



Agenda/Notes
Office of Governor Tina Kotek
RJC Education Committee
December 10, 2025 – Zoom
2:00 -3:30 pm

MEMBERS

X	Angela Uherbelau	E	Jenny Pool-Radway	E	Kali Thorne Ladd
X	Aryn Frazier		Jaclyn Caires Hurley	E	Marie Chisholm-Burns
X	Cynthia Richardson	X	Jennifer Simonson		Mark Jackson
	Djimet Dogo	X	Jennifer Wilson		Nelly Patiño-Cabrera
X	George Mendoza	E	Jimmy Howard	X	Sonya Moody-Jurado

OTHER ATTENDEES

E	Andre Bealer	X	Johnna Timmes	X	Yasmin Solorio
X	Rachael Moser	X	Javier Cervantes	X	Dr. Charlene Williams, ODE
X	Kirsten Ray	X	Jon Weins, ODE	X	Michael “Mike” Wiltfong, ODE
		X	Tenneal Wetherall, ODE	X	Supt. Andrea Castañeda, SKSD

Topic/Lead	Notes/Main Points	Decisions/Action Items
Welcome	<i>Co-chair Cynthia starts meeting at 2:05pm. Members do round of introductions.</i>	
Framework for Advocacy Criteria for Short Session Discussion	<p>Javier: Focus on maintenance of effort, opportunity to engage and work with agencies we work with. If we have folks who have ideas on what that might look like, please feel free to share.</p> <p><i>Committee agrees to vote to move item to end of meeting.</i></p>	
US Dept of Education and Potential Impacts Decisions	<p><i>Tenneal shares “ODE - Tenneal W. Federal Update RJC 12.10.25” slides.</i></p> <p>Tenneal: Takes both a balance of the head and the heart. As we do this work, our staff are also the same people who are being impacted by the things being affected. Our values in Oregon are grounded in legal compliance, driven by equity and focused on protecting student opportunity. We implement a lot of federal education statues and have to comply with both federal and state law.</p> <p>The federal establishes a floor, not a ceiling, and Oregon provides even more stronger protection – ex: tribal consultation, multilingual learner access, etc. When federal directives conflict with state law or constitutional obligations, ODE consults legal counsel and leadership to clarify implementation boundaries. ODE works with several agencies such as Oregon DOJ, Governor’s Office, experts in key policy areas, etc. We try to center ourselves in stability, predictability and partnership.</p> <p>Theres been several actions since the start of this administration around “Dismantling of US Dept. of Education”. Each lawsuit is still active, but at different steps of the litigation. Most important is Nov 18th letter that announce six interagency agreements that shift day-to-day administration of several major</p>	

	<p>federal education program areas to other federal agencies while the department reins its statutory responsibilities.</p> <p>ODE is analyzing impacts and is monitoring potentially affected grants and programs to understand implications for staff capacity, budget and financial planning, access to information and data systems, and program implementation timelines, as a few examples. We are staying connected to federal updates and watch for legal developments that can affect the state and district operations. We are working with local districts so they can understand their district federal funding sources, preparing for any potential delay and reductions – although uncomfortable but necessary to stay ahead.</p>	
<p>Funding Formula on Poverty Weight – Calculation & Impacts (Remaining Time) - ODE & Superintendent Castaneda, Salem-Keizer School District</p>	<p><i>Shares “SKSD RJC_Deck”</i></p> <p>Andrea: We can’t construct solutions until we identify a full problem. When I first arrived in Salem Keizer, something always felt surprising about its behavior. Over the course of my work, whether the poverty definition and weight is functioning as intended. We built a full working model of the formula to learn more over the last few months. Feel confident in the basic function of the model, could not back into the IEP waiver data, but the rest is sound.</p> <p>It’s more of a question, are the results of the formula behaving the way we expect? In the results – we have made a decision to use sample census data. I don’t agree with that data. In our everyday work, there are families who live in a condition of poverty who aren’t being counted. When we don’t count migrant, TANF, foster and delinquent – our teachers and staff are providing services whether we get money or not. Its come to a bit of a breaking point. Rapidly escalating poverty - one of the fastest poverty growth rates in the state. we are being recognized for only about 1/3 of the year</p> <p>Its regressive, its not designed to be regressive. Its one thing to be undercounted and underfunded on poverty which trickles to other features. It is possible the poverty measure is incomplete, inaccurate or flawed. We need to know about that before we talk about solutions. I don’t think we know what can come next.</p> <p>George: Some day I would like to see Andrea’s formula or regressive data point vs what ODE has so we can see apples to oranges and understand what each have to say. So, we can get an accurate understanding and from there talk about policy solutions for improvement. Until people can see models – its just words.</p> <p>Cynthia: Would like to ask we send out poverty deck to members so they can see it.</p> <p>Andrea: Would really feel better if someone like Mike could run regression formula we ran and see if we get the same results.</p> <p>Aryn: Is the report you are referring in the Oregonian?</p> <p>Andrea: Some are in the doc released to the Oregonian and some were sent to you. The scatter plot is the easiest and fastest to read.</p> <p>Javier: ODE to present next.</p> <p><i>Oregon Dept of Education re: funding formula</i></p>	

Dr. Williams: There have been various policy makers and community makers concerned on how we update funding formulas and districts. Mike will lead presentation, Jon will provide context on how formula works and specific on poverty conversation.

Mike: Please know we have been active on trying to make improvement on poverty.

Shares "ODE - Mike W. 2025 Poverty review for RJC as of 12.5.25" slides

20 years with the department. Working mostly on state school fund of those 20 years. The State School fund was created. Main source of k12 public schools. It's a mix of local and state resources. It's a revenue formula with discretion for local control to administer. Not a measure of student outcomes, stability, or adequacy of funding, or accountability measure.

We see three areas of funding formulas. Equity, equalization, and adequacy. You could have the equity factor set correctly – important to see if the equity portion is actually adequacy. We know there's great concerns with the state school fund. Revenue for current education is 1/3.

Current statute is ORS 327.013. There's been several attempts to address the poverty formula. Have been in legislative committees to adjust it – but none have made it to enrollment.

SAIPE (Small Area Income Poverty Estimate). We only update poverty twice in the school year. Data is timely and is telling us the state population has grown over time but has leveled off in recent years. Student population for ages 5-17 has grown, but has recently decreased at a greater rate than Total Population. Levels of poverty peaked around 2011 and declined to ~60% currently.

What's causing the decrease and changes in weighting statewide? This is likely due to cost of living and housing, and access to services. Remote work is also playing a role in migration both in and out of state.

Recent attempts to change the SSF formula – around 14 attempts. All failed in part due to concerns of a sustainable funding, forecasted revenues, and levels. Encourage you to view State School Fund Advisory Committee. We definitely need to address poverty issue. The tactical and strategies are critical.

Andrea: It is nonlinear, there are different outcomes across different communities. Reynolds has one of the highest poverty rates, 51% is a huge disproportionate number. You can start to see how a difference in definition can start producing the issue.

Mike: Next steps to consider is this an adequacy issue or equity issue in the SSF Formula? What is the correct amount per poverty student? Should we change/clarify our definition of what is considered poverty. Doubling the current weight from .25 to .50 and include homeless student counts? Will need to address other weights in the system such as Special Education.

Angela: Does ODE have authority to change the formula without waiting on the legislature?

Mike: No we cannot.

