

**2017-18**  
**Budget Committee**  
**“Bridging Classrooms and Communities”**



**Sauvie Island Academy**  
**14445 NW Charlton Rd, Portland OR 97231**

# Sauvie Island Academy

## Bridging Classrooms and Communities

### OUR VISION:

To systematically and intentionally integrate the concepts of Placed-Based Education, Project-Based Learning and Thematic Instruction into a quality standards-based core curriculum so that students are engaged in their learning and connected to their community.



### OUR MISSION:

To provide the K-8 children of our community an opportunity to learn through the values of stewardship deeply rooted in the uniqueness that Sauvie Island offers. Our school is the heart of Sauvie Island community. It is a meeting place that fosters an environment where student, parents, staff and the community are partners in the educational process for the achievement of all children.



## **The SIA Budget Committee**

Oregon Local Budget Law does not apply to Oregon public charter schools. The board of directors of Sauvie Island Academy, however, has decided as a good practice to follow budgetary processes as described in its policies and procedures.

## **Organization, Membership and Terms of Office**

The public charter school budget committee will consist of members of the Board and others appointed by the Board (for example, parents, community members or staff) as provided in procedures adopted by the Board. Terms of the appointed members of a budget committee will be three years each with appointments made so that, as nearly as practicable, the terms of one-third of the members expire each year. The Board will establish appropriate timelines and procedures for appointment of budget committee members.

A majority of the quorum present of the constituted committee is required for passing an action item.

## **Presiding Officer and Orientation of Budget Committee**

Organization: The budget committee will hold its first regular organizational meeting on a day set by the Board. The budget committee will, at its first meeting after appointment, elect a presiding officer from among the Board members. Such meeting may be prior to or on the date the budget message and document are presented.

## **Meetings of the Budget Committee**

The budget committee shall hold one or more meetings to receive the budget message, the budget document and to provide members of the public with an opportunity to ask questions about and comment on the budget document. The budget officer shall announce the time and place for all meetings. Meetings of the budget committee generally are open to the public and subject to Public Meeting Law.

## **Function of the Budget Committee**

It is the function of the budget committee to approve budget estimates for an educational plan previously determined by the Board. No new program should be considered for the budget estimate that has not previously been submitted to the Board and approved as a part of the educational plan. The budget committee will determine levels of spending, but will not determine programs.

## **Final Action**

The budget committee will approve an estimated budget document for submission to the Board.



## **Suggested Guidelines for SIA Budget Committee Process**

### **The Board of Directors**

The SIA School Board is the governing body with the ultimate responsibility for SIA operations. The board's duties and responsibilities encompass many topics, including, but not limited to:

- Setting operational policy;
- Determining staffing levels;
- Appointing committee members

Specifically, as related to the budget process, the board is responsible for appointing or confirming the appointment of budget committee members.

### **Appointment**

To be eligible for appointment, a budget committee candidate should complete and submit their application to the SIA Board.

The candidate applications will be included in the board materials. Applicants may attend the regular board meeting and may be asked to present/answer questions. Appointment will be by the board or by the school director with a later confirmation by the board.

All budget committee members have equal authority and responsibility.

When a vacancy occurs on the budget committee, the following procedure should be used: The board declares the budget committee position open.

Notice of vacancy is given including the following:

- Deadline for receiving applications;
- Person whom applicants should contact, e.g. Director;
- Qualifications for holding office

### **General Procedures**

Notification of the first budget committee meeting is recommended to be communicated through school communications (such as: newsletter, website, school's social media, etc.). The committee hears the budget message, receives the budget document, may ask patrons for comments and announces the time and place for its subsequent meetings. Minutes of the meeting are kept and made available upon request. The committee process is then to review the budget as proposed and make needed changes.

The budget committee may request information for the preparation or revision of the budget document from the school director or the SIA board.



