

QUALITY EDUCATION MODEL

Identifying Best Practices and Calculating the Cost of a Quality Education

August 2022



Quality Education
Commission



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Note: The QEM report originally published on August 1, 2022 was updated to address a few needed changes. Those changes are conveyed in the Change Log below:

Page 1 – Added ODE staff who worked on this September 2022 QEM Report revision

Page 4 – Added clarification regarding why it is not feasible to generate reliable performance and cost estimates

Page 7 - Changed the term "constitutionally" to "statutorily"

Page 10 – Added clarification regarding SSA funding in relation to QEM gap projections

Page 16 – Added clarification about the Corporate Kicker funding being allocated to the General Fund and then to the State School Fund

Page 28 – Exhibit C. Percentage Latino/a/x changed to 25.0%

Page 28 – Exhibit D. Changed comparison year to 2013-14 for race/ethnicity reporting categories consistency

Pages 36-37 - Appendix 1 – Added to provide further cost information regarding specific impacts of updated QEM assumptions

EXECUTIVE SUMMARY

Quality Education Commission Mission

The Legislature created the 11-member Quality Education Commission in 1999 (codified in 2001) to research best education practices and determine the resources needed to provide an optimal public education system, creating the Quality Education Model. The QEC reports these findings to the Legislature and Governor every two years. The model is updated and enhanced to incorporate current effective practices and evaluate education policy proposals with each report. The Oregon Department of Education staffs the QEC.

2020-2022 K-12 Education

It has been a tumultuous two years in education since the 2020 report. The COVID-19 pandemic continued the school closures of 2020, moving learning online. Schools reopened only in the spring of 2021. The global pandemic created many challenges for students, teachers, administrators, and parents. In addition to physical and mental health and safety concerns, protests for racial equity continued nationally and political tensions rose. Schools saw significant staff resignations. Distance learning, vaccines, and mask mandates roiled communities. Education curriculum and practices became politicized. Schools and teachers faced unprecedented challenges coping with the upheaval. Finally, the pandemic exposed and exacerbated the gravity of unmet student socioeconomic needs. As a result, schools were challenged to revise routine operations and to deliver education to students in alternative ways.

2022 Report

Oregon began to make progress on best practices recommendations prior to COVID-19 with the passage of the Student Success Act, which outlines an on-going commitment to utilizing public education resources to eliminate systemic disparities and work in collaboration with students, parents, educators, and the community to make decisions. The state suspension of some reporting

during the pandemic impacts some of the data sets used in this report, but still provides a picture of progress made since the 2020 report.

While individual efforts and programs are critical to improving results for our students, the 2022 report focuses on processes that support student success, such as the equity-centered practices in the Student Success Act implementation and district Continuous Improvement Plans. Such systems are rooted in equity, aligned with the Department of Education's Integrated Model of Mental Health.¹

Model Review Needed

While the Quality Education Model has served Oregon well for the last 20 years, much has changed in the way schools operate. The Quality Education Commission respectfully requests the Governor and Legislature invest in a research-based update to the QEM in order to incorporate changes in the educational service delivery model and in educational best practices that have emerged since the QEM's first iteration in 1999 and expand the model's capability to more precisely capture the variability in costs that occur by region and the costs of meeting the differential needs of schools and districts.

QEM Funding Levels

For the 2021-23 biennium, the Quality Education Model called for a funding level of \$11.170 billion; the Legislature appropriated \$9.300 billion, resulting in a gap of \$557 million. For the upcoming 2023-25 biennium, the QEM estimates that it will require a State School Fund investment of \$11.889 billion, \$2.517 billion more than the investment required to maintain the current service level provided during the 2021-23 biennium.

¹ <https://www.oregon.gov/ode/students-and-family/equity/SchoolSafety/Pages/Integrated-Model-of-Mental-Health.aspx#:~:text=The%20ODE%20Integrated%20Model%20of,%2C%20choice%2C%20empowerment%20and%20transparency.>

INTRODUCTION



The Quality Education Commission

A strong public education system is essential to Oregon and the diverse communities that call our state home. Public education is the building block of an informed and engaged community, and society benefits when we ensure that every student has access to a high quality education.

The QEC believes everyone has the ability to learn and that we have an ethical and moral responsibility to ensure an education system that provides optimal learning environments that lead students to be prepared for their desired individual futures and a prosperous future for the collective Oregon community.

With these important values in mind, the Oregon Legislature established the Quality Education Commission to identify the best practices for delivering a quality K-12 education to all students and calculating its associated costs, as defined by the goals in the Education Act for the 21st Century. The QEC report then guides state policymakers in determining education policy and budgets. To carry out this responsibility, the Commission continuously reviews and enhances the Quality Education Model as a research-based tool for educators and policymakers to understand the level of investment needed to achieve those ends.

This is the 13th report issued by the commission, written in the aftermath of a two-year period of significant public education disruptions caused by the global COVID-19 pandemic. Health considerations provoked school closures. Educators, students, and families faced a rapid transition to learning via computer screen or, in some cases, other remote-learning options. Students and staff lost loved ones to the virus, struggled with mental health implications associated with social distancing requirements, and the many other challenges our state has faced including wildfires and crippling ice storms.

The pandemic interrupted not only the delivery of education services, but also the collection of data the state relies upon to measure progress including

attendance data and some statewide standardized tests. In past years, the QEM set realistic benchmarks based upon previous data trends in district spending for skilled labor costs, services, and supplies required to provide a quality education to the average student in a prototype brick and mortar school.

The COVID-19 pandemic disrupted every data trend relied upon in the past, resulting in large gaps in dependable information used to gauge student performance. In full transparency, the QEM has never statistically modeled performance changes directly tied to costs; the projections used historically were based on external estimates of these types of changes gathered from literature syntheses. Statistically modeled predictions about costs cannot be made sufficiently reliable to support high stakes decision making such as funding allocations. It is not possible to account for all of the variables that affect student performance in modeling, which yields volatile estimates.

This year, the QEC could not access reliable student achievement data, making even those unreliable estimates impossible. Furthermore, the prototype school used by the Model must be updated to more accurately reflect the elements and diverse student populations of Oregon schools today.

To compensate for these data limitations, the Commission used different approaches to measure spending needs for re-establishing financially stable schools with high quality human resources who are able to undertake the outreach activities needed for student retention, and to meet the challenges related to re-opening of schools, addressing learning impacts caused by the pandemic, and providing critical health and safety services for enabling children to learn.

Adapting to COVID-19 restrictions exposed and exacerbated the gravity of unmet student socio-economic needs, as well as the challenges of hiring, development, and retention of staff. Independent research has also shown the disproportionate impacts of “unfinished learning” from two years impacted by the pandemic on marginalized students (McKinsey & Company, 2021). And, while it is beyond the scope of this report to address all issues of data quality, the Commission did its best to find ways to surmount these problems and meet its due diligence requirements under Oregon Revised Statute 327.506.

Best Practices: Focus on Equity Across Systems

The Quality Education Commission believes focusing on equity is fundamental to meet the needs of all students, especially those who have been historically marginalized.

Traditional assessments continue to show academic achievement gaps among student groups. The QEC believes that while K-12 education has been underfunded for decades, the consideration of policies that target and deploy resources in ways that reflect the diversity of our state are needed. Funding from the Student Success Act was intended to narrow the funding gap by ensuring that traditionally marginalized students are the priority of district efforts to support learning gains for all students. The Student Success Act and its component programs aim to reduce disparities and improve equity. The Student Investment Account grant program within the SSA includes a process that requires educator and community engagement in decision making to set spending priorities at the district level, important best practices codified by the SSA and now being applied to other state education investments through the Integrated Guidance process. At the state level, the Student Success Act increases funding for culturally specific Student Success Plans along with other system-wide equity initiatives, such as expanding access to free meals.

Public schools should provide equitable access and ensure that all students have the knowledge and skills to succeed as contributing members of a rapidly changing, global society, regardless of factors such as race, gender, sexual orientation, ethnic background, English proficiency, immigration status, socioeconomic status, or disability.

- National School Boards Beliefs and Policies

These equity-focused changes have been called for by students, education organizations, state boards of education, community-based organizations, direct-service providers, the Legislature, and Governor Brown.

In order to incorporate the student perspective, the Oregon Department of Education surveys students in grades 3 to 11, asking them about their activities, supply needs, and their views of how the school year has gone in terms of their learning. This “Student Educational Equity Development” (SEED)² survey guides ODE in its efforts to develop appropriate resources and supports for districts and to better target those resources where most needed.

The QEC supports the direction of these efforts and calls for the work to continue following the leadership of communities most impacted by inequity, in order to reach the state’s equity imperative.

Funding

In addition to early progress on strategies to eliminate educational inequities, the Quality Education Commission finds that the state has made progress in recent years to narrow the investment gap between what it has historically budgeted for K-12 and what that system needs to achieve the state’s educational objectives. Unfortunately, that progress has faced barriers:

- The funding anticipated from the Student Success Act—designed to narrow the gap but not close it—has been delayed by revenue shortfalls and additional cost line-items.
- The 2021 Legislature enacted a budget that used the fund in part to supplant a portion of State School Fund’s General Fund source.
- The calculation of the current service level (baseline) budget does not reflect the rising costs of school districts and restricts the QEM calculation.

Best Practices in Action:

Melinda Torres 2022 Education Support Professional of the Year



2022 Education Support Professional of the Year Melinda Torres serves as the liaison supporting students who are in foster care or are experiencing houselessness for the Coos Bay School District. Melinda manages the Keeping At-Risk Kids Afloat project and provides case management for youth and families experiencing housing instability.