	<p>Angela: It is possible for ODE to change the formula but the pushback would be political consideration should ODE Decide to do that.</p> <p>Mike: Yes, legislature would go over top of us and fix it.</p> <p>George: The legislature sets the budget, they allocate the funds. If ODE were to change it, it would not go well.</p> <p>Cynthia: We are dead last among 48 states using this formula and our school districts are being held accountable. You can't make improvements if you don't have resources to make improvements with. When can legislature provide us with what we need to succeed.</p> <p>Dr. Williams: They have been looking at it but as you work with Rachael, Johnna and team on legislative priorities – we stand ready to help and make it clear for where we want to address parts of our formula.</p> <p>George: Really proud of Adrea for work she has done. Andrea is trying to come up with solutions for the bit we have. Online schools is another issue. We will have to raise revenue for the state, whether education or housing, we need to look at tax reform and create different things with lottery funds – we have to raise revenues to funds.</p> <p>Aryn: Mike towards end you talked about things you thought through on state budget and what we can use. Would appreciate if you could follow up with the committee on what you think we could find useful and dig into. Poverty isn't just one thing – accountability space where ODE has to work with and rely on resources from others state agencies to address needs for our kids in schools. Yes to increase revenue broadly speaking but how we make better use of where resources are. Can't look like continuing cuts when cuts have already been made, and they have high needs populations. No one should have to 'lose' in the public education system. That's actually the point.</p>	
<p>Framework for Advocacy Criteria for Short Session Discussion</p>	<p><i>Javier shares "Education Committee Advocacy Framework 2026 Short Session" document</i></p> <p>Javier: When we have conversations with legislators, what are the guideposts we have that we want to ensure come across when it comes to framework on this discussion. Revenue was one comment, what are other thoughts on reallocation or other ideas. If we can generate a list that would be fantastic. Want to leave with two or three thoughts.</p> <p>George: We need to advocate to protect all k-12 funding. We need to tell our legislator to get us through this biennium and help with backfill to keep us whole this year and next, and we need to ask for reimbursement for high cost livability. We need to look at tax reform. Lottery funds is another area to look at. Online gaming- increasing that or slot machines online – I know it creates other issues but we need to fix our problems with resources.</p> <p>Aryn: No more cuts to something that was created and instituted to advance racial justice and equity across every sector. I expand down into early learning. It becomes more expensive to educate a kinder, first, or second grader if they didn't go to preschool. Costs compound if they didn't get resources at the start. What are our priorities (2 or 3 things) that are essential to remain funded to see gains for kids in the state.</p>	

	<p>Angela: Additional revenue is important. There will be no more money – really leaning into the money that we have we need to use it for students that struggle the most. The biggest obstacle to change is political. I echo Aryn’s call to have longer conversations about how to move forward.</p> <p>Aryn: If we won’t create winners and losers on a state level, we are creating winners and losers within districts that will take heavy cuts and thinking past the district boundaries too. Not one of us will say every school in each district is maybe equal to either. We have to think of cluster of schools that experience high intensity poverty.</p> <p>Cynthia: Some of those school districts have levied taxes and has gotten additional money. That makes Salem-Keizer more deficient, even more deficient than others. Never been political and not afraid to speak up. We vote them in, and they need to listen to us and do the right thing.</p> <p><i>Meeting concludes at 3:34pm</i></p>	
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Meeting Materials	<div>  Education Committee Advocacy </div> <div>  RJC_Funding_Formula_Summary_revised.1 </div> <div>  Federal Update RJC 12.10.25.pdf </div> <div>  SKSD RJC_Deck.pdf </div> <div>  ODE - Mike W. 2025 Poverty review for R. </div>
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Zoom Chat

14:01:10 From Johnna Timmes, Gov Office (she/her) to Hosts and panelists:

We need some music! Or someone tell a joke.

14:05:47 From Javier Cervantes, Gov. Office (El, He, Him, His) to Hosts and panelists:

Education Committee (12-10, 2 PM) December 10 Agenda:

- Framework for Advocacy Criteria for Short Session Discussion (20 Minutes)

- o Group exercise

- US Dept of Education and Potential Impacts Decisions (20 minutes)

- o ODE’s Tenneal Wetherall will share a brief update on the recent moves within the US Dept of Education and potential

impacts this may have for ODE and districts across Oregon

- Funding Formula on Poverty Weight – Calculation & Impacts (Remaining Time)

- o Superintendent Castaneda, Salem-Keizer SD: Provide a perspective of what she sees currently as the inequity poverty weight funding based on work completed by SKSD.

- o ODE: Provide background on how the Poverty Weight is currently calculated and changes that have been considered

14:06:57 From Angela Uherbelau she/her to Hosts and panelists:

Sorry to go off camera - call coming in from my youngest daughter who just got out of school

14:07:59 From Javier Cervantes, Gov. Office (El, He, Him, His) to Hosts and panelists:

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14:15:52 From jennifer.wilson to Hosts and panelists:

will we get a copy of the slides?

14:17:19 From Javier Cervantes, Gov. Office (El, He, Him, His) to Hosts and panelists:

Yes. We will get the slide to the members

14:31:25 From Kirsten Ray, Office of Governor Tina Kotek to Hosts and panelists:

Thank you Tenneal

14:31:51 From Rachael Moser to Hosts and panelists:

Very helpful overview, Tenneal!

15:15:22 From Angela Uherbelau she/her to Hosts and panelists:

Thank you for the presentation. Does ODE have authority to change the formula without waiting on the legislature? This is devastating: "A 2024 report by the nonprofit Education Law Center ranked Oregon dead last among 48 states for its regressive funding system's impact on high poverty schools. On average, the report found, high-poverty districts — like those in east Multnomah County or in Malheur County — receive 23% less per pupil than high-income districts, a difference of about \$3,800 per student." (Oregonian)

15:21:01 From Angela Uherbelau she/her to Hosts and panelists:

I agree it would be complicated and hard for ODE to act decisively but I would love for us to continue a conversation about doing the right thing for our students.

15:25:32 From Dr. Charlene Williams to Hosts and panelists:

Yes, Angela. Agreed. We will stay in conversation

15:25:37 From George Mendoza to Hosts and panelists:

Advocacy: goal should be to Protect all K-12 funding: We need to Reinforce the use of the Education Stability Fund to prevent and mitigate cuts to K-12 for this Biennium as well as for the next Biennium.

- Increase SPED Cap from current 11% to 15%; Achieve 100% reimbursement for High-Cost Disability fund (currently only ~50% after \$40,000)
- Lottery funds Increase, Statewide Consumer Tax

15:25:46 From Andrea Castañeda, Salem-Keizer to Hosts and panelists:

Thank you for inviting me to the conversation. I do not believe this is short session solution. We need to understand the issue fully, not rush to patch.

15:29:46 From George Mendoza to Hosts and panelists:

For K-12; Reading growth priority for 3-7 years...Next Math-Problems solving growth; State Testing Reform- Opt out and more on use of assessments; Need to go and very thankful for you all.

15:31:20 From Angela Uherbelau she/her to Hosts and panelists:

Completely agree Aryn -

15:31:41 From Andrea Castañeda, Salem-Keizer to Hosts and panelists:

I am going to pull George'

15:31:55 From Andrea Castañeda, Salem-Keizer to Hosts and panelists:

George's comment to the top again. It does not cost as much to educate students virtually.

15:32:54 From Mike Wiltfong ODE he/him to Hosts and panelists:

~ 20 districts have a Local Option levy

15:33:07 From Angela Uherbelau she/her to Hosts and panelists:

That's a crucial point about levies, thank you Chair Richardson

15:33:41 From Mike Wiltfong ODE he/him to Hosts and panelists:

Thanks everyone.

15:34:20 From Johnna Timmes, Gov Office (she/her) to Hosts and panelists:

Thanks ODE and Dr. Castenada

Education Committee Advocacy Framework: 2026 Short Session

Please list values, principles, and standards that you believe the Committee should consider for a framework as it advocates during the 2026 Short Session. Understanding that agency program expansion or new program is unlikely during the 2026 session due to adverse budget conditions. Focusing on maintenance of effort, program implementation, or rulemaking are some of the opportunities to engage and offer input or make recommendations on how agency programs execute services and apply resources.

What values, principles, or criteria should the Committee consider as a framework when advocating going into 2026? Please list.

As a refresher, the following is a list of priorities the committee has listed as its topical areas of focus.

