

January 18, 2023

Letter of Clarification: 2022 QEM Report

Co-Chairs Frederick and McLain & Joint Interim Special Committee on Public Education
Appropriation Members,

The Chair of the Quality Education Committee received concerns that were shared by the JPEA on December 15, 2022, two of which were described as “major problems” and four which were described as “minor problems.” The Chair engaged with ODE staff to generate options for the QEC to consider in response to the concerns shared. The QEC convened on January 11, 2023 to review the concerns shared and approve recommended solutions during the January monthly meeting. The following outlines the QEC’s responses to the concerns shared by the JPEA, which were approved as a result of the January meeting.

Two Major Problems

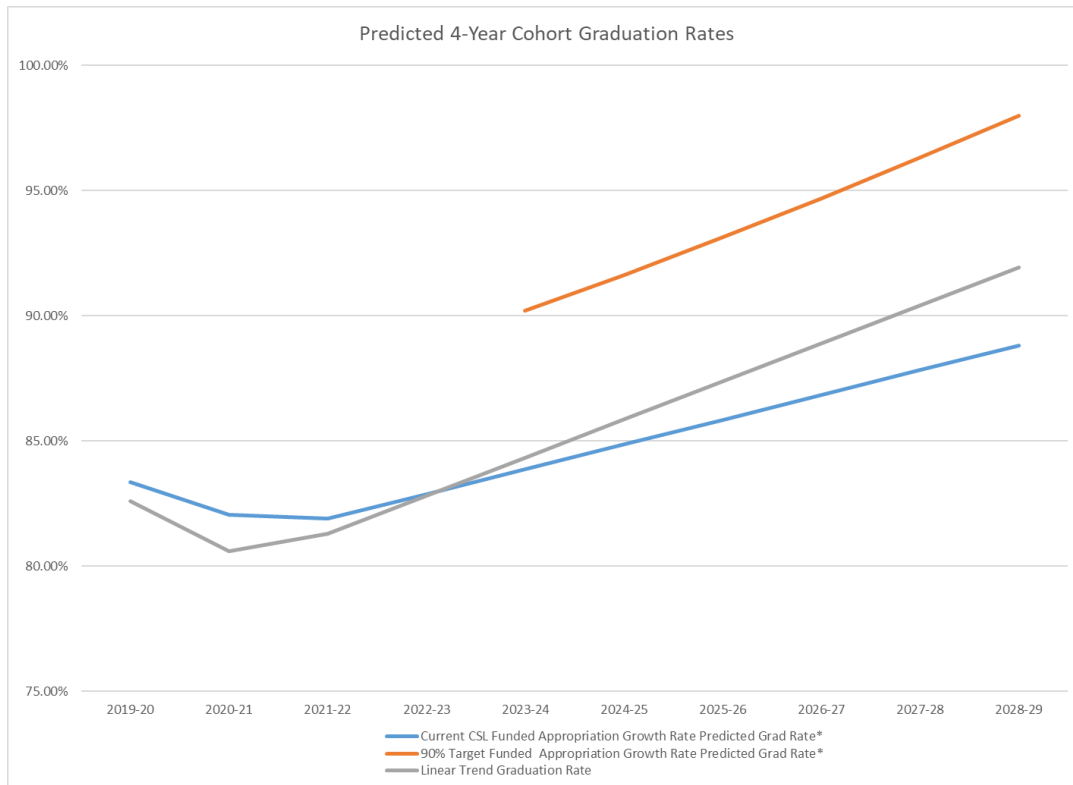
1. “Revised report still contains no projections on the impact of increased or current funding (statutorily required).”

QEC Response: *The QEC continues to name that a revision to the QEM costing model is needed in order to be responsive to current needs and address equity issues present within Oregon’s education system. The QEM costing model has served Oregon well for the past twenty years, but much about the architecture of the education landscape has changed, for example, the expansion of charter schools, that needs to be more appropriately modeled.*

If Oregon schools are funded at current service levels, quality education goals are unlikely to be met within a reasonable timeline. Based on historical trends between legislative investments and graduation rates, linear and linear regression models were conducted to validate the QEC’s professional judgment. Results from those models support the QEM’s biennial projection of \$11.8 billion being needed, with subsequent biennial increases, to initially achieve a 90% 4-year cohort graduation rate by the 2027-28 school year. Sustaining this level of performance with continued investment will be feasible by the 2030-31 school year.

The graph below portrays the predicted graduation rates under a CSL Funding scenario, the Full Implementation Quality Education Model scenario, and a linear trend based upon growth in the historical graduation rate since 2009.

The graduation rate models are founded in predictions based on the long-run average historical data trends for the Linear Trend Graduation Rate (shown in gray) and a linear regression model for the Current CSL Funded predicted graduation rate (shown in blue). The Full Implementation Quality Education Model predicted graduation rate (shown in orange) is based on a linear regression model that predicts the impact of that level of funding being made available to students across their K-12 experience on high school graduation rates.