“Melinda is the driving force in our ability to expand services and build outreach and community partnerships to expand the program over time. She recently volunteered to be the Foster Liaison in the district as part of her duties to expand assistance to those students and families,” said Bryan Trendell, Superintendent of the Coos Bay Public Schools.³

² Oregon Dept. of Education, “Student Educational Equity Development Survey (SEED).” n.d. https://www.oregon.gov/ode/educator-resources/assessment/Pages/Student_Educational_Equity_Development_Survey.aspx

³ <https://www.myoregon.gov/2022/04/28/oregon-honors-education-support-professional-of-the-year-melinda-torres/>

- Corporate kicker resources, statutorily dedicated to the K-12 State School Fund, appear to be going into the state General Fund instead which bears investigation and correction.
- The Quality Education Model’s costing approach, which relies on a set of hypothetical “prototype schools” doesn’t account for the diverse conditions and communities present across the state of Oregon or virtual schools and is in need of retooling to ensure it meets the needs of today’s students and schools. Despite limitations, the QEC has made adjustments to the QEM in order to better reflect today’s educational practices.
- Funding for the whole education system, starting with universal pre-school so that all students have access to high-quality early learning programs all the way to post-secondary career and college success;
- Enhancing wrap-around support for students and families through community schools;
- Investing fully in supports that address student mental and behavioral health;
- Strengthening support for students and families in partnership with community-based organizations; and
- Continuation of system-wide school improvement strategies.

The State School Fund resources required to fund K-12 schools at a level recommended by the QEC for the 2023-25 biennium is estimated to be \$11.889 billion, \$2.517 billion more than the funding required to maintain the current service level provided during the 2021-23 biennium.

Recommendations

In order to achieve lasting educational gains for all students, the QEC recommends continued progress on investing in systems that support Oregon’s most marginalized students.

Oregon’s students of color, English language learners, students experiencing disabilities, and students from low-income families bring a wealth of diversity and strength to Oregon’s public schools. These same students face injustice and inequity inside and outside of school that impede learning, such as homelessness, poverty, discrimination, and other adverse childhood experiences. By increasing the public school system’s investment in and attention to the needs of these students in particular, the overall system will improve for all students.

Additionally, the QEC recommends the following practices:

- The implementation of educational best practices informed by input from educators, parents, students, and the community;
- Dedication to the intent of Student Success Act funding for additional supports, not to backfill the State School Fund, and commitment to equity and stakeholder engagement;

Conclusion

For more than 20 years, this report has examined the inputs needed to sustain a high-quality public education system by determining what practices are necessary to achieve those ends. In these reports, the QEC has also determined the level of investment the state would need to make in order to achieve those results.

Much has changed in the education landscape in those decades, however. The QEC believes that the model should be reviewed and updated to incorporate such considerations as capital needs, early education access, the cost of ameliorating the impacts of low socio-economic status on students, and successful strategies to address the growing crisis of student behavioral and mental health challenges. The new mathematical tool should update student demographic information, implement newest research and professional judgment regarding educational best practices, include a more robust treatment of appropriate technology uses in education, and consider more targeted uses of resources that incorporates a focus on equity and increased supports for traditionally marginalized students.

COSTING OUT THE QUALITY EDUCATION MODEL



The Quality Education Model

The Quality Education Model (QEM) is a type of “professional judgment model,” enhanced with statistical analysis. The school serves as the unit of analysis for evaluating costs, using a set of inputs required to run a highly effective system of schools, then estimating what it would cost to provide that set of inputs.

Each prototype school reflects the resources needed to implement best practices associated with high-performing schools and serves as a mechanism to evaluate the resource and cost implications of proposed education programs, policies, and strategies.

The QEM has been refined and updated each biennium and takes advantage of the detailed financial and other data collected by the Oregon Department of Education.

Student Achievement Component

The QEM incorporates student performance-related research on effective practices, then combines statistical analysis with the professional judgment of educators to estimate how those practices may improve student success as measured by such data as test scores and graduation rates. These tools may help education policymakers evaluate initiatives and investments even in the event that scarce resources dictate that not all desired investments may be made.

Costing Components

Using the school as the unit of analysis, estimates are made as to the cost of operating schools using selected inputs, including operational costs, quality indicators, and best practices. Costs are identified for each input, then scaled up to the state level.

Operational costs include teachers, administrators, support staff, supplies, and utilities. [Quality indicators](#) are those factors that indicate organizational functioning and efficiency. The quality indicators are based on research about effective schools and serve as measures of whether a school employs effective practices and uses resources efficiently. The quality indicators fall into four broad categories: school-level, teacher-related, classroom-focused, and student-centered factors. Best

Prototype Schools

Elementary School—360 Students

- All-day kindergarten
- Class size average of 20
- 1 librarian per school
- 1 school nurse per school
- 1 PE and music specialist per school
- 1 Family Resource staffer per school
- Computers for students & staff

Middle School—500 Students

- Class size average of 20.8
- 1.5 additional teachers for math, English, and science
- Alternative programs for special needs and at-risk students
- Volunteer coordinator and community outreach worker
- One counselor for every 250 students
- Adequate campus security
- 1 school nurse per school
- 1 librarian per school
- Computers for students & staff
- 1 Family Resource staffer per school

High School—1,000 Students

- Class size average of 20.8
- 3.0 additional teachers for math, English, and science
- Alternative programs for special needs and at-risk students
- Volunteer coordinator and community outreach worker
- One counselor for every 250 students
- Adequate campus security
- School-to-work coordinator
- 1 school nurse, 1 librarian per school
- 1 Family Resource staffer per school
- Computers for students & staff

practices are strategies and programs that have been demonstrated by research and experience to be effective in promoting high levels of student achievement. The Model assumes that, when fully funded and implemented, 90 percent of students would meet state standards.⁴

Costing Methodology

The Quality Education Commission calculates two estimates of delivering a system of quality education to Oregon students for the coming biennium: the first based on what is known as the “current service level” and the second on fully funding the model.

The current service level is calculated by estimating the district operating expenditures to deliver the same level and quality of educational services that was provided in the prior biennium. This estimate begins with the most recent audited district and ESD financial actual expenditure records and adjusts for inflationary changes and changes in enrollment and student weights in the State School Fund formula. This estimated cost is then adjusted to account for ESD expenditures and the High-Cost Disabilities fund for special education students to determine the total school funding requirement. Then, revenues from non-state sources are subtracted from the total school funding requirement to calculate the state funding requirement. Since 2020, the model has then further adjusted the calculation by subtracting Student Success Act funds from the state funding requirement to recover the State School Fund investment required to maintain the current service level. This baseline CSL cost

estimate has historically aligned closely with the Dept. of Administrative Services estimates of the State School Fund current service level. Because setting the baseline in the model relies on the DAS calculation, whose methodology has been disputed in recent years, the QEC recommends that a reconsideration of the assumptions in the CSL calculation be revisited by policymakers. See page 14 for details of the concerns.

The second estimate, known as the “fully-implemented QEC recommendation” calculates the district operating expenditure cost to fully adopt and implement a set of educational best practices recommended by the QEC as necessary to meet the educational goals of the state. This estimate begins with the most recent audited district and ESD financial actual expenditure records, adjusts the level of education input factors required to sufficiently increase the level and quality of education services, and adjusts for inflationary changes in educational input factor costs and growth in the student-need weighted measure of enrollment used in the allocation of funds under the same set of cost and enrollment growth assumptions used in the baseline CSL case. This estimate then performs the same ESD expenditure, High-Cost Disabilities Fund, non-state revenue source, and SSA-funding adjustments to recover the State School Fund investment required to adopt the fully-implemented QEC recommendation, which has always exceeded the DAS CSL estimate and the legislative SSF appropriation. This second estimate is what the QEC uses to calculate the SSF funding gap.

The 2001 Legislative Assembly enacted HB 2295 (ORS 327.497 to 327.506), that placed the QEC in statute and directed it to refine and update the model on an ongoing basis. The statutory charge of the QEC is as follows:

- Determine the level of funding sufficient to ensure the state K-12 education system meets the quality goals set forth in statute each biennium;
- Identify best practices based on research, data, and professional judgment and public values, and their costs; and
- Issue a report to the Governor and the Legislative Assembly prior to August 1st in even-numbered years identifying current practices, costs, and expected performance, as well as best practices, costs, and expected performance under those practices.

The Quality Education Model identifies components of a quality education then estimates the cost of those components. The model is based on prototypical schools, encompasses the goals and requirements of the Oregon Education Act, and includes “key quality indicators.”

- Legislative Background Brief

<https://www.oregonlegislature.gov/lpro/Publications/QualityEducationModel.pdf>

⁴ Legislative Council on the Oregon Quality Education Model, *The Oregon Quality Education Model, Relating Funding and Performance*, June 1999, 10. <https://www.oregon.gov/ode/reports-and-data/taskcomm/Documents/QEMReports/1999QEMReport.pdf>

Recommended QEM Funding Levels

Since the beginning of the QEM calculation, analysts have used the State School Fund appropriation as the education funding number to compare with the QEM funding requirement. The 2021 Legislature appropriated \$9.3 billion to the State School Fund for the 2021-23 biennium. The Quality Education Model analysis determined that a budget of \$11.163 billion would be needed to fully fund the model, a gap of \$557 million.

