



Date: April 23, 2014

To: Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Steve Novick
Commissioner Dan Saltzman

From: Mayor Charlie Hales

RE: Accept report on the Arts Education & Access Fund by the Arts Oversight Committee (Report).

In 2012, Portland voters approved the Arts Education & Access fund income tax. Portland City Council appointed an independent citizen body, the Arts Oversight Committee (AOC), to oversee the implementation of the tax.

The AOC is presenting their first annual report, analyzing the \$6.9 million in tax funds that have been distributed to our public school districts and the Regional Arts & Culture Council.

In their report, the AOC outlines how the funding has been spent. They also share some of the challenges they faced, and they outline a number of thoughtful recommendations for the City going forward. *(Their report will be distributed and available online on Monday, April 21, 2014.)*

I am pleased with the report, and I look forward to working with the AOC, our public School Districts, and RACC to follow up on the report's recommendations.

I recommend that the City Council accept this Report on April 23, 2014, and I thank the AOC for their hard work and dedication over the last year.

Sincerely,

Mayor Charlie Hales

Arts Education and Access Fund Citizen Oversight Committee
First Annual Report to City Council
April 23, 2014

History and Overview

The Arts Oversight Committee is pleased to present this first annual report of the Arts Education and Access Fund. After what was a difficult start, we are pleased to come before City Council today and report that we have come a long way since the initial meeting of our Citizen Oversight Committee in February of 2013.

With the successful adoption in 2012 of *Measure 26-146* creating the *Arts Education and Access Fund* to restore arts and music education in Portland schools and to help fund the arts, the City of Portland adopted *Code Provision 5.73.050* that created the Arts Education and Access Fund Citizen Oversight Committee. The Committee was charged with reviewing the expenditures, progress and outcomes of the fund and reporting their findings to the City Council on an annual basis.

A group of 20 diverse and committed citizens came together, amidst the uncertainty of law suits and controversy over the new Arts Tax, and with a new City administration, in an effort to get down to business in fulfilling its task of overseeing the integrity of the system and to ensure that taxpayer money was being collected, distributed and utilized as intended by the voters.

To that end, the Arts Oversight Committee, or AOC as we affectionately call it, set out to establish guidelines by which it would perform its tasks. The AOC further established a set of metrics by which it would evaluate the distribution and implementation of the tax funds to the schools and to the Regional Arts and Culture Council (RACC), as well as evaluating the data and documentation provided by the Revenue Bureau.

To fulfill our tasks we established three Subcommittees: Executive, Metrics and Communications.

Through the work of these Subcommittees, and ultimate consensus by the full Committee, we developed two important documents:

- An *AOC Working Agreement* (Appendix A), which established a process and guideline for the group's ongoing work and for the Committee to follow in future years. This document was vetted by the City Attorney's office and unanimously adopted by members of the Committee.

- A set of uniform metrics (Appendix B) by which school and Revenue Bureau data would be requested and submitted to the Committee for review and evaluation. A glossary of terms was included for clarification. Further detail will follow later in this report.

The Committee further explored the creation of its own stand-alone website as a public resource for viewing agendas, minutes, data, FAQ's etc. While the Revenue Bureau has been most responsive to maintaining this information on its website, it was initially felt that the AOC's work might be more transparent and accessible via its own website. As a committee of volunteer citizens, the AOC thought it would be appropriate to distinguish itself from being perceived as a government entity. Although some work was done to create a volunteer-run website, the effort was abandoned due to the difficulty of maintaining a volunteer run site and not wanting to divert any tax funds to create a professionally-run site. We also concluded that a site parallel to the Revenue Bureau's might cause confusion and divert AOC attention away from its primary task.

The Committee

The adopted city code stipulates that "the citizen oversight committee shall be representative of the city's diverse communities, consist of a minimum of ten and a maximum of twenty members, including, if possible, a member of the Tax Supervising and Conservation Committee."

The Committee started out with the maximum of 20 members in an effort to represent as broad a spectrum of the community as possible. During the course of its first year, the Committee lost eight members for a variety of reasons including moving out of the city, being able to keep up with the time commitments or conflicts with other commitments. Unfortunately, of those resignations, five were members of the Afro-American, Native American and disabled communities. In an effort to again broaden the diversity of the Committee, working with Jenny Kalez in Commissioner Fish's office and Josh Alpert in Mayor Hales' office, we have recently brought on four new members. The AOC and the City will continue its outreach for new members.

The AOC is pleased to welcome its newest members: Craig Gibbons, Jessy Friedt, Araceli Ortiz and Carmen Denison.

Meetings and Venues

The city code stipulated that the citizen oversight committee was to meet at least twice annually. In its first 12 months the AOC held six full Committee meetings (plus one on April 1st), four Metrics Subcommittee meeting (plus one recently on March 17th), two Executive Subcommittee meetings and three Communications Subcommittee meetings.

The early full Committee meetings were held at City venues at the Portland Building and at the Revenue Bureau. The AOC, however, felt that it was important to move its meetings across the city and into different communities. The January meeting was held at the Parkrose School District office followed by the recent April 1st meeting convened at the Centennial School District office. The AOC will continue to seek venues that bring its meetings to diverse areas of the city.

Acknowledgments

The early period of any new and unique endeavor is often difficult. From day one it has been the goal of the AOC to establish a mutually respectful and partnering relationship with all those involved in the many aspects of the huge undertaking of the arts fund. The AOC wishes to acknowledge with great appreciation the help, guidance and administrative support provided by the Revenue Bureau led by Thomas Lannom and his dedicated staff Terri Williams, Barbra Rice and Meghan Fertal. Noah Siegel, formerly of the Mayor's Office, was instrumental in helping us get off the ground in the early organizational days. The AOC has been most fortunate to now have the coordination and liaison efforts of Jenny Kalez and Josh Alpert for which we are most grateful. We are thankful to Mayor Hales and Commissioner Fish for their support of our efforts.

RACC has been an integral partner in our work and we wish to thank Eloise Damrosch, Jeff Hawthorne and Carol Smith, who between them have attended all of our meetings and offered valuable input and guidance. We also want to acknowledge Jessica Jarratt Miller, who as Director of CAN, was instrumental in the creation of the fund, and who provided the Committee with valuable background information. We further acknowledge the vision and leadership of former Mayor Sam Adams who was so instrumental in creating the fund.

Lastly, but just as importantly, we appreciate the cooperation and collaboration of the six school districts who attended many of our meetings and offered input along the way. While the Committee developed the data submission format, input was requested and received from the districts, which helped substantially in developing a workable format that would be easy for everyone to use.

We would now like to move on to report on the results and evaluations of the first year of the Arts Education and Access Fund and recommendations moving forward.

The Data and Evaluations

REVENUE BUREAU

The Revenue Bureau has been a major source of information, and provided complete updates on all aspects of the tax at every Committee meeting. For presentation and clarity purposes we requested that the Bureau condense the basic and necessary information into a helpful one page summary (page 3 of Appendix C).

Because of issues that arose preventing taxation of income from PERS, Social Security and other income that came to light after passage of the ordinance, and City Council establishing a \$1,000 minimum income requirement for taxpayers, the original projections of revenue from the fund was revised downward by an estimated \$1.25 to \$2.1 million. As a result of those changes, the first year start up costs were increased from the initial maximum \$500,000 to \$600,000, of which \$589,085 was expended. The tax ordinance stipulates that administrative expenses should average no more than 5% of revenue collected over a period of five years. Per the most current data, we are pleased to note that the first year expenses to date (February 28, 2014) came in at 4.5%. Due to the lower anticipated future revenues, we do not yet know if the 5% cap can be maintained. We will continue to keep a close eye on these expenses as the collection process matures.

One element in the collection process was the charging of a 99 cent convenience fee for online credit and debit card payments, which discouraged some people from paying in that manner or at all. It was initially unclear if the convenience fee was part of the cap, which was later clarified as not. As paying by credit or debit card is the least expensive means of collecting the tax, as opposed to processing checks, City Council was in support of the Revenue Bureau not charging this fee in subsequent years, which it no longer is as of the 2013 tax year. The Revenue Bureau is working on having the tax included in Turbo Tax and other third party software, as well as establishing data sharing with the IRS. We encourage these efforts as it will help simplify payment and collections with a commensurate reduction in collection administrative expenses.

Snapshot of key data as of February 28, 2014:

Net collections	\$7,965,940	
Startup costs	(\$589,085)	
Collection costs	<u>(\$360,285)</u>	
Net Revenue		\$6,999,698
Total school distribution	\$6,709,947	
Total RACC distribution	<u>\$ 200,000</u>	
Total distribution		\$6,709,947
Balance (including interest earned)		\$ 112,027

It is our opinion that the Revenue Bureau, under a short start up time frame and with the subsequent issues and changes that took place, did an excellent job in pulling together its resources in implementing the collection process. The Bureau has been open and transparent and very responsive to questions and concerns from the committee. We recommend that the Bureau look into additional ways to communicate the tax requirements to the public and send out notices earlier.

SCHOOLS

Determining how to assess and evaluate the schools' use of Arts Tax funds has been one of the AOC's chief functions in these beginning stages. The Metrics Subcommittee identified key data points that would allow the AOC to evaluate what funds were received and spent by each of the districts. These data points included: Arts Tax funds received, student population, teacher FTE, and other information (including general funds and overall FTE teachers) to provide contextual information for observing trends over time within school districts and within individual schools themselves.

The Committee additionally requested data about student populations and teacher FTE in the middle and high school level, in order to observe in future years whether the school districts adhere to the IGA determination that school districts are to provide an articulated course of study for the arts from K-12.

Each of the districts complied with these data requests, and the full data submissions have been provided in the Appendix (see B1-B6.)

Upon receiving this information, members of the Metrics Subcommittee were tasked with preparing analysis of the data. Each of these evaluations was then reviewed by additional Committee members. We understand the importance of reviewing and preparing the data across the school districts and to the individual school levels, in order to answer questions that teachers, parents, and students may have about the impacts of the Arts Education & Access Fund on their particular school. These detailed evaluations have been provided in the appendix here (see B7-B12.)

For the purposes of the AOC's report to the City, however, we have focused on reporting a broader snapshot of our analysis, considering the average trends at the district level.

ARTS K-5 FTE SNAPSHOT ALL SCHOOL DISTRICTS 2013-2014

April 12 2014

District	2012-2013		2013-2014		
	Base Year Arts FTE K-5	Teacher/K-5 Student Ratio (1 per)	13-14 Arts FTE K-5	Teacher/K-5 Student Ratio (1 per)	Arts Fund Dollars
Centennial	3.0	894	6.1	458	\$539,956
David Douglas	9.2	548	10.1	512	\$965,118
Parkrose	1	1548	4.0	389	\$294,264
PPS BAA	14.9	1528	50.3	480	\$4,512,239
Reynolds	1.5	1273	2.5	782	\$357,942
Riverdale	1.6	111	2.0	100	<u>\$40,429</u>
					\$6,709,947

Total Arts FTE All Districts	31.24	75
Arts FTE Increase Over Base Year	43.76	
Average Ratio Across All Districts	984	453
Total Arts Fund Dollars to Date		\$6,709,947

Summary of Findings

While a greater level of detail can be reviewed about each of the school districts and individual school levels (See Appendix B7-12), this snapshot helps provide a picture of what occurred for students across the Portland area. We can see that each school district added a substantial number of FTE arts teachers assigned to its K-5 students, decreasing the teacher to student ratio overall to 1 FTE arts teacher for every 453 K-5 student in the Portland area. There were no schools within any of the districts that did not have at least one arts teacher for its K-5 students.

In addition to reviewing arts teacher FTE and student populations, the Committee reviewed how much each district was spending on arts teachers and compared it to how much the district had received from the arts fund. We also reviewed district spending from the prior year to observe how arts spending had changed. During this time, a number of questions were raised regarding our full understanding of the language of the ballot initiative, the related city ordinance and the Inter-Governmental Agreements (IGAs) between the City and the schools. There was a perception by some of us that the entire school portion of the funding was to be used only for the hiring of new, qualified arts teachers. This stemmed from the concerns we heard from the public and within the Committee about an issue of districts using the arts funds to pay for existing teachers,

rather than adding new teachers (“backfilling”) as compared to new, additive arts teachers.

In fact, during our evaluation process, we did discover that some of the Arts Tax money was used for purposes other than hiring new teachers. These expenses included ancillary purposes such as field tips, art supplies, etc. These expenses also included districts’ decision to retain arts teachers who they suggest would have otherwise been laid off in 2012-2013.

In reading the language of the measure and the IGA, we found it difficult to discern exactly what the requirements were and exactly how the schools could spend their dollars under the stipulated provisions. We sought clarification from the City Attorney’s office, asking:

- 1. Do Arts Tax funds have to be spent only on the hiring of new teachers?**
- 2. Can the schools use Arts Tax funds for ancillary items as described above?**

In response to those questions, we received the opinions quoted below from Ken McGair, Deputy City Attorney. Please note that the initial response to question #2 was replaced with a second response on which we based some of our findings.

Response to Question #1

“I’ve looked at the various documents concerning the Arts Tax and think the IGA language seems to govern. At the outset, the City just collects the tax and distributes it pursuant to the formula such that distribution is to be based on a ratio of one teacher for every 500 K-5 students (PCC 5.73.030 and IGA Section 4). The provision of the services is performed by the Districts themselves. In Section 5 of the IGAs, the Districts commit to providing arts and/or music education through certified teachers to all K-5 students in each of its elementary schools. Section 6, however, seems to be more to the point of your question and is couched in a more aspirational tone. It states:

“Supplemental Funding: It is the intention of this IGA to add to the number of existing certified arts and music teachers without creating financial problems for District. To that, end, Districts will ensure there will be at least one full time equivalent (FTE) of certified arts and/or music instruction at each non-charter school within the district that educates K-5 students and whose catchment overlaps with the City of Portland’s geographical boundaries.”

At the very least, the IGA requires one arts/music teacher FTE in each K-5 school. It is the intention of the Arts Tax to add to the number of existing certified arts and music teachers without creating financial problems for the District, which has been accomplished. The IGAs do not require a specific number of additional art and/or music teachers -- only that there be one FTE in each school. If the money is used to save a position from being "cut" (provided that's a certified arts and/or music position and not something else), that is in line with the language that the purpose is to add teachers so long as it does not create a financial problem.

Finally, the ballot question itself lends to this reading. The question asked "Shall Portland restore arts, music for schools and fund arts through income tax capped at 35 dollars per year?" The summary says the tax will provide funds to hire arts and music teachers but does not specify those will be new hires rather than money to avoid cuts. Coupled with the use of the word "restore", it is reasonable to read that provision as either adding teachers through hiring or mitigating against losses by replacing lost funding for an arts or music teacher."

Initial Response to Question #2:

"I would first note that the distribution formula is 1/500, not necessarily the expenditure end of it. The IGAs simply say that "District shall provide arts and/or music education through certified arts and/or music teachers to all K-5 students in each of its elementary schools" and that they will "ensure there will be at least one full time equivalent (FTE) of certified arts and/or music instruction at each non-charter school within the district that educates K-5 students and whose catchment overlaps with the City of Portland's geographical boundaries."

Recital G speaks of a complete arts and music education including "experiences such as field trips and artist residencies, and arts integration in core subject areas that helps teachers utilize creativity to help children learn."

Generally, the text of the IGA doesn't get into the level of detail as to how the arts education is to be provided, nor is that the level of detail intended in the IGAs but the recital, while not definitive, suggests field-trips were allowed."

Final Response to Question #2

April 15, 2014

"FROM: Ken McGair
Deputy City Attorney

SUBJECT: Use of Arts Tax Funds

Question: Last week a member of the Arts Oversight Committee (AOC) asked whether a district may use the funding for any purpose other than hiring a teacher? For example, may a school district spend money on arts-related field trips or supplies?

Short Answer: Funds distributed to the Districts are to be used only to fund certified arts and/or music teachers¹. Otherwise, monies administered by the Regional Arts and Culture Council (RACC) may be allocated to schools to provide arts access to K-12 students.

There are three primary sources that we looked at to determine the answer to this question. First, the Ballot Title and accompanying summary as referred to the voters. Second, chapter 5.73 of the Portland City Code. Finally, the intergovernmental agreements between the City and the districts (IGAs).

Of note, the intent of the voters is key in determining how the funds were to be used. The Ballot Title Summary states that the "tax can only be used for:

- Arts and Music Teachers: Funds to hire arts and music teachers for kindergarten through 5th grade students at local public schools attended by Portland students. Distribution of funds based on school enrollment.*
- Arts Access: Remaining funds for grants to nonprofit arts organizations, other nonprofits and schools. Will fund grants to provide high-quality arts access for kindergarten through 12th grade students and to make arts, culture experiences available to underserved communities. Funds administered by Regional Arts and Culture Council (RACC)."*

Similarly, Portland City Code section 5.73.030A provides that "Net Revenues will be paid by the Revenue Bureau to the Arts Education and Access Fund for distribution by the City as follows:

A. First, funds shall be distributed to the School Districts for the purpose of hiring certified arts or music education teachers for elementary school students for Kindergarten through 5th grade (K-5)."

While the IGAs between the districts and the City do not directly address the issue, there are several provisions that are relevant.