The budget committee does not approve new personnel, employee contracts or salary schedules, nor does it negotiate salary contracts. However, the adopted salary schedules, negotiated contracts and other materials which have a fiscal impact on the budget document may be requested for review by the budget committee. Through its authority the budget committee may direct the administration to make increases or decreased in the proposed budget.

After budget approval, the budget committee's duties cease. The board will vote whether to adopt the budget as approved by the budget committee at a scheduled board meeting with the budget on the agenda. Notice of this meeting will occur as it does for any board meeting. The board may make additional adjustments as necessary after adopting the budget.

The board may reconvene the budget committee at a later date if financial conditions of the school change. The board can call this meeting; however it is not required. Notice is the same as for a regular meeting of the board.

## Administration Check List

- Gather budget requests.
- Evaluate budget requests and develop proposed budget.
- Develop estimates of revenue.
- Prepare budget proposal.
- Prepare budget message.
- Publish required notices and budget summary.
- Provide citizens with the information about the approved budget

## Budget Check List

- At the first meeting, elect the presiding officer from among board members (required) and vice chair (optional).
- Establish budget committee procedural rules.
- Receive budget message and proposed budget.
- Review board approved meeting calendar.
- Request information, if necessary.
- Make budget documents available.
- Provide opportunities for citizens to ask questions.
- At the last meeting, approve budget and recommend to the SIA board.





## **SIA Board By-Laws for Committees:**

### **ARTICLE 6 COMMITTEES**

#### **SECTION 6.1 COMMITTEES**

The Board may establish committees as it deems necessary and desirable. Committees may exercise functions of the Board or may be advisory committees. Committees that exercise any function of the Board shall be composed of only directors. Advisory committees or councils may include members who are not on the Board provided they are committed to the mission of the School. The Board shall define by resolution or policy the composition, purpose and duties of committees it may establish.

#### **SECTION 6.2 COMMITTEES EXERCISING BOARD FUNCTIONS**

Any committee that exercises any function of the Board shall be composed of two or more directors and elected by the Board by a majority vote of all directors in office. A committee exercising Board functions shall function in a manner similar to a board of directors in that it shall provide notice to committee members of all meetings and to interested persons as described in Article 4 and shall record minutes of all committee meetings. A quorum at a committee meeting exercising Board functions shall be a majority of all committee members immediately before the meeting begins. If a quorum is present, action is taken by a majority vote of committee members present. Public meeting law as described in Article 4 applies to committees that exercise Board functions.

#### **SECTION 6.3 LIMITATIONS ON POWERS OF COMMITTEES**

No committee may:

Authorize payment of a dividend or any part of the income or profit of the Corporation to its directors or officers;

Approve dissolution, merger or the sale, pledge, or transfer of all or substantially all of the corporation's assets;

Elect, appoint or remove directors or fill vacancies on the Board or on any committee exercising Board functions; or

Adopt, amend, or repeal the Articles, Bylaws, or any resolution or policy of the Board.



## **FAQ: For Districts and ESD Budget Committee Procedures \*\*\*(see footnote)-**

### **What is a budget committee?**

The budget committee is the district or ESD fiscal planning advisory committee. School district committees include elected board members and equal number of qualified district voters appointed by the board. ESD committees include the ESD board, but the majority must be board members from school districts within the ESD boundary.

### **Who can serve on a school district budget committee?**

Any qualified voter of the district appointed by the school board except officers, agents or district employees.

### **How long do members serve?**

Most budget committee members are appointed by the board for three year terms. Terms are staggered so that approximately one- third of the terms expire each year. Member may be reappointed for successive terms.

### **What is the budget committee's main function?**

In a series of public meetings the budget committee meets to review, discuss, make additions or deletions and approve the proposed budget presented by the school district's budget officer. Upon completion of deliberations, the budget is approved by the committee. The committee also specifies the maximum tax rate or amount for any fund imposing a property tax levy.