For the 2021-23 biennium, the Quality Education Model called for a state investment of \$11.163 billion to fund the Fully-Implemented Quality Education Model Recommendation; the Legislature appropriated \$9.300 billion in the State School Fund, and \$1.306 billion in Student Success Act grant funding to districts, resulting in a state funding gap of \$557 million. For the upcoming 2023-25 biennium, the QEM estimates maintaining the current service level will require a combined State School Fund and Student Success Act funding level of \$10.710. The Commission estimates that the total Student Success Act grant funding to districts for the 2023-25 biennium will be \$1.338 billion, leaving a State School Fund funding requirement of \$9.372 billion in order to maintain the current service level. The Commission estimates that the total state funding necessary to enact the Fully-Implemented Quality Education Model Recommendation in the 2023-25 biennium will be \$13.228 billion, which, after adjustment for projected Student Success Act grant to district funds, would require a State School Fund Appropriation of \$11.889 billion, \$2.517 billion dollars greater than the amount required to maintain the current service level.

EXHIBIT A: GAP BETWEEN QEM AND ACTUAL STATE FUNDING

Biennium	QEM Full Implementation Model	SSF Legislative Appropriation	SSA Funding	Total State Funding	Funding Gap	Gap as Percentage
1999-2001	\$5.654	\$4.562		\$4.562	\$1.092	23.9%
2001-2003	\$6.215	\$4.573		\$4.573	\$1.642	35.9%
2003-2005	\$6.659	\$4.907		\$4.907	\$1.752	35.7%
2005-2007	\$7.096	\$5.305		\$5.305	\$1.791	33.8%
2007-09	\$7.766	\$6.131		\$6.131	\$1.635	26.7%
2009-11	\$7.872	\$5.756		\$5.756	\$2.116	36.8%
2011-13	\$8.004	\$5.799		\$5.799	\$2.205	38.0%
2013-15	\$8.775	\$6.650		\$6.650	\$2.125	32.0%
2015-17	\$9.158	\$7.376		\$7.376	\$1.782	24.2%
2017-19	\$9.971	\$8.200		\$8.200	\$1.771	21.6%
2019-21	\$10.773	\$9.000		\$9.000	\$1.773	19.7%
2021-23	\$11.163	\$9.300	\$1.306	\$10.606	\$0.557	6.0%
2023-25	\$13.227	\$9.372	\$1.338	\$10.710	\$2.517	26.9%

Updated 2022 Model Assumptions

The QEM is reviewed and refined each biennium to reflect current practices and costs. A number of outdated assumptions were revised for the 2022 calculation. Some of these updated assumptions reflect changes in the professional judgment of the commission from the prior biennia, such as additional staffing allocations for librarians, school nurses, and counselors, and funding for summer school expansion, while others are adjustments to better reflect current costs for services and resources, including substitute teachers, computers, and unreimbursed supplies. These assumptions are addressed below:

- **School Nurses:** Addition of dedicated school nurses at every school at a ratio of 1:750, in alignment with best practice and a recognition of the critical importance of keeping students and staff healthy as a foundation to learning as well as prescribed in HB 2693 section 5 (2009).
- **School Counselors:** School Counselors are added at a 1:250 ratio as recommended by the American School Counselor Association.⁶
- **Summer School:** Summer School is added for 50% of students for 6 weeks; 100% of 6th graders for 4 weeks and 20% for six weeks; 100% of 9th grades for 4 weeks and 20% of 9th graders for an additional 2 weeks.
- **English Language Learners:** Staffing ratios are reduced for ELLs, calculated at 10% of student body.
- **Unreimbursed Supplies:** The QEM now adds \$450 per classroom for unreimbursed supplies. According to NCES surveys, 9 out of 10 K-12 teachers spend an average of \$459 on classroom supplies and are not reimbursed.⁷
- **Professional Development/Mentoring:** The QEM has added three contract days for teacher professional development or mentoring to account for training needs of new staff and retention efforts by districts.
- **Computer Devices:** The QEM has added a 1:1 student/school-based adults to computing device. School-based adults would include licensed staff, teaching assistants, office staff, counselors, and administrators. Teacher laptops estimated at \$1000 and replaced on a 3-year cycle. Student tablets/ iPads are budgeted at \$400 on a 4-year replacement cycle.
- **Librarians:** The QEM adds one certified librarian per school, as recommended by the American Association of School Librarians.⁸
- **Media Center Assistants:** Assistants increased to one full FTE for each level.
- **Substitute Teachers:** Substitute costs based on actual data and escalated by average teacher growth rates.
- **Family Resource Center:** Staff Family Resource Centers at 1 FTE at each school level.
- **PE/Music Specialists:** The QEM adds 1 FTE physical education specialist and 1 FTE music specialist in elementary grades.
- **Reducing Class Size:** Class sizes in elementary classes are reduced from 23-24 to 20 to reflect current research on best practices.

Itemized cost estimates for the changes in these assumptions have been calculated independently and in sum, as reflected in **Appendix 1**. The itemized cost estimates are provided for informational purposes and should not be implemented independently.

⁵ 2023-25 Legislative Appropriation value uses the QEM estimate of the Current Service Level requirement as this report is prepared before the final legislatively approved budget for the 2023-25 biennium is voted on and enacted into law.

⁶ American School Counselor Association, *School Counselor Roles & Ratios, 2022*. <https://www.schoolcounselor.org/About-School-Counseling/School-Counselor-Roles-Ratios>

Reconsideration of Model

The Quality Education Model was first created in 1999— students and the operation of schools have changed significantly since that time. Using an average prototype school—based on brick-and-mortar schools—and scaling up or down can result in misleading conclusions. The expansion of online learning options, changing student demographics and characteristics and evolving approaches to teaching all have funding ramifications that may not be accurately captured by the current model. Rural, remote schools are more expensive to operate, for example, and the prototype schools fail to capture some of these differences. The Quality Education Commission recognizes that it is time to re-examine the approach used by the current model to calculate costs as well as update the foundational assumptions underlying the estimate of what elements compose a high-quality education for all.

Funding is a central component in providing a high- quality education. When states invest in their public schools and create more equitable school finance systems, student achievement levels rise, and the positive effects are even greater among low-income students.⁹ Recent studies have invariably found a positive, statistically significant relationship between student achievement gains and financial inputs—in particular students from low-income families who have access to fewer resources outside of school.¹⁰ Of 13 multi-state studies, 12 (92 percent) find a positive and statistically significant relationship between school spending and student performance.¹¹

7 Emma Garcia and Lora Engdahl, *It's the beginning of the school year and teachers are once again opening up their wallets to buy school supplies*. Economic Policy Institute, August 22, 2019. <https://www.epi.org/blog/teachers-are-buying-school-supplies/>

8 *American Association of School Libraries*, *Appropriate Staffing for School Libraries*, June 2019. https://www.ala.org/aasl/sites/ala.org.aasl/files/content/advocacy/statements/docs/AASL_Appropriate_Staffing.pdf

9 Carmel Marten, et al, *A Quality Approach to School Funding Lessons Learned from School Finance Litigation*, Center for American Progress, Nov. 13, 2018. <https://www.americanprogress.org/article/quality-approach-school-funding/>

10 Bruce Baker, *How Money Matters for Schools*, Palo Alto, CA: Learning Policy Institute, 2017. https://learningpolicyinstitute.org/sites/default/files/product-files/How_Money_Matters_REPORT.pdf

11 C. Kirabo Jackson. *Does School Spending Matter? The New Literature on an Old Question*, *An Equal Start: Policy and Practice to Promote Equality of Opportunity for Children*, 2020.

Given the fundamental changes in how schools now operate, the QEC believes the model needs to be re-examined. The QEC anticipates that a study by a school finance expert may examine the current service level calculation methodology, may re-examine prototype school assumptions and approach, and may suggest other updates reflecting the issues raised elsewhere in this report. The QEC, through the Oregon Department of Education, will be requesting a Policy Option Package of the new Governor and 2023 Legislature to fund this important work.

We expect that such an update will result in adjustments to the QEC's calculation of investment levels needed to attain the results the state envisions for its students: individual student needs are met in order for all students to be prepared for their next steps toward a successful future after high school.

Two Alternatives for Meeting Quality Goals

(5) In addition, the commission shall provide in the report issued under subsection (4) of this section at least two alternatives for meeting the quality goals. The alternatives may use different approaches for meeting the quality goals or use a phased implementation of best practices for meeting the quality goals.

ORS 327.506



Oregon law directs the Quality Education Commission to identify at least two approaches for achieving a greater level of education quality in the event the Legislature does not fully fund the QEM.

1. Continue to fund the Student Success Act. The act targets marginalized students with practices supported by research that result in greater student engagement and academic progress. If not reduced or repurposed, the resources in the SSA move closer to, but do not close, the education funding gap identified in this report.
2. Phase in Funding. If fully funding the QEM cannot be done, the commission recommends phasing in the funding over a period of time, perhaps over two-three biennia.

METHODOLOGY FOR CALCULATING CURRENT SERVICE LEVEL



When setting agency budgets and the State School Fund, legislative budget analysts take the prior year's appropriation, add inflation and other cost drivers, and come up with a figure that represents the number of dollars to maintain existing services. This is known as the "current service level." The exercise is meant to communicate an appropriation level that would allow the subject agency to operate at a stable level biennium over biennium.

The Quality Education Commission believes this methodology, as it has been applied in recent years to the State School Fund (the main budget for K-12), is flawed, and was described in a QEC analysis in 2018.¹²

Article VIII, Section 8 of the Oregon Constitution establishes that the Legislative Assembly shall appropriate in each biennium a sum of money sufficient to ensure that the state's system of public education meets the quality goals established by law. It further requires the Legislature to publish a report that either demonstrates that the appropriation is sufficient, or identifies the reasons for the insufficiency, its extent, and its impact on the ability of the state's system of public education to meet those goals.