¹ We have already opined on whether "hiring" teachers requires adding to the existing total of arts and music teachers.

- *Recital G provides “a complete arts and music education includes instruction by in-school teachers, arts experiences such as field trips and artist residencies, and arts integration in core subject areas that helps teachers utilize creativity to help children learn.”*
- *Recital K “[t]he IGA will assist in restoring arts and music education to our schools by providing stable, long-term funding for certified arts and music teachers – ensuring access to the arts for every Portland elementary school student.”*
- *Recital M “District has agreed to spend the money to ensure that funds are used to pay for the costs of providing certified arts and music teachers to students in elementary schools within the District.”*

*Section 5 of the IGA requires districts to “provide arts and/or music education **through certified arts and/or music teachers** to all K-5 students in each of its elementary schools.” Finally, Section 6 of the IGA requires the districts to ensure that “there will be at least one full time equivalent (FTE) of certified arts and/or music instruction at each non-charter school within the district that educates K-5 students and whose catchment overlaps with the City of Portland’s geographical boundaries.”*

The most legally defensible approach and reading of these documents is that the voters intended the distributions to the school districts to only be used only to fund certified arts or music teachers. At the very least, the IGAs require the school districts to provided one FTE of certified arts and/or music instruction at each school. Any remaining funds after the distribution to the districts may be used for arts access and cultural experiences in the schools as contemplated in Recital G of the IGAs with the districts. Those monies, however, are administered by RACC and provided to the school districts by receipt of grants.”

[This concludes the quoted sections]

This second, official interpretation of the language provides clarity for the public, the schools, and our oversight function. It states that funds must be used to provide arts education for K-5 students. This can include new teachers and retaining arts teachers when other budget cuts occur, but not providing arts materials and experiences or other arts purposes. Such other purposes, if funds are available, are to be administered by RACC and provided via grants to the schools. It also states that school districts must provide at minimum 1.0 FTE arts teacher for its K-5 students at each of its schools. The 1:500 ratio is a guideline for fund disbursement, not a requirement for school spending.

The Council evaluated the schools under this interpretation and determined that the school districts have fulfilled much of their obligation to provide arts education to the schools. The districts have increased arts teachers and reduced overall the teacher to

student ratio. However, the guideline that each school must provide 1.0 FTE in a school, coupled with the guideline that they should aim for 1:500 are not compatible goals. This is because there are many schools with student populations less than 500. Because of this, several schools within most of the school districts did not achieve the 1.0 FTE designation yet achieved a ratio of 1:500 or better. At the same time, several schools within the school districts that had 1.0 FTE arts teacher had higher student populations and did not achieve the 1:500 goal.

Further, the use of arts funds by Reynolds School District to provide arts materials and experiences does not fulfill the parameters established by the legal opinion received, which states that art funds must be used for art teacher expenditures only.

It is important to note that the official, legal interpretation of the IGA language was not delivered until April 15, 2014. (This is not owing to any delay by the City, as they responded very promptly to the question asked, but owing to the fact that this clarification was not sought until the AOC was well into its review process and after schools had created and implemented their budget decisions.) While this language has now been clarified, there were different – and even, at times, directly contradictory – understandings of the intention of the IGA and measure language by some prior to this ruling.

Because of this, the Committee strongly recommends that the City and schools consider providing further guidelines about how arts funds should be used when the IGAs are renewed. It is clear that there was much confusion in this first year among the public, the schools, the city, and the AOC, and we find that some may be dissatisfied with how vague the parameters are under this newest legal interpretation. This future work should include providing clearer expectations and parameters regarding how the arts funds may be spent (considering categories including: new teachers, retaining teachers, supplies, experiences, etc.) and how many arts teachers each schools should aspire to have for their K-5 students (considering the distinctions between 1.0 FTE at each school versus the 1:500 guideline.)

In sum, the AOC found that the schools fulfilled their duty to provide more arts instruction to K-5 students by hiring more arts teachers and working to reduce the art teacher to student ratio. Several of the schools were able to show the committee direct evidence of the impact the additional arts funds had on its K-5 student population, including video and testimony of school art programs. However, there are schools within the districts that do not yet achieve a full 1.0 FTE art teacher or 1:500 ratio. Additionally, the AOC found that Reynolds School District should not have spent Arts Tax funds on ancillary materials and experiences. A lack of clarity around the language prior to April 15 was likely a contributing factor to these budget decisions.

While the Committee strongly recommends providing additional parameters in the IGA, the AOC is satisfied that the Arts Tax has already significantly improved access to arts education, which we believe will result in positive impacts for our children and our communities.

REGIONAL ARTS & CULTURE COUNCIL (RACC)

AOC Metrics Committee Analysis Year 1: Regional Arts and Culture Council (RACC)

Analysis by Jim Cox, AOC Committee

2012-13 Arts Tax Funding to RACC: \$0 (2011 Tax year; pre-Arts Tax)

General Operating Support

- Total base funding pre tax: \$1,642,630
- Total Arts Tax Distribution: \$0
- Total number of Portland area nonprofits supported: 45
- Smallest tax grantee award: NA
- Largest tax grantee award: NA
- Percent of total grant awards from Arts Tax: NA

Access and Equity Grants

- Total base funding pre tax: 0 (grant category did not exist)
- Total Arts Tax Distribution: NA
- Total Grants: NA
- Smallest tax grantee award: NA
- Largest tax grantee award: NA

2013-14 Arts Tax Funding to RACC: \$200,000 to date (2012 Tax Year)

General Operating Support

- Total base funding pre-tax: \$1,659,694
- Total Arts Tax Distribution: \$150,072
- Total number of Portland area nonprofits Supported: 44
- Smallest tax grantee awards: \$882 (PHAME and NW Documentary Arts & Media)
- Largest tax grantee awards: \$22,138 (Portland Art Museum)
- Percent of total grant awards from Arts Tax: 9%

Access and Equity Grants

- Total base funding pre tax: \$0
- Total Arts Tax Distribution: \$26,000 to date
- Total Grants: TBD May 2014
- Smallest tax grantee award: TBD May, 2014
- Largest tax grantee award: TBD May, 2014

Coordination expenses from 2012 tax year

RACC will allocate \$13,000 to cover arts education coordination expenses including six hours of professional training for 26 arts specialists in Portland. This fund will also support the City of Portland's participation in "Any Given Child"—a partnership with the John F. Kennedy Center for the Performing Arts in Washington, DC.

Unallocated Funds 2012 tax year:

At the time of our review, RACC had \$10,924 in additional funds to allocate within a year, in addition to at least \$112,000 available for disbursement at the Revenue Bureau, and additional funds as yet to be collected from non-filers and late payers. *[Since that review, the Revenue Bureau has within the past few days distributed \$125,000 with which we agree.]*

Analysis:

Per the tax measure, RACC receives funding only after the Arts Tax fulfills its obligations to fund schools based on the percentage of net proceeds delineated in the measure. In the first year of collection, it was widely held that RACC would receive a low distribution, and possibly even no distribution. With the legal issues surrounding the measure disqualifying PERS, Social Security and other income from taxation, collections were lower than originally anticipated. That being the case, the measure was able to fully fund six school districts at a total level of \$6.7 million in the first year of collection, and the Revenue Bureau was able to do a late distribution of \$200,000 in January 2014 to RACC.

RACC immediately put these funds to use.

The main RACC funding stream in the measure states: "First, funds shall be used by RACC to fund grants to support non-profit Portland arts organizations that demonstrate artistic excellence, provide service to the community, show administrative and fiscal competence and provide a wide range of high-quality arts programs to the public." RACC has previously vetted 44 organizations across the city that receives general operating support. \$150,072 of the distribution was awarded to these organizations based upon their previous level of funding already provided by RACC.

The measure states "No less than 5% of the funds RACC receives from the Arts Education and Access Fund shall be used by RACC to fund grants and programs to schools and non-profit organizations that will give access to high-quality arts experiences to K-12 students and for grants and programs directed to communities who are underserved by local arts providers." 5% of RACC's \$200,000 allocation is \$10,000; RACC exceeds this minimum requirement with its investment of \$26,000.

RACC reports that \$26,000 will be invested in nonprofit organizations that do not already receive RACC General Operating Support but are working with underserved communities through the arts, including communities of color, the Disabled community,

and LGBTQ communities. An RFP was available as of February 5 with a deadline application of March 14. RACC anticipates announcing award decisions in May.

Summary:

Due to the structure of the tax measure, legal issues limiting the number of citizens who are required to pay the tax, and an extensive refund process because of changes to taxable income and income thresholds, the Revenue Bureau was delayed in sending collection letters. Funding for RACC was therefore late in arriving. An initial distribution of \$200,000 was made to RACC in January 2014. To the organization's credit, they worked immediately to distribute funds based on the rules of the tax measure and have put into place a competitive access grant process. Additional 2012 tax year funds from the Arts Tax currently held by the Revenue Bureau, as well as 2012 tax year funds collected from non-compliers will ultimately be distributed to RACC for further grant awards. All reporting from RACC looks to be in order and follows the mandate of the tax measure.

Advocates for the Arts Education & Access Fund estimated that new funding from the Arts Tax to RACC, along with the traditional RACC funding streams previously in place, would provide up to 5% of yearly general operating support to Portland's major cultural arts organizations in RACC's General Operating Support grant program. This obviously has not materialized in this tax year, and collections have a long way to go in order to get to a realization of this goal. This year's distribution, although welcome, is less than a 9% addition to the monies RACC already awarded. As a result, this year's Arts Tax distribution most likely will have a minimal impact in terms of local arts groups' abilities to increase access and programming. Some impact will be achieved in the new Access and Equity Grant Program provided to organizations that do not qualify for RACC's General Operating Support Grants.

Recommendations:

- As additional tax revenues are collected from late and non-filers for tax year 2012, Revenue Bureau and RACC should work together to determine how to get funds directly to RACC to provide much needed funding for the city's arts organizations.
- As most nonprofit arts organizations are planning their budgets a year or more in advance and must have a reasonable sense of what funding is available from RACC for their upcoming fiscal years, we would like to see the Revenue Bureau be able to expedite the collection process from non-filers. We would also like to see the Revenue Bureau provide future projections to RACC as soon as practicable. This is especially important as RACC only receives funding after schools have been supported per the mandate in the tax measure.

Summary of General Recommendations

1. The City should be at the forefront of providing more positive messaging about the tax and its benefits for children, the arts and the entire community.
2. Although we realize that the first year of a new initiative can be confusing to the public, the Revenue Bureau and City leaders should seek ways to better communicate the Arts Tax requirements to the public, including more outreach to minority populations and expanding explanations in additional languages, although there has been some effort to do so, even under cap constraints. We understand that administrative funds have been capped, but the city may need to explore ways to partner with other agencies to provide this important resource.
3. The Revenue Bureau should continue to work towards expediting its collection process in the future. Incorporating the Arts Tax into Turbo Tax and other third party software and seeking file sharing with the IRS should be implemented as soon as possible. Consider adding personnel to speed up collections and determine how that would affect the cap structure. Despite budget challenges, the Revenue Bureau was able to market the program in English and Spanish and provided on-site and telephone customer service in eight languages/dialects in addition to English.
4. Following up recommendation #3, City Council and the Revenue Bureau should review the 5% cap and determine if it is in fact a realistic figure, especially in light of expected reduced revenue.
5. The Revenue Bureau should provide a three year projection of revenues and expenses after all the data is in for the first year (tax year 2012).
6. The IGA between the City and the School Districts should have more specific language about how the funds should be spent and a clearer definition of “cost.” Language should also be included about the citizen oversight committee’s role and responsibility.
7. The AOC should be more insistent that all schools submit their data in the same format that was established by the Committee and within the time frame established. We recommend that the renewed IGA address this point.
8. Review the funding distribution calculations as it relates to schools that already have excellent ratios and consider how this should impact future distributions to ensure arts access within the Portland area.

What's Next?

RACC: A good part of our first year was focused on getting organized and fully understanding the workings of the Arts Tax as it related to the schools. Since the first and larger distributions were designated to the schools, it was incumbent upon us to obtain and measure the data and be able to evaluate the results. More recently we have begun to dig deeper into the RACC side of the funding . To that end we have had conversations with RACC at both our last Metrics and full Committee meetings and will be further developing our evaluation procedures for the RACC portion of the fund distribution and creating a standard metric template for future committee review and evaluations..

IGAs: During the first year several questions arose regarding the Intergovernmental Agreements (IGA's) between the schools and the City. With renewal of the IGA scheduled for June 30, 2014, the AOC will further review the current IGA for any additional suggestions it may have towards clarifying any aspects of it, particularly as it may relate to AOC requirements of the schools.

Qualitative Impacts: While our charge is to oversee and review the expenditures and outcomes of the arts fund, we strongly believe that our task goes beyond just a quantitative measuring of the outcomes. The word "outcome" in the code language is not fully defined, but we feel it should include a qualitative evaluation as well.

- What are the ultimate impacts on children?
- Are children doing better in school?
- Are children doing better socially?
- Do we see an effect on graduation rates?
- Do we see an effect on student attendance?
- Do we have qualified and diverse arts teachers, not just more teachers?
- Has there been an effect on parent involvement in the schools?
- Have arts institutions been able to open their doors to more underserved communities?
- Are our multi cultural communities more engaged with the arts and what does that mean?

These are more difficult questions to answer than simply evaluating numbers, but we believe that these questions can be answered over time. The AOC plans to dive deeper into this in the coming year and in years to come.

Refinements: With the first year behind us, we will continue to review our methods of data collection and evaluations and make revisions as deemed appropriate. We remain open to input and suggestions from all sources.

Respectfully submitted by Stanley Penkin, Chair
Arts Education & Access Fund Citizen Oversight Committee

Members

Oscar Arana
James Cox
Susan Denning
Carmen Dennison
Erika Foin
Jessy Friedt
Craig Gibons
Alina Harway (Metrics Chair)
Carter MacNichol
Juan Martinez
Cheri-Anne May
Araceli Ortiz
Stanley Penkin (Chair)
Chip Shields
Gwen Sullivan
Mark Wubbold

Former Members: Yulia Arakelyan; Lionel Clegg; Victoria Dinu; Kimberly Howard; Kevin Jones; Alyssa Macy; Steve Nance; Anita Yap

Appendices

Appendix A	AOC Working Agreement
Appendix B	Metrics Data Sheet Template
Appendix B1	Metrics Data Submission - Centennial
Appendix B2	Metrics Data Submission – David Douglas
Appendix B3	Metrics Data Submission - Parkrose
Appendix B4	Metrics Data Submission – Portland Public
Appendix B5	Metrics Data Submission – Reynolds
Appendix B6	Metrics Data Submission – Riverdale
Appendix B7	School Evaluation – Centennial
Appendix B8	School Evaluation – David Douglas
Appendix B9	School Evaluation – Parkrose
Appendix B10	School Evaluation – Portland Public
Appendix B11	School Evaluation – Reynolds
Appendix B12	School Evaluation - Riverdale
Appendix C	Revenue Bureau Status Update April 1, 2014
Appendix D	RACC Status Update
Appendix E	FTE Snapshot All Districts
Appendix F	Link to Parkrose Music Video
Appendix G	City Attorney Memorandum April 15, 2014
Appendix H	Revenue Bureau Tax Year 2012 Compliance Report

Appendix A

Arts Education and Access Fund Citizen Oversight Committee (AOC)

WORKING AGREEMENT

1. NAME OF ORGANIZATION

The name of the organization shall be the *Arts Education and Access Fund Citizen Oversight Committee (AOC)*

2. PURPOSE AND RESPONSIBILITIES

"The City will appoint a citizen's oversight committee that is representative of the City's diverse communities to ensure the Arts Education and Access Fund is being implemented as required, to review expenditures made and to report their findings in a public record to the City Council on an annual basis. The committee shall be comprised of a minimum of ten and maximum of twenty members, including, if possible, a member of the Tax Supervising and Conservation Committees." ¹

AOC will interact with the Mayor's office, Revenue Bureau, Regional Arts and Culture Council (RACC), Creative Advocacy Network (CAN), the Portland Public School Districts and others as may be necessary for the fulfillment of its work. AOC will receive information and be a checkpoint for the implementation of the Arts Access and Education tax and to provide comments to the above mentioned organizations.

AOC will meet at least twice annually. Sub Committees may be established to work on specific tasks as may be determined and will hold meetings as necessary. AOC will provide an Annual Report to City Council in November or December and provide other reports as may be deemed necessary.

3. MEMBERSHIP

Qualifications: AOC consists of ten (10) to twenty (20) members as appointed by City Council on December 19, 2012. Anita Yap and Stanley Penkin shall initially serve as Co-chairs as appointed by City Council with subsequent co-chairs to be determined by City Council.

Terms: The AOC members shall serve for a period of two or three years commencing December 19, 2012 according to the terms of their appointments by the Council as noted in **Addendum "A"** or until such time as the Portland City Council may otherwise determine. Citizens may be reappointed to serve an additional two year term at the conclusion of their initial term, but may serve no more than two terms. Members of the Committee who wish to resign before completion of their term shall provide a written letter of resignation to the AOC Co-chairs which will then be forwarded to the Mayor and/or City Council for action.