### **What happens at the first budget committee meeting?**

The budget committee elects officers, receives the budget message, hears patrons, sets dates for future meetings and adopts rules of order. These rules should establish an operating procedure for the review process. The committee may adopt Robert's Rules of Order or establish its own. In any event the budget committee needs to discuss and agree upon a procedure.

### **Who are the budget committee officers?**

Only a presiding officer position is required by law. The presiding officer's duties are to chair budget committee meetings. However, districts may elect a vice chair to conduct meetings in the presiding officer's absence.

### **When will I get a copy of the budget?**

The budget officer provides the copies of the proposed budget at the first budget committee meeting, when the budget message is presented by the executive officer.

### **What happens at subsequent budget meetings?**

Generally, the second and other subsequent meetings take place at least one week after the first meeting. This practice allows member to review the proposed budget document. Committee members may arrange with the superintendent and/or budget officer to visit schools during this week, ask about specific budget items, request

additional information or indicate areas of interest they believe should be highlighted at future meetings. In later meetings the entire budget is reviewed fund by fund and/or section by section.

Minutes of each meeting are kept and approved at the beginning of the next meeting. The minutes are the official record of these meetings. It is important minutes are accurate. The budget process is required by law and districts may need to documents their process complies with state laws.

### **Can the budget committee establish or delete educational programs or services?**

The budget committee's role is not to directly establish or eliminate specific educational programs or services. State standards and budget parameters established by the board give the budget officer and the administrative staff general guidelines for budget development. The budget officer then prepares a budget which reflects state requirements and the board's parameters. It is the proposed budget which the budget committee considers during the meeting. It is, of course, likely that the financial parameters established when the tax levy rate or amount is set by the budget committee will either increase or decrease the estimated resources, which may reduce certain programs or provide funding for additional programs. Public participation at budget committee meetings may influence decisions in either direction.

### **How many meetings are required?**

The number of meetings required varies from year to year and with the governing body. Some governmental units meet only once, others may need to meet several times. Factors such as the detail in the budget documents, size of the governing body, number of funds, presentation of the budget and the personalities of committee members will result in various numbers of meetings.

### **What happens after all the sections are presented?**

After all presentations are made, all patron input received and all other related issues discussed, the budget committee approves the budget as proposed or revised. The approved document specifies the maximum rate or amount of the property tax levy authority which may be certified to the tax assessor. The board may reduce the levy amount but the amount cannot be increased without republishing the financial summaries and holding another hearing.

### **After the budget is approved by the budget committee and recommended to the board, what action does the board take?**

The board must publish a financial summary of the budget that was approved by the budget committee. The first notice of the budget hearing is also published with the financial summary. At the public hearing the board hears any citizen input on the approved budget. Following the hearing and no later than June 30, the board must adopt the budget, make appropriations, certify the property tax levy rate or amount to the county assessor and categorize the levy.

**What if the budget committee doesn't agree with the board's changes to the budget approved by the committee?**

The board has that right. However, the amount of the estimated expenditure for each fund may not be increased more than 10 percent and the total property tax to be levied may not exceed the amount or the rate shown in the budget as approved by the budget committee and published with the notice of the budget hearing- unless a summary of the revised budget is again published and another public hearing is held. Budget committee members are obviously free to attend that hearing and voice their opinions of the changes made by the board.

**Where can I find the law that governs the creation and operation of the budget committee?**

Budget committees are required in Oregon's Local Budget Law. This law is found in the Oregon Revised Statutes (ORS) beginning at ORS 294.305.

*OSBA Budget Committee Handbook for School Districts and Education Service Districts*  
[www.osba.org](http://www.osba.org)

\*\*\*\*\* SIA provides this information for a general understanding of budget committees. PLEASE BE AWARE THAT OUR POLICIES MAY VARY FROM THIS INFORMATION BECAUSE WE ARE EXEMPT FROM OREGON'S LOCAL BUDGET LAW. IN THE CASE OF CONFLICT, SIA POLICIES GOVERN OUR BUDGET COMMITTEE PROCEDURES AND ADOPTION AND REVISION OF THE BUDGET.