Years of budget cuts during the 1990s ratcheted down the "current service level" (CSL) for each calculation after a biennium of cuts. Thus, the CSL failed to represent the cost of providing Oregon students with a stable education, because prior years' cuts were essentially immortalized in each new base budget. Nevertheless, legislatures have continued to base school budgets on these compressed financial figures, never adding back the dollars cut when making new calculations. This has resulted in years of underfunding.

Determination of the Current-Service-Level Budget for K-12 Public Schools

In determining a baseline budget that, for most districts, allows for continued operations at the current service level, state budget writers generally consider a range of factors to determine what may be, for the successive biennium, a "no-cuts" level of resources. In the K-12 sector, this analysis has been conducted two different ways.

For six biennia (from 1999 to 2014), prompted by Executive Order 99-15, the "roll-up" budget calculation was developed through a collaborative process that included representatives from not only the state Budget and Management Office of the Department of Administrative Services, but also from the Legislative Fiscal and Revenue offices, the Legislative Ways and Means Co-Chairs, and advocates representing administrators, school boards, business officials, and educators. The process was revised in 2014 by Executive Order 14-14, removing the advocates and Ways and Means leaders, resulting in four biennia of disagreement between the state and the education community on the official CSL estimate. The differences in calculations stem from methodological variations that have typically resulted in an official state estimate that is lower than that of education advocates. So in addition to the ratcheting effect described above, the state's method of actual rollup cost analysis also undermines funding stability and adequacy.

In 2019, HB 2074 was introduced to restore much of the process that had resulted in more than 12 years of consensus estimates. It was not adopted. It would have placed in statute a process composed of the original representatives to encourage a return to an agreed-upon number. The legislation called for a factual calculation of what it would take to provide the same level of service from biennium to biennium, accounting for such uncontrollable cost factors as inflation, contracts, mandates, and growth of enrollment. The CSL and the

¹² Quality Education Commission, Oregon Continues to Underfund K-12 Education, May 2018. <https://www.oregon.gov/ode/reports-and-data/taskcomm/Documents/QEMReports/QEC%20Short%20Paper%20Final%205-22-18%20v2.pdf>

QEM baseline are derived from the same assumptions and starting point, so accuracy is important to legislators who need to know not only how different budget levels impact the school districts in their House and Senate boundaries, but also, what the gap is between that level and the QEM's calculation of sufficient funding for any given biennium.

Legislators in 2021 asked the Quality Education Commission to explore this topic in its 2022 report, outlining the methodological differences and suggesting a way to resolve the controversy.

Here are some of the variations between the state and advocates' method of determining CSL:

- **Dividing the two-year budget:**

The Department of Administrative Services bases its CSL assumptions on a year-over-year funding division of exactly 50 percent in each of the two school years. This directive ignores the actual 49-51 percent distribution experienced by districts because their contracts escalate year over year, making the costs in the two years unequal. The determination of the CSL is derived from the second year as the jumping-off point, so by using the second year of the biennium at this reduced 50 percent rate, the CSL rollup will always be reduced. In the 2020 calculation for the 2021-23 biennium, this resulted in a figure that was \$210.67 million lower than if the second year had been assumed to be 51 percent of the biennial appropriation.

- **Health insurance cost assumptions:**

The official state analysis escalates healthcare costs by a legislatively imposed cap of 3.4 percent, regardless of actual cost increases experienced by districts. This also drives down the official CSL estimate, though actual costs are generally higher because many school district contracts stipulate that some or all premium costs are paid by the district, rather than shifted to employees.

- **PERS rates assumptions:**

Built into the state's model are assumed retirement rates that do not reflect actual rates set for each district by the Public Employees Retirement System. In the 2021-23 calculation, the State CSL applied a 6 percentage point reduction in PERS rates from the K-12 pooled rate, which overestimates individual district cost savings. This ignores the cost of debt payments districts must make. Side Account debt has also never been included as a liability of the State School Fund, and it appears nowhere in the state's cost calculations for determination of the CSL.

These two factors account for a significant portion of the disparity between the state and advocates' CSL calculations.

- **Personnel cost assumptions:**

The state uses a costing model to determine how much personnel costs will be in the successive biennium. Though ODE knows the actual salaries of every education employee as well as the contract data that would escalate the costs if every current educator were retained for the next biennium, its models about future retirements and resignations assume that higher-salary turnovers always will be replaced by lower-salary beginning teachers, which is an unsubstantiated assumption. Particular to this report, recent staffing shortages have caused districts to offer incentives to attract needed replacement staff who are often educators with experience and education levels that place them higher on a salary scale. The state method varies from the model used by school business officials who make different assumptions about turnover trends to calculate the presumed total salary liabilities of school districts.

It should be noted that the advocates' method, prepared by the Oregon Association of School Business Officials in consultation with school boards and administrators, gathers actual data from the largest 13 school districts, which enroll the majority of Oregon public school students.

Though the state methodology has resulted in lower CSL estimates in each biennium since the consensus process was abandoned, in 2021, the estimate was particularly stark, because the state's number for the current service level was \$8.99 billion—a number that was actually lower than the prior biennium's \$9 billion appropriation and was \$600 million lower than the CSL calculated by advocates using the business officials' method. In 2021, school advocates argued that the current service level funding of \$8.97 billion, was based on flawed assumptions and demonstrated that the actual allocation would have to be \$9.6 billion to avoid cuts at most school districts.

The Quality Education Commission recommends returning to a process that enables the state and advocates to reconcile these methodological differences to ensure greater accuracy in calculating the true, predictable costs of educating Oregon students without programming or staffing cuts. Such a change could then be incorporated into the QEM's baseline, which would improve the accuracy of calculating the state's investment gap and that chasm's impact on student achievement.

Best Practices in Action:

Early School Success: A New Partnership with School Districts



Launched in 2019, Early School Success is a five-year initiative that provides school districts with the tools they need to offer developmentally appropriate aligned instruction to children from preschool through fifth grade.

Districts engaged with ESS are provided with consultation, professional development, and coaching. This will support the use of developmentally appropriate teaching strategies for preschool through fifth grade. ESS districts will also develop deeper, more effective partnerships with families.

ESS works with partner districts to:

- Analyze and define district and teacher strengths, needs, challenges, existing resources, and instructional practice.
- Design and test approaches to address district and community needs informed by child development research.
- Plan the implementation of the refined strategies.

Allocating the Corporate Kicker to K-12

The 2021 Legislature asked the Quality Education Commission to review its understanding of the Constitutional requirement (passed in 2012) that corporate kicker revenues be devoted to the General Fund and must be used to provide additional funding for public education, kindergarten through twelfth grade.

The constitutional language reads that the Legislature is to appropriate to K-12 education “additional funding” for its budget “as soon after the biennium as is practicable” [Oregon Constitution, Article IX, Section 14, (2) and (3)].

The 2013 legislature added statutory language directing the appropriation of the money “to the State School Fund” and that this shall be “in addition to the total amount of revenues the Legislative Assembly would otherwise appropriate, allocate or make available for the biennium for funding kindergarten through grade 12 public education.” (2013 HB 2325) ORS 291.345 (1) & (2)

Were the Legislature to allocate these episodic resources after the final determination of this kicker in August following Oregon’s long legislative session—when the state has completed its audit of the previous biennium and certifies any kickers that may be due—and not to include it in its assumptions of biennial budget sources in the Legislatively Approved Budget, the State School Fund may have had more resources than historically have been appropriated. Instead, the Ways and Means legislators have estimated expected resources and have included these dollars in the total of General Fund monies, available for use across the state budget, according to a Legislative Fiscal Officer in his testimony before the Education Subcommittee of Ways and Means on May 12, 2021 (hearing on SB 226, minute 25:44). This QEC believes this practice conflicts with voter intent.

The QEC recommends that a legal review and/or a Secretary of State audit of this practice would clarify how the Legislature is to treat corporate kicker revenue in the future, and whether it must be appropriated solely to K-12 through the State School Fund.

BEST PRACTICES: EQUITY IN ACTION



Equity-Centered Practices and Framework

In 1954, the Supreme Court declared that public education is “a right which must be made available to all on equal terms.”¹³ Yet integrating school buildings would prove to be just the first step in an ongoing journey toward educational equity in the nation. Barriers still remain to making a world-class public education “available to all on equal terms.”¹⁴ In addition, our ideas about equity have evolved to encompass more than a guarantee that school doors will merely be open to every student: every student must be given the tools to succeed that meet their individual needs.

Equality in education is achieved when students are all treated the same and have access to similar resources. Equality-focused approaches to the provisions of educational services fail to recognize students may face disparate challenges, barriers, and discrimination that may impact educational performance that require different levels of resources to achieve the same level of educational outcomes. Equality-focused approaches did not result in success for all students, as demonstrated by traditional measurements of success such as assessments, which continue to show academic gaps among student groups.

Equity-centered approaches to education services recognize that some students may have additional needs and challenges that require more support. Equity is achieved when all students receive the resources they need so they graduate prepared for success after high school.

Educational equity means that each child receives what they need to develop to their full academic and social potential.

- National Equity Report

As an example of what the difference means in practice, consider a district that has a policy of one reading specialist per elementary school. Everyone would agree that this is an equal distribution. However, School A has 15 students who are reading below grade level whereas School B has 250 below grade level readers. Equal distribution is therefore not providing adequate services to the children in School B because the needs in that school are obviously much greater.¹⁵

Working toward equity in schools involves the following actions:

- Ensuring equally high outcomes for all participants in our educational system, removing the predictability of success or failures that currently correlates with any social or cultural factor;
- Interrupting inequitable practices, examining biases, and creating inclusive school environments for adults and children; and
- Discovering and cultivating the unique gifts, talents and interests that every human possesses.¹⁶

Putting equity at the center of Oregon’s education system enables these practices and investments—those that are well implemented and tailored to the circumstances of students in each individual school—to be fully integrated into each school’s daily routine. Because needs may vary among districts and schools, each district should evaluate how best to invest their resources to maximize impacts in each of their schools, as identified in their needs assessments.