¹ City Code 5.73.050

Adding New Members: If an AOC member is no longer able to serve on the Committee or the Mayor's office or City Council feels that adding a member is crucial to the ongoing viability of the Committee, a Membership Sub-Committee will be convened with the sole purpose of evaluating qualifications of the potential member. Each potential member will be asked to complete an application, identical to the one that all existing members were asked to complete. The Sub-Committee will interview and make recommendations to the Mayor and/or City Council regarding the potential member(s).

Removal. If City Council determines in its sole discretion that a member's continued service is no longer in the best interests of the City, Council may remove that member prior to the expiration of his or her term by a majority vote.

4. MEMBER RESPONSIBILITIES

- a. Attend and actively participate in Committee meetings, and Sub Committee meetings as appropriate.
- b. Interact with Committee members and appropriate agencies in the fulfillment of its charge.
- c. Review background materials to understand the matters and issues relevant to its work.
- d. Voice concerns directly, promptly, and constructively.

5. STAFF RESPONSIBILITIES

- a. Assist the Co-chairs in preparing and distributing agendas and background materials in advance of meetings. Post agendas and other meeting materials on the appropriate City website(s).
- b. Help to manage and facilitate the process for the good of the Committee as a whole.
- c. Attend and help to facilitate meetings. Develop summary notes from meetings and distribute them within ten (10) days of the meeting. These notes should faithfully represent areas of general agreement within the group and areas in which there are diverging viewpoints. Once accepted by the Committee, the meeting notes will be posted on the appropriate City website(s).
- d. Develop documents for the Committee's use as may be necessary in the furtherance of its work.
- e. Provide relevant information to the Committee regarding ongoing City activities relating to the Arts Tax.
- f. Provide documentation of its activities and outcomes relating to the implementation and collection of taxes.

- g. Provide verbal response to questions from AOC at meetings and otherwise in writing.

6. SUB COMMITTEES

The AOC Co-chairs, in consultation with the full Committee and staff, may create Sub Committees as may be deemed necessary to perform the work of AOC. AOC Co-chairs, in consultation with the full Committee and staff, may also appoint task groups as may be required for the purpose of performing particular assignments.

7. FINANCIAL SUPPORT

All members of the Committee serve without pay. The City shall provide AOC with staff assistance necessary to enable it to discharge its duties.

8. OFFICERS

Co-chairs: Either or both of the Co-chairs shall preside at all Committee meetings. Either or both of the Co-chairs shall represent the Committee at City Council.

9. MEETINGS

AOC will meet at least twice annually. AOC shall further meet as deemed necessary by either or both of the Co-chairs. The frequency of meeting thereafter will be determined according to necessity as deemed by either or both of the Co-chairs or the Committee as a whole. Meetings are conducted in accordance with adopted rules of procedure as described in Article 13. Special meetings of the Committee may be called by either or both of the Co-chairs or by majority vote as deemed necessary. Meetings shall begin and end as scheduled.

10. AGENDAS

Either or both of the Co-chairs shall prepare a draft agenda for any meeting ten (10) days before the meeting. Upon approval of the agenda, staff shall publish the final agenda within five (5) days of the meeting or as reasonably determined to provide sufficient notice to the public.

Distribution of Agenda to Members: Staff shall e-mail the draft agenda to the Chair and members of the Executive Sub Committee for approval. Staff shall forward a final agenda and any materials necessary for the meeting to the full AOC within five (5) days of the meeting. On most occasions, delivery will be by e-mail, unless printed documents are requested by members, or staff deems e-mail inappropriate for the volume of documents.

Agenda Format: Standard agenda topics will generally include: approval of minutes, announcements, work items, and matters of interest to the Committee. The agenda may include discussion items at which no vote will be taken, or action items on which a vote may be taken. At any time the Committee may take "straw votes" for informal assessment of positions or decline to make a recommendation.

11. QUORUM AND DECISION MAKING

A majority of the members of AOC shall constitute a quorum at a public meeting of the full Committee. In the spirit of harmony and goodwill that comprise the common goals of AOC and its members, formal votes will generally not be taken. Decisions will be made via consensus.

In the event there is a major issue that significantly divides the members, either Co-chair may, at his or her discretion, call for a formal vote. A simple majority of members present must vote affirmatively in order to take action. Individual members must be present or participate via teleconferencing to vote and may not have more than one vote. Proxy votes are not permissible.

12. PUBLIC PARTICIPATION

Any general or special meeting is open to any person who may wish to be heard regarding any item on the agenda. It is up to the discretion of the Co-chairs of AOC when or whether public comments will be received at the meeting or may be deferred to City Bureaus having jurisdiction.

13. PROCEDURES

Rosenberg's Rules of Order shall be followed in all areas not covered by this document

14. ATTENDANCE

While AOC is composed of a group of volunteers with busy schedules, it is expected that Committee members will notify the Co-chairs or the appropriate staff member if unable to attend a full AOC or Sub Committee meeting. Members missing two (2) consecutive full AOC meetings shall be asked to meet with the Co-chairs and members of the Executive Committee to determine whether the member has sufficient time and interest to continue on the AOC. The Co-chairs, in consultation with the Executive Sub Committee, will make a determination based on the best interests of the member and the AOC.

If a member is unable to attend a meeting, he or she may provide, in advance, written comments relevant to the agenda or may participate via teleconferencing. A member participating via teleconferencing will be included in the quorum count.

An alternate may not be appointed as a representative of a member

15. CONFLICT OF INTEREST PROCEDURES

A member of the Committee may not participate in any action in which the member has a direct or substantial financial interest. Any actual or potential interest must be disclosed at the meeting where the action is scheduled.

16. SUBMISSION OF COMMENTS

Any person or group, inside or outside the Committee may propose items for consideration and/or recommendation to the Committee. AOC shall decide when or whether to receive oral comments during the meeting about matters on the agenda or may request written comments for continued deliberation.

17. PUBLIC MEETINGS/PUBLIC RECORDS REQUIREMENT

AOC shall follow all Oregon law relative to public meetings and public records. Official action(s) taken by the Committee shall be on record or included in the minutes of each meeting. The minutes shall include a record of attendance and the results of any vote(s) taken.

18. COMMUNICATION

Communication with the media and broader public by the AOC shall be primarily the responsibility of the Co-chairs or other members of AOC as may be designated by the Co-chairs or Executive Sub Committee. Members are not to represent the Committee in conversations with members of the media, both on and off the record, with regard to matters of policy or substance, to promote an individual agenda or to presume to represent the positions of the AOC or its other members. Members may share, verbatim, information provided to the AOC by the appropriate City Bureaus, unless that information is provided with the understanding that it is to be kept confidential and is exempt or conditionally exempt from disclosure under the Public Records Law (if the information is in the form of a public record).

When speaking on his or her own behalf, a member must clearly state that he or she is stating his or her own opinion and is not representing the AOC or its other members.

19. NONDISCRIMINATION

AOC will not discriminate against individuals or groups on the basis of race, religion, gender, marital status, familial status, national origin, age, physical or mental disability not constituting a bona fide qualification, sexual orientation, gender identity, source of income or Vietnam era veterans' status.

20. ADOPTION AND AMENDMENT OF BYLAWS

All amendments to this *Working Agreement* must be proposed in writing and submitted to members at least ten (10) days before a decision on its adoption may proceed. The process for adoption shall comply with the decision process as described in Article 11 above.

21. REVIEW OF WORKING AGREEMENT

In order to maintain flexibility and to promote best practices in the ongoing proceedings of the Committee, and to further determine that this *Working Agreement* is functioning as intended, the Executive Sub Committee shall review the document no later than six months after its adoption. At that time, the Executive Committee may recommend any amendments to the document to the full Committee as may be deemed appropriate.

ADDENDUM “A” AOC Roster

	Appointee	Term to Expire
1.	Yulia Arakelyan	December 19, 2014
2.	Oscar Arana	December 19, 2014
3.	Lionel Clegg	December 19, 2014
4.	Jim Cox	December 19, 2015
5.	Susan Denning	December 19, 2014
6.	Victoria Dinu	December 19, 2014
7.	Erika Foin	December 19, 2014
8.	Alina Harway	December 19, 2014
9.	Kimberly Howard	December 19, 2014
10.	Kevin Jones	December 19, 2014
11.	Carter MacNichol	December 19, 2014
12.	Alyssa Macy	December 19, 2015
13.	Juan Martinez	December 19, 2015
14.	Cherie-Ann May	December 19, 2015
15.	Steven Nance	December 19, 2015
16.	Stanley Penkin	December 19, 2015
17.	Chip Shields	December 19, 2015
18.	Gwen Sullivan	December 19, 2015
19.	Mark Wubbold	December 19, 2015
20.	Anita Yap	December 19, 2015

**PUBLIC RECORDS AND PUBLIC MEETINGS LAW SUMMARY
FOR
Citizens Oversight Committee for the Arts Education and Access Income
Tax (Arts Tax)**

A. OREGON'S PUBLIC RECORDS LAW

To Whom Does the Public Records Law Apply?

The Public Records Law applies to every public body, as defined by ORS 192.410(3), and includes the City and "any agency thereof" and that includes the City's boards and commissions.

Presumption for Disclosure

"Every person has a right to inspect any public record of a public body in this state, except as otherwise provided...." ORS 192.420(1).

What is a public record?

"'Public Record' includes any writing that contains information relating to the conduct of the public's business, ... used or retained by a public body regardless of physical form or characteristics." (ORS 192.410(4)(a)).

"'Writing' means handwriting, printing, photographing, and every means of recording, including letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, files, facsimiles or electronic recordings." (ORS 192.420(6)).

Note – this includes email if it discusses the City's business.

Retention of Records

Once a record is created, a public body is responsible for retaining that record according to the retention schedules adopted by the body. The public body's custodian of records is also responsible for making public records available upon request.

Use of home computers

Oregon's public records laws apply to e-mail correspondence about city business among and between the Citizens Oversight Committee for the Arts Education and Access Income Tax (Committee) members even when exchanged solely on their personal computers and to documents created by Committee members about the work of the Committee. As a result, Committee members have a responsibility to ensure retention of such e-mails and documents.

Whether an e-mail or document contains information relating to the conduct of the public's business is case specific. Generally, if an e-mail or document discusses procedural or substantive aspects of the Committee's work, it will meet this test. A purely personal e-mail does not become a public record simply because it is sent by a public official. Whether the e-mail or document is prepared, owned, used or retained by a

public body is also fact dependent. A document not in the possession of the government still can be a public record by virtue of being used or prepared by a public body. What this means in practice is that if Committee members choose to use private computers to create Committee related documents or to correspond with one another regarding Committee business, they may be responsible for retaining the correspondence in accordance with city document retention schedules.

Exemptions

State law provides that certain public records may be withheld from disclosure if they fall within a statutory exemption. Very few of these exemptions would apply to the Committee's work. Generally, exemptions do not prohibit disclosure; they allow the public body to decide whether to release a record. The presumption is in favor of disclosure and a requestor may challenge a public body's decision not to release a record.

Sources for More Information

City Attorney's Office
Attorney General's Public Records and Meetings Manual (on-line)

B. OREGON'S PUBLIC MEETINGS LAW

1. Meetings Subject to the Law

Meetings of the Committee are subject to the public meetings laws.

"All meetings of the governing body of a public body shall be open to the public and all persons shall be permitted to attend any meeting except as otherwise provided [in the Public Meetings Law]." (ORS 192.630(1)).

- a. "Governing body"-- "the members of *any* public body which consists of two or more members, *with authority to make decisions for or recommendations to* a public body or administration." ORS 192.610(3) (Emphasis supplied).
- b. "Public Body"-- "the state, any regional council, county, city or district, or any municipal or public corporation, or any board, department, *commission*, council, bureau, *committee*, or *subcommittee*, or *advisory group or agency thereof*." ORS 192.610(4) (Emphasis supplied).
- c. "Meeting" -- "the convening of a governing body of a public body *for which a quorum is required* in order to *make a decision or deliberate toward* a decision on any matter." ORS 192.610(5)(Emphasis supplied).

2. Gatherings Exempt from the Law

'Meeting' does not include an on-site inspection of a project or program; attendance of members of a governing body at any national, regional or state association to which the public body or the members belong; or gatherings of a quorum of a board or commission where no official business is discussed.

3. Quorum Requirement

Under state law, a majority of members constituting the Committee constitute a quorum. If a majority of the Committee gets together and deliberates on official business, regardless of the setting, there is a violation of the public meetings law if the required notice was not provided. If there is a gathering of less than a quorum of the Committee, there is no public meeting. These rules apply to quorums of any subcommittees formed by the Committee as well.

4. Other Situations

Purely social gatherings of the Committee do not create a public meeting unless there is quorum and it decides to discuss matters relevant to its work. It is best not to discuss business at all during a social gathering.

If you have a quorum present, even if the sole purpose of the meeting is to gather information to serve as the basis of future decisions or recommendations, then it is a public meeting

In addition, electronic communication among a quorum of the Committee can constitute a public meeting, especially if the communications are sent within a short time frame.

5. What is required for a public meeting

- **Notice**

- Calculated to give actual notice to interested persons
- States time and place
- Lists principle subjects
- Special and emergency meetings have different requirements

- **Location**

Meetings of governing bodies of public bodies shall be held within the geographic boundaries of the area over which the public body has jurisdiction, at the public body's administrative offices (if any) or "at the other nearest practical location."

Must be at a place large enough to hold the anticipated attendance and must be a place that does not discriminate on the basis of race, color, creed, sex, sexual orientation, national origin, age or disability. Site must be one that people with disabilities can access.

- **Public Attendance**

As a general rule, the right to know about and attend a public meeting does not include a right to testify. The public meetings law is a public attendance law, not a public participation law

- **Control**

The presiding officer is authorized to keep order at a meeting and, where there will be public participation, may determine the length of time people may speak and in what order the testimony will be taken.

- **Voting**

- All official action must be by public vote.
- No secret ballots.
- The vote of each member must be recorded unless there are 26 or more members.
- Written ballots are allowed but each ballot must identify the member voting and the vote must be announced.
- As a general rule, no proxy voting.
- No absentee voting. That is, no voting by a member who did not participate whether in person or electronically as by telephone.

- **Minutes**

There shall be sound, video, written notes or digital recordings of all meetings. These need not be verbatim but must “give a true reflection of the matters discussed at the meeting and the views of the participants.” ORS 192.650(1). There are minimum requirements for the minutes and these include who was present, the substance of discussion and the results of the vote.

6. Executive Sessions

An executive session is a meeting or portion of a meeting of a governing body that is closed to the general public. An executive session is not closed to the media. However, the governing body may require that the media not disclose specified information.

There are limited purposes for an executive session which include employment, employee discipline, labor and real estate negotiations, and consultation with legal counsel regarding current or potential litigation. A governing body may also go into executive session to consider records exempt from public inspection. For example, a governing body may meet in executive session to discuss written legal advice from counsel because the written advice is exempt from public inspection as a privileged document.

A governing body may not make a final decision in executive session. To make a final decision, the chair must continue the decision to a public meeting or call the executive session into open session. Preliminary determination of whether there is a consensus may occur in executive session but the final vote must be in open session. A governing body may not remain in executive session to discuss or deliberate on matters other than the matter for which the session was convened.

For School Year 2013-14
XXXX School District AOC Metrics: Middle & High Schools

**Provided by Revenue Bureau*

[illegible]

Appendix B-2

For School Year 2013-14

David Douglas School District AOC Metrics: Elementary Schools

Net General Fund Dollars	101,340,332
Total Arts Fund Dollars*	\$964,361.58
Average Teacher Salary (K-5)	District \$94,536.57 Charter \$56,883.51

*Provided by Revenue Bureau

Grade Range	Name of School	FTE Art Teachers						FTE Total Teachers	Students		Total Arts Fund
		Visual art	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax		Total School Population	K-5 student population, if different	
K-5	Cherry Park	0.0	0.0	0.0	1.0	1.0	1.0	24.5	473	na	\$103,908
K-5	Earl Boyles	0.0	0.0	0.0	0.8	0.8	0.8	21.8	448	418	\$95,378
K-5	Gilbert Heights	0.0	0.0	0.0	1.4	1.4	1.4	25.9	661	na	\$140,944
K-5	Gilbert Park	0.0	0.0	0.0	1.4	1.4	1.4	31.9	683	na	\$138,808
K-5	Lincoln Park	0.0	0.0	0.0	1.4	1.4	1.1	30.3	646	na	\$96,203
K-5	Menlo Park	0.0	0.0	0.0	1.0	1.0	1.0	25.0	528	na	\$85,038
K-5	Mill Park	0.0	0.0	0.0	1.0	1.1	1.1	26.6	611	na	\$102,687
K-5	Ventura Park	0.0	0.0	0.0	1.0	1.0	1.0	26.5	507	na	\$108,738
K-5	West Powelhurst	0.0	0.0	0.0	0.8	0.8	0.8	22.8	479	na	\$74,796
K-5	Arthur Academy (Charter)	0.0	0.0	0.0	0.2	0.2	0.2	9.5	157	na	\$17,861
						10.1	9.8	244.8	5193	418	\$964,362

* This number may differ if the elementary is a K-8 school.

