grantee and Agency.

STATE ACCEPTANCE

All insurance providers are subject to Agency acceptance. If requested by Agency, Grantee must provide complete copies of insurance policies, endorsements, self-insurance documents and related insurance documents to Agency's representatives responsible for verification of the insurance coverages required under this exhibit.

District Administration Office
Mr. Sean Gallagher – Acting Superintendent
301 S 3rd St
Alsea, OR 97324
Office: 541 487-5643
Fax: 541 487-4089

Email: sean.gallagher@alsea.k12.or.us
www.alsea.k12.or.us

7/27/2022

Mr. Colt Gill
ODE Director and Deputy Superintendent of Public Instruction
Oregon Department of Education
255 Capitol St NE
Salem, OR 97310

Dear Director Gill:

I have received the official ODE "Notice of potential financial and performance audit". Since I became the Alsea School District (ASD) Acting Superintendent in March 2022 after the mid-year departure of Superintendent Marc Thielman, I have been privy too multiple financial and performance issues that include those documented through public complaint as defined in your letter as well as many other areas that I would like to add to the investigatory list. I welcome ODE's presence since I do believe that ODE has more resources than the district does to fully investigate and correct any areas that need to be addressed.

I am aware of approximately 85% of the listed areas listed in the audit letter and I will have many more to add. I would prefer to discuss these additional areas in a face-to-face meeting with the auditing team. Many staff have expressed concerns over how the district conducted financial expenditures and accountabilities prior to my arrival. The 2022 business manager and I redesigned the entire budgeting process to align with state laws which resulted in presenting a balanced budget for approval in the spring of 2022. Concerns over payroll practices, expenditures, errant contracts, etc… still persist. Many areas that we have found that are out of financial compliance with state laws have been corrected. We do not have the ability to govern campaign finance concerns, we most definitely need ODE's help with this area.

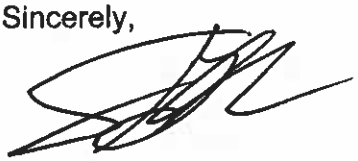
The district is currently in the middle of multiple reset projects. These include:

1. Human Resources (HR) Reset project with the help of an HR consultant secured through the Coalition of Oregon School Administrators (COSA) organization. The district is resetting contracts, job descriptions, salary schedules, classifications, staff handbooks, etc… within this project.
2. Board Policy Reset – the district's board policies are very outdated and do not include current state and federal laws. ASD has contracted with Oregon School Boards Association (OSBA) to help conduct this work. This will bring alignment of policies back to ASD.
3. School Board – The current school board has two newly appointed board members after the last board chair and vice-chair were recalled. The board has contracted with OSBA to provide strategic training to the entire board to help the board conduct efficient and effective board meetings and focus on board business.

4. Division 22 Standards – the district is currently re-evaluating the Division 22 standards requirements and attempting to address current deficiencies. The previous Division 22 standards reports were obviously falsified.
5. Teacher Evaluation – the district currently does not have a teacher evaluation tool that was developed in collaboration with the local union. The district is in the process of starting this work immediately and plans on conducting evaluations in accordance with state law for the 2022-23 school year. Prior years did not include proper teacher evaluations if they even existed.
6. Budget – the district is implementing new checks and balances processes with built in accountabilities to stay within approved budgets. Prior budgets were mismanaged, over expenditures in the 100's of thousands were common. There was not any oversight. These processes are changing, accountabilities will be in place for the 2022-23 school year.
7. Business Manager (BM) – the district has contracted with LBL ESD to provide business manager services for 2022-23. The assigned BM has multiple years of prior experience and is working hard to bring the district into further financial alignment. The district has also contracted with LBL ESD to provide a 2021-22 payroll audit as I have found many payroll practices that do not align with State BOLI laws.
8. Continuous Improvement Plan (CIP) – the district will be fully implementing the ODE designed Aligning for Student Success project during the 2022-23 school year. Any CIP's previously created were not inclusively designed.

The list above includes a small snapshot into the multiple heavy lift projects we are conducting. I look forward to working collaboratively with ODE through the audit. I hope that we will be able to evaluate current district and state practices that need to be redesigned to prevent any non-compliances with state and federal laws in the future for not only ASD, but all state school districts. This district is a very special place. The kids and staff are amazing and deserve the very best education possible. It all starts with solid personnel, policy, budget, and compliance procedures. I look forward to seeing your team soon.