13 “Brown v. Board of Education of Topeka (1).” Oyez. Accessed May 1, 2022. <https://www.oyez.org/cases/1940-1955/347us483>.

14 Brown v. Board of Education of Topeka.

15 Center for Public Education, *Education Equity: What Does it Mean? How Do We Know When We Reach It?* Research Brief, January 2016, 2.

16 National Equity Project, accessed May 2022. <https://www.nationalequityproject.org/education-equity-definition#:~:text=Educational%20equity%20means%20that%20each,full%20academic%20and%20social%20potential>.

To achieve Oregon’s educational goals, schools must engage students in a way that clearly demonstrates that finishing high school is an essential interim step for students to achieve their life goals. High school graduation remains the Quality Education Model’s key measure of K-12 system success.

“Targeted universalism” means setting universal goals pursued by targeted processes to achieve those goals. Within a targeted universalism framework, universal goals are established for all groups concerned. The strategies developed to achieve those goals are targeted, based upon how different groups are situated within structures, culture, and across geographies to obtain the universal goal. Targeted universalism is goal oriented and the processes are directed in service of the explicit, universal goal.

Oregon has begun to institute a number of best practices recommended by the QEC, exemplified by the Student Success Act, the Oregon Integrated Systems Framework, the Continuous Improvement Plan process, as well as ensuring well-rounded and coordinated learning principles that may include mental/behavioral health and community-based supports, summer session, and attention to chronic absenteeism. Students learn in different ways, and schools need the flexibility and funding to tailor their teaching methods to the needs of students. These best practices are suggestions, not mandates; schools need the flexibility to adopt those practices that best suit their individual districts and schools.

Student Success Act



Oregon’s leaders demonstrated a historic financial commitment to Oregon’s students, educators, schools, and the state by enacting in 2019 the Student Success Act,¹⁷ funded by a new corporate activities tax.¹⁸ The act created 12 new programs and expanded 16 existing educational programs, affecting students from early learning to 12th-grade graduation.

A key element of the Student Success Act is its commitment to improving equity by increasing access and opportunities for historically marginalized students. It provides implementation guidelines designed to create long-term school improvement. That commitment is reflected in the allocation of added funding specifically for these high-priority focal groups and in the requirement that both education staff and community members be involved in the development of school district plans for use of the Student Investment Account grant funds.

When fully implemented, the 2019 Student Success Act was expected to invest \$2 billion in Oregon K-12 education every two years, distributed into three accounts:

1. The Early Learning Account (\$400 million/20 percent), to expand access to early education programs;
2. The Student Investment Account (\$1 billion/50 percent), for noncompetitive grants to school districts to address student mental and behavioral health, class size, more time, well-rounded educational opportunities, and reducing academic disparities among students; and
3. The Statewide Education Initiatives Account (\$600 million/30 percent).

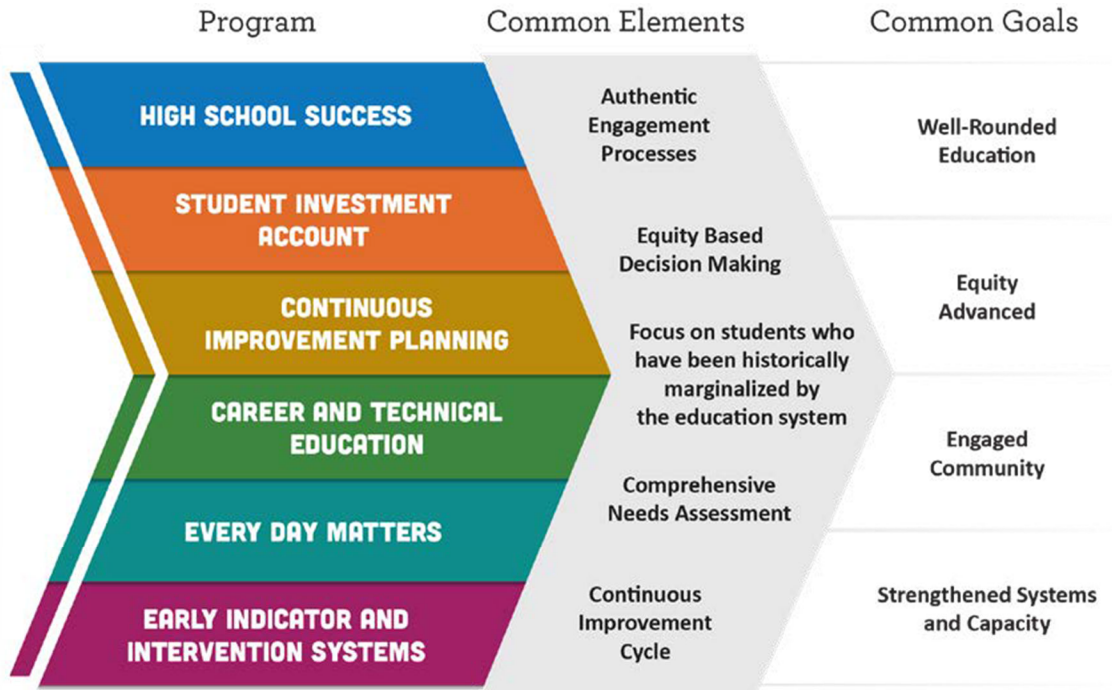
¹⁷ HB 3427 (2019), <https://olis.oregonlegislature.gov/liz/2019R1/Downloads/MeasureDocument/HB3427/Enrolled>

¹⁸ HB 3427 established the Fund for Student Success; collection of the tax will not begin until January 2020. The CAT was estimated to generate \$1.6 billion in 2019-21 biennium.

In Oregon, we believe that strong schools can open doors of opportunity for all students—whether black, brown, or white. When we provide our students and educators with the funding and specific tools that they need to thrive in the classroom, we can create an Oregon that lives up to its values of hope, opportunity, and fairness for all families.

- Sen. Arnie Roblan, HB 3427 floor letter, 5/13/2019

ALIGNMENT & INTEGRATION OF STATE & FEDERAL EDUCATION INVESTMENTS



Integration is possible for these six initiatives because of what they have in common. While each program can be pulled apart (and has been historically), this guidance brings them together so applicants, schools, and programs can leverage multiple strategies and funding sources to implement more cohesive plans that positively impact students. The Quality Education Commission supports ODE initiatives and works to align its recommendations with ODE guidance as that guidance evolves. For more information, see the ODE [webpage](#).

Statewide Education Initiatives Account (30 percent)

Of particular interest to the QEC is the Statewide Education Initiatives Account, which receives 30 percent of the Student Success Fund and funds grants to school districts to implement ODE initiatives such as the following programs:

- Expansion of the African American/Black Student Success Plan and boosting of its funding;
- Funding the American Indian/Alaska Native Student Success Plan for the first time;
- Creating a new Latino/a/x and Indigenous Student Success Plan;
- Establishing in 2021 an LGBTQ2SIA+ Student Success Plan;
- Directing the ODE in 2022 to develop a Native Hawaiian and Pacific Islander Success Plan;
- Fully funding the “High School Success” program established by a 2016 ballot measure;
- Expanding the funding of the Educator Advancement Council in order to diversify the educator workforce;
- Devoting some funding to a Youth Reengagement Program for 14 to 24 year olds;
- Expanding school nutrition programs to serve nearly half of Oregon students;
- Providing \$3 million in funding for summer school programs in Title I schools;
- Developing an early indicator/interventionsystem to support all ninth graders to be on track to graduate on time; and
- Providing resources to ODE to increase staffing for all SSA functions and program supports.

Integrated Needs Assessment

In February 2022, the Oregon Department of Education (ODE) released the [Aligning for Student Success: Integrated Guidance for Six ODE Initiatives](#), which shares information and tools as ODE operationally brings together six programs to create significant opportunities to improve outcomes and learning conditions for students and educators.

The new [Integrated Needs Assessment](#) resource released alongside the [Aligning for Student Success: Integrated Guidance for Six ODE Initiatives](#) offers districts a single tool to support improvement and system health, capturing a moment-in-time analysis of needs. This resource provides an approach to engaging with the Integrated Needs Assessment and embeds suggested actions, processes, and sources of data that might be helpful considerations for teams. Developed by the Oregon Department of Education, the Integrated Needs Assessment aligns questions and builds off previous tools and frameworks for continuous improvement, including the ORIS framework.¹⁹

The process of assessing needs is a critical part of the continuous improvement cycle. A comprehensive and integrated needs assessment examines practices, systems health and program quality, is informed by community input, and yields the best results when honest reflective discussion considering multiple viewpoints are included as part of the process. It includes a robust analysis of disaggregated student performance data including trends for focal student groups and root cause analysis may also be conducted to further examine core issues impacting outcomes.