It is important to note that the relationship between graduation rates and legislative investments were modeled with a linear regression model, founded on the assumption that the relationship between the two variables is linear. However, it is expected that the investments needed to increase graduation rates from current status to 90% will be substantially less than the investment required to increase from 90-95% or 95-100% due to the intensity and pervasiveness of the support needed. This relationship will need to be reviewed in the future as a curvilinear model given this expectation. We also are clear that funding levels alone won't predict graduation rates. The way funding is spent also matters, and spending focused on improving education for younger children will take longer to see results in graduation rates.

2. "Cost figures included in Appendix I of the revised report do not add up and do not match the list of interventions listed on page 11. Therefore, the total figure presented in Appendix I is not reliable."

QEC Response: *Appendix I includes only those cost estimates that affect the gap analysis, not changes that were carried forward in both the CSL and QEM projections. It will thus not match page 11. Several of the interventions listed in page 11 reflected changes in the professional judgment of the QEC regarding the levels of model inputs necessary to continue providing the current level of education quality, to reflect changes in practice observed in the K-12 educational field, or to meet new requirements and initiatives under the SSA. These changes impacted the cost estimates of the QEM Current Service Level calculation and the Full Implementation QEM calculation, and thus did not impact the gap analysis. The other changes in page 11 were changes in the professional judgment of the QEC regarding the levels of model inputs necessary to provide a level of education quality sufficient to meet the state's quality education goals. These changes impacted only the Full Implementation QEM calculation, and thus impacted the gap analysis. Only those changes which impacted the gap analysis were included in Appendix I.*

A complete accounting of each intervention and whether it was included in Appendix 1 is provided in the table below, with the seven interventions of 13 total that do not impact the gap analysis, and therefore were not included in Appendix I, listed in the first rows, followed by the interventions that did impact the gap analysis, and therefore were included in Appendix I, listed in the final six rows :

Intervention on Page 11	Impacts Gap Analysis (Y/N)	Included in Appendix 1 (Y/N)
Addition of 1 FTE physical education specialist and 1 FTE music specialist in elementary grades.	N	N
Addition of dedicated school nurses at every school at a ratio of 1:750	N	N
Additional three contract days for teacher professional development or mentoring	N	N
Extension of Summer School	N	N
Media Center Assistants increased to one full FTE for each grade band level.	N	N
Staffing ratios are reduced for ELLs, calculated at 10% of student body.	N	N
Substitute costs based on actual data and escalated by average teacher growth rates	N	N
Addition of \$450 per classroom for previously unreimbursed supply purchases.	Y	Y
Class sizes in elementary classes are reduced from 23-24 to 20	Y	Y
School Counselors are added at a 1:250 ratio	Y	Y
Staff Family Resource Centers at 1 FTE at each school level.	Y	Y
The QEM adds one certified librarian per Elementary school	Y	Y
The QEM has added a 1:1 student/school-based adults to computing device.	Y	Y

Four Minor Problems

1. "Page 7 still maintains that corporate kicker is constitutionally dedicated to State School Fund."

QEC Response: *The QEC acknowledges that this clarification is necessary. The language should be "statutorily dedicated to the K-12 State School Fund," versus, "constitutionally dedicated." This change was made to the body of the report, but wasn't articulated into the Executive Summary.*

2. "Page 4 states that COVID-19 resulted in large data gaps in all data trends relied on by past reports; past several reports have relied on graduation rate, for which there has been no gap."

QEC Response: *The QEC acknowledges that the collection of graduation rates was not substantially impacted by the pandemic due to policy changes made by ODE during that challenging time. However, the model doesn't actually include graduation rates, other than as a target for QEC members to focus their professional judgment in relation to as the primary system outcome that we are endeavoring to predict. The QEM incorporates actual expenditures and projections of expenditures based on available data sources. The expenditures in the model were more volatile and some would have yielded unreliable predictions in terms of graduation outcomes if incorporated. The process by which literature is reviewed and best practices are leveraged also relies heavily on academic achievement and other intermediate outcomes that are highly predictive of graduation.*

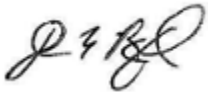
3. "Page 6 states that the Fund for Student Success was used to supplant a portion of the State School Fund's General Fund revenues."

QEC Response: *The Commission believes there is testimonial evidence and data which convey that this stance is accurate. Beyond that claim, this is a professional judgment of the committee that we continue to stand behind, given how funding patterns for the State School Fund and the Student Success Act have summed across time.*

4. "Page 6 states that the Current Service Level calculation restricts that QEM calculation."

QEC Response: *Historically, efforts have been made to align the Preliminary CSL with the CSL generated by DAS. A scaling factor was applied to the QEM calculation at times to bring the model projections into better alignment. It was not possible for current ODE staff to determine why this was done. It is not known if this aspect of the QEM was ever shared with QEC members or represented to the public. Moving forward, the QEC is committed to ensuring that the sources and calculations that are used to generate the QEM predictions and our procedures are transparent and open to public scrutiny. The QEC believes that the QEM should not be restricted by DAS CSL calculations in this manner. The 2022 QEM did not employ this scaling factor and it will not be employed moving forward.*

Please contact me with any questions or concerns regarding this response. Thank you.



John M. Rexford, Chair
Quality Education Commission