For School Year 2013-14

David Douglas School District AOC Metrics: Middle & High Schools

Net General Fund Dollars	<i>\$101,340,332.00</i>
Total Arts Fund Dollars*	<i>\$964,361.58</i>
Average Teacher Salary (Secondary)	<i>\$98,165.08</i>

*Provided by Revenue Bureau

[illegible]

To ensure reliable and consistent data, the AOC committee has provided this glossary of terms to clarify any potentially ambiguous language. Please reference these definitions for all AOC data requests.

FTE Teachers:	Paid FTE with teaching credentials working with students in a classroom setting. Includes librarians, instructional specialists, counselors, PE teachers.
Student Enrollment:	Total student enrollment. (Do not use ADM or ADMW.)
Net General Fund:	Total Requirements minus Ending Fund Balance minus Contingency minus Transfers Out. At this time, this Net General Fund requests refers to funds <i>at the district level</i> . This is specific to K-8 elementary schools. As the statute directly establishes arts teacher-student staffing levels for grades K-5, please include the breakdown of K-5 arts teachers, if this number differs from the overall K-8 school arts teachers.
Total K-5 Arts Teachers, if different:	
Total Arts Teachers, paid by Arts Tax:	FTE arts teachers paid for directly by the arts tax funds provided by the city.

For School Year 2013-14

General Fund Dollars	\$28,708,045
Total Arts Fund Dollars*	\$\$
Average Teacher Salary*	\$\$

[illegible]

* This number may differ if the elementary is a K-8 school.

To ensure reliable and consistent data, the AOC committee has provided this glossary of terms to clarify any potentially ambiguous language.
Please reference these definitions for all AOC data requests.

FTE Teachers:

Student Enrollment:

Net General Fund:

Total K-5 Arts Teachers, if different:

Total Arts Teachers, paid by Arts Tax:

Paid FTE with teaching credentials working with students in a classroom setting. Includes librarians, Instructional specialists, counselors, PE teachers.
Total student enrollment. (Do not use ADM or ADMW.)
Total Requirements minus Ending Fund Balance minus Contingency minus Transfers Out. At this time, this Net General Fund requests refers to funds *at the district level*.
This is specific to K-8 elementary schools. As the statute directly establishes arts teacher-student staffing levels for grades K-5, please include the breakdown of K-5 arts teachers, if this number differs from the overall K-8 school arts teachers.

FTE arts teachers paid for directly by the arts tax funds provided by the city.

Grade Range	Name of School	Visual Arts	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax	Total K-5 Arts Attributable, if different *	FTE Total Teachers	K-5	Total
01-12	PPS Pioneer Programs						na		20.25	37	135
01-08	ACCESS						na		9.50	110	219
KG-08	Ockley Green				0.70	0.70	na		13.10	118	243
KG-12	Metro. Learning Center	0.50				0.50	na		17.40	153	455
KG-08	Winterhaven						na		13.50	171	352
KG-08	Skyline						na		12.25	185	273
PK-08	King		0.85			0.85	na		15.65	219	312
KG-08	Marysville						na		15.25	227	352
KG-08	Peninsula						na		16.25	248	368
KG-08	Creston	0.50		0.50		1.00	na		16.00	252	345
KG-08	Vestal				0.50	0.50	na		18.00	270	395
KG-08	Vernon						na		20.40	309	440
KG-08	Arleta						na		18.25	314	462
KG-08	Astor						na		20.50	318	478
KG-08	César Chávez	0.50				0.50	na		19.50	320	473
PK-08	Faubion			0.50		0.50	na		18.00	324	454
PK-08	Woodlawn	0.50				0.50	na		19.90	326	439
KG-05	Maplewood						na		13.25	327	327
KG-08	Bridger	0.25				0.25	na		18.74	327	405
KG-05	Stephenson						na		12.50	329	329
KG-08	Creative Science						na		15.25	329	388
KG-08	Hayhurst						na		17.20	330	412
KG-08	Sabin	0.75				0.75	na		18.47	336	420
KG-08	Irvington				0.36	0.36	na		19.46	345	460
KG-05	Whitman						na		15.00	351	351
KG-05	Sitton						na		15.00	356	356
KG-08	Lee				0.50	0.50	na		19.50	357	497
KG-08	Scott						na		21.50	360	504
KG-05	Grout						na		16.40	371	371
KG-08	Sunnyside Environmental	0.50				0.50	na		24.00	376	605
KG-05	Markham						na		16.00	383	383
KG-05	Woodmere						na		15.90	383	383
KG-05	Rieke						na		16.50	388	388
PK-05	Rosa Parks						na		17.50	388	405
KG-05	Lewis				0.80	0.80	na		16.30	400	400
KG-05	Capitol Hill						na		14.00	403	403
PK-08	Boise-Eliot/Humboldt	0.50			0.50	1.00	na		27.50	403	535
KG-08	Lent						na		26.25	417	573
KG-05	Duniway				0.40	0.40	na		17.30	423	423
KG-08	Roseway Heights	1.00				1.00	na		25.25	429	616
KG-05	James John						na		17.00	439	439
KG-05	Atkinson						na		18.51	440	440
KG-08	Laurelhurst	0.50				0.50	na		27.50	444	665
KG-05	Rigler						na		19.10	449	449
PK-08	Beach	0.50				0.50	na		25.94	449	613
KG-05	Bridlemile				1.00	1.00	na		18.00	457	457

Grade Range	Name of School	Visual Arts	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax	Total K-5 Arts Attributable, if different *	FTE Total Teachers	K-5	Total
KG-05	Chief Joseph				0.30	0.30	na		17.30	459	459
KG-05	Buckman	0.50		0.50	0.50	1.50	na		19.50	460	460
KG-05	Glencoe						na		17.50	472	472
KG-05	Forest Park						na		20.00	502	502
KG-05	Abernethy						na		19.00	505	505
KG-05	Woodstock						na		19.50	508	508
KG-08	Harrison Park	1.00				1.00	na		33.50	508	757
KG-08	Beverly Cleary				0.20	0.20	na		25.20	517	730
KG-05	Ainsworth				1.00	1.00	na		24.00	569	569
KG-05	Llewellyn						na		21.80	583	583
KG-05	Chapman				1.00	1.00	na		25.00	592	592
PK-05	Richmond						na		26.00	612	662
KG-05	Kelly						na		25.00	626	626
KG-05	Alameda				1.00	1.00	na		28.00	769	769
06-08	George	0.50			0.17	0.67	na		15.64		385
06-08	Gray	1.00			1.00	2.00	na		16.17		422
06-08	Sellwood	0.50			1.40	1.90	na		17.60		455
06-08	da Vinci	2.00	1.50	1.00	0.50	5.00	na		18.00		470
06-08	Lane	1.00				1.00	na		20.50		486
06-08	Jackson	0.75		1.00	1.00	2.75	na		18.59		532
06-08	Hosford	1.00			0.75	1.75	na		20.75		538
06-08	Beaumont				0.60	0.60	na		22.90		583
06-08	Mt Tabor	1.00			1.00	2.00	na		23.50		606
06-08	West Sylvan		1.00		0.91	1.91	na		32.30		888
09-12	Alliance	0.10				0.10	na		13.51		222
09-12	Jefferson	1.00	3.60			4.60	na		22.40		441
09-12	Roosevelt	1.00		1.00	0.83	2.83	na		31.43		828
09-12	Benson						na		20.50		889
09-12	Madison	3.00		1.00	1.00	5.00	na		40.80		1107
09-12	Wilson	3.00		1.00	1.50	5.50	na		43.80		1236
09-12	Franklin	1.00	0.50	0.75	1.00	3.25	na		46.00		1469
09-12	Lincoln	4.00		1.00	1.00	6.00	na		52.55		1513
09-12	Cleveland	2.80		1.13	1.00	4.93	na		50.70		1532
09-12	Grant	2.50		1.00	1.80	5.30	na		47.86		1536

Grade Range	Name of School	Visual Arts	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax	Total K-5 Arts Attributable, if different *	FTE Total Teachers	K-5	Total
01-12	PPS Pioneer Programs						na		18.50	37	135
01-08	ACCESS	0.25				0.25	na		9.75	110	219
KG-08	Ockley Green				1.00	1.00	na		14.26	118	243
KG-12	Metro. Learning Center	0.50				0.50	na		18.00	153	455
KG-08	Winterhaven						na		14.00	171	352
KG-08	Skyline						na		13.00	185	273
PK-08	King	1.00	0.85			1.85	na		17.75	219	312
KG-08	Marysville				1.00	1.00	na		16.50	227	352
KG-08	Peninsula						na		15.58	248	368
KG-08	Creston	0.50		0.50		1.00	na		16.95	252	345
KG-08	Vestal				0.50	0.50	na		19.20	270	395
KG-08	Vernon	0.50			0.50	1.00	na		21.90	309	440
KG-08	Arleta	0.50				0.50	na		18.75	314	462
KG-08	Astor						na		20.50	318	478
KG-08	César Chávez	0.80				0.80	na		21.68	320	473
PK-08	Faubion			0.50		0.50	na		19.00	324	454
PK-08	Woodlawn	0.80				0.80	na		21.20	326	439
KG-05	Maplewood				0.50	0.50	na		13.00	327	327
KG-08	Bridger	0.75				0.75	na		18.80	327	405
KG-05	Stephenson				0.50	0.50	na		13.00	329	329
KG-08	Creative Science						na		15.75	329	388
KG-08	Hayhurst						na		17.70	330	412
KG-08	Sabin	0.75			0.50	1.25	na		19.97	336	420
KG-08	Irvington				0.50	0.50	na		19.60	345	460
KG-05	Whitman				0.50	0.50	na		15.75	351	351
KG-05	Sitton						na		15.75	356	356
KG-08	Lee				0.50	0.50	na		21.13	357	497
KG-08	Scott	0.50				0.50	na		24.50	360	504
KG-05	Grout						na		17.50	371	371
KG-08	Sunnyside Environmental	0.50				0.50	na		25.50	376	605
KG-05	Markham						na		17.40	383	383
KG-05	Woodmere						na		17.25	383	383
KG-05	Rieke						na		17.10	388	388
PK-05	Rosa Parks						na		19.78	388	405
KG-05	Lewis				1.00	1.00	na		17.00	400	400
KG-05	Capitol Hill				0.40	0.40	na		15.90	403	403
PK-08	Boise-Eliot/Humboldt	0.50			1.00	1.50	na		28.00	403	535
KG-08	Lent	1.00			0.20	1.20	na		27.87	417	573
KG-05	Duniway				0.80	0.80	na		18.80	423	423
KG-08	Roseway Heights	1.00				1.00	na		26.50	429	616
KG-05	James John						na		18.00	439	439
KG-05	Atkinson						na		18.63	440	440
KG-08	Laurelhurst	0.50			0.20	0.70	na		26.85	444	665
KG-05	Rigler				0.50	0.50	na		19.60	449	449
PK-08	Beach	1.00				1.00	na		26.94	449	613
KG-05	Bridlemile				1.00	1.00	na		18.50	457	457

Grade Range	Name of School	Visual Arts	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax	Total K-5 Arts Attributable, if different *	FTE Total Teachers	K-5	Total
KG-05	Chief Joseph				0.30	0.30	na		17.30	459	459
KG-05	Buckman	1.00	1.00	0.50	0.50	3.00	na		21.00	460	460
KG-05	Glencoe				0.50	0.50	na		20.50	472	472
KG-05	Forest Park						na		21.00	502	502
KG-05	Abernethy				0.95	0.95	na		20.95	505	505
KG-05	Woodstock						na		20.50	508	508
KG-08	Harrison Park	1.00				1.00	na		35.50	508	757
KG-08	Beverly Cleary	0.50			0.70	1.20	na		29.80	517	730
KG-05	Ainsworth	0.50			1.00	1.50	na		25.50	569	569
KG-05	Llewellyn				0.60	0.60	na		23.40	583	583
KG-05	Chapman				1.00	1.00	na		24.00	592	592
PK-05	Richmond				1.00	1.00	na		27.00	612	662
KG-05	Kelly				1.00	1.00	na		26.50	626	626
KG-05	Alameda				1	1	na		31	769	769
06-08	George	0.50			0.17	0.67	na		16.64		385
06-08	Gray	1.00			1.00	2.00	na		17.67		422
06-08	Sellwood	0.50			1.40	1.90	na		19.60		455
06-08	da Vinci	2.00	2.10	1.00	0.50	5.60	na		19.10		470
06-08	Lane				1.00	1.00	na		21.30		486
06-08	Jackson	0.75		1.00	1.00	2.75	na		21.64		532
06-08	Hosford	1.00			0.75	1.75	na		22.25		538
06-08	Beaumont				1.00	1.00	na		24.50		583
06-08	Mt Tabor	1.00			1.00	2.00	na		24.00		606
06-08	West Sylvan		1.00		0.91	1.91	na		36.30		888
09-12	Alliance	0.30				0.30	na		17.40		222
09-12	Jefferson	1.00	3.60			4.60	na		24.25		441
09-12	Roosevelt	1.00		1.00	0.83	2.83	na		33.83		828
09-12	Benson						na		36.45		889
09-12	Madison	3.00		0.33	1.00	4.33	na		46.05		1107
09-12	Wilson	3.00		1.00	1.50	5.50	na		49.45		1236
09-12	Franklin	1.00	1.50	0.75	1.00	4.25	na		54.05		1469
09-12	Lincoln	3.50		1.00	1.00	5.50	na		60.81		1513
09-12	Cleveland	2.80		1.13	1.30	5.23	na		58.40		1532
09-12	Grant	3.00		1.00	1.40	5.40	na		55.95		1536

Grade Range	Name of School	Visual Arts	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax	Total K-5 Arts Attributable, if different *	FTE Total Teachers	K-5	Total
01-12	PPS Pioneer Programs			0.25		0.25	0.25	na	20.25	36	121
01-08	ACCESS	0.50				0.50	0.25	na	11.50	129	236
KG-12	Metro. Learning Center	1.00				1.00	0.50	na	18.50	154	440
KG-08	Winterhaven	0.50				0.50	0.50	na	14.00	170	356
KG-08	Skyline				0.50	0.50	0.50	na	13.10	184	265
PK-08	King		0.85	0.80		1.65	0.50	na	18.25	245	331
KG-08	Creston			0.50		0.50	0.50	na	15.00	254	350
KG-08	Vestal				0.50	0.50	0.50	na	19.50	267	402
KG-08	Peninsula	0.50				0.50	0.50	na	20.00	267	376
KG-08	Marysville			0.50		0.50	0.50	na	17.15	284	416
KG-08	Vernon	0.60			0.60	1.20	0.50	na	20.85	306	394
KG-05	Stephenson				0.50	0.50	0.50	na	13.00	320	320
KG-08	Hayhurst	0.50				0.50	0.50	na	19.70	330	415
KG-08	Arleta	0.50			0.25	0.75	0.50	na	22.00	331	476
PK-08	Woodlawn	0.50				0.50	0.50	na	22.35	331	449
KG-05	Maplewood				0.50	0.50	0.50	na	14.00	333	333
KG-08	Astor	1.00				1.00	0.50	na	22.50	333	500
KG-08	Irvington	0.50			0.50	1.00	0.50	na	19.54	340	478
KG-08	César Chávez	0.80				0.80	0.50	na	23.55	343	483
PK-08	Faubion	0.50		0.50		1.00	0.50	na	21.38	345	487
KG-08	Bridger	0.50				0.50	0.50	na	20.63	347	435
KG-08	Lee	0.50			0.50	1.00	0.50	na	22.85	347	493
KG-08	Creative Science	0.50				0.50	0.50	na	17.30	347	425
KG-05	Whitman				0.50	0.50	0.50	na	16.75	349	349
KG-08	Sunnyside	0.80				0.80	0.50	na	23.50	364	587
KG-05	Woodmere				1.00	1.00	0.50	na	17.50	371	371
KG-08	Sabin	1.00				1.00	0.50	na	22.08	373	485
KG-05	Sitton	0.50				0.50	0.50	na	17.50	374	374
KG-08	Scott	1.00			0.50	1.50	1.00	na	25.50	375	507
KG-05	Grout	1.00				1.00	1.00	na	18.00	377	377
PK-05	Rosa Parks	0.50			0.60	1.10	1.00	na	21.53	384	405
KG-05	Rieke		0.50		0.50	1.00	1.00	na	17.10	388	388
KG-05	Markham				1.00	1.00	1.00	na	17.93	393	393
KG-08	Roseway Heights	1.00			0.25	1.25	1.00	na	28.25	395	606
PK-08	Boise-Eliot/Humboldt	1.00			1.00	2.00	1.00	na	28.25	395	506
KG-05	Capitol Hill	1.00				1.00	1.00	na	16.50	405	405
KG-05	Lewis				1.00	1.00	1.00	na	18.50	414	414
KG-08	Lent	1.00			0.70	1.70	1.00	na	28.88	433	604
KG-05	Duniway				1.00	1.00	1.00	na	19.50	437	437
KG-05	Atkinson				1.00	1.00	1.00	na	19.63	441	441
KG-05	Bridlemile				1.00	1.00	1.00	na	19.00	450	450
KG-05	Buckman	1.00	1.00		1.00	3.00	1.00	na	20.00	452	452
KG-08	Laurelhurst	0.50			1.00	1.50	1.00	na	28.00	456	673
KG-05	James John	0.50			0.50	1.00	1.00	na	20.00	461	461
KG-05	Rigler	1.00				1.00	1.00	na	21.50	463	463
KG-08	Beach	1.00				1.00	1.00	na	28.85	465	620
KG-05	Forest Park				1.00	1.00	1.00	na	21.00	490	490
KG-08	Harrison Park	1.00			0.33	1.33	1.00	na	35.83	492	742
KG-05	Glencoe	0.50			0.50	1.00	1.00	na	19.50	502	502