Sincerely,



Sean Gallagher – Acting Superintendent

Cc: File

Oregon
Kate Brown, Governor

OREGON DEPARTMENT OF EDUCATION
Oregon achieves . . . together!

Colt Gill
Director of the Department of Education

Superintendent Sean Gallagher
Alsea School District
301 South 3rd Street
Alsea, OR 97324

RE: Notice of potential financial and performance audit

Dear Superintendent Gallagher:

Pursuant to ORS 327.141 and based on factors identified by the State Board of Education by rule, the Department of Education may initiate a financial audit or a performance audit of a school district. Prior to initiating an audit the Department must provide notice to the school district and an opportunity to provide to the Department information related to the subject of the audit.

For your reference we are providing the text of ORS 327.141:

> (1)(a) Based on factors identified by the State Board of Education by rule, the Department of Education may initiate a financial audit or a performance audit of a school district or an education service district.
>
> (b) Prior to initiating an audit, the Department of Education shall:
>
> (A) Give notice to the school district or the education service district of the department's intent to initiate the audit; and
>
> (B) Provide the school district or the education service district with the opportunity to provide to the department any information related to the subject of the audit.
>
> (c) Following the review of any information provided under paragraph (b) of this subsection, the department may:
>
> (A) Decline to proceed with the audit; or
>
> (B) Cause the audit to be conducted.
>
> (2) For the purpose of causing an audit to be conducted as authorized by this section, the department may enter into a contract with:
>
> (a) The Secretary of State in accordance with ORS 297.210; or
>
> (b) If the Secretary of State is unable or unwilling to conduct the audit, a private entity.
>
> (3)(a) If the Secretary of State conducts the audit, the school district or education service district may be charged for a portion of the costs incurred for the audit as provided by ORS 297.210.
>
> (b) If a private entity conducts an audit, the Department of Education may charge the school district or education service district for a portion of the costs incurred for the audit.
>
> (4) A copy of an audit conducted as provided by this section must be forwarded to the Department of Education and to any other entity identified by the department in accordance with rules adopted by the State Board of Education.

The State Board of Education has provided through OAR 581-023-0036 factors that Department is required to follow in determining whether to initiate an audit under ORS 327.141:

581-023-0036
Factors for when audit initiated by Department

(1) Pursuant to ORS 327.141, the Department of Education shall use the following factors to determine whether to initiate a financial audit or a performance audit of a school district or an education service district:

(a) Total annual expenditures of district.

(b) Total full time equivalent employees of district.

(c) The district's annual financial audit, including any findings it contains.

(d) Any other audits, reviews or reports indicating inappropriate, inefficient or ineffective operations or business practices at one or more school districts or education service districts.

(e) A request from the Governor.

(f) A request from a member or committee of the Oregon Legislature.

(g) A request from a school district or education service district.

(h) A request from a member of the public.

(2) The Department shall weigh these factors when determining whether to initiate an audit.

(3) The Department shall forward a copy of any audit conducted as provided in ORS 327.141 to:

(a) The school district or education service district that is the subject of the audit;

(b) The requestor of the audit; and

(c) Any other entity that either the Department determines would benefit from review of the audit or that has requested a copy of the audit.

Multiple members of the public have raised concerns to the Oregon Department of Education about the administration of the Alsea School District and have requested that the Department initiate an audit. After reviewing these concerns we believe that the following may rise to the level of a financial or performance audit:

Type of Audit	Allegation/Concern	School District response
Financial	Actual student enrollment was significantly different from forecast which may put the district in a negative financial situation of approximately $1.3 million.	
Performance or financial	A former school board chair supervised the executive assistant who was the chair's spouse. In the Learn at Home Program, a mother supervises her daughter.	
Financial	Alsea School District has paid a substantial sum of money to a firm called All Stages Marketing, which is not a firm widely used in the education field, and according to campaign finance records, is also engaged to perform work for former Superintendent Thielman's gubernatorial campaign.	
Performance	Concerns about whether Alsea School District is operating in compliance with Local Budget and Public Contracting Law. There are numerous instances where it is not at all clear to district employees that public contracting processes have been followed or that expenditures are within the parameters of budgets adopted in accordance with Local Budget Law	
Financial	Concerns about the use of District credit cards to ensure they are not being misused.	