When engaging in the Integrated Needs Assessment, consider the following components:

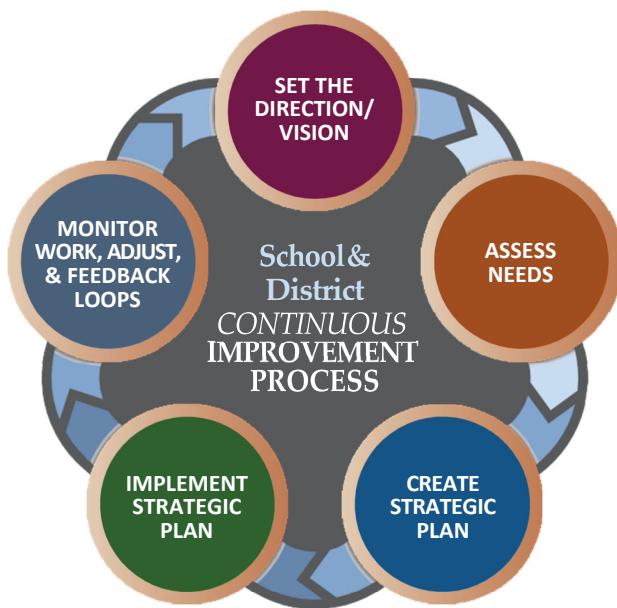
- **Consider Community Engagement Input:** Community engagement efforts provide critical information. It is important to review input, to notice and document patterns and trends that have emerged when assessing needs. Trends and themes may vary across community groups including students, focal groups, families, and community partners.
- **Review Disaggregated Data:** Review multiple sources of information across grades and subject areas, with specific attention to the needs of student focal groups to help inform the assessment. Other important sources of data about student wellbeing, climate, feelings of belonging, attendance, and behavior are also factored into the process. In addition to student data, it is important to review staff data such as retention rates, staff to student ratios, and staff wellbeing.
- **Identify Priorities Aligned to the Four Common Goals:** Review the four common goals introduced on page 17. They represent shared goals across the six programs in the [Aligning for Student Success: Integrated Guidance for Six ODE Initiatives](#) and are aligned to [Oregon's State ESSA plan](#).

¹⁹ Oregon Department of Education, *Oregon Integrated Systems Framework. School Level System Health Needs Assessment*, May 2019. <https://www.oregon.gov/ode/schools-and-districts/grants/ESEA/IA/Documents/V1%20-%20SCHOOL%20Oregon%20Integrated%20Systems%20Framework%20Needs%20Assessment.pdf>

Continuous Improvement Process

Schools and districts in Oregon are called upon to engage in continuous improvement work to improve student success. A continuous improvement process is the process by which districts and schools:

- Determine what is working and what needs to change;
- Establish a process to engage stakeholders to effect change;
- Leverage effective practices to implement a plan; and
- Use data to monitor and make timely adjustments to improve student success.



The continuous improvement process results in the development of an ambitious, priority-driven action plan where routine collaboration and decision-making among district leaders is reflected throughout implementation.

An Equity-Centered System with a Mental/Behavioral Health and Wellness Foundation

In March 2022, the Centers for Disease Control released a survey that found more than 4 in 10 teens reporting that they feel “persistently sad or hopeless,” and 1 in 5 saying they have contemplated suicide. The CDC survey reflects a generation reeling from the pandemic, grappling with food insecurity, academic struggles, poor health and abuse at home.²⁰ In addition, over a third (36 percent) of students said they experienced racism before or during the COVID-19 pandemic.²¹

The highest levels were reported among Asian students (64 percent) and Black students and students of multiple races (both 55 percent). Youth who felt connected to adults and peers at school were significantly less likely than those who did not to report persistent feelings of sadness or hopelessness (35 vs. 53 percent); that they seriously considered attempting suicide (14 vs. 26 percent); or attempted suicide (6 vs. 12 percent). However, fewer than half (47 percent) of youth reported feeling close to people at school during the pandemic. In October 2021, the American Academy of Pediatrics, the American Academy of Child and Adolescent Psychiatry, and Children’s Hospital Association declared a National State of Emergency in Children’s Mental Health, citing rates of childhood mental health concerns and suicide rose steadily between 2010 and 2020 and that by 2018, suicide was the second leading cause of deaths for youths aged 10-24; the pandemic has intensified the crisis, with emergency rooms seeing dramatic increases in visits for all mental health emergencies including suicide attempts.²²

The crisis of disrupted learning in all grades but particularly in elementary schools has been well-documented in Oregon. This is not a phenomenon of the pandemic’s making; reports of student outbursts, fleeing, classroom violence, and other manifestations of trauma have been reported to be occurring at least weekly in schools across the state for more than six years.

20 Centers for Disease Control, *New CDC data illuminate youth mental health threats during the COVID-19 pandemic*, 3-31-2021. <https://www.cdc.gov/media/releases/2022/p0331-youth-mental-health-covid-19.html>

21 Centers for Disease Control.

22 American Academy of Pediatrics, *AAP-AACAP-CHA Declaration of a National Emergency in Child and Adolescent Mental Health*, 10-21-2021. <https://www.aap.org/en/advocacy/child-and-adolescent-healthy-mental-development/aap-aacap-cha-declaration-of-a-national-emergency-in-child-and-adolescent-mental-health/>

The Quality Education Commission recognizes that sound mental health, which encompasses emotional, social, cognitive and behavioral functioning is critical to learning. An effective education system incorporates mental/behavioral health as a foundational element.

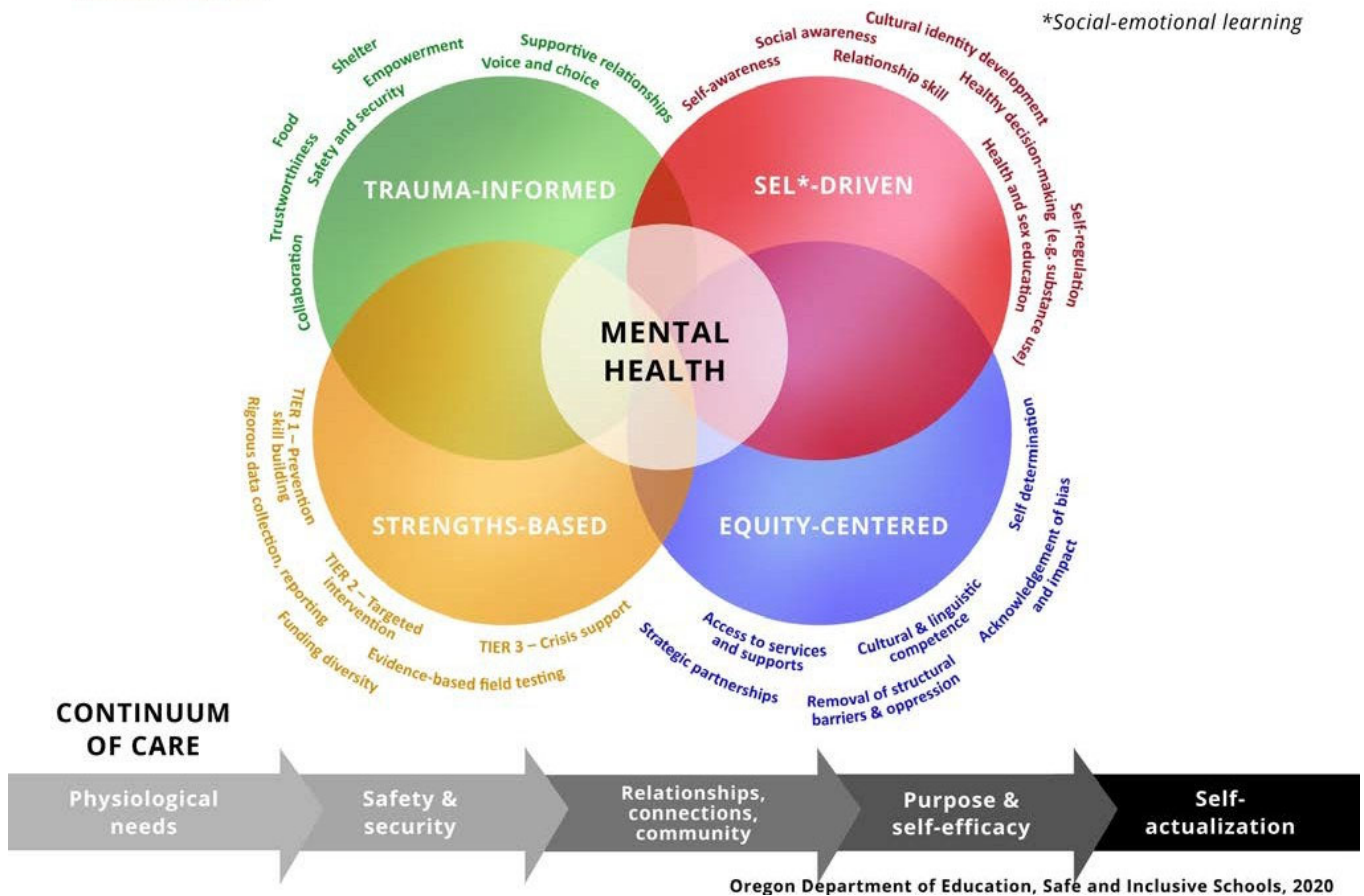
Mental/behavioral health occurs within a continuum of care that supports students’ physiological needs, safety, security, social connection, identity, diversity and purpose. Schools are primary providers of mental and emotional health supports for students. About one in five youths in the United States experience some form of emotional, social or behavioral difficulty. Roughly 70 percent of American students who access mental health services and supports do so in their schools.²³ Research has convincingly shown that children and teens do better in school when student and school staff mental/behavioral health and well-being needs are being met.

In 2021, the legislature recognized the importance of social-emotional learning and directed the State Board of Education to adopt K-12 social-emotional learning standards no later than September 15, 2023 (HB 2166), with school districts implementing the new standards no later than July 1, 2024.