Total Arts, paid by Arts Tax is defined as Fund 191, Class codes 13001-13004

PRELIMINARY DRAFT FOR REVIEW

Not for Release

Grade Range	Name of School	Visual Arts	Dance	Drama	Music	Total Arts	Total Arts, paid by Arts Tax	Total K-5 Arts Attributable, if different *	FTE Total Teachers	K-5	Total
KG-05	Woodstock	0.50			0.50	1.00	1.00	na	21.00	505	505
KG-08	Chief Joseph/Ockley Green	0.50	1.00	0.50		2.00	1.00	na	33.00	523	642
KG-05	Abernethy				1.00	1.00	1.00	na	22.00	528	528
KG-05	Llewellyn				1.00	1.00	1.00	na	24.00	570	570
KG-05	Ainsworth	0.50			1.00	1.50	1.00	na	25.50	576	576
KG-08	Beverly Cleary	0.60			0.50	1.10	1.00	na	33.30	584	814
KG-05	Kelly	1.00			0.50	1.50	1.00	na	28.50	622	622
PK-05	Richmond		0.25	0.25	0.50	1.00	1.00	na	27.50	637	687
KG-05	Chapman				1.50	1.50	1.50	na	26.00	646	646
KG-05	Alameda	0.50			1.00	1.50	1.50	na	31.50	773	773
06-08	Hosford	1.00			1.25	2.25		na	22.75		576
06-08	Sellwood	0.80			1.40	2.20		na	19.55		483
06-08	Gray	1.00			1.00	2.00		na	19.63		464
06-08	Beaumont				1.20	1.20		na	24.74		584
06-08	West Sylvan		1.00		0.91	1.91		na	37.30		945
06-08	George	1.00			0.17	1.17		na	18.09		373
06-08	Jackson	0.75		1.00	1.20	2.95		na	20.53		533
06-08	Mt Tabor	1.00			1.00	2.00		na	24.05		628
06-08	Lane				1.00	1.00		na	24.50		505
06-08	da Vinci	2.00	2.04	1.00	0.50	5.54		na	19.29		468
09-12	Roosevelt	1.50		1.00	0.83	3.33		na	41.34		914
09-12	Grant	3.63	0.50	1.00	1.50	6.63		na	60.98		1486
09-12	Cleveland	4.00		1.00	1.50	6.50		na	62.05		1523
09-12	Jefferson	1.00	3.60			4.60		na	25.70		511
09-12	Lincoln	3.25		0.90	1.20	5.35		na	66.55		1565
09-12	Franklin	2.00	1.00	1.00	0.75	4.75		na	61.30		1460
09-12	Wilson	3.00		1.40	1.55	5.95		na	49.60		1230
09-12	Alliance							na	13.50		183
09-12	Benson	1.00				1.00		na	40.00		830
09-12	Madison	2.55		0.33	1.00	3.88		na	47.30		1066

Appendix B-4

Grade Range	Name	2012-13 Before Addback					2012-13 After Addback					2013-14 w/Arts Tax @ 500:1				
		Art	Dance	Drama	Music	Combined	Art	Dance	Drama	Music	Combined	Art	Dance	Drama	Music	Combined
K-5	Abernethy									0.95	0.95				1.00	1.00
K-5	Ainsworth				1.00	1.00	0.50			1.00	1.50	0.50			1.00	1.50
K-5	Alameda				1.00	1.00				1.00	1.00	0.50			1.00	1.50
K-5	Atkinson														1.00	1.00
K-5	Bridlemile				1.00	1.00				1.00	1.00				1.00	1.00
K-5	Buckman				0.50	1.50	1.00	1.00	0.50	0.50	3.00	1.00	1.00		1.00	3.00
K-5	Capitol Hill			0.50						0.40	0.40	1.00				1.00
K-5	Chapman				1.00	1.00				1.00	1.00					
K-5	Chief Joseph				0.30	0.30				0.30	0.30				1.50	1.50
K-5	Duniway				0.40	0.40				0.80	0.80					
K-5	Forest Park														1.00	1.00
K-5	Glencoe									0.50	0.50	0.50			1.00	1.00
K-5	Grout											1.00			0.50	1.00
K-5	James John											0.50			0.50	1.00
K-5	Kelly											1.00			0.50	1.50
K-5	Lewis				0.80	0.80				1.00	1.00				1.00	1.00
K-5	Llewellyn									1.00	1.00				1.00	1.00
K-5	Maplewood									0.60	0.60				0.50	0.50
K-5	Markham									0.50	0.50				1.00	1.00
K-5	Richmond												0.25	0.25	0.50	1.00
K-5	Rieke												0.50		0.50	1.00
K-5	Rosa Parks											0.50			0.60	1.10
K-5	Sitton											0.50				0.50
K-5	Stephenson									0.50	0.50				0.50	0.50
K-5	Whitman									0.50	0.50				0.50	0.50
K-5	Woodmere														1.00	1.00
K-5	Woodstock											0.50			0.50	1.00
K-5	K-5 Total	0.50		0.50	6.00	7.00	1.50	1.00	0.50	12.55	15.55	7.50	1.75	0.25	18.60	28.10

PPS Arts FTE - 2012-13 and 2013-14

Data as of September 15, 2013

Grade Range	Name	2012-13 Before Addback				2012-13 After Addback				2013-14 w/Arts Tax @ 500:1						
		Art	Dance	Drama	Music	Combined	Art	Dance	Drama	Music	Combined	Art	Dance	Drama	Music	Combined
K-8	ACCESS						0.25					0.50				0.50
K-8	Arieta						0.50					0.50			0.25	0.75
K-8	Astor											1.00				1.00
K-8	Beach	0.50				0.50	1.00					1.00				1.00
K-8	Beverly Cleary				0.20	0.20	0.50			0.70	1.20	0.60			0.50	1.10
K-8	Boise-Eliot/Humboldt	0.50			0.50	1.00	0.50			1.00	1.50	1.00			1.00	2.00
K-8	Bridger	0.25				0.25	0.75				0.75	0.50				0.50
K-8	César Chávez	0.50				0.50	0.80				0.80	0.80				0.80
K-8	Creative Science											0.50				0.50
K-8	Creston	0.50		0.50		1.00	0.50		0.50		1.00			0.50		0.50
K-8	Faubion			0.50		0.50			0.50		0.50	0.50		0.50		1.00
K-8	Harrison Park	1.00				1.00	1.00				1.00	0.50			0.33	1.33
K-8	Hayhurst											0.50				0.50
K-8	Irvington				0.36	0.36					0.50	0.50			0.50	1.00
K-8	King		0.85			0.85	1.00	0.85			1.85		0.85	0.80		1.65
K-8	Laurelhurst	0.50				0.50	0.50			0.20	0.70	0.50			1.00	1.50
K-8	Lee				0.50	0.50				0.50	0.50	0.50			0.50	1.00
K-8	Lent						1.00			0.20	1.20	1.00			0.70	1.70
K-8	Marysville									1.00	1.00			0.50		0.50
K-8	Ockley Green				0.70	0.70				1.00	1.00					
K-8	Chief Joseph/Ockley Green											0.50	1.00	0.50		2.00
K-8	Peninsula											0.50				0.50
K-8	Rigler									0.50	0.50	1.00				1.00
K-8	Roseway Heights	1.00				1.00	1.00				1.00	1.00			0.25	1.25
K-8	Sabin	0.74				0.74	0.75			0.50	1.25	1.00			0.50	1.00
K-8	Scott						0.50				0.50	1.00			0.50	1.50
K-8	Skyline														0.50	0.50
K-8	Sunnyside Environmental	0.50				0.50	0.50				0.50	0.80				0.80
K-8	Vernon						0.50			0.50	1.00	0.60			0.60	1.20
K-8	Vestal				0.50	0.50				0.50	0.50				0.50	0.50
K-8	Winterhaven											0.50				0.50
K-8	Woodlawn	0.50				0.50	0.80				0.80	0.50				0.50
K-8	K-8 Total	6.49	0.85	1.00	2.76	11.10	12.35	0.85	1.00	7.10	21.30	18.30	1.85	2.80	7.13	30.08
K-12	PPS Pioneer Programs													0.25		0.25
K-12	Metro. Learning Center	0.50					0.50				0.50	1.00				1.00
	Grand Total	7.49	0.85	1.50	8.76	18.10	14.35	1.85	1.50	19.65	37.35	26.80	3.60	3.30	25.73	59.43

To ensure reliable and consistent data, the AOC committee has provided this glossary of terms to clarify any potentially ambiguous language. Please reference these definitions for all AOC data requests.

FTE Teachers:

Student Enrollment:

Net General Fund:

Paid FTE with teaching credentials working with students in a classroom setting. Includes librarians, Instructional specialists, counselors, PE teachers.
Total student enrollment. (Do not use ADM or ADMW.)
Total Requirements minus Ending Fund Balance minus Contingency minus Transfers Out. At this time, this Net General Fund requests refers to funds *at the district level*.
This is specific to K-8 elementary schools. As the statute directly establishes arts teacher-student staffing levels for grades K-5, please include the breakdown of K-5 arts teachers, if this number differs from the overall K-8 school arts teachers.

Total K-5 Arts Teachers, if different:

FTE arts teachers paid for directly by the arts tax funds provided by the city.

Total Arts Teachers, paid by Arts Tax:

For School Year 2013-14

XXXX School District AOC Metrics: Elementary Schools

General Fund Dollars	\$7,152,515.85
Total Arts Fund Dollars*	\$40,227.77
Average Teacher Salary*	\$100,569.43

**Provided by Revenue Bureau*

[illegible][illegible][illegible][illegible]

* This number may differ if the elementary is a K-8 school.

To ensure reliable and consistent data, the AOC committee has provided this glossary of terms to clarify any potentially ambiguous language.
Please reference these definitions for all AOC data requests.

FTE Teachers:	Paid FTE with teaching credentials working with students in a classroom setting. Includes librarians, Instructional specialists, counselors, PE teachers.
Student Enrollment:	Total student enrollment. (Do not use ADM or ADMW.)
Net General Fund:	Total Requirements minus Ending Fund Balance minus Contingency minus Transfers Out. At this time, this Net General Fund requests refers to funds <i>at the district level</i> . This is specific to K-8 elementary schools. As the statute directly establishes arts teacher-student staffing levels for grades K-5, please include the breakdown of K-5 arts teachers, if this number differs from the overall K-8 school arts teachers.
Total K-5 Arts Teachers, if different:	
Total Arts Teachers, paid by Arts Tax:	FTE arts teachers paid for directly by the arts tax funds provided by the city.

AOC Metrics Committee Analysis Year 1: Centennial School District

Analysis by Alina Harway, AOC Committee Member

2012-13 school year for baseline, K-5

Centennial School District reported for the 2012-13 school year that there were 7 schools serving K-5 students:

- Total K-5 students enrolled: 2,717
 - Total 6th grade students: 508
- Total K-5 arts teachers: 3 FTE
 - Total 6th grade arts teachers: 0.5
- Average arts teacher per K-5 student: 1:895
 - Average arts teacher per 6th grader: 1: 1,106
- At the individual school level, the range varied.
 - Teacher to K-5 students ratios ranged:
 - Oliver Elementary, 1:731
 - Butler Creek Elementary, 1:1,085
- Average teacher salary (as provided by Revenue Department): \$96,870.39
- Expected total salary for K-5 arts teachers (average teacher salary x total art teachers): \$339,046.36
- Total from arts tax: \$0 (Pre-arts tax)
- Total FTE teachers: 120
- All K-5 arts teachers hired were in the music discipline.

2013-14 school year with arts tax comparison, K-5

Centennial School District reported for the 2013-14 school year that there were 7 schools serving K-5 students:

- Total K-5 students enrolled: 2,791
 - Total 6th grade students: 477
- Total K-5 arts teachers: 6.1 FTE
 - Total 6th grade art teachers: 0.9
- Average arts teacher per K-5 student: 1:456
 - Total arts teacher per 6th grader: 1:530
- Teacher to K-5 students ratios ranged:
 - Oliver Elementary, 1:386
 - Butler Creek Elementary, 1:524
- Average teacher salary (as provided by Revenue Department): \$96,870.39
- Expected total salary for K-5 arts teachers (average teacher salary x total art teachers): \$678,092.73
- Total arts fund disbursement, as reported by Department of Revenue: \$539,956
- Total arts fund receipt, as reported by district: \$540,730.50
- Total FTE teachers: 124
- All K-5 arts teachers hired were in the music discipline.

2012-13 school year for baseline, Middle & High Schools

Centennial School district reported 3 middle and high schools in the district. In these schools:

- Total 7-12 students enrolled: 2,916 students
- Total 7-12 arts teachers: 3.8
- Average arts teacher per student: 1:768
- These teachers instructed in visual arts and music.
- Centennial Park School (student population 117) has no arts instructors.

2013-14 school year with arts tax comparison, Middle & High Schools

Centennial School district reported 3 middle and high schools in the district. In these schools:

- Total 7-12 students enrolled: 2,924 students
- Total 7-12 arts teachers: 3.8
- Average arts teacher per student, 1:770
- These teachers instructed in visual arts and music.
- Centennial Park School (student population 134) has no arts instructors.

Reviewer's analysis:

Due to arts tax funds, improvement in student exposure to arts curriculum was achieved. Art teacher FTE at elementary schools were doubled. Teacher-student ratios improved from 1 arts teacher for every 895 K-5 students to **1 arts teacher for every 456 K-5 students**. At the individual school level, the ratio ranges from 1:386 to 1:524 arts teacher to K-5 students. 6th grade students saw a significant increase, from 1 arts teacher for every 1,016 students to **1 arts teacher for every 530 students**. Centennial has made a significant improvement in arts instruction in elementary schools, and district-wide meets the IGA designation of 1 arts teacher for every 500 K-5 students. However, 3 of the 7 elementary school students fall above the ratio (Lynch Wood, 1:504; Lynch Meadows, 1:515; and Butler Creek, 1:524.)

The school district reports that they added 3.5 FTE arts teachers – doubling total arts teachers for a total of 7.5FTE – due to their receipt of \$540,730.50 from the arts funds. But the school district is spending approximately \$678,092¹ on elementary school art teacher salaries. The arts funds makes up 79.7% of this overall spending.

The district has done an excellent job ensuring that there is arts access at nearly every school in the district. Every school, but one 7-12 school (student population: 134), has at least one full time arts teachers for SY2013-14. In the elementary schools, these arts teachers are exclusively music teachers; in the middle and high schools, music is the predominant arts discipline, with 1.0FTE visual arts teacher at Centennial High, the district's largest school.

Arts access at the middle and high school level remains unchanged, with 3.8 FTE arts teachers each year and only small student population changes. The ratio is virtually identical.

There was a small discrepancy in the total arts tax fund dollars. The revenue department reported distributing \$539,956 to Centennial School District. The District reported receiving \$540,730.50. The total difference was \$774.50.

Summary:

Access to arts education in Centennial School District has significantly increased for elementary students, from 3.5 FTE to 7 FTE. K-5 elementary students now have, on average, 1 arts teacher per 456 students. No school has a higher ratio than 1:524 or a ratio lower than 1:386. **Centennial achieves the IGA guideline of 1:500 for the district-level averages, but not at every school.**

7-12 grade students continue to receive arts access at a rate of around 1 arts teacher per 780 students.

Most students' arts access comes from the music discipline. The largest school in the district additionally offers visual art.

¹ Calculate by total art teachers x average teacher salary

The committee has some questions about funding determinations in the elementary schools. While arts teachers increased, overall teachers did not even with increased General Funds. Further, the arts funds appears to be supporting nearly 80% of all art teacher salary costs, while the district saw only a 50% increase in FTE position.

Recommendations:

The district has significantly improved its arts student-teacher ratios for grades K-5 and should be commended for this effort. However, the district does not yet achieve IGA guideline of 1:500 for every elementary school in its district.

The AOC understands that the language in the IGA and the ballot measure passed by the voters stipulates that arts funds may be used on any arts purposes within the school. For that reason, Centennial's use of the arts funds for both new teachers and retaining former teachers is not outside the parameters of the arts fund rules; however, the general understanding of these parameters is not aligned, and the AOC requests that City Council work to provide more clarity within the IGA about the guidelines for school districts. The AOC would like to see Centennial School District achieve a 1:500 arts teacher ratio at each of its elementary schools.

Lastly, though the committee understands that districts must make difficult choices, particularly in a small school such as Centennial Park (student population: 134), the committee would like the district to consider some sort of arts access for these students, in order to fulfill the IGA's determination that school districts are to provide an articulated course of study for the arts from K-12. Currently, Centennial Park students do not have that option.

