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WORK SESSION
Bill #2275, 2276, 2277

House Committee on
State and School Finance
February 21, 1995 Page

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HOUSE STATE AND SCHOOL FINANCE COMMITTEE
SCHOOL FINANCE SUBCOMMITTEE

FEBRUARY 21, 1995 9:30 AM HEARING ROOM A STATE CAPITOL BUILDING

Members Present: Chair Jim Welsh
Vice Chair Anitra Rasmussen
Rep. Ken Strobeck
Rep. Jane Lokan

Witnesses Present: Ozzie Rose, COSA
John Marshall, Oregon School Board Association
Catherine Dysart, Eugene School District
Richard Marshall, Portland (concerned citizen)
Jonathan Hill, Lake County

Staff: James Scherzinger, Legislative Revenue Officer
Terry Drake, Legislative Revenue Office
Laura Sherwood, Committee Assistant

TAPE 3 SIDE A

007 Chair Welsh -calls the meeting to order at 9:37 am and conducts administrative business
047 Terry Drake -comments regarding study on budget process and general discussion
088 Terry Drake -distributes Dept. of Justice opinion regarding auditing of school districts by the Sec. of State, Exhibit A dated Feb 16, 1995
-discussion about Exhibit A
112 Rep Lokan -asks how & when an audit is determined
118 Terry Drake -answers under current law there needs to be a financial audit which school districts hire their own auditor to perform the audit. The Sec. of State, Div of Audits, has the constitutional authority to audit as they determined needed by random selection and charge the school dist. for their audit.
-general comments
190 Ozzie Rose -aware of the opinion from Dept of Justice and expressed concerns regarding state school system vs. state school system of public school, and the cost to school districts paying for a private audit and Sec. of State audit.
214 John Marshall -explains the financial burden on schools annual financial audit and the additional costs of the sec of states audit. Klamath County School dist was the first audit Sec of State has conducted.
266 Rose -explains discussion with Sec of State on AG's opinion.
-working with group of retired administrators and school personnel to train

for auditing

311 J. Marshall -the annual financial audit is done after the fiscal year closes (June 30)
355 Rep Lokan -what is produced in an audit
360 J. Marshall -explains the audit process
417 Catherine Dysart-Eugene School District, audit costs 40-45 K depending on the scope of the audit

TAPE 4 SIDE A

001 -central services division audited for \$50k-results - well-run district,
021 All -general questions and discussion
071 Rich Marshall -refers to Exhibit B - Budget Priorities. Explains reconciling increased expenditures (charts 1993/94 vs. 1985/86 Expenditures

and 1993/94 vs. 1990/91 expenditures) page 3, Exhibit B. Refers to page 4,

Exhibit B - Combined State Totals

244 All -questions and discussion
315 R Marshall -refer to page 5, Exhibit B - Data Sheet and page 6, Cost per

Student Worksheet

391 All -questions & discussion

TAPE 3 SIDE B

All -questions & discussion

028 Chair Welsh -directs Terry Drake to gather objective data regarding teacher salaries per school dist.

043 R Marshall -general comments regarding teacher salaries and non teacher expenses

096 Rep Strobeck -discusses teacher salaries and benefits in relationship to

other states.

100 R Marshall -Oregon teachers salaries are higher

118 Rep. Strobeck -asks if Marshall would recommend the same dollars be spent

on students in every school dist. if this was an ideal world

122 R. Marshall - responds that each district should be evaluated separately.

-discussion on Morrow Co and gathered data from five other counties with same population

214 Jonathan Hill -explains school district audits in his county (Lake Co.) and the process. His county selects an Auditor from Sec of States list of qualified auditors. Directs committee to look carefully at the teacher salaries.

286 Rep Welsh -challenges committee to review data received today and adjourns meeting at 10:54 am

Laura Sherwood, Committee Assistant

Kimberly Taylor James, Office Manager

Exhibit Summary

A. Cost of Educating Students, Drake, Department of Justice opinion on Sec. of State, Div of Audits - auditing school districts

B. Cost of Educating Students, R.Marshall, cost figures and budget priorities