## 2017-18 SIA Budget Committee Calendar

February 13, 2017 (Mon)	SIA Regular Board Meeting-Approve the Budget Calendar
February 13, 2017 (Mon)	Post Notice of Budget Committee Meeting
March 14, 2017 (Tue) <del>6PM</del> 5:30PM	First Meeting of the Budget Committee. Elect presiding officer from among board members. Budget committee may choose to elect an alternate president officer. Presentation of the budget message by the executive officer and the budget document by the budget officer. Announce time and place for the next meeting. Additional meetings not published in the Budget Committee notice must be advertised as notice of meeting of governing body. All meetings are generally open to the public. The budget document is filed in the office as a public record, and a copy of the document or part thereof is made available to any person requesting it. A majority of the quorum of the members of the budget committee is required to pass any motion.
March <del>20</del> 22, 2017 (Wed) <del>6PM</del> 4PM	Public Hearing on the Budget (Before the Board Meeting), to receive questions and comments from citizens. Announce time and place of the next meeting. Additional meetings not published in the Budget Committee notice must be advertised as notice of meeting of governing body. All meetings are generally open to the public. The budget document is filed in the office as a public record, and a copy of the document or part thereof is made available to any person requesting it. A majority of the quorum of the members of the budget committee is required to pass any motion.
Followed By:	SIA Regular Board Meeting
April 4, 2017 (Tue) <del>6PM</del> 4PM	Second Meeting of the Budget Committee. Review the budget document as presented by the budget officer for approval. Announce time and place of the next meeting. Additional meetings not published in the Budget Committee notice must be advertised as a notice of meeting of governing body. All meetings are generally open to the public. The budget document is filed in the office as a public record, and a copy of the document or part thereof is made available to any person requesting it. A majority of the quorum of the members of the budget committee is required to pass any motion.
April 11, 2017 (Tue) <del>6PM</del> 4PM	Public Hearing on the Budget, to receive questions and comments from citizens. Announce time and place of the next meeting. Additional meetings not published in the Budget Committee notice must be advertised as notice of meeting of governing body. All meetings are generally open to the public. The budget document is filed in the office as a public record, and a copy of the document or part thereof is made available to any person requesting it. A majority of the quorum of the members of the budget committee is required to pass any motion.
Followed By:	Third Meeting of the Budget Committee. Review the budget document as presented by the budget officer for approval. Announce time and place of the next meeting. Additional meetings not published in the Budget Committee notice must be advertised as a notice of meeting of governing body. All meetings are generally open to the public. The budget document is filed in the office as a public record, and a copy of the document or part thereof is made available to any person requesting it. A majority of the quorum of the members of the budget committee is required to pass any motion.
April <del>17-19</del> , 2017 (Wed) <del>6PM</del> 4PM	Public Hearing on the Budget, as approved by the budget committee, shall be conducted by no less than a quorum of the board.
Followed By:	SIA Regular Board Meeting Enact resolution adopting the budget.
May 1, 2017 (Mon)	Deadline to provide Scappoose School District with our <i>proposed</i> budget, per our contract 5.B.ii
July 1, 2017	Deadline to provide Scappoose School District with our <i>adopted</i> budget, per our contract 5.B.iii.

## **Sauvie Island Academy 2017-18 Budget Message**

The formal budgetary process is mandated by Oregon Local Budget Law for Districts and ESDs; however as a Public Charter it does not apply to Sauvie Island Academy. However, the SIA Board feel it is good practice and protocol to follow a formal budgetary process to develop the budget calendar, appoint budget committee members, publish a notice of budget committee meetings and public hearings, and formally approve the budget documents as submitted by the budget officer or as revised by the budget committee. The Sauvie Island Academy Board of Directors conducts public hearings, participates on the budget committee and adopts a final budget for the school and to provide to our sponsoring district.