Integrated Model of Mental Health

Mental health emphasizes strengths, resilience, and enhancing social-emotional abilities



²³ Oregon Dept. of Education, *ODE Mental Health Talking Points*, February 2021. <https://www.oregon.gov/ode/students-and-family/equity/SchoolSafety/Documents/ODE%20Mental%20Health%20Talking%20Points.pdf>

“Mental health” refers to the emotional, social, cognitive, behavioral, physical and relational thriving of individuals and systems.

- ODE believes that mental health is centered within a continuum of care that meets each person’s needs for physical and emotional safety, security, social connection, identity, diversity and purpose.
- The ODE Integrated Model of Mental Health recognizes and emphasizes the strengths, resilience, and ways of knowing of each individual within a school community, and prioritizes voice, choice, empowerment and transparency.
- These values are supported by four, interconnected pillars of practice: trauma-informed care, social emotional learning (SEL), racial equity and anti-racism, and a strengths-focused multi-tiered system of support (MTSS).
- Promoting mental health in school communities requires universal prevention (pedagogies and offerings that support students and adults in practicing and embodying healthy ways of being), in combination with targeted, culturally- and linguistically-attuned services.
- Inherent to this effort is the explicit acknowledgment of the inequities, disparities, racism, oppression, marginalization, insults and assaults experienced by Black, Latinx, Asian, Indian/Tribal, LGBTQ2SIA+ community members, individuals with disabilities and others, and the commitment to changing the policies, practices and systems that perpetuate these harms.

Community Partnerships

Public education systems are stronger when they coordinate with community leaders and community-based organizations to coordinate to identify and comprehensively address students and families’ needs. Schools are important hubs for students and families to gather, learn, and access services, and public education is best able to help meet the needs of students when they can call on the expertise and capacity that exists in the community to respond. Partnering with culturally specific community organizations to shape district and school policies and programs, and directly provide culturally relevant services is an inclusive approach that can accelerate change. Community partnerships look differently from community to community, school to school, as they draw on the existing strengths of the community and forge mutuality between schools and community partners.

Oregon’s districts and schools maintain many existing community partnerships. A few examples include the following:

- Regional collaboratives like Central Oregon’s Better Together, a regional, cross-sector partnership working collectively to improve education outcomes for children and youth from cradle to career. Made up of over 300 stakeholders from six school districts, two higher education institutions, and multiple early learning organizations, non-profits, businesses, and government agencies. Better Together convenes and facilitates these partners to close gaps and increase student success.
- Local partnerships with a district or school, for example, Adelante Mujeres, partners with districts in Forest Grove through the Chicas Youth Development Program, which partners with public schools to provide culturally relevant after-school programing, leadership, and community service opportunities to Latina youth and their families. The program begins in 3rd grade and provides developmentally appropriate learning opportunities through 12th grade. Chicas uses culturally relevant approaches to support academic progress, cultivate interest in STEM, and prepare youth and families to prepare for college.

Beyond the current patchwork and often ad hoc nature of community partnerships, the Community Schools Model²⁴ has risen as a researched-based approach to bridging the academic and holistic (cultural, health, social, etc) needs of students toward academic success and overall thriving communities. Community Schools focus on the uniqueness of the students and families a neighborhood school services, and then strategically partners with a diverse range of partners to address the specific needs and opportunities present in each school. Often this looks like co-locating services that students and families are currently accessing in other parts of town (food assistance, health care, mental health, day care, etc.), thus reducing barriers to the critical supports that help students thrive. The Community Schools Model also is responsive to a robust culture of family and community engagement, and positions the school as a hub for learning, community building, and access to services across the lifespan, with students as the focal point. Current emphasis of these factors in the SSA can serve as a foundation for Oregon to explore and test the effect of moving toward a Community Schools Model approach.

Early Childhood Education and College and Career

While early childhood education (ages 0-5) and higher education are outside the scope of the Quality Education Model, the QEC acknowledges the impact of the education that precedes and follows K-12 education, especially in terms of access to opportunity.

The opportunity and achievement gaps found in K-12 have their roots in circumstances that exist long before students enter kindergarten. The first five years of life are a time of rapid brain development and the creation of foundational structures of the brain. High-quality preschool investments offer the greatest chance to improve long-term success for Oregon's most marginalized children.²⁵

Children age 0-5 are the most racially and ethnically diverse and face the greatest poverty rates of any

age group. These students could benefit greatly from developmentally appropriate, culturally responsive, inclusive preschool and other early learning opportunities.

In the last few decades, numerous studies have shown the increasing benefits of early childhood education. Developmentally appropriate pre-kindergarten and full-day kindergarten gives students appropriate preparation for their academic and social experiences later in school, including exposure to reading materials and social development through daily interactions with children and adults. Understanding its value, the Oregon Legislature directed school districts to offer half-day kindergarten in 1981 and provided funding for those that offer full-day kindergarten beginning in 2015.²⁶

Expelling and suspending these very young students may deprive them of much-needed supports and interventions, lessens their opportunities for learning, and takes an emotional toll on them and their families. Suspensions and expulsions have too often been used disproportionately with Black students and those with disabilities. The Center for American Progress found that children age three to five with disabilities or emotional and social challenges comprised 75 percent of those suspended and expelled, while making up only 12 percent of the overall student population. Data reveal that disparities in discipline begin in pre-K and carry through secondary school.²⁷ The 2021 Legislature enacted SB 236, prohibiting state-funded early childhood care and learning providers from suspending or expelling a child and enacted HB 2166 to create the Early Childhood Suspension and Expulsion Prevention Program, funded with d \$5.8 million for the 2021-2023 biennium.

On the other end of the K-12 education spectrum is college and career training. Postsecondary education and training is a demonstrated pathway to higher lifetime incomes, family-wage careers, and economic mobility, among numerous other civic, health, and family benefits. Longstanding systemic barriers built into government, institution, and education systems have failed to sufficiently support communities of color,

24 Anne Maier, Julia Daniel, Jennie Oakes. *Community Schools as an Effective School Improvement Strategy: A Review of the Evidence*. Learning Policy Institute. December 2017. <https://learningpolicyinstitute.org/product/community-schools-effective-school-improvement-brief>

25 Jorge Louis Garcia, et. al., *The Life-Cycle Benefits of an Influential Early Childhood Program*, NBER Working Paper 22993. December 2016. <https://www.nber.org/papers/w22993>

26 [ORS 336.095](https://www.oregonlegislature.gov/bills_laws/ors/ors336.html). https://www.oregonlegislature.gov/bills_laws/ors/ors336.html

27 Judi Sharma, *Oregon Could Be the Next State to Address Exclusionary Discipline in Early Education* blog post, July 2, 2021. <https://www.newamerica.org/education-policy/edcentral/oregon-exclusionary-discipline/>

students experiencing poverty, and other marginalized communities in accessing, completing, and benefiting from postsecondary education and training.²⁸ College-going and persistence data for Oregon high school graduates show students from low-income families and students of color persist and graduate from college at lower rates than more advantaged students.²⁹

Schools, colleges, non-profits and industry should work together to help 6th-12th grade students envision futures that include college and careers. One initiative in this effort are Professional Learning Communities (PLCs) which bring college faculty and high school teachers together to help students access and complete college.³⁰ The opportunity for high school students to enroll in college-level courses while still in high school helps students make an affordable transition at a point where many students are lost to the education system. Investment in Career and Technical Education programs has increased the number of students prepared for careers and college.³¹

Best Practices for Funding

A growing body of evidence shows that increased spending on education leads to better student success. When states invest in their public schools and create more equitable school finance systems, student achievement levels rise, and the positive effects are even greater among low-income students. Overall, efforts to cut funding for education or services that support students are short-sighted and defy current research.³²

Best Practices in Action:

2021 Teacher of the Year Nicole Butler-Hooten



After 14 years working at Irving, second grade teacher Butler-Hooten is described by district leaders as a driven and consistent educator who pushes her students toward tough but attainable standards. As a Siletz woman and member of the Apache Tribe who identifies strongly with her indigenous lineage, her teaching centers around equity and connecting with families.

“One of the things that she’s so good about is giving students many opportunities to show their learning in different ways — to make a classroom environment feel safe enough for students to take risks in their learning,” Principal Bridgens said. Butler-Hooten also serves on the district’s equity team, Bridgens said, and is a mentor to student teachers year after year.”³³

²⁸ Higher Education Coordinating Commission, *Oregon HECC Equity Lens*, last updated Dec. 2021.

²⁹ Oregon Quality Education Commission, *2020 Quality Education Model Final Report*, August 2020, 19.

³⁰ Willamette Promise Continuation Grant Application. Narrative. Oct. 2015. <https://www.oregon.gov/ode/schools-and-districts/grants/Documents/2015-10-20--wp-proposal.pdf>

³¹ Oregon Dept of Education, *STEM and CTE Investments: A Report on HB 3072*, Jan. 2018. <https://www.oregon.gov/ode/learning-options/CTE/data/Pages/Reporting,-Accountability,-and-Data-Informed-Decision-Making.aspx>

³² Carmel Martin, et al, *A Quality Approach to School Funding. Lessons Learned from School Finance Litigation*. American Progress. Nov. 13, 2018. <https://www.americanprogress.org/article/quality-approach-school-funding/>

³³ Brown, Jordyn, *Bethel’s Nicole Butler Hooten is Oregon’s 2021 Teacher of the Year*, The Register Guard, Oct. 1, 2020.

K-12 EDUCATION FACTORS RELEVANT TO THE QEM



The closing of school buildings and the shift to online learning was a dramatic change in schools' operations. The pandemic has had an effect on students' and educators' mental health, as well. Trauma, stress, and isolation—sometimes affecting cognitive functioning—have been widely experienced during this crisis.³⁴

As a result, student data was affected and data collection was impaired. Comparing 2020 and 2021 data to prior years could not be done with any validity, given the historic impacts of the pandemic.

