

2026 Quality Education Model Report Executive Summary

The Quality Education Model (QEM) was developed as a research and data-driven tool to evaluate educational practices and estimate the level of state school funding required to meet Oregon's education goals. The model uses key data, national research, and lessons learned from Oregon schools to promote more informed conversations among policymakers, educators, the public, and community partners. The Quality Education Commission (QEC) develops the QEM and assists others in using it for policy analysis and decision-making every even-numbered year.

For the 2026 QEM Report, the QEC used estimates of implementing school- and district-based best practices from national research that subject matter experts in Oregon have refined to be applicable for local communities and schools. The equity-centered practices support improvement in student engagement and learning and expect to improve student outcomes as measured in the [2025 Education Accountability Act](#).

Using extensive research, updated salary and material costs, and current school data, the QEM estimates state funding needs for two scenarios for the 2027-29 funding cycle:

- **Scenario 1 (Status Quo Core K-12 Funding):** The funding level required to continue delivering all school, district, and education service district operations at the level they were delivered in the prior biennium;
- **Scenario 2 (Full QEM):** The funding level required to continue all prior activities and fully implement additional recommended best practices and actively improve Oregon's educational outcomes.

In this report, the QEC made no discretionary changes to the model inputs from prior reports except updating the costs of materials, costs of staff compensation, and declining student enrollment. The updated costs and enrollment impact both scenarios. New since the 2024 report is the [2025 American Institutes of Research \(AIR\) evaluation of the QEM](#), which has been reviewed by the QEC, but time and financial limitations prevented changes to the QEM for the current report.

Exhibit 1 breaks down the funding needed for each scenario for the past two funding cycles and the upcoming cycle. For Scenario 1, the expected cost to the state for 2027-29 is nearly \$13.78 billion, an increase of 21.6% from the prior funding cycle. 50.7% of these required funds are expected to be covered by the Current Service Level State School Fund estimate calculated by the Department of Administrative Services as directed in ORS 291.210, 44.4% are non-state funds, such as federal or local

funds, with a 4.9% of the estimated need remaining to be covered by state-provided non-State School Fund allocated dollars or reductions to the level of provided services. Achieving Scenario 2, which models the service level needed to advance state K-12 educational goals, will require an estimated \$16.21 billion in state funding resources, an increase of 19.8% from the Full QEM estimate from the 2025-27 budget cycle.

EXHIBIT 1: OREGON EDUCATION SYSTEM FUNDING NEED (\$ IN MILLIONS)

Model Description	2023-25	2025-27	2027-29
State School Fund	\$10,200.0	\$11,359.4	\$12,558.4 ¹
Percent change from prior funding cycle	+9.7%	+11.4%	+10.6%
Scenario 1: Current Service Level total funding requirements from all sources	\$19,217.8	\$22,848.7	\$24,754.8
- Local, federal, and non-State School Fund sources	-\$8,508.0	-\$11,516.6	-\$10,978.9
QEM Status Quo Core K-12 State Funding Estimate	\$10,709.8	\$11,332.1	\$13,775.8
Percent change from prior funding cycle	+16.9%	+5.8%	+21.6%
Scenario 2: Fully-Implemented Quality Education Model funding requirements from all sources	\$21,735.0	\$25,043.5	\$27,186.8
- Local, federal, and non-State School Fund sources	-\$8,508.0	-\$11,516.6	-\$10,978.9
Full QEM Core K-12 State Funding Estimate	\$13,227.0	\$13,526.9	\$16,207.9
Percent change from prior funding cycle	+18.4%	+2.3%	+19.8%

The QEC wants to emphasize that the Full QEM Core K-12 State Funding Estimate is not an arbitrary target; it is a rational calculation of the level of funding needed to improve educational outcomes in Oregon. The QEC continues to consider and analyze new inputs as future additions to the model, including, but not limited to, research-aligned best practices, an increase to a 180-day school year, and the suggested updates outlined by the 2025 AIR evaluation. Should the state legislature be unable to fund Oregon's K-12 Education system at the Full QEM level, two alternatives are proposed:

1. Funding grounded in a holistic system of support
2. Funding grounded in the outcomes of the Education Accountability Act

The [2026 Quality Education Model report](#) brings together information on student outcomes in Oregon, research-supported best practices, and the technical components of the QEM.

¹ For 2027-29, the State School Fund amount is assumed to be the Department of Admin Services State School Fund Current Service Level Projection, as the QEM Report is published before the budget is legislatively adopted.