The proposed budget and budget message have been prepared and is being delivered to the budget committee and patrons of the Sauvie Island Academy. The budget message is designed to highlight points of special interest within the proposed budget document.

Upon final adoption, the budget document becomes the basic short term operational plan and fiscal guideline for Sauvie Island Academy's board of directors and administrative staff for the 2017-18 fiscal year. Prior to adoption, the budget committee may recommend changes to the board of directors.

### **Revenue Assumptions:**

Revenue is distributed by the state to the sponsoring school district based upon an average amount per ADMw (Average Daily Membership weighted). Sauvie Island Academy enrollment is at capacity in grades K-8 with 216 students at capacity. The primary revenue source is State School Fund, which is distributed by the Oregon Department of Education to the sponsoring district and then to Sauvie Island Academy. According to ODE: 2017-18 Estimates

***State School Fund Formula fully updated with all of the changes required by HB 2150:***  
*Please note that the ADMw breakouts for charter schools are for informational purpose only. They are no longer used to actually calculate the State School Fund distribution. They are there because many districts requested that ODE continue to provide the breakout information. As you can see, one of the limitations is that there are no break outs for 2017-18 data because there was no way for districts to provide that separate data. When the 2017-18 school year updates with second period ADM, then the break outs for 2017-18 should populate.*

### **Co-Chairs' Budget Framework, 2017-2019 (highlights for 2017-18):**

1. As we prepare for the 2017-18 school year our state legislators, "must grapple with the fact that Oregon is facing a \$1.8 billion budget shortfall in the coming biennium." This is reflected in the estimates. (Based on \$7.8 Billion Budget with a 49/51 split as of 3/3/2017)



2. “The State School Fund (SSF), when combined with almost \$4 billion in local resources (mostly property taxes), represents the largest source of funding for K-12 spending by school districts and Education Service Districts (ESDs). In addition, another \$74 million from marijuana tax revenue (Other Funds currently provided to the Common School Fund, but proposed to be changed to the State School Fund in the 2017 session) will be added to bring the state support level for K-12 to \$7.8 billion, which is over \$200 million below the amount needed to fund the current service level.”

3. House Majority Leader Jennifer Williamson (D-Portland). “Despite today’s good news [Oregon revenue forecast is up almost \$200 million from the December forecast], we’re still \$1.7 billion away from just funding our schools and basic services at their current levels.” 2/24/17

### **According to Oregon Public Charter School Network:**

“We are a collection of brick and mortar, community-based, public charter schools representing all corners of our state.

Currently in Oregon, public school students enrolled in charter schools are supported by nearly \$5,000 less per student in public funding than their counterparts in neighborhood schools. This means that per student, charter schools receive 42% less funding than district-run schools. Passing a charter equity bill would change this.”

Please continue to reach out to Legislators in order to keep equitable funding on their radar for the 2017. Continue to follow us here ([www.oregonpubliccharters.org](http://www.oregonpubliccharters.org)) and on Facebook for updates. Our passion for our school equity and student success will not falter.

### **According to OSBA:**

OSBA is participating in the initial phase of a joint effort with the Confederation of Oregon School Administrators (COSA) and the Oregon Education Association (OEA) to build momentum for an increased state-level investment in K-12 schools.

The new project, known as “Oregon Rising,” will build on the accomplishments of “The Promise of Oregon” campaign to support Oregon schools; the goal is to ultimately improve outcomes for Oregon students. Already, more than 70 school districts have committed to conducting facilitated conversations to chart a path for improving school outcomes at the local level. ([www.oregon-rising.org](http://www.oregon-rising.org))

## **Expenditures Needed to Maintain Adequate Service Levels**

To roll the current service level forward, the Proposed Budget includes:

