

ORS 327.008 State School Fund; State School Fund grants.

(6) A school district may not use the portion of the State School Fund grant that is attributable to the facility grant for capital construction costs.*

(7) The total amount of the State School Fund that is distributed as facility grants may not exceed \$17.5 million in any biennium. If the total amount to be distributed as facility grants exceeds this limitation, the Department of Education shall prorate the amount of funds available for facility grants among those school districts that qualified for a facility grant.

*The funds cannot be used to pay the construction costs or bond repayment for related costs. History behind the grant: Measure 5 or 50 prevented the use of funds from the sale of bonds to purchase desks, textbooks, and other classroom equipment. This grant was put in place to cover those types of expenses.

OAR 581-023-0230

Facility Grant

(1) For purposes of this rule:

(a) "New School Building" means newly constructed school buildings, additions to existing school buildings, newly remodeled or converted structures and newly acquired premanufactured structures if those buildings or structures are to be used for instructing students. Newly remodeled structures may not have been used as classrooms in the prior five school years.

(b) "Construction Cost" means the cost of construction or remodeling excluding cost of land acquisition and cost of equipment not intrinsic to the structure or, for premanufactured structures, the purchase price excluding interest. Costs of site preparation and improvements, project management, and mandated utility and access upgrades may be included.

(A) Construction cost does not include structures such as athletic fields, stadiums, pools or any other structure whose primary purpose is not the instruction of students.

(2) A school district is eligible to receive a facility grant for a new school building in the year the new school building is first used for instruction for more than half of the district's regular school year or the following year.

(3) Facility grant shall equal a percentage of new school building construction cost as determined by statute. If the total amount to be distributed as facility grants exceed the limitation set in statute, the Department of Education shall prorate the amount of funds available for facility grants among those school districts that qualified for a facility grant. The proration percentage shall be adjusted to be the same for each year of the biennium.

(4) A school district may not use the portion of the State School Fund grant that is attributable to the facility grant for capital construction costs.*

(5) Facility grant applications must be received at the Department of Education no later than February 15 of the school year following the school year in which the new school building is first eligible for the facility grant. The application shall include a summary of the construction cost as well as a copy of the parts of the contract(s) documenting the construction cost or purchase price.

(6) The Department of Education will distribute the facility grant with the March 15 State School Fund payment. Any necessary adjustments will be made on May 15, with final adjustment to be made in the second year.

(7) The State Superintendent of Public Instruction shall resolve any issues arising from the administration of the facility grant not specifically addressed by this rule and the Superintendent's determination shall be final.

Stat. Auth: ORS 327.125

Stat. Implemented: ORS 327.013 & ORS 327.008

Hist: ODE 6-2000, f. & cert. ef. 2-1-00; ODE 10-2003, f. & cert. ef. 6-13-03

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