Appendix B-8

AOC Metrics Committee Analysis Year 1: David Douglas School District

Analysis by Carol R. Smith, AOC Committee Member

2012-13 school year for baseline, K-5.

David Douglas School District reported for the 2012-13 school year that there were 10 schools serving K-5 students:

- Total K-5 students enrolled: 5,041
- Total K-5 arts teachers: 9.2 FTE
- Average arts teacher per K-5 student: 1/548
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Earl Boyles school, (1/427)
 - Mill Park school, (1/589)
- Average teacher District: \$93,693.81
- Average teacher Charter: NA
- Expected total salary for K-5 arts teachers: \$861,983
- Total from arts tax: \$0 (Pre-arts tax)
- Total FTE teachers:: NA
- K-5 arts teachers hired were in music discipline.

2013-14 school year with arts tax comparison, K-5

David Douglas School District reported for the 2013-14 school year that there were 10 schools serving K-5 students:

- Total K-5 students enrolled: 5,183
- Total K-5 arts teacher hires: 10.1 FTE (9.8 paid from Arts Tax)
- Average arts teacher per K-5 student: 1/513
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Lincoln Park school, (1/461)
 - Earl Boyles school, (1/560)
- Average District teacher salary: \$94,538.57
- Average Charter teacher salary: \$56,883.51
- Expected total salary for K-5 arts teachers: \$954,840
- Total arts fund disbursement, as reported by Department of Revenue: \$947,256.45
- Total arts fund receipt, as reported by district: \$954,361.58
- Total FTE teachers: NA
- K-5 arts teachers hired were in music discipline.

2012-13 school year for baseline, Middle & High Schools.

David Douglas School District reported 3 middle and 2 high schools in the district. In these schools:

- Total 6-12 students enrolled: 5,617
- Total 6-12 arts teachers: 20.8 FTE
- Average arts teacher per student: 1/270
- These teachers instructed in visual arts and music in the middle school and also drama at the high school

2013-14 school year with arts tax comparison, Middle & High Schools

David Douglas School District reported 3 middle and 2 high schools in the district. In these schools:

- Total 6-12 students enrolled: 5,661
- Total 6-12 arts teachers: 21.1 FTE
- Average arts teacher per student: 1/268
- These teachers instructed in visual arts and music in the middle school and also drama at the high school

Reviewer's analysis:

Using the Arts Tax funding, the District did increase K-5 music staffing by .9 FTE (.3 of this was from District funding), David Douglas District had funded 1 FTE music teacher for each of its 9 District K-5 schools and .2 FTE for its one Charter school prior to the Arts Tax. The District was facing a budget challenge that required a reduction in force of approximately 130 teachers, but the District chose to maintain funding of elementary music with the hope that the Arts Tax would become a reality. This reviewer had a conversation with Superintendent Don Grotting who said that they had decided to provide bridge funding for elementary music rather than dismantle it for one year then reinstate it pending the Arts Tax implementation. He further stated that he discussed this situation with Sam Adams and other participants at an early planning session when school districts were considering their support of the Arts Tax. At that time, permission was given to David Douglas SD to use the Arts Tax to stabilize this K-5 music staffing. Arts Tax funding was actually used to bridge what the District was previously spending for music.

- The District-wide arts teacher K-5 student ratio improved only slightly from 1/548 to 1/513. That comes close, but does not meet the IGA goal of 1/500.

- The arts fund dollars have allowed David Douglas to continue to support its K-5 arts curriculum which was subject to severe cuts prior to the hope of this additional funding
- .9 FTE additional teachers have been hired, attributed to the arts funds. Since the 1/500 ratio has not been met, It is expected that an increase in K-5 arts staffing will occur in the future
- There was a substantial increase in General Fund dollars from the 2012-13 school year to the 2013-2014 school year. With the addition of the arts funds, increased K-5 arts offerings would have been expected
- David Douglas has a long time commitment to quality arts education. The middle and high school programs seem to be appropriately supported at this time, however, with the growth and further development of the K-5 arts education additional diverse arts disciplines should be offered in middle and high schools in the future (i.e., drama, dance)

Summary:

Due to the arts funding, access to arts education K-5 was stabilized in David Douglas, and actually increased marginally to accommodate larger elementary schools including some additional funding by the District to accomplish this. The District had permission to use arts funding to maintain the staffing for elementary music that they would have cut during difficult budgetary years without the promise of additional funding. David Douglas has a history of strong music and arts education, and the District should be commended for this commitment.

Recommendations:

As the school finance picture improves statewide, it is hoped that additional arts disciplines (i.e., visual arts, drama, dance) could be added to the curriculum. The IGA clearly states that districts are to provide an articulated course of study for the arts from K-12, and the spirit of this increased Arts Tax funding for K-5 students should result in an increase in access to the arts for students in middle and high school.

Appendix B-9

AOC Metrics Committee Analysis Year 1: Parkrose School District

Analysis by Jim Cox, AOC Committee Member

2012-13 school year for baseline, K-5.

Parkrose School District reported for the 2012-13 school year that there were XX schools serving K-5 students:

- Total K-5 students enrolled: 1548
- Total K-5 arts teachers: 1FTE
- Average arts teacher per K-5 student: 1/1,548
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Shaver Elementary school .25/312
 - Russell Elementary school, .25/441
- Average teacher salary (as provided by Revenue Department): **Not provided**
- Expected total salary for K-5 arts teachers (average teacher salary x total art teachers): **Not provided**
- Total from arts tax: \$0 (Pre-arts tax)
- Total FTE teachers: 75.5 FTE
- K-5 arts teachers hired were in music discipline.

2013-14 school year with arts tax comparison, K-5

Parkrose School District reported for the 2013-14 school year that there were XX schools serving K-5 students:

- Total K-5 students enrolled: 1,555
- Total K-5 arts teacher hires: 4 FTE
- Average arts teacher per K-5 student: 1/388
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Shaver Elementary school 1/328
 - Russell Elementary school 1/431
- Average teacher salary (as provided by Revenue Department): \$94,619 (rounded)
- Expected total salary for K-5 arts teachers (average teacher salary x total art teachers):\$378,476
- Total arts fund disbursement, as reported by Department of Revenue: \$294,264
- Total arts fund receipt, as reported by district: \$322,020
- Total FTE teachers: 74
- K-5 arts teachers hired were in Music discipline

2012-13 school year for baseline, Middle & High Schools.

Parkrose School district reported 2 middle and high schools in the district. In these schools:

- Total 6-12 students enrolled: 1,789
- Total 6-12 arts teachers: 6 FTE
- Average arts teacher per student: 1/298
- These teachers instructed in Visual Arts, Drama and Music discipline.

2013-14 school year with arts tax comparison, Middle & High Schools

Parkrose School district reported Parkrose middle and high schools in the district. In these schools:

- Total 6-12 students enrolled: 1,795
- Total 6-12 arts teachers: 4.0 FTE
- Average arts teacher per student: 1/448
- These teachers instructed in Visual Arts, Drama and Music discipline.

Reviewer's analysis: and summary:

Due to arts tax funds, significant improvement in student exposure to arts curriculum was achieved. FTE in music was improved four-fold and teacher to student ratios increased from 1 teacher for every 1,548 students to 1 teacher for every 388 students, which is on track for the goals of the IGA and funds are being used appropriately.

However, when one takes into account arts education for the entire school district for grades K-12, a substantial drop in teacher hires and student exposure occurred in grades 6-12 during the 2013-14 school year. Parkrose Middle School lost .7 of a total 1.5 FTE in the 2013-14 year from baseline, completely eliminating the visual arts program and increasing music by only .3 FTE. At the high school level, arts FTE dropped from 4.5 FTE in the baseline year to 3.2 FTE in 2013-14 with the elimination of 1 FTE visual arts teacher and .3 FTE in music for a total loss of 1.2 FTE.

Summary:

Access to arts education at the K-5 level at Parkrose increased four-fold due to the increase in the arts tax. However, a drop of 1.9 FTE was realized in grades 6-12. The IGA clearly states that districts are to provide an articulated course of study for the arts from K-12, and the spirit of this increased arts tax funding for lower grades should result in districts being able to provide an increase in access to the arts for grades 6-12, barring any extenuating circumstances.

Recommendations:

Recommendations:

The district is meeting its obligations to the arts tax for grades K-5 and should be commended for this effort. As funds increase in the future, the district should consider adding an additional arts discipline (i.e. visual arts).

However, the AOC strongly advises City Council to work with the Parkrose School district to, at the very least, reinstate student access and arts teacher FTE at grades 6-12 to the 2012-13 level, and at best, to work toward expanding access at these higher grades to come in line with the spirit of the IGA.

Appendix B-10

AOC Metrics Committee Analysis Year 1: Portland Public Schools

Analysis by Craig Gibbons, AOC Committee Member

2012-13 school year for baseline, K-5.

Portland Public Schools reported for the 2012-13 school year that there were 60 schools serving K-5 students:

- Total K-5 students enrolled: 22,772
 - *Total other grade students: 20,752*
- Total K-5 arts teachers: 14.9
 - *Total other grade arts teachers: 60.7*
- Average arts teacher per K-5 student: 1/1,523
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Buckman school, 1/307 (lowest)
 - B. Cleary school, 1/3,650 (highest)
 - 50% of schools reported no arts teacher on-site
- Average teacher salary: \$95,042
- Expected total salary for K-5 arts teachers: \$1,420,713
- Total from arts tax: \$0 (Pre-arts tax)
- Total FTE teachers: 1,725
- K-5 arts teachers hired were in all disciplines.

2013-14 school year with arts tax comparison, K-5

Portland Public Schools reported for the 2013-14 school year that there were XX schools serving K-5 students:

- Total K-5 students enrolled: 23,195
 - *Total other grade students: 20,967*
- Total K-5 arts teacher hires: 50.3
 - *Total other grade arts teachers: 73.3*
- Average arts teacher per K-5 student: 1/461
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Buckman school, 1/151 (lowest)
 - Woodlawn school, 1/898 (highest)
 - All schools reported at least a portion of an arts teacher on-site.
- Average teacher salary: \$95,042
- Expected total salary for K-5 arts teachers: \$4,779,376
- Total arts fund disbursement, as reported by Department of Revenue: \$ 4,408,990
- Total arts fund receipt, as reported by district:
- Total FTE teachers: 1,968
- K-5 arts teachers hired were in all disciplines.

2012-13 school year for baseline, Middle & High Schools.

Portland Public Schools reported 20 middle and high schools and 34 blended-grade schools in the district. In these schools:

- Total 6-12 students enrolled: 20,752
- Total 6-12 arts teachers: 60.7
- Average arts teacher per student: 1/342
- These teachers instructed in all disciplines.

2013-14 school year with arts tax comparison, Middle & High Schools

Portland Public Schools reported 20 middle and high schools and 34 blended-grade schools in the district. In these schools:

- Total 6-12 students enrolled: 20,967
- Total 6-12 arts teachers: 73.3
- Average arts teacher per student: 1/286
- These teachers instructed in all disciplines.

Reviewer's analysis:

- The District increased access to arts programs at every grade level in school year 2013-14.
- The District provided arts instruction at every school that included k-5 grades, compared to 50% of those schools in 2012-13.
- The District hired arts teachers and provide students at every grade level with access to all four arts disciplines: music, visual arts, dance, and theatre.
- The District increased K-5 arts teachers by 35 FTE and Middle and High School arts teachers by 12.5 FTE.
- The District increased arts teachers by 63% compared to the increase in non-arts teachers of 12%.
- The District was unable to provide precise FTE counts for arts teachers in the 34 schools where K-5 classes were housed with other grades. The arts teacher FTE allocation (k-5 v. other grades) was estimated by reviewer.
- The District had a wide range in the ratio of students per art teacher: from 1/151 to 1/898. Twelve of the 60 schools with K-5 students had ratios of 1/700 and higher.
- The District operates on a site-based decision-making model. This delegation creates an additional central administration control effort when dedicated resources such as the art tax funding are distributed to sites. District administration is strengthening this effort for the second year of the program. The District will provide more precise arts teacher grade level allocations next year in order to minimize estimations.

Summary:

- Portland Public Schools meet the guidelines of the IGA with an average ration of 1 arts teacher per 460 students in K-5 grades. The number of students per arts teacher also decreased slightly in the 6-12 grades.
- As a result of arts tax funding, access to art was available at every school in the district.

Recommendations:

- The Arts Tax accountability function requires a more precise accounting of Arts Teachers than Portland Public Schools was able to provide this year. The Committee recommends that the District concentrate more effort on that aspect of its arts tax administration.
- The range of student per teacher ratio indicates that some school administrators need further training on the requirements of the Arts Tax program. Although the IGA does not require each school to meet the standard, the Committee recommends that the District moderate the discrepancies between schools.

Appendix B-11

AOC Metrics Committee Analysis Year 1: Reynolds School District

Analysis by Mark Wubbold, AOC Committee Member

2012-13 school year for baseline, K-5.

Reynolds School District reported for the 2012-13 school year that there were 4 schools serving K-5 students:

- Total K-5 students enrolled: 1,909
- Total K-5 arts teachers: 1.5 FTE
- Average arts teacher per K-5 student: 1:1,272
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Margaret Scott Elementary, (1:1160)
 - Glenfair school, (1:1,424)
- Average teacher salary (\$91,874.24):
- Expected total salary for K-5 arts teachers (\$137,811.36):
- Total from arts tax: \$0 (Pre-arts tax)
- Total FTE teachers: 84.9
- K-5 arts teachers hired were in Music discipline.

2013-14 school year with arts tax comparison, K-5

Reynolds School District reported for the 2013-14 school year that there were 4 schools serving K-5 students:

- Total K-5 students enrolled: 1,954
- Total K-5 arts teacher hires: 2.5
- Average arts teacher per K-5 student: 1:782
- At the individual school level, the ratios varied. The teacher to K-5 students range included:
 - Alder Elementary, 1:508
 - Margaret Scott Elementary, 1:932
- Average teacher salary (\$91,874.24):
- Expected total salary for K-5 arts teachers (average teacher salary x total art teachers): \$229,685.60 (average teacher salary x total art teachers)
- Total from arts tax: \$359,044.52
- Total FTE teachers: 85
- All K-5 arts teachers instruct in the music discipline.

2012-13 school year for baseline, Middle & High Schools.

Reynolds School district reported 1 high school in the district. In these schools:

- Total 6-12 students enrolled: No data
- Total 6-12 arts teachers: No data
- Average arts teacher per student: No data

2013-14 school year with arts tax comparison, Middle & High Schools

Reynolds School district reported 1 high school in the district. In these schools:

Reynolds reported 1 high school in the district. In this school:

1. Total 10-12 students enrolled: 1,200 students
2. Total 10-12 arts teachers: 4
3. Average arts teacher per student: 1:300
4. These teachers instructed in visual arts, drama and music.

Reviewer's analysis:

Due to arts tax funds, improvement in student exposure to arts curriculum was achieved. Art teacher FTEs at elementary schools were increased by 67% . Teacher-student ratios improved from 1 arts teacher for every 1,272 K-5 students to **1 arts teacher for every 782 students**. At the individual school level, the ratio ranges from 1:508 to 1:932 arts teacher to K-5 students. While a significant improvement in the elementary schools was made, Reynolds still has not achieved staffing levels to ensure 1 arts teacher for every 500 K-5 students, as designated in the IGA.

The analysis also showed that the total number of FTE in the district's elementary schools remained virtually unchanged (84.9 FTE/85 FTE). This means that while the school added 1 FTE for arts teachers during SY2013-14, 1 FTE in other disciplines were lost.

The school district reports that they added 1 FTE arts teachers due to their receipt of \$359,044 from the arts funds. But the school district is spending approximately \$229,685¹ on elementary school art teacher salaries. This indicates \$129,369 of the

¹ Calculate by total art teachers x average teacher salary

arts funds are being spent on other costs. There are notes in the Reynolds spreadsheet that suggest this money is being spent on arts related expenditures in the following categories:

- Additional Salaries
 - Stipends-Restore Evening Music Performances
- Professional Services
 - Artist in Residence/Dance Troupes/Theater Troupes
 - Performance Assemblies
- Field Trips
 - Watch Performances
 - Portland Art Museum
- Curriculum & Training
 - Materials
 - Workshop Supplies
 - Classroom Materials
 - Sub Time - Lesson Planning

Because these additional expenditures are not attributed on the spreadsheet it is not possible to determine whether these expenses were paid for with Arts Tax funds. Would it be possible for the Reynolds district to itemize these funds in subsequent submissions?

Had the Reynolds school district invested the remaining \$129,369 of Arts Tax funds in hiring arts teachers they would have realized the following:

1. They would have increased their arts teacher FTE by 1.4 to a total of 3.9 FTE.
2. They would have changed their average arts teacher per K-5 student from 1:782 to 1:501.
3. They would have met the terms of the Arts Tax IGA in their first year; a truly outstanding outcome.

In its first year, the district has done an adequate job of ensuring that there is arts access at every school in the district, although they missed an opportunity to be an exemplar to their peers (see above). In the elementary schools, these arts teachers are exclusively music teachers.

No baseline data was provided for the high school level in the Reynolds school district so it is not possible to report on this metric.