This report contains available data that are important to consider in discussions of education best practices and funding.

Graduation Rates

Graduation rates are a critical metric for measuring student success and the state's equity goals. Despite the challenges school communities still confront, in 2021, Oregon's four-year graduation rate was 80.6 percent. This is the second-highest graduation rate in Oregon's recorded history, and higher than the most recent, pre-pandemic graduation rate of 80.0 percent for the class of 2019. It is lower than 2020's 83 percent graduation rate. In recent years, with a coordinated statewide focus on improving graduation rates, Oregon has made steady progress both in increasing graduation rates and narrowing inequalities, resulting in graduation rates much higher than the Class of 2014's rate of 72 percent.^{35 36}

EXHIBIT B: GRADUATION RATES AMONG STUDENT GROUPS

Student Group	Class of 2014	Class of 2021	Difference
All	72.0	80.6	8.6
Asian	85.9	91.9	6.0
Native Hawaiian/ Pacific Islander	68.8	69.8	1.0
American Indian/ Alaskan Native	53.5	67.0	13.5
Black/African American	60.2	73.5	13.3
Hispanic/Latino	64.9	77.0	12.1
Former English Learners	69.9	84.2	14.3
English Learners in High School	51.7	64.4	12.7
Special Education	51.1	66.1	15.0

³⁴ E. Cushing, *Late stage pandemic is messing with your brain*, The Atlantic, 3(8), March 2021.

³⁵ Kate Brown and Colt Gill. *Opinion: Despite Pandemic, Oregon's Resilient Students of Class of 2021 Showed Gains*, The Oregonian, January 23, 2022. <https://www.oregonlive.com/opinion/2022/01/opinion-despite-pandemic-oregons-resilient-students-of-class-of-2021-showed-gains.html>

³⁶ Oregon Dept. of Education, *Graduation Reports, Cohort Graduation Rate 2020-21*, Media File, accessed May 2022. <https://www.oregon.gov/ode/reports-and-data/students/Pages/Cohort-Graduation-Rate.aspx>

Prior to the pandemic, Oregon’s high school graduation rates for all student groups over the past decade have risen impressively. Differences remain, however, in graduation rates of students of color, students from low-income families, English language learners, and students with disabilities. For students who fall into more than one of these groups—and fully one third of Oregon students do—the challenges are even greater.

Research over the past eight years by the QEC points to the implementation of continuous improvement processes that increase effective instructional practices and personalize education for students as factors in Oregon’s improving graduation rates.

A good example of effective instructional practices can be seen in the graduation rates of students who complete state-approved courses in Career and Technical Education Programs of Study. CTE instruction incorporates standards-based academic content, technical skills, and workplace behaviors necessary for success in careers of the 21st century. Among students beginning high school in 2016-17, the four-year graduation rate was 12.2 percentage points higher for CTE concentrators than for all students statewide, with graduation rates nearing 95 percent; students in every racial/ethnic student population graduated at higher rates than the state average.³⁷

Going forward, findings from statewide community visits also highlight a need for outreach to students, youth, parents, and families, to build relationships, integrating culturally responsive practices, and to provide wrap-around services. These are state investments the QEC would recommend in future biennia.

Assessment

COVID-19 came to Oregon in March 2020, shutting down schools. The US Dept. of Education permitted every state to skip standardized testing altogether in 2020. In 2021, Oregon requested to waive all federal testing requirements again. In addition to the additional challenges and burdens on districts driven by the pandemic, there were concerns with the ability of school districts to create safe and secure testing environments. A total assessment waiver was denied, but assessments were reduced to testing students in grades 3-8 and 11 in one or two subjects.³⁸ Participation rates ranged from a low of 3.6 percent to a high of 37.5 percent³⁹ and cannot be used to compare with prior years.

It is unclear how future test scores will be comparable with prior years, due to passage of SB 1583 (2022), which directs the Oregon Department of Education to administer assessments only at the minimum level required by federal law and to apply annually for a waiver of federal testing requirements.

37 Oregon Department of Education, *Oregon Statewide Report Card 2020-2021*, p. 50. <https://www.oregon.gov/ode/schools-and-districts/reportcards/Documents/rptcard2021.pdf>

38 Elizabeth Miller, *US Education Department approves Oregon’s request to scale back standardized tests*, Oregon Public Broadcasting, April 7, 2021. <https://www.opb.org/article/2021/04/07/oregon-schools-standardized-testing-plan/>

39 Going forward, [SB 1583](#) (2022) directs the Oregon Department of Education to administer assessments only at the minimum level required by federal law and to apply annually for a waiver of federal testing requirements. As a result, it is unclear whether test scores will be comparable with prior years.

Enrollment

Enrollment fell in Oregon schools in the last year. Districts reported a total of 553,012 students in October 2021, a decrease from the prior year's total of 560,917, and down from 582,661 in the 2019-2020 school year with the pandemic likely driving the decrease. Declines are centered in grades 1-8, but increases are seen at the secondary level.

EXHIBIT C: RACE/ETHNICITY CHANGES

Student Group	Fall 2019	Fall 2020	Fall 2021	Change 2019 to 2020	Change 2020 to 2021	Students in 2021
White	61.5%	60.4%	59.6%	-19,729	-9,300	329,230
Hispanic/Latino	23.7%	24.4%	25.0%	-1,172	900	138,010
Multi-Racial	6.6%	6.9%	7.1%	323	540	39,170
Asian	4.0%	4.1%	4.0%	-475	-620	22,110
Black/African American	2.3%	2.3%	2.3%	-155	-270	12,750
American Indian/Alaskan Native	1.2%	1.2%	1.1%	-440	-220	6,350
Native Hawaiian/Pacific Islander	.8%	.8%	.8%	-96	120	4,450
All Students	---	---	---	-21,744	-8,860	552,100

The trend in greater student diversity continues. Asian student enrollment shows an overall decrease, while Hispanic/Latino Multi-racial, and Native Hawaiian/Pacific Islander student enrollment has continued to increase since 2016-17. American Indian/Alaska Native, Black/African American, and White student enrollments continue to decline slightly.

NOTE: Federal regulations for race/ethnicity reporting mask some of the diversity in the students we serve. All students who identify as Hispanic are reported as Hispanic, regardless of the race(s) they identify with. Non-Hispanic students who identify with two or more races are reported as multiracial. This means students who identify as Black, for example, might be reported as Black, Multiracial, or Hispanic.

The most rapid growth in enrollment has been among Hispanic students. The share of White students has declined from 94 percent to 63 percent over a 44-year period. The Multi-ethnic category, first used in 2004-05, has grown to almost 7 percent of the total in 2021-22.

The increasing student diversity and loss of enrollment has funding implications. More than 30,000 students, primarily in the lower grades, have left the public school system over the two years of the pandemic. This decline affects school funding in the districts experiencing significant losses.

EXHIBIT D: 2013-14 and 2021-22 STUDENT ENROLLMENT COUNT

Year	American Indian / Alaska Native (Non-Hispanic)	Asian (Non-Hispanic)	Native Hawaiian / Pacific Islander (Non-Hispanic)	Black / African American (Non-Hispanic)	Hispanic / Latino	White (Non-Hispanic)	Multi-Racial (Non-Hispanic)	Total
2013-14	9,161	22,344	3,907	13,699	124,701	363,770	29,516	567,098
2021-22	6,357	22,145	4,454	12,731	138,112	329,994	39,219	553,012

Class Size

Reducing class size is a big cost driver in education. Research indicates that children in smaller classes are more successful, both academically and otherwise, particularly in elementary grades, and that class size reduction can be an effective strategy for closing racially or socioeconomically-based achievement gaps.⁴⁰

The largest class size study, the Tennessee's Student Teacher Achievement Ratio (STAR) was a four-year longitudinal study that found smaller class sizes had a positive effect on student learning.⁴¹ The STAR research shows that small classes (15-17 pupils) in kindergarten through third grade (K-3) provide short- and long-term benefits for students, teachers, and society at large. Although all students benefit, poor, minority, and male students reap extra benefits in terms of improved test scores, school engagement, and reduced grade retention and dropout rates.⁴²

Oregon educators continue to cite large class size as an impediment to student learning. The 2018 TELL survey, which surveyed educators across the state, found 62 percent of those surveyed answered they disagreed or strongly disagreed with the statement "class sizes are reasonable such that teachers have the time available to meet the needs of all students."⁴³

Oregon began collecting class size data in 1997, but the collection has been refined over the years to include more detailed data elements. In 2013, the calculation was improved to use teacher staffing numbers in schools rather than the number of adults in the school, the use of which had artificially lowered class size calculations. Class size data for 2020-21 is difficult to compare from prior years, given changes in course scheduling and recordkeeping in some districts. For 2020-21, almost all class size medians decreased at the state-level contrasted to all previous years. Self-contained

classes decreased by 1.5 to 5.5 students per class. Departmentalized classes decreased by 7-9 students per class. These changes were expected due to schools following the Ready Schools, Safe Learners guidance to schedule smaller class cohorts to prevent COVID-19 transmission through adequate social distancing within enclosed classrooms. Individual schools also showed overly large class sizes and increased medians in some cases. These increases may indicate that the school was offering comprehensive distance learning on the first weekday in May.

Funds available through the Student Success Act may be used to reduce class sizes. For 2022, the QEC has changed its class size assumptions in elementary grades to better meet the social/emotional and learning needs of students.

Poverty and Houselessness

The impacts of socio-economic status on student learning are well-documented. Researchers have demonstrated a strong connection between family income and