<p>Theme: <i>Education of legislators and sharing data.</i></p> <p>Priorities:</p> <p>Messaging the Fiscal Impact of Cuts</p> <ul style="list-style-type: none">• Study and share the actual direct services that kids do not get because of these decisions.<ul style="list-style-type: none">○ Formulate and tell the story of what is happening with kids in their districts due to cuts.○ Share the story and impact on the employment sector of education in terms of the adults that lose their jobs. <p>School District Accountability</p> <ul style="list-style-type: none">• Message and strategize a narrative that includes data.• When engaging legislators ensure an examination occurs related to reductions and remind decision-makers that reductions be applied to all agencies and programs across the enterprise.
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Background

Salem-Keizer Public Schools is Oregon's largest high-poverty district. Amongst districts with enrollment over 5,000 students, Salem-Keizer Public Schools has the seventh highest poverty rate statewide and almost twice the poverty rate of Portland and Beaverton. Salem-Keizer's size and demographics cause us to take a keen interest in Oregon's definition and calculation of poverty for the purposes of fund distribution. To explore this issue thoroughly, Salem-Keizer Public Schools developed a full working model of the 2023-2024 funding using data published by the Oregon Department of Education. This model has allowed us to model different scenarios and study the impact of the model on students of color, students speaking languages other than English, students with disabilities, rural districts, and high-poverty districts.

Preliminary Finding One: The Oregon Department of Education (ODE) poverty definition dramatically undercounts poverty in Oregon's school-age youth.

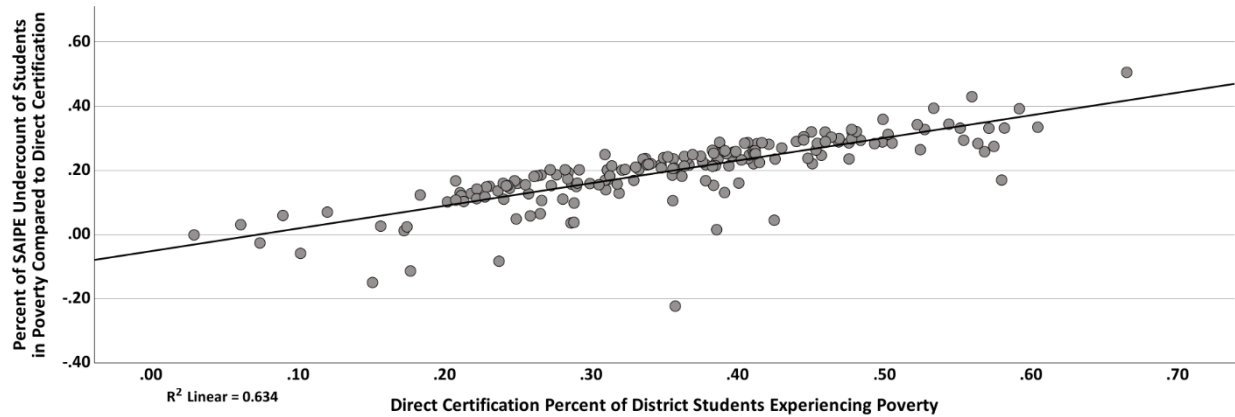
In the 2023–2024-year, ODE's poverty definition undercounted student poverty by 114,000 students. This undercount is a result of the enacted definition of poverty. ODE uses US Census (SAIPE) data exclusively to estimate poverty levels in every district. See appendix 1 and 2. However, ODE actively collects and actively uses a different poverty measure for every district: direct certification data. Direct certification data is more timely, accurate, and responsive to real-time changes in community economic conditions. See Appendix 3 for a comparison of the direct certification and US Census Data.

Preliminary Finding Two: The poverty definition enacted by ODE is regressive.

ODE's enacted poverty definition both undercounts poverty and is systematically regressive across various student subgroups. Districts serving comparatively higher percentages of (1) poverty, (2) students of color, (3) students with IEPs, and (4) students who speak English as a second language have their poverty undercounted at higher levels than wealthier communities.

Figure 1 below shows the regressive nature of the poverty definition: the highest-income districts (on left side of the graph) have their poverty undercounted the least. The lowest-income districts (on the right side of the graph) have their poverty undercounted the most.

Salem-Keizer Public School Funding Formula Research Presented to Governor Kotek's Racial Justice Council



Salem-Keizer Public School's research generally corroborates the findings of two independent research efforts. The Oregon legislature commissioned a [large-scale study](#) by the American Institute of Research, which found that Oregon's highest poverty districts should receive an additional \$8000 per pupil to meet Oregon's educational goals. The [Education Law Center](#) that found that Oregon has the most regressive funding distribution model of the 48 evaluated states and that high-poverty districts receive 23% less per pupil than low-poverty districts. Taken together, research suggests that Oregon's funding formula (1) undercounts students in poverty; (2) underfunds the students with additional educational needs; and (3) is economically regressive when all state and local sources are considered.

Preliminary Finding Three: The poverty definition impacts almost every state fund distribution method.

The systematic undercounting of poverty and the use of a regressive definition impacts every fund that uses ADMw as a basis for distribution. This includes the State School Fund, Student Investment Act, High School Success, and OSCIM grants.

Preliminary Finding Four: Oregon's rural districts experience some of the most severe undercounting of student poverty.

Rural districts are amongst the most negatively impacted by the poverty definition. The table below shows the ten most negatively impacted districts when SAIPE poverty data is compared to direct certification data.

District Name	% of students in poverty recognized
Mitchell SD	1%
Prairie City SD	5%
Fossil SD	6%
Harney County Union High SD	9%
Santiam Canyon SD	10%
Blachly SD	10%

Salem-Keizer Public School Funding Formula Research Presented to Governor Kotek's Racial Justice Council

Harney County S	11%
Marcola SD	12%
Scio SD	15%
Banks SD	18%

Next Steps: What we are NOT proposing

Simply changing the poverty definition to include both SAIPE and local direct certification data would more accurately capture district poverty rates, but it would add 114,000 additional poverty-eligible students. Without a corresponding increase in funding, district funding would reshuffle.¹ **Even as the biggest “winner” in this scenario, Salem-Keizer does not support this oversimplified correction, which could do more harm than good across the state.**

An alternative (and equally simplistic) solution is a simultaneous adjustment of the poverty definition and addition of state funding to cover the costs of the newly recognized 114,000 students in poverty. In this scenario, the state would need to add approximately \$300m per year to the state funding formula. Almost all districts would benefit, and none would be harmed.² **Even as the state's biggest “winner” in this scenario, Salem-Keizer is not advocating for this oversimplified correction.**

Next Steps: What we ARE proposing

Oregon has long known that there are underlying flaws in the poverty definition, poverty weight, and behavior of the poverty factor within the distribution formula. With more research, we know more: it is regressive, has an adverse impact on multiple student subgroups, and is based on outdated data sets. We can no longer ignore or apply short-term patches to structural flaws in one of the core building blocks of the distribution formula.

We advocate for two clear next steps. By themselves, they are not a solution, but they define a path toward a meaningful solution.

Step One: Commit to researching and meta-analysis of Oregon's K-12 poverty definition, weight, and role in fund distribution.

Step Two: Using the research results from step one, design an equitable, comprehensive, and realistic correction.

¹ Based on 23-24 data, 96 districts would lose funding, and 77 districts would gain funding. Salem-Keizer would receive a positive adjustment of approximately \$2.8M per year.

² Based on 23-24 data, nearly all districts would gain funding. Salem-Keizer would gain approximately \$24M per year.

Appendix 1: ORS 327.013, Authorizing [statute](#) defining poverty in the state funding formula:

"The number of students who are in the average daily membership and who are also in poverty families as determined by the Department of Education based on rules adopted by the State Board of Education that incorporate poverty data published by the United States Census Bureau, student data provided by school districts, and other data identified by the board..."

Appendix 2: OAR 581-023-0102 Defining poverty calculation in accordance with state law.