Summary: Due to arts tax funds, improvement in student exposure to arts curriculum was achieved. Art teacher FTEs at elementary schools were increased by 67%. Teacher-student ratios improved from 1 arts teacher for every 1,272 K-5 students to **1 arts teacher for every 781 students**. At the individual school level, the ratio ranges from 1:508 to 1:932 arts teacher to K-5 students. While a significant improvement in the elementary schools was made, Reynolds still has not achieved staffing levels to ensure 1 arts teacher for every 500 K-5 students, as designated in the IGA

Access to arts education in Reynolds School District has significantly increased for elementary students, from 1.5 FTE to 2.5 FTE. K-5 elementary students now have, on average, 1 arts teacher per 781 students. No school has a higher ratio than 1:932 or a ratio lower than 1:508. **Reynolds does not achieve the IGA goals of 1:500.**

All of the students' arts access comes from the music discipline.

The committee has some questions about funding determinations in the elementary schools. While arts teachers increased, overall teachers did not, even with increased General Funds. Further, the arts funds appears to be supporting 100% of all art teacher salary costs, with additional Arts funds being used for a variety of unattributed/un-itemized – but seemingly – arts related expenditures.

Recommendations: The district has significantly improved its arts student-teacher ratios for grades K-5 and should be commended for this effort. However, the district does not yet achieve IGA dictated 1:500.

The AOC requests that City Council work with Reynolds School District to review spending from the arts fund. The IGA very clearly states that art funds are intended to be used to add arts teachers to achieve a 1:500 arts teacher: K5 student ratio. It is vital to ensure that these funds are being used for additive arts teachers; this analysis did identify some questions about whether the arts funds were used to cover some of the costs that had previously been covered from the general fund as well as some ancillary costs that are unattributed in this analysis.

Appendix B-12

AOC Metrics Committee Analysis Year 1 Riverdale School District

Analysis by Oscar Arana, AOC Committee Member 2012-13 school year for baseline.

During the 2012-13 school year, the Riverdale District reported one K-8 public elementary.

- Total K-8 students enrolled: 302
 - K-5 students: 177
- Total K-8 attributable arts teachers: 1.6 FTE
- K-5 attributable arts teachers: not identified
- Average arts teacher per K-5 student: can't compute due to K-5 arts teachers not being identified
- Average teacher salary: Not listed
- Total from arts tax: \$0 (Pre-arts tax)
- All K-8 arts teachers instruct in the visual arts (.8) and music discipline (.8).
- Total FTE Teachers: 22.1

Riverdale School District reported 1 high school in the district:

- Total 9-12 students enrolled: 242 students
- Total 9-12 arts teachers: 1.5
- Average arts teacher per student: 1:162
- These teachers instructed in visual arts (1 FTE) and music (.5 FTE).

2013-14 school year with arts tax comparison

During the 2013-14 school year, the Riverdale District reported one K-8 public elementary school.

- Total K-8 students enrolled: 343
 - K-5 students: 203
- Total K-8 attributable arts teachers: 2 FTE
 - Total K-5 attributable arts teachers: not identified
- Total K-5 attributable to arts funds: .4 FTE
- Average arts teacher per K-5 student, Cannot compute without K-5 attributable arts teachers
- Average teacher salary: \$100,569
- Expected total salary for K-5 arts teachers: \$40,227 (average teacher salary x total art teachers)
- Total from arts tax: \$40,227.77
- All K-8 arts teachers instruct in the visual arts (1FTE) and music discipline (1FTE).
- Total Teachers: 23.3

Riverdale School District reported 1 high school:

- Total 9-12 students enrolled: 250 students
- Total 9-12 arts teachers: 1.5
- Average arts teacher per student 1:167
- These teachers instructed in visual arts and music.

Summary and Recommendations

The Riverdale School District received approximately \$40,000 in arts tax funds and increased its arts teachers by a .4 FTE. Considering the average teacher salary is approximately \$100,000, a total of .4 FTE arts teacher increase seems to make sense. The Riverdale K-8 elementary went from a .8FTE visual arts and .8FTE music instructor in the 2012-13 school year to a 1FTE visual arts and 1FTE music instructor.

Riverdale is a K-8, and the total K-5 arts attributable teachers were not identified during the baseline years (2012-2013) or the 2013-2014 year. Also, the district claimed that 2 arts teachers were paid by the Arts Tax, which can't be the case. This must be user error. The total increase in arts teachers by the arts tax was 0.4.

Considering that the student to arts teacher ratio is already well below the 1:500 ratio, I'm not sure why this district is receiving arts tax funds. I recommend the arts oversight committee look into this. I also recommend the district determine the K-5 attributable arts teachers to determine a baseline and that they also identify this number in the 2013-2014 year.



Arts Education and Access Income Tax Update

Status Update for the Arts Education and Access Fund Citizen Oversight Committee

Office of Management & Finance -- Revenue Bureau

April 1, 2014

Overview

- TY 2012 revenues and expenses as of 2/28/2014
- 5% cost cap as of 2/28/2014
- Disbursement calculations & status
- TY 2013 update
- Update on two lawsuits
- Next steps in collection process
- Questions?

TY 2012 Collections and Disburse- ments as of 2/28/2014 (rounded to nearest dollar)

Collections and Costs		
Gross Tax Collections	\$ 8,039,413	100.0%
Refunds to Taxpayers	\$ (73,473)	0.9%
Net Tax Collections	<u>\$ 7,965,940</u>	
Credit Card Fees (net)	\$ (16,872)	0.2%
One-time start up costs	\$ (589,085)	7.3%
Revenue Bureau collections costs	\$ (360,285)	4.5%
	<u>\$ (966,242)</u>	<u>12.0%</u>
Net Revenues (PCC 5.73.010 E)	\$ 6,999,698	
Disbursements		
Centennial School District	\$ 539,956	6.7%
David Douglas School District:		
David Douglas School District	\$ 947,256	
Charter School (1)	\$ 17,861	
	<u>\$ 965,118</u>	<u>12.0%</u>
Parkrose School District	\$ 294,264	3.7%
Portland Public School District:		
Portland Public Schools	\$ 4,408,990	
PPS Charter Schools (6)	\$ 103,249	
	<u>\$ 4,512,239</u>	<u>56.1%</u>
Reynolds School District	\$ 357,942	4.5%
Riverdale School District	\$ 40,429	0.5%
Total School Disbursements	<u>\$ 6,709,947</u>	<u>83.5%</u>
Regional Arts & Culture Council	\$ 200,000	2.5%
Disbursements to date	\$ 6,909,947	86.0%
Net revenues less disbursements	\$ 89,751	1.1%
Interest earnings on AEA	\$ 22,276	
Available funds	<u>\$ 112,027</u>	

TY 2012 Expenses as of 2/28/2014

Cost Area	\$600K		\$525K		2013 Totals
	One-time	Ongoing	One-time	Ongoing	
Personnel	\$ 151,999	\$ 318,899	\$	\$	\$ 470,898
External materials & services	\$ 104,656	\$ 31,096	\$	\$	\$ 135,752
Net merchant fees	\$ -	\$ 16,872	\$	\$	\$ 16,872
Printing & distribution	\$ 252,654	\$ 696	\$	\$	\$ 253,350
Technology services	\$ 79,776	\$ 9,594	\$	\$	\$ 89,370
Totals	\$ 589,085	\$ 377,157	\$	\$	\$ 966,242
Personnel	2013 Annual Budget		\$	\$	1,125,000
	Remaining budget		\$	\$	158,758
	Percent of budget remaining		14%		
	- One-time charges = business process design, mapping, testing				
- Ongoing charges = customer service and tax return/check entry					
External Materials & Services	Net merchant fees				
	- Merchant fees		\$	\$	72,401
	- Convenience fee revenue		\$	\$	(55,529)
	Net		\$	\$	16,872

TY 2012 5% Cost Cap as of 2/28/2014

- The “cap”: expenses cannot exceed 5% of revenues over a five year average
- Gross TY2012 tax revenue as of 2/28/2014: \$8,039,413
- Ongoing TY2012 expenses as of 2/28/2014: \$360,285
- Ongoing expenses are currently 4.5% of gross revenues; the Revenue Bureau is currently under the cap
- Revenues will increase as collections continue, changing cap percentage (percentage expected to slightly decrease)
- The Revenue Bureau anticipates the 5% average 5 year cost cap will ultimately be exceeded as a result of lost revenues

Disbursement Calculations

Average Teacher Salary x K-5 Students / 500

Reynolds SD:	\$ 91,874.24	x	1,954	/	500	=	\$ 357,942.03
Riverdale SD:	\$100,569.43	x	200	/	500	=	\$ 40,428.91
Centennial SD:	\$ 96,870.39	x	2,787	/	500	=	\$ 539,955.55
Parkrose SD:	\$ 94,618.51	x	1,555	/	500	=	\$ 294,263.56
David Douglas SD:	\$ 94,536.57	x	5,010	/	500	=	\$ 947,256.45
DD Charter School:	\$ 56,883.51	x	157	/	500	=	\$ 17,861.42
Portland Public SD:	\$ 95,041.82	x	23,195	/	500	=	\$4,408,990.03
PPS Charter Schools*:	\$ 55,208.02	x	947	/	500	=	\$ 103,249.25

*PPS has 6 charter schools with average teacher salaries ranging from \$50,089 to \$64,337. The above calculation was done separately for each charter school and added together to get the correct disbursement amount. The above calculation is a representation of the calculation showing the correct total number of students and expected full disbursement.

Note: ODE determined that the Ivy and Southwest charter schools are sponsored by ODE, not PPS. As a result, Arts Tax funding for those two charter schools has not been provided.

Disbursement Status

- All School disbursements have been made
 - \$6,709,947 in total
- RACC disbursement was \$200,000 in January 2014
 - Additional disbursements will be made as additional 2012 tax collections are received.

Tax Year 2013

- \$909,445 Gross Revenues as of 3/30/2014
- \$74,914 ongoing expenses as of 2/28/2014
- 301,000 Reminder postcards mailed
3/11/2014 to 3/24/2014
- 115,000 Email reminders sending
3/31/2014 to 4/12/2014

Two Lawsuits

- Both challenge the constitutionality of the tax, one in the Tax Court and one in Circuit Court
- City Attorney is representing the Revenue Bureau
- Oregon Tax Court dismissed the case on jurisdictional grounds; petitioner appealed to the Regular Division of the Tax Court; City moved to dismiss on jurisdictional grounds; hearing held September 19th; further briefing filed by plaintiff on October 11th, and City on October 17th; Regular Division granted the City's motion to dismiss on March 10, 2014. Plaintiff has until April 9, 2014 to appeal.
- Multnomah County Circuit Court found in favor of City regarding constitutionality of Arts Tax; petitioner appealed to Oregon Court of Appeals. City's answering brief filed January 31st. The Court denied the petitioner's motion for oral argument, so the court will decide the case on the briefs only. The court needs to set an "at issue" date, which is when the court will officially take the case under advisement.
- City generally does not comment on pending litigation

Next Steps in Collection Process

- 3,000 collection letters sent in January and March 2014.
- Another 5,000 non-filer bills will be mailed after 4/15/2014.
- Estimated 25,000 more each month during May, June and July.



Appendix D

Contact: Mary Bauer, Communications Associate
503-823-5111, mbauer@racc.org

FOR IMMEDIATE RELEASE: January 29, 2014

RACC announces first wave of Arts Education and Access Fund investments

44 local arts organizations will receive grants immediately

PORTLAND, ORE – The Regional Arts & Culture Council (RACC) today announced it has awarded 44 grants totaling \$150,072 to local arts organizations. The announcement comes on the heels of the first round of payments from the City of Portland's Arts Education and Access Fund (AEAF). In addition to \$200,000 directed to RACC, local school districts received a total of \$3.3 million from the AEAF to fund arts specialists.

"All of us at RACC are eager to help arts organizations provide more public access to the arts," said Eloise Damrosch, executive director of RACC. "The 44 grant recipients announced today, plus the investment plan for the remainder of the \$200,000 will help do just that by supporting arts organizations across the region and with a broad range of programs and constituents."

In addition to \$150,072 being distributed immediately, the remaining funds have been allocated as follows:

- **\$26,000** will be invested in nonprofit organizations that do not already receive RACC General Operating Support but are working with underserved communities through the arts, including communities of color, the Disabled community, and LGBTQ communities. An RFP will be available online at www.racc.org/access starting February 5, 2014. The deadline to apply is March 14 and decisions will be announced in May.
- **\$13,000** will fund arts education coordination expenses incurred by RACC during the 2013-14 school year, including 6 hours of professional development training for 26 arts specialists in Portland. This allocation also supports the City of Portland's participation in "[Any Given Child](#)," an arts education partnership with the John F. Kennedy Center for the Performing Arts in Washington DC.
- RACC has up to one year to invest the remainder of the AEAF funds (**\$10,928**) with a number of other obligations to fulfill, including a grants cycle for schools and other arts education programs.

RACC expects a second (and larger) allocation from the Revenue Bureau in April, but the specific amount will depend on the collection of tax payments that are now overdue. Ultimately, as compliance rates improve, RACC expects to receive annual disbursements of approximately \$3 million from the AEAF.

These investments are consistent with all legal requirements and intents as set forth in the [city code](#) and RACC's [contract](#) with the City of Portland. Specifically:

- “First, funds shall be used by RACC to fund grants to support non-profit Portland arts organizations that demonstrate artistic excellence, provide service to the community, show administrative and fiscal competence and provide a wide range of high-quality arts programs to the public.” RACC has awarded \$150,072 to the following [General Operating Support](#) organizations:

Artist Repertory Theatre, \$5,700
Blue Sky Gallery, \$1,134
BodyVox, \$1,882
Cappella Romana, Inc., \$1,071
Chamber Music Northwest, \$5,305
Children's Healing Art Project, \$1,008
Do Jump! Extremely Physical Theatre, \$2,185
Ethos Music Center, \$1,449
Friends of Chamber Music, \$1,512
Hollywood Theatre, \$1,197
Imago Theatre, \$2,235
Independent Publishing Resource Center, \$882
Literary Arts, Inc., \$4,016
Live Wire!, \$1,008
Metropolitan Youth Symphony, \$2,586
Miracle Theatre Group, \$2,273
Northwest Children's Theatre, \$2,486
Northwest Dance Project, \$1,134
NW Documentary Arts & Media, \$882
Oregon Ballet Theatre, \$8,656
Oregon Children's Theatre, \$5,518
Oregon Repertory Singers, \$2,240
Oregon Symphony Association, \$16,761
PHAME, \$882
Playwrite, Inc., \$1,386
Portland Art Museum, \$22,138
Portland Baroque Orchestra, \$1,639
Portland Center Stage, \$9,134
Portland Columbia Symphony Orchestra, \$1,008
Portland Gay Men's Chorus, \$1,033
Portland Institute for Contemporary Art, \$2,113
Portland Opera, \$15,293
Portland Piano International, \$1,008

Portland Taiko, \$3,227
Portland Youth Philharmonic, \$2,202
Profile Theatre Project, \$1,787
Tears of Joy Theatre, \$2,129
The Portland Ballet, \$1,197
Third Angle New Music Ensemble, \$882
Third Rail Repertory Theatre, \$1,008
White Bird, \$4,755
Wordstock, Inc., \$1,008
Write Around Portland, \$1,304
Young Audiences of Oregon, \$1,819

- “No less than 5% of the funds RACC receives from the Arts Education and Access Fund shall be used by RACC to fund grants and programs to schools and non-profit organizations that will give access to high-quality arts experiences to K-12 students and for grants and programs directed to communities who are underserved by local arts providers.” (5% of RACC’s \$200,000 allocation is \$10,000; RACC meets this minimum requirement with its investment of \$26,000.)
- RACC shall “coordinate between School Districts and arts organizations to ensure high quality arts education for Portland students; and facilitate the access of Portland students to the programs supported by the Arts Education and Access Fund.” These arts education coordination costs are capped at “a maximum of 3% of Net Revenues.” (Net Revenues to date are approximately \$7,550,000, and 3% of Net Revenues equals \$226,500. RACC’s investment of \$13,000 is 0.17 percent of Net Revenues, well below the 3% cap.)

For more information on RACC’s role in investing Arts Education and Access Funds, visit www.racc.org/AEAF.

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APPENDIX E

ARTS K-5 FTE SNAPSHOT ALL SCHOOL DISTRICTS 2013-2014

April 1 2014

District	2012-2013		2013-2014	
	Base Year Arts FTE <u>K-5</u>	Teacher/K-5 Student Ratio (<u>1 per</u>)	13-14 Arts FTE <u>K-5</u>	Teacher/K-5 Student Ratio (<u>1 per</u>) Arts Fund Dollars
Centennial	3.04	894	6.1	458 \$ 539,956
David Douglas*	9.2	548	10.1	512 \$ 965,118
Parkrose	1	1548	4.0	389 \$ 294,264
PPS BAA**	14.9	1528	50.3	480 \$ 4,512,239
Reynolds	1.5	1273	2.5	782 \$ 357,942
Riverdale	1.6	111	2.0	100 \$ 40,429

Total Arts FTE All Districts	31.24	75
Arts FTE Increase Over Base Year		43.76
Total Arts Fund Dollars to Date (2/28/14)		\$ 6,709,947
Average Ratio Across All Districts	984	453

* Anticipated arts funding used as bridge to avoid major layoffs in 2012-13

** BAA - before add back used as basis

Note: David Douglas and PPS charter schools included.