This notice also provides the District with an opportunity to respond by August 12, 2022. A response may include any measures taken by the district since Superintendent Thielman's departure from the district to address the allegation or concern. Additionally, the district may choose to add areas for audit consideration. The district also is not required at this point in the process to provide ODE with information or a specific response to each allegation or concern.

Additionally, the Secretary of State or contract auditor may add areas to the audit that are discovered during the audit. If you have any questions about this notice or process please contact Cindy Hunt at Cindy.L.Hunt@ode.oregon.gov.

Sincerely

Colt Gill
Director of the Oregon Department of Education and
Deputy Superintendent of Public Instruction

Copy:

- Kip Memmott, Oregon Secretary of State Audits Director
- Efren Zamudio, Governor Brown's Education Policy Advisor
- Cindy Hunt, Oregon Department of Education (ODE) Chief of Staff
- Kai Turner, Assistant Superintendent for the ODE Office of Finance and Information Technology
- Mike Wiltfong, Director of School Finance in the ODE Office of Finance and Information Technology

9. **Hires:**
   a. Brenda Bellinger, Online Teacher LaHO
   b. Kristina Severns, 1st Grade Teacher Alsea Brick and Mortar

Resignations:
   a. Tracy Stanton, SPED Teacher

August 9, 2022

Sean Gallagher,

Please accept this letter as my formal notice that I am resigning my position as Special Education Teacher at Alsea School.

I appreciate the opportunity I had to work with you during the time you have been in Alsea. My heart remains with the Alsea school community, I've enjoyed all the friendships I have there and the students I was able to help along the way. I have many wonderful memories from my time in Alsea!

If you need anything from me during inservice week to ease the transition, I will be available. I don't start in Albany until the 22nd.

Sincerely,

Tracy Stanton

Tracy Stanton

Ok for Board approval

8/10/22

Eric Clendenin
Alsea School Principal
301 S 3rd St
PO BOX B
Alsea, OR 97324
Office: 541 487-5643
Fax: 541 487-4089
Cell: 541 760-7968
Email: Shirley.koetz@alsea.k12.or.us
www.alsea.k12.or.us

MEMO

Ok for board approval
8/9/22

Date: August 8, 2022

To: Sean Gallagher

From: Eric Clendenin

Re: Hiring 1st grade teacher

Superintendent Gallagher.

I am writing to you in support of hiring Kristina Severns as our new 1st grade teacher. I have had the opportunity to have both an informal phone conversation and a formal interview with 4th grade teacher Eleanor Jones participating, and feel that Kristina Severns is the person for the job here at Alsea School.

Kristina comes to us with extensive experience in both private and public elementary education with stops in New Mexico and Southern Oregon. She represented herself as a strong professional and her references were glowing in support of her fit for this position.

In short, I believe we have found the next strong fit for our team!

Please let me know if you need any more information or have questions.

Respectfully submitted,

Eric S. Clendenin

Tim France, Online Administrator
301 S 3rd St
Alsea, OR 97324
Office: 541 487-4305
Fax: 541 487-4089
Cell: 541 417-0326
Email: tim.france@alsea.k12.or.us
www.alsea.k12.or.us

MEMO

Date: 07/21/2022

To: Sean Gallagher

From: Tim France

Re: Recommendation for hire

ok for board approval
8/5/22

We strongly recommend the hire of Brenda Ballinger for our 1st grade teaching position. She is a very experienced online teacher, who did very well in the interview. She comes strongly recommended from both Cheryl Doe and Heather Shunk who have worked around each other in former districts.

Thank you for consideration

Tim

10. **To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed. (ORS 192.660(2)(h))**
11. **Adjourn:**
12. **Key Dates and Calendar Updates**
    August 11 6::00 pm - Work Session Board Meeting
    August 11, 7:00pm - Regular Board Meeting
    August 16-18, 8:00am - Teacher Inservice
    August 16, 7:30 am - Kick-off Breakfast (Board is Invited)
    August 19, 8:00 am - Teachers Workday
    August 22, 8: 00 am - First Day for Students
    August 25, 6::00 pm - Regular Board Meeting
    September 5, - Labor Day No School
    September 8, 7:00pm - Regular Board Meeting
    September 22, 7:00pm - Regular Board Meeting
    October 13, 7:00pm - Regular Board Meeting
    October 27, 7:00pm - Regular Board Meeting
13. _____ _____

Board Chair **Date**

Superintendent **Date**