(1) The following definitions and abbreviations apply to this rule:

(a) "ADM" means Average Daily Membership as defined under ORS 327.006 and OAR 581-023-0006.

(b) "Census Bureau" means the United State Census Bureau.

(c) "SAIPE" means the Small Area Income Poverty Estimate published by the Census Bureau every year and available to the public on the Census Bureau's website at:
<http://www.census.gov/did/www/saipe/>.

(2) Pursuant to ORS 327.013(1)(c)(A)(v)(i) the Department of Education will determine poverty using Census Bureau data and ADM data from the school districts.

(3) The Department will obtain SAIPE data published on the Census Bureau website for all Oregon school districts annually as it is released.

(4)(a) The Department will divide the concurrent year's ADM data by the total children ages 5 to 17 as reported in the SAIPE data.

(b) For those districts where the ratio of the ADM divided by total children ages 5 to 17 as reported in SAIPE data is greater than 100%, the Department will reduce the ratio to 100%.

(5) The Department will multiply the population ages 5 to 17 in families in poverty as reported by the SAIPE by the percentage calculated above.

(6) The Department will round the resulting product to two decimal places.

(7) The Department will use the previous year's SAIPE data to calculate the final poverty weights for the current year pursuant to ORS 327.013(1)(c)(A)(v).

Statutory/Other Authority: ORS 327.013 & 327.125

Statutes/Other Implemented: ORS 327.013

History:

ODE 48-2016, f. & cert. ef. 11-1-16

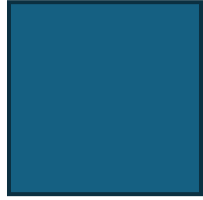
Salem-Keizer Public School Funding Formula Research Presented to Governor Kotek's Racial
Justice Council

ODE 14-2016, f. & cert. ef. 2-5-16

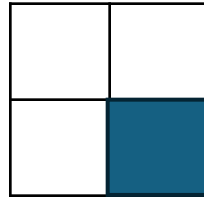
ODE 9-2014, f. 2-19-14, cert. ef. 7-1-14

Appendix 3: Comparison of Direct Certification and US Census Poverty Data

	Modified SAIPE Data	Direct Certification
Poverty level for eligibility	Set at 100% of US Census Poverty Level	Set at SNAP and Medicaid eligibility: generally, 130% of US Census Poverty Level
Data already collected by ODE	Yes	Yes
Released annually	Yes	Yes
Criterion-referenced/ validated	Yes	Yes
Data availability lag	Yes: 2-3 years	No
Linkable to individual students	No	Yes
Based on sampling	Yes	No
Requires further manipulation/modification to calculate ADMw	Yes	No



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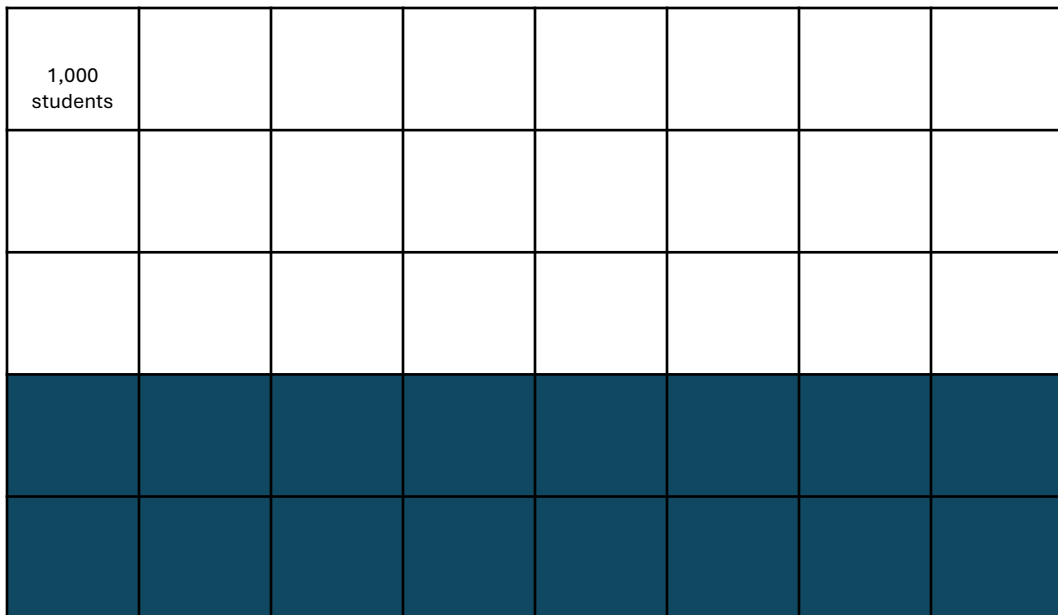


Base rate per
student: ~\$11,000

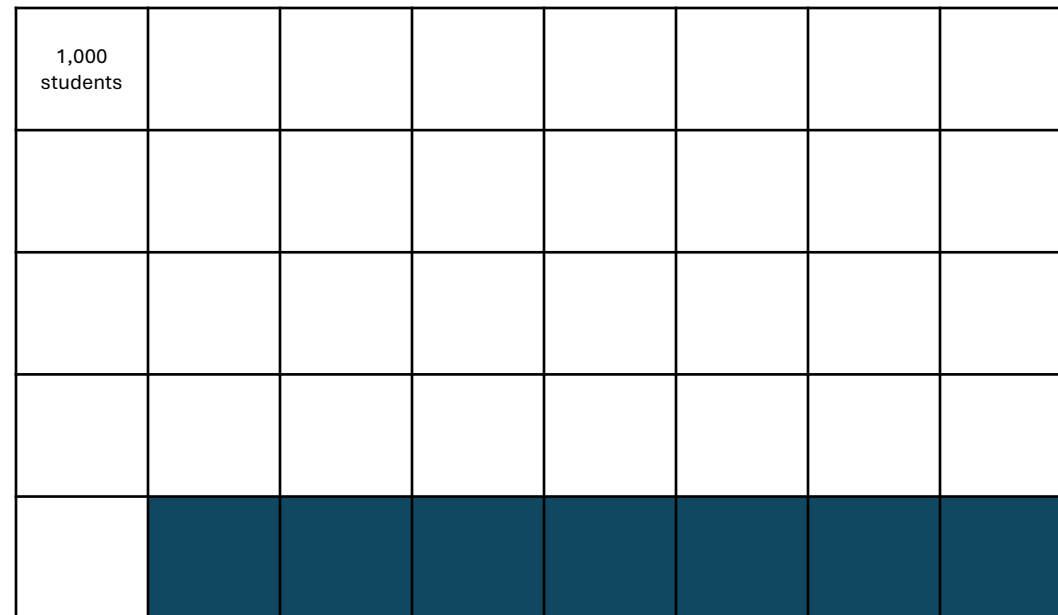
.25 poverty weight,
~\$2700

Funding formula
per pupil rate for a
student living in
poverty:
~\$13,700

If we agree that students receiving SNAP and similar services are living in poverty, Salem-Keizer's poverty looks like this.



But Salem-Keizer is funded for poverty at a rate that looks like this.



For Salem-Keizer, this is about \$25M per year in education funding we don't receive, even though we are providing the services to the students who qualify.

This has been going on for over a decade.

And it is regressive.
The poorer a community, the more our
poverty rates are eroded.