Appendix F

Link to Parkrose Music Video

<http://www.youtube.com/watch?v=jQwLeL1GkDA&authuser=0>

Appendix G



CITY OF
PORTLAND, OREGON
OFFICE OF THE CITY ATTORNEY

Tracy Reeve, City Attorney
1221 S.W. 4th Avenue, Suite 430
Portland, Oregon 97204
Telephone: (503) 823-4047
Fax: (503) 823-3089

April 15, 2014

INTEROFFICE MEMORANDUM

TO: Thomas Lannom, Director of the Revenue Bureau
Hannah Kuhn, Chief of Staff Comm. Nick Fish
Jennifer Kalez, Constituent Relations Coordinator, Comm. Nick Fish

FROM: Ken McGair
Deputy City Attorney

SUBJECT: Use of Arts Tax Funds

Question: Last week a member of the Arts Oversight Committee (AOC) asked whether a district may use the funding for any purpose other than hiring a teacher? For example, may a school district spend money on arts-related field trips or supplies?

Short Answer: Funds distributed to the Districts are to be used only to fund certified arts and/or music teachers¹. Otherwise, monies administered by the Regional Arts and Culture Council (RACC) may be allocated to schools to provide arts access to K-12 students.

There are three primary sources that we looked at to determine the answer to this question. First, the Ballot Title and accompanying summary as referred to the voters. Second, chapter 5.73 of the Portland City Code. Finally, the intergovernmental agreements between the City and the districts (IGAs).

Of note, the intent of the voters is key in determining how the funds were to be used. The Ballot Title Summary states that the “tax can only be used for:

- Arts and Music Teachers: Funds to hire arts and music teachers for kindergarten through 5th grade students at local public schools attended by Portland students. Distribution of funds based on school enrollment.
- Arts Access: Remaining funds for grants to nonprofit arts organizations, other nonprofits and schools. Will fund grants to provide high-quality arts access for kindergarten through 12th grade students and to make arts, culture experiences available to underserved

¹ We have already opined on whether “hiring” teachers requires adding to the existing total of arts and music teachers.

communities. Funds administered by Regional Arts and Culture Council (RACC).”

Similarly, Portland City Code section 5.73.030A provides that “Net Revenues will be paid by the Revenue Bureau to the Arts Education and Access Fund for distribution by the City as follows:

A. First, funds shall be distributed to the School Districts for the purpose of hiring certified arts or music education teachers for elementary school students for Kindergarten through 5th grade (K-5).”

While the IGAs between the districts and the City do not directly address the issue, there are several provisions that are relevant.

- Recital G provides “a complete arts and music education includes instruction by in-school teachers, arts experiences such as field trips and artist residencies, and arts integration in core subject areas that helps teachers utilize creativity to help children learn.”
- Recital K “[t]he IGA will assist in restoring arts and music education to our schools by providing stable, long-term funding for certified arts and music teachers – ensuring access to the arts for every Portland elementary school student.”
- Recital M “District has agreed to spend the money to ensure that funds are used to pay for the costs of providing certified arts and music teachers to students in elementary schools within the District.”

Section 5 of the IGA requires districts to “provide arts and/or music education **through certified arts and/or music teachers** to all K-5 students in each of its elementary schools.” Finally, Section 6 of the IGA requires the districts to ensure that “there will be at least one full time equivalent (FTE) of certified arts and/or music instruction at each non-charter school within the district that educates K-5 students and whose catchment overlaps with the City of Portland’s geographical boundaries.”

The most legally defensible approach and reading of these documents is that the voters intended the distributions to the school districts to only be used only to fund certified arts or music teachers. At the very least, the IGAs require the school districts to provided one FTE of certified arts and/or music instruction at each school. Any remaining funds after the distribution to the districts may be used for arts access and cultural experiences in the schools as contemplated in Recital G of the IGAs with the districts. Those monies, however, are administered by RACC and provided to the school districts by receipt of grants.

If you have any further questions, please feel free to contact me.

April 15, 2014
Page 3 of 3

KAM/kam



Arts Education and Access Income Tax Tax Year 2012 Compliance, Collections, Disbursements & Costs

April 2014

City of Portland Revenue Bureau
Office of Management and Finance

Background

On November 6, 2012, voters passed Ballot Measure 26-146, the Arts Education and Access Income Tax (Arts Tax) with over 62% of the vote.¹ As a result, a program was created at the Revenue Bureau (Bureau) to collect Arts Tax revenues. The broad goals of the ballot measure were to fund arts education positions in Portland schools, provide grant funding to non-profits and schools in support of the arts and increase access to the arts. On February 25, 2013, the Bureau began collecting Arts Tax payments for Tax Year 2012.

This document provides a status update on Tax Year 2012 Arts Tax compliance rates, tax collections, tax disbursements and program expenses for taxes that were due on June 10, 2013.

Summary

- Tax Year 2012 taxpayer compliance rates are in line with the last forecasted rates
- Tax Year 2012 revenues are in line with the last forecasted revenues
- 87% of tax receipts were distributed or are available for distribution to Portland school districts and the Regional Arts and Culture Council (RACC); this percentage is expected to rise to about 94% for Tax Year 2013
- The Bureau's collection and one-time start-up costs are under the 5% cost cap and below budget

Taxpayer Compliance Rates

Table 1 illustrates estimated taxpayer compliance rates for Tax Year 2012.

Table 1. Tax Year 2012 Estimated Payment Compliance Rates²

Description	Amount
1. Original Number of Eligible Taxpayers ³	403,110
2. Number of Eligible Taxpayers No Longer Subject to the Tax After Legal Changes ⁴	42,017 to 70,588
3. Number of Eligible Taxpayers Subject to the \$35 Tax After Legal Changes to the Arts Tax	332,522 to 361,093
4. Number of Tax Year 2012 Individuals Filed and Paid In Full as of February 28, 2014 ⁵	224,575
5. Estimated Tax Year 2012 Payment Compliance Rate as of February 28, 2014	62% to 68%
6. Original Taxpayer Compliance Projection Through June 30, 2013 ⁶	63.75% ⁷

¹ Multnomah County General Elections Results, November 2012, <http://web.multco.us/elections/november-2012-general-election-election-results>.

² The Bureau expects an increase in voluntary compliance when Arts Tax forms are available in tax preparer software (e.g., TurboTax), as early as Tax Year 2014. The IRS reports that more than 80% of taxpayers file electronically.

³ Revenue Bureau, *Arts Education and Access Income Tax Program Administration*, June 2012, figure 4, <http://www.portlandoregon.gov/revenue/article/486526>.

⁴ Revenue Bureau, *City Council Work Session: Arts Education and Access Income Tax*, July 24, 2013, slide 4, <http://www.portlandoregon.gov/revenue/article/486527>. \$1.25 million in reduced revenue represents 35,714 taxpayers at \$35 per taxpayer. The \$1.25 million had been reduced to reflect the 85% assumed terminal compliance rate so the actual decrease in the number of taxpayers, when compared to the 403,110 on line 1 of Table 1, is 42,017 (35,714/85%). \$2.1 million/\$35 tax = 60,000 taxpayers. 60,000/85% = 70,588 taxpayers.

⁵ The Bureau selected February 28, 2014 because the end of an accounting period is a widely accepted, uniform metric for financial reporting and analysis.

⁶ Revenue Bureau, *Arts Education and Access Income Tax Program Administration*, June 2012, 4, <http://www.portlandoregon.gov/revenue/article/486526>.

⁷ Ibid. The original taxpayer compliance projection is calculated by multiplying the terminal compliance rate of 85% (percentage of all eligible taxpayers who will have paid by June 30, 2015) by the 75% compliance rate for June 30, 2013 (85% x 75% = 63.75%).

Tax Year 2012 Revenue Projections vs. Actual Collections

Before the passage of the Arts Tax, the Bureau prepared estimates of the amount and timing of revenues and costs related to the administration of the program. In the absence of any comparable program in another jurisdiction, the Bureau modeled projected revenues based on experience administering the 2003-2005 Multnomah County Personal Income Tax, U.S. Census Bureau statistics, and tax filing statistics published by the U.S. Internal Revenue Service (IRS) and the Oregon Department of Revenue (DOR). The IRS estimates the voluntary compliance rate for federal personal income taxes is 83.1%, rising to 85.5% after enforcement action.⁸ The DOR has published a similar finding. No income tax collection program collects all taxes owed.

Table 2 summarizes the revenue projections from the Bureau-prepared program document⁹ included with Portland City Council Resolution 36939, which referred the Arts Tax to the November 2012 ballot. In June 2012, the Bureau estimated \$12 million in collections for Tax Year 2012 after terminal compliance,¹⁰ which is the compliance rate after a full two-year cycle of collection activity.¹¹ The initial June 2012 projection of \$12 million was the estimated sum of all Tax Year 2012 collections received through June 30, 2015. In July 2013, the June 2012 estimates were revised downward (by a range of \$1.25 to \$2.1 million¹²) due to changes made to the tax after its passage, including raising the income threshold to \$1,000¹³ and not taxing Social Security and other sources of income.

Table 2. Projected Tax Year 2012 Revenue

Description	Collected by June 30, 2013	Collected by June 30, 2014	Collected by June 30, 2015
1. Estimated Percentage of Tax Year 2012 Projected Revenue Collected, by Year of Collection ¹⁴	75%	95%	100%
2. June 2012 Projected Total Gross Revenue for Tax Year 2012, by Year of Collection ¹⁵	\$8,994,387	\$11,392,890	\$11,992,516
3. July 2013 Estimated Revenue Reduction Resulting from Legal Changes to the Arts Tax ¹⁶	\$1.25 to \$2.1 million		
4. July 2013 Adjusted Projected Total Gross Revenue for Tax Year 2012, by Year of Collection ¹⁷ (row 2 minus row 3)	\$6,894,387 to \$7,744,387	\$9,292,890 to \$10,142,890	\$9,892,516 to \$10,742,516
5. Actual Receipts	\$7,835,082	Pending (\$8,039,413 as of February 28, 2014)	Pending

⁸ U.S. Internal Revenue Service, *IRS Releases New Tax Gap Estimates; Compliance Rates Remain Statistically Unchanged From Previous Study*, January 6, 2012, <http://www.irs.gov/uac/IRS-Releases-New-Tax-Gap-Estimates;-Compliance-Rates-Remain-Statistically-Unchanged-From-Previous-Study>.

⁹ Revenue Bureau, *Arts Education and Access Income Tax Program Administration*, June 2012, figure 4, and four paragraphs beneath figure 4, <http://www.portlandoregon.gov/revenue/article/486526>.

¹⁰ Ibid.

¹¹ Revenue Bureau, *City Council Work Session: Arts Education and Access Income Tax*, July 24, 2013, slide 4, <http://www.portlandoregon.gov/revenue/article/486527>.

¹² Ibid.

¹³ City of Portland, *Arts Education and Access Income Tax Impact Analysis: Excluding Income under \$1,000*, March 2013, 2, <http://www.portlandoregon.gov/revenue/article/486764>.

¹⁴ Revenue Bureau, *Arts Education and Access Income Tax Program Administration*, June 2012, 4, <http://www.portlandoregon.gov/revenue/article/486526>.

¹⁵ Revenue Bureau, *Arts Education and Access Income Tax Program Administration*, June 2012, figure 4, <http://www.portlandoregon.gov/revenue/article/486526>.

¹⁶ Revenue Bureau, *City Council Work Session: Arts Education and Access Income Tax*, July 24, 2013, slide 4, <http://www.portlandoregon.gov/revenue/article/486527>.

¹⁷ Ibid.

Tax Year 2012 Arts Education and Access Fund Distribution

All Arts Tax revenues were deposited to the Arts Education and Access Fund for distribution by the City in accordance with PCC 5.73.030.¹⁸ Net Revenues are available for distribution to the schools and arts organizations. Net Revenues are defined by City Code as the revenue remaining after interest, collection, administrative and other costs and refunds are deducted from Gross Revenues. First, funds are distributed to the school districts for the purpose of hiring certified arts or music education teachers for elementary school students for Kindergarten through 5th grade (K-5).¹⁹ Any funds remaining *after* distribution to the school districts are distributed to RACC. Table 3 provides an accounting of collections and costs, disbursements and available funds, including the percentage each component accounts for of the total gross tax collections as of February 28, 2014.

Table 3. Tax Year 2012 Arts Tax Collections, Costs and Disbursements²⁰

Description	Amount	Percentage
<u>Collections and Costs</u>		
Gross Tax Collections	\$8,039,413	100.00%
Refunds to Taxpayers	(\$73,473)	0.90%
Net Tax Collections	\$7,965,940	
Credit Card Fees (net)	(\$16,872)	0.20%
One-time Start-up Costs	(\$589,085)	7.30%
Revenue Bureau Collections Costs	(\$360,285)	4.50%
	(\$966,242)	12.00%
Net Revenues (PCC 5.73.010 E)	\$6,999,698	
<u>Disbursements</u>		
Centennial School District	\$539,956	6.70%
David Douglas School District (DDSD)	\$947,256	
DDSD Charter School (1)	\$17,861	
	\$965,118	12.00%
Parkrose School District	\$294,264	3.70%
Portland Public Schools (PPS)	\$4,408,990	
PPS Charter Schools (6)	\$103,249	
	\$4,512,239	56.10%
Reynolds School District	\$357,942	4.50%
Riverdale School District	\$40,429	0.50%
Total School Disbursements	\$6,709,947	83.50%
Regional Arts & Culture Council	\$200,000	2.50%
Disbursements to Date²¹	\$6,909,947	86.00%
Net Revenues Less Disbursements	\$89,751	1.10%
Interest Earnings on Arts Education and Access Fund	\$22,276	
Available Funds	\$112,027	

¹⁸ Online Charter and Code of the City of Portland, Oregon, Chapter 5.73.030, *Net Revenues Distribution*, December 5, 2012, http://www.portlandonline.com/auditor/index.cfm?c=60467#cid_424624.

¹⁹ For a more detailed description of distribution ratios and school/school district guidelines and calculations: Chapter 5.73.030, *Net Revenues Distribution*, December 5, 2012, http://www.portlandonline.com/auditor/index.cfm?c=60467#cid_424624 or the Revenue Bureau website, *Arts Tax revenue distribution*: <http://www.portlandoregon.gov/revenue/60079>.

²⁰ Columns may not total correctly due to rounding.

²¹ Disbursements to date total \$6,909,947, which is 86% of gross tax collections. Were it not for first-time costs of \$589,085, nearly \$7.5 million would have been disbursed (93.3% of gross tax collections), which would have increased the RACC disbursement to \$789,085.

Arts Tax Administrative Cost Cap

In accordance with Ballot Measure 26-146²² and PCC 5.73.090,²³ as amended, Arts Tax administrative costs cannot exceed an average of five percent (5%) of the program's gross revenues over a five year period, and one-time start-up costs cannot exceed \$600,000. Table 4 shows that based on gross revenue and collection expenses for Tax Year 2012, the Bureau's administrative costs are currently under the cap. Start-up expenses are also under budget, at \$589,085.

Table 4. Tax Year 2012 Arts Tax Administrative Cost Cap

Description	Amount
1. Gross Revenue for Tax Year 2012 as of February 28, 2014	\$8,039,413
2. Revenue Bureau Collection Expenses for the 2012 Tax Year as of February 28, 2014	\$360,285
3. Ongoing expenses as a percentage of gross receipts (row 2 divided by row 1)	4.5%

²² Ballot Measure 26-146: Restore School Arts, Music Education: Fund Arts Through Limited Tax, 2012: http://web.multco.us/sites/default/files/elections/documents/26-146_vp_nov_12.pdf.

²³ Online Charter and Code of the City of Portland, Oregon, Chapter 5.73.090, *Limitation on Costs*, May 3, 2013, http://www.portlandonline.com/auditor/index.cfm?c=60467#cid_450104.

Agenda No.
REPORT NO.
 Title

Accept report on the Arts Education & Access Fund by the Arts Oversight Committee (Report).

INTRODUCED BY Commissioner/Auditor: Mayor Charlie Hales	CLERK USE: DATE FILED <u>APR 18 2014</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - <i>JAA</i> Position 1/Utilities - Fritz Position 2/Works - Fish Position 3/Affairs - Saltzman Position 4/Safety - Novick	LaVonne Griffin-Valade Auditor of the City of Portland By: <i>[Signature]</i> Deputy
BUREAU APPROVAL Bureau: Mayor Hales Bureau Head: Mayor Hales	ACTION TAKEN: APR 23 2014 ACCEPTED <i>As Amended</i>
Prepared by: Josh Alpert Date Prepared: 4/17/14	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Council Meeting Date April 23, 2014	
City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan	

AGENDA
TIME CERTAIN <input checked="" type="checkbox"/> Start time: <u>3:00 pm</u> Total amount of time needed: 60 minutes (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input type="checkbox"/> Total amount of time needed: _____ (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	_____	
4. Novick	4. Novick	✓	
Hales	Hales	✓	