- Increased personnel costs for salaries to maintain a goal of 95% of the SSD Scale
- Increased Unemployment cost .4% (2.10 to 2.50)
- Increased Workman Compensation .11% (.49 to .60)
- Increased health and dental insurance cost (Approximately 5%)
- Increased PERS (Approximate increase of \$53K)
  - 16-17: 17.64% to 22.33%
  - 17-18: 21.87% to 27.20%
- Increased transportation costs (Contract in Negotiations-Anticipating 1-2%)
- Increase in Audit/Tax costs (20%)
- Increase in Cafeteria Food costs (17%)
- Increase in OSBA Policy costs (22.5%)

## **Reduction in Long-Range Contingency Fund**

-\$53,000

The Long-Range Contingency Fund had \$170,000 which contained \$20,000 set aside for the PERS increase was not enough. Therefore, it required us to utilize the \$20,000 plus another \$33,000 from the Long-range contingency fund. This will leave the fund at \$117,000 remaining for future Long-range needs.

## **Reductions in Force (RIF) Needed to Maintain Adequate Service Levels**

-\$13,350.85 4th grade assistant  
-\$15,893.22 2nd grade & AM care assistant  
-\$18,174.24 Kinder assistant

These positions are essential for students and teachers to be successful, however with a \$1.8 billion short fall reductions must be made as a result. I strongly advocate restoring assistant positions in the future when and if the monies are available. My hope is that the legislators assign additional funds and/or the state revenues increase to increase the current co-chairs \$7.8 billion budget for the 2017-18 school year.

## **Assumptions: PTC Contributions**

Currently, the PTC provides amazing support for our school. They provide funding for Out & Abouts, Guest Speakers, Staff Funds, Assemblies, Snack, Battle of the books, etc. We are basing our general funds budget on the assumption that these items will continue to be funded at the current rate by the PTC.

- Art Teacher and, Music Teacher
- Fieldtrips/Out and Abouts/ Field Studies
- Classroom/Program Funds
- Professional Development/Tuition Reimbursement

### **3-5 Year Forecast for Needed Expenditures:**

In the 2016-17 SIA budget we dedicated \$5,000 towards marketing to help increase awareness of the 20% gap in funding in ADMw, in order to use the Greater Giving Program to increase donations through our website from SIA families and the greater community. As well as additional funding and resource potentials through potential grants.

#### **Compensation Package:**

To be competitive in hiring and retaining our staff we need to work towards a complete package.

- Maintain the a salary scale comparable to 95% of SSD (Currently Accomplishing)
  - With the goal of eventually being at 100% of the SSD scale
- Benefits Package:
  - Medical & Dental Insurance – with more package options
  - Vision Insurance
  - Reimbursement for Graduate Credits

#### **Facility Expansion:**

- Funds dedicated towards the expansion: (Currently Accomplishing)
  - 6th-8th grades
  - ELL & Special Education
  - Art & Music
  - Small Group Learning Spaces

#### **Replacement Fund: (Partially Accomplishing)**

- Adequate funds dedicated towards replacement of technology devices:
  - iPads
  - Desktops
  - Laptops
  - Accessories (Cases, Keyboards, etc.)
- Funds dedicated towards installation/replacement/repair of major facility needs:
  - Exterior and interior paint
  - Replace carpet and tile
  - Update kitchen equipment
  - Electric lockdown capability for all exterior doors
  - Bus barn into usable learning space and storage
  - Upgrade phone system
  - Upgrade HVAC system to VRF heating/cooling system

#### **Long-range Needs:**

Equitable Funding at the State/District Level (Increasing the 80% to 100%)

Funds dedicated towards the purchase of the property/buildings

**Summary/Conclusion:**

This proposed \$1,831,974 budget is balanced, with the estimated co-chairs budget of \$7.8 Billion. This is a budget built upon the 2017-18 school year Extended ADMw with all classes at capacity all year long.

I recommend that we continue to work with the State Legislators and the Scappoose School District toward receiving as close to 100% of our share of the State School Funds as possible to best serve the needs of our school, our staff and our community.

In addition, the school must continue to pursue alternative funding options through grants and fundraising to help build a reserve and work to support the proposed expenditures in the future.