Poverty Weight Calculation State School Fund

Mike Wiltfong
School Finance and Facilities, Administrator

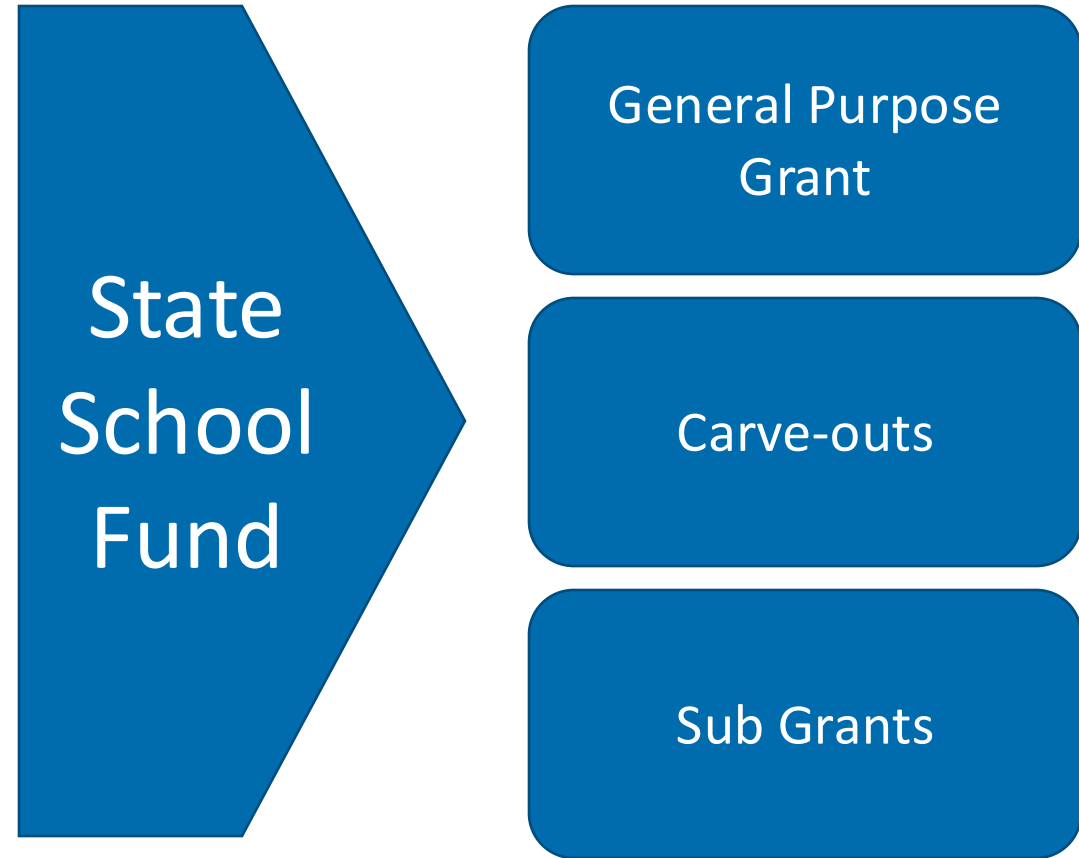
Agenda for today's presentation

- State School Fund basics
- Historical Context for Poverty in the State School Fund (SSF)
- Changes and Challenges with Poverty data and weighting in the SSF
- Current process and concerns
- How can we improve?
- Questions/Discussions

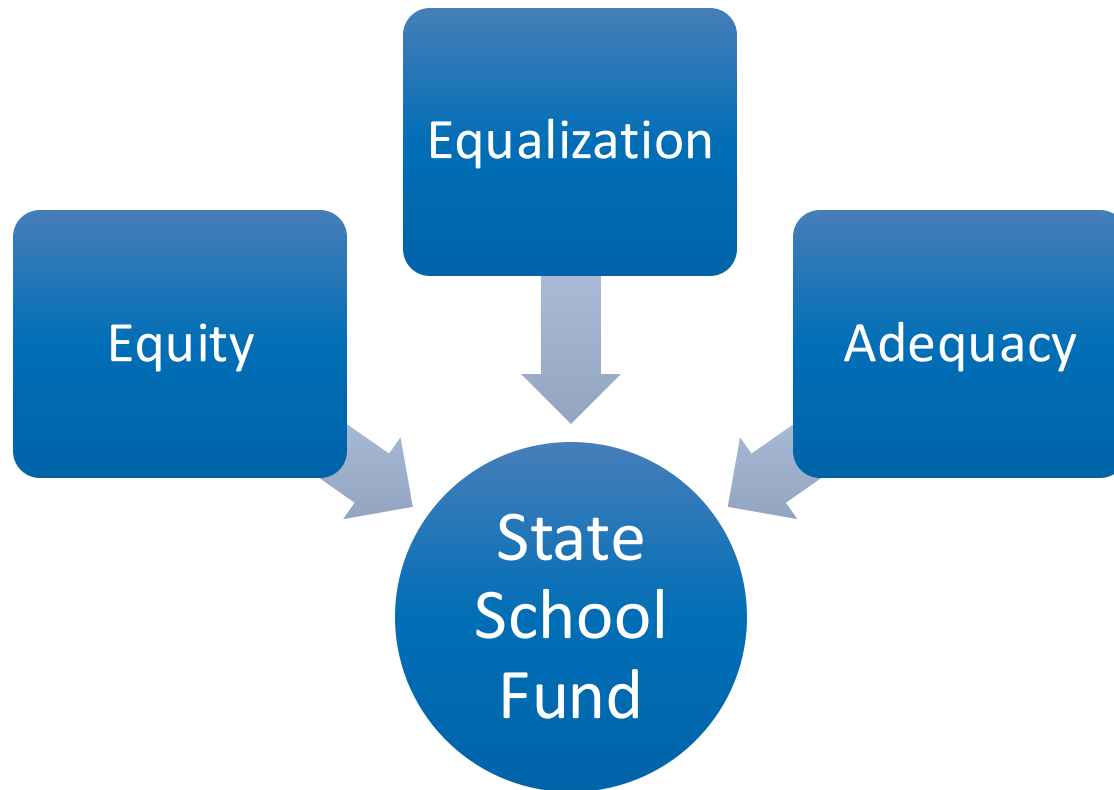
What is the State School Fund?

State School Fund (SSF) is a combination of state and local funds dedicated to the operation of K-12 public schools.

- Legislature appropriates funds each biennium
- ODE manages the grants and distributes the funds monthly (*except June*) according to formula



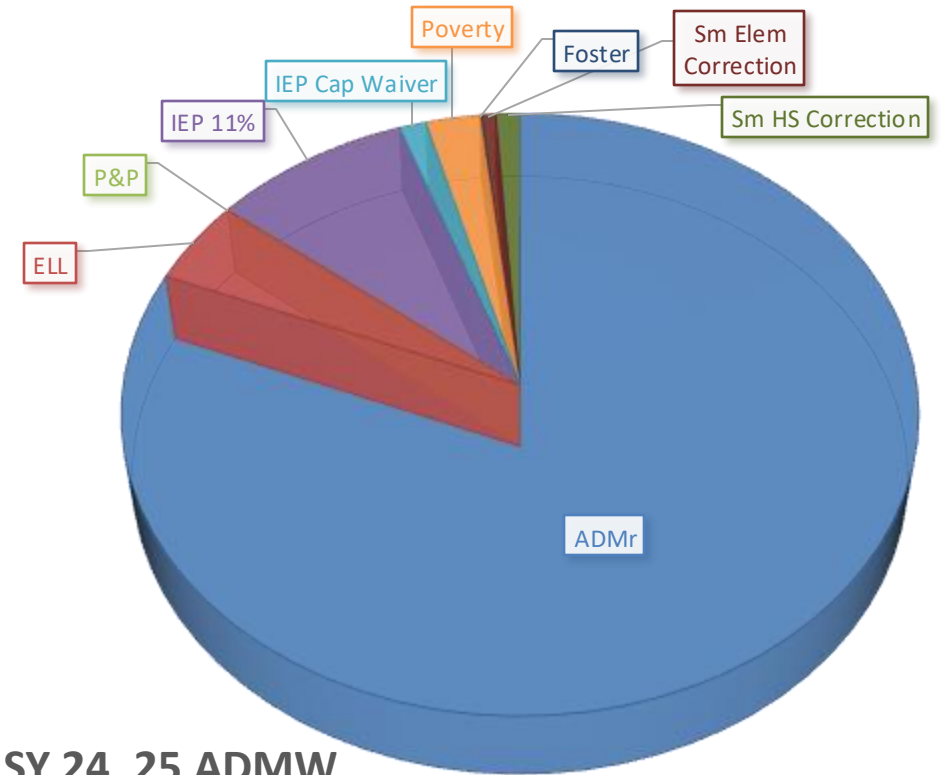
State School Fund Philosophy



- Equity
 - Student enrollment + weights to determine funding for each district
 - Weights designed to address student needs
- Equalization
 - Combining State and Local funding sources to provide an equal amount of funding per student weight
- Adequacy
 - Amount of funding available for distribution to all school districts

SY24-25 State School Fund Data

SY: 2024-25	ADMw	\$ 10,518	Share
Totals:	661,775	\$ 6,960,549,450	100%
ADMr	537,209	\$ 5,650,364,262	81%
ELL	29,894	\$ 314,425,092	5%
P&P	258	\$ 2,713,644	0%
IEP 11%	58,709	\$ 617,501,262	9%
IEP Cap Waiver	7,963	\$ 83,754,834	1%
Poverty	15,949	\$ 167,751,582	2%
Foster	588	\$ 6,184,584	0%
Sm Elem Correction	4,103	\$ 43,155,354	1%
Sm HS Correction	7,102	\$ 74,698,836	1%



Historical statutes – ORS 327.013

1991 Poverty Formula Summary: ODE would prorate the 1980 decennial census data by the annual ADM of the school district, implying the rate of poverty was the same for the district/state year over year during its 10-yr timeline.

1993 Poverty Formula Summary: ODE would prorate the 1990 decennial census data by the annual ADM of the school district, implying the rate of poverty was the same for the district/state year over year during its 10-yr timeline.

1995 Poverty Formula Summary: ODE would prorate the 1990 decennial census data by the annual ADM of the school district, implying the rate of poverty was the same for the district/state year over year during its 10-yr timeline. ODE would also make an adjustment for small districts (<2.5K ADM – ~145 districts) if it was found the rate of utilization, and not rates of eligibility, for Free & Reduced Lunch data were higher than the decennial census data. Sample size was the reason for this change.

Note: The Poverty formula went largely unchanged from 1995 to 2013, when it became necessary to create a new formula due to Decennial Census reports for school district poverty data were being replaced by the Small Area Income Poverty Estimate (SAIPE).

Historical statutes – ORS 327.013

2013 to Current statute:

- (l) The number of students who are in average daily membership and who are also in poverty families, as determined by the Department of Education based on rules adopted by the State Board of Education that incorporate poverty data published by the United States Census Bureau, student data provided by school districts and other data identified by the board;

Historical statutes – ORS 327.013

What is the Small Area Income Poverty Estimate (SAIPE)?

- The American Community Survey (the equivalent of the long form of the decennial census that is given out enough times such that over a five year period it reaches the same number of people as the previous long form of the decennial census does)
- The Annual Social and Economic Supplement of the Current Population Survey
- Decennial Census
- Federal Income Tax Returns (anonymous data only)
- SNAP Benefits Recipients (Supplemental Nutrition Assistance Program)
- Bureau of Economic Analysis aggregate personal income estimates
- Social Security Income benefit recipients
- Population Estimates
- Other sources of data

Historical statutes – ORS 327.013

Current process:

Oregon Department of Education
Office of Finance and Administration
School Finance
3/5/2025

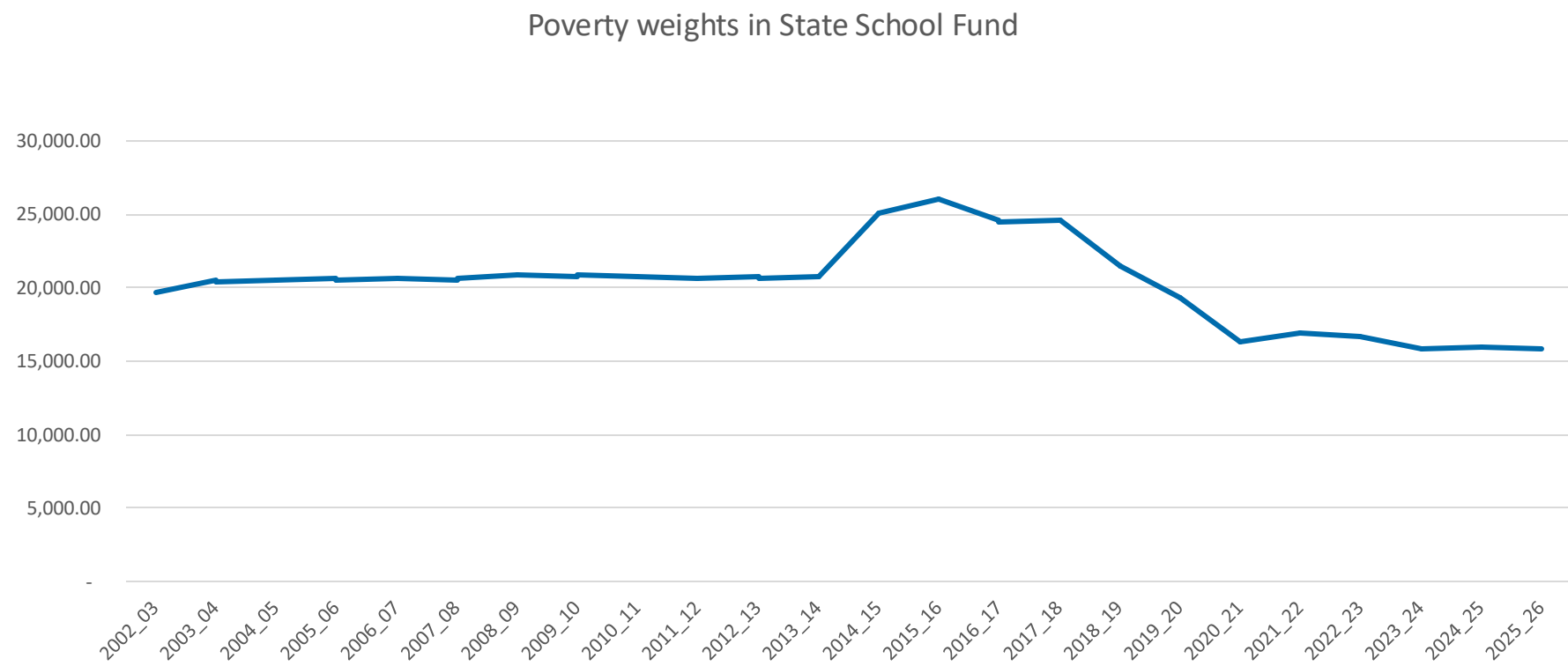
Report:

2024-25 State School Fund Poverty Calculations based on December 2024 SAIPE data as of 12/1/2023 and 24-25 Second Period ADM as of 3/18/24.

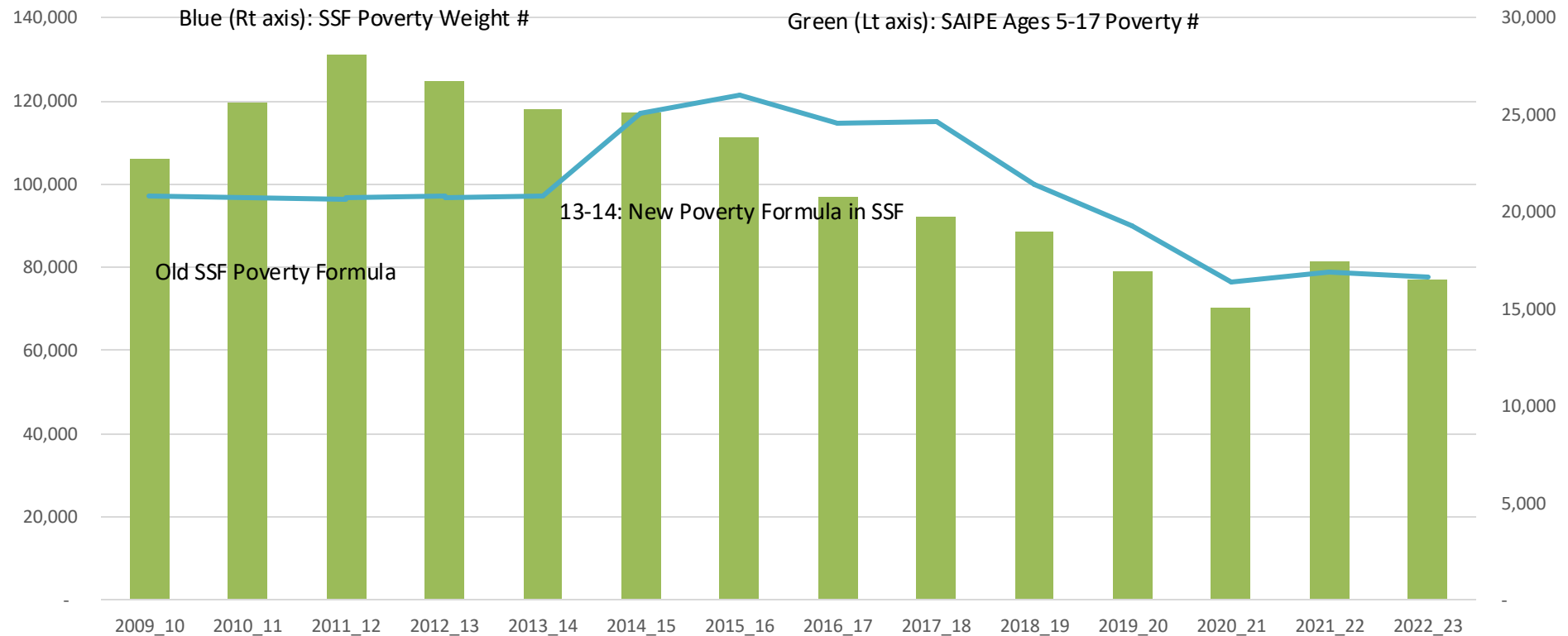
Inst_Id	County	Dist Name	ADMr [A]	SAIPE 5-17 Population [B]	ADM/SAIPE % (A/B, max 100%) [C]	SAIPE Poverty [D]	Adjusted Poverty for Public K-12 (D*C) [E]	24-25 SSF Poverty weights (.25*E)
1894	Baker	Baker SD 5J	5,248.93	2,110.00	100.00%	370	370.00	92.50
1895	Baker	Huntington SD 16J	82.46	86.00	95.88%	24	23.01	5.75
1896	Baker	Burnt River SD 30J	54.11	42.00	100.00%	14	14.00	3.50
1897	Baker	Pine Eagle SD 61	206.21	271.00	76.09%	51	38.81	9.70
1898	Benton	Monroe SD 1J	346.68	499.00	69.47%	51	35.43	8.86
1899	Benton	Alesea SD 7J	222.13	167.00	100.00%	26	26.00	6.50
1900	Benton	Philomath SD 17J	1,608.50	1,492.00	100.00%	123	123.00	30.75
1901	Benton	Corvallis SD 509J	5,866.02	7,520.00	78.01%	827	645.11	161.28
1922	Clackamas	West Linn-Wilsonville SD 3J	8,856.27	9,187.00	96.40%	378	364.39	91.10
1923	Clackamas	Lake Oswego SD 7J	6,765.71	7,684.00	88.05%	229	201.63	50.41
1924	Clackamas	North Clackamas SD 12	16,870.66	19,022.00	88.69%	1384	1,227.47	306.87

Historical statutes – ORS 327.013

Poverty weighting from 2002_03 to 2025_26:



Historical statutes – ORS 327.013



Historical statutes – ORS 327.013

What is the data telling us from 2009 to 2023?

Year:	2009 SAIPE	2010 SAIPE	2011 SAIPE	2012 SAIPE	2013 SAIPE	2014 SAIPE	2015 SAIPE	2016 SAIPE	2017 SAIPE	2018 SAIPE	2019 SAIPE	2020 SAIPE	2021 SAIPE	2022 SAIPE	2023 SAIPE
Total Population:	3,826,846	3,840,383	3,873,266	3,900,730	3,931,430	3,971,599	4,030,350	4,094,858	4,144,172	4,192,116	4,219,152	4,242,915	4,247,614	4,241,584	4,234,791
Ages 5-17:	624,902	629,194	627,139	628,108	627,584	628,559	632,066	632,927	637,651	639,353	638,751	639,732	648,567	630,914	629,498
Rate of ages 5-17:	16.3%	16.4%	16.2%	16.1%	16.0%	15.8%	15.7%	15.5%	15.4%	15.3%	15.1%	15.1%	15.3%	14.9%	14.9%
Ages 5-17 Poverty:	106,122	119,412	130,998	124,909	118,023	117,394	111,155	97,096	92,236	88,779	79,068	70,179	81,501	76,942	78,138
SAIPE Rate of poverty:	17.0%	19.0%	20.9%	19.9%	18.8%	18.7%	17.6%	15.3%	14.5%	13.9%	12.4%	11.0%	12.6%	12.2%	12.4%

- Total state population has grown over time, but has leveled off in recent years
- Ages 5-17 (student) population has grown, but has recently decreased at a greater rate than Total Population
- Levels of poverty peaked around 2011 and have declined to ~60%, currently
- We have lost 40,000 ADM (approximately one grade) since the 2019-20 school year – 574k to 534k
 - We know many of these students moved to the homeschool setting or migrated out of state

Historical statutes – ORS 327.013

- **What's causing the decrease and changes in weighting statewide?**
- Levels of poverty are at the lowest levels in the last 15 years
- Loss of public-education market share of SAIPE data is also playing a role in reduced statewide counts
- In the review of SAIPE data you can see the migration of poverty within the state, district to district, which is also why rates are changing locally – some faster than others.
 - This is likely due to cost of living and housing, and access to services
 - Remote work is also playing a role in migration – both in and out of state
 - Salem and Hermiston currently appear to be destination communities >>>

Recent attempts to change the SSF Formula

- **Legislative Session 2025:**
- Bills related to the poverty weight:
- [SB 401](#)
- Note: there was also significant discussion and bills in this session related to changing the Special Education cap in the State School Fund formula; this proposal has parallels in challenges of redistribution of funds without additional funding to hold school districts harmless.
- Examples: [HB 2953](#), [SB 317](#), [HB 3151](#), [HB 2587](#)
- There were also bills that looked at adjusting the McKinney-Vento weight.
- Example: [HB 3151](#)

Recent attempts to change the SSF Formula

- **Legislative Session 2024:**
 - Special Education Cap in the State School Fund bills
 - [HB 4079](#)
- **Legislative Session 2023:**
 - Poverty weight bills
 - [HB 2735](#)
 - Special Education Cap in the State School Fund bills
 - [HB 2721](#)
 - [HB 2895](#) (includes homeless student weight)
 - [SB 561](#)

Recent attempts to change the SSF Formula

- **Legislative Session 2022:**
 - No bills filed on this topic.
- **Legislative Session 2021:**
 - Note: An informal State School Fund Weights Workgroup was held under the direction of Rep. Neron & Rep. Weber during the 2021 Legislative Session.
 - Poverty weight bills
 - [HB 2501](#)
 - [SB 444](#)
 - Homeless student weight
 - [HB 3004](#)
 - Budget Note: [HB 5006](#)
 - Link to [State School Fund Advisory Committee](#)

What if we use Direct Certification for weighting?

Top-10 school districts showing results of change from current process

District Name	Student Enrollment	Direct Certification Rate	Direct Certification Result	Change in \$	\$ Variance Prorate
Salem Keizer SD 24J	37,851	41.0%	15,518.9	\$24,140,310.22	\$2,766,005.93
Portland SD 1J	43,516	24.0%	10,443.8	\$17,617,377.66	(\$5,261,323.79)
Beaverton SD 48J	38,066	22.0%	8,374.5	\$13,593,404.61	(\$6,268,439.15)
Medford SD 549C	13,550	41.0%	5,555.5	\$8,944,069.05	\$1,822,774.96
Hillsboro SD 1J	18,673	28.0%	5,228.4	\$9,432,186.94	(\$611,841.84)
Reynolds SD 7	9,597	51.0%	4,894.5	\$8,061,833.44	\$2,446,058.49
Eugene SD 4J	16,000	29.0%	4,640.0	\$6,592,811.27	(\$1,520,854.53)
Gresham-Barlow SD 10J	11,464	38.0%	4,356.3	\$7,999,649.82	\$1,938,381.41
David Douglas SD 40	8,640	50.0%	4,320.0	\$6,842,367.33	\$1,876,603.59
North Clackamas SD 12	16,730	25.0%	4,182.5	\$6,782,336.55	(\$2,086,879.58)

Thank you!

**Vanessa Clark | State School Fund
Program Manager**

Vanessa.Clark@ode.oregon.gov

503-510-0175

**Jerod Nunn | State School Fund
Coordinator**

Jerod.Nunn@ode.oregon.gov

503-508-9900

**Mike Wiltfong | School Finance and
School Facilities Administrator**

Michael.Wiltfong@ode.oregon.gov

971-208-0426





Oregon's Response to Federal Education Policy Changes

Racial Justice Council

Agenda



- Operating Context & State Level Response
- US Department of Education Update

The Head and the Heart

- This work takes both the head and the heart. The heart, because it's heavy to see how uncertainty and disruption impact the people we serve. And the head, because we don't have the luxury of standing still, we have to organize, adapt, and lead forward.
 - It's okay to feel how hard this is. It should feel hard this is about real people, real programs, and real consequences.
 - But we are also compelled to get to work, and that means using our heads to plan, prepare, and protect as much as we can.





Operating Context

ODE operates at the intersection of federal mandates and Oregon values—grounded in legal compliance, driven by equity, and focused on protecting student opportunity.

Statutory Compliance and State Alignment

- ODE implements federal education statutes (e.g., ESSA, IDEA, Title IX) in alignment with Oregon's state laws, ensuring both compliance and fidelity to state equity goals.
- We maintain that federal law establishes a floor, not a ceiling, and Oregon often advances beyond minimum federal standards (e.g., stronger protections in gender identity, tribal consultation, or multilingual learner access).
- When federal directives conflict with state law or constitutional obligations (e.g., Executive Orders, Dear Colleague Letters, Memos), ODE consults legal counsel and leadership to clarify implementation boundaries.

Legal Oversight and Risk Management

ODE works in close coordination with:

- Oregon DOJ on litigation or investigations (e.g., civil rights complaints),
- Governor's Office on policy alignment

Established Internal Teams

- Established teams of ODE experts across the agency in key policy areas

External Connections

- Regular COSA, OSBA, OAESD, OEA, OSEA huddles
- COSA Friday Forums
- Attend Weekly National Meetings

Strategic Advocacy and Equity Centered Response

When federal actions threaten Oregon priorities (e.g., funding freezes, Title VI re-certification, attempts to dismantle USED), ODE:

- Joins or coordinates with legal actions (via Oregon DOJ),
- Submits formal responses or certifications to clarify our stance,
- Provides public guidance to ensure districts remain focused on student-centered implementation without premature disruption, and
- ODE advocates for stability, predictability, and partnership in federal relationships, pushing back on abrupt shifts that bypass statutory process or harm historically underserved student populations.



US Department of Education

Oregon prepares for continued uncertainty by prioritizing stability, supporting local flexibility, and proactively planning for the evolving federal landscape.

Lawsuits Challenging Dismantling of USDOE

New York v. McMahon (*D. Mass., 1:25-cv-10601*)

- Filed March 13, 2025
Challenges the Trump administration's executive order to eliminate nearly half of the U.S. Department of Education's workforce and consolidate core functions into other agencies.
- A preliminary injunction was issued May 22 requiring employee reinstatement; Supreme Court later stayed the order, pending appeal.

Somerville Public Schools et al. v. Trump et al. (*D.D.C., 1:25-cv-01044*)

- Filed April 2025
Filed by school districts, disability-rights organizations, and national civil-rights groups alleging the executive order unlawfully dismantles statutory functions of ED, including enforcement of IDEA and equity programs.
- Court allowed the case to proceed; preliminary relief partially granted, narrowing layoffs impacting special education oversight.

Lawsuits Challenging Dismantling of USDOE

Coalition of Educators & Unions v. Trump et al. (*D.D.C., consolidated into Somerville*)

- Filed March 2025
Brings claims that the Department's dismantling violates the Constitution's separation of powers and the 1979 statutes that formally established ED.
- Later merged into Somerville, but remains the primary labor-and-student-rights complaint challenging administrative rollbacks.

States Coalition v. McMahon (Expanded Complaint) (*1st Cir., appeal of D. Mass. order*)

- Amended November 2025
Expands McMahon to include challenges to federal program transfers (OESE → Labor, OPE → Labor, Indian Ed → Interior).
- Questions whether federal agencies outside ED can legally administer congressionally-assigned education programs. Pending before the First Circuit with nationwide implications for ED authority.

Federal Announcement of Interagency Agreements

On November 18, 2025 the U.S. Department of Education (USDOE) announced six interagency agreements that shift day-to-day administration of several major federal education program areas to other federal agencies, while the Department retains its statutory responsibilities.

These agreements affect:

- Office of Elementary and Secondary Education (OESE) programs, which will transition to co-administration with the U.S. Department of Labor.
- Office of Postsecondary Education (OPE) programs, which will also transition to the U.S. Department of Labor.
- Office of Indian Education, which will transition to the U.S. Department of the Interior.
- Certain early learning and foreign medical school accreditation programs, which will transition to the U.S. Department of Health and Human Services.
- International education and foreign language programs, which will transition to the U.S. Department of State.

Federal Announcement of Interagency Agreements

- The Office of Special Education Programs (OSEP) and the Office for Civil Rights (OCR) are not included in these agreements. The Department has signaled a transition timeframe of approximately four months, though timelines may vary by program and partner agency.

Analyzing Impacts and Monitoring

Analyzing operational impacts: Teams are reviewing potentially affected grants and programs to understand implications for:

- **Staff capacity and time** — including administrative workload, technical assistance needs, or process revisions;
- **Budget and financial planning** — including potential delays in federal funds, changes in drawdown processes, and impacts on state-level forecasting;
- **Access to information and data systems** — including possible new reporting requirements, data-sharing rules, or system adjustments;
- **Program implementation timelines** — especially where federal shifts could disrupt service continuity or district guidance cycles.



Impacts and Looking Ahead

Oregon prepares for continued uncertainty by prioritizing stability, supporting local flexibility, and proactively planning for the evolving federal landscape.

Staying Informed –Monitoring Legal and Policy Updates

- Stay connected to federal updates and watch for legal developments that may affect the state and district operations (e.g., Title IX investigations or special education rulings).
- Connect with national organizations for updates, clarification, or planning support.
- Monitor assurances and changes in expectations for federal funds
- Weekly meetings with DOJ
- Continuous communication – Regularly meet with partners to listen to concerns and impacts, share information and provide resources

Local District Considerations

Know the Districts Federal Funding Sources

- Identify which programs and expenditures within those programs in your district that are supported by federal funds (e.g., Title I, Title III, ESSER, Perkins, IDEA).

Track Timing and Spending Rules

- Understand when funds must be obligated and spent—especially for FY25 and FY26—and adjust plans accordingly.

Prepare for Delays or Reductions

- Build flexible budgets in case of delayed grant approvals or shifts in federal policy that affect funding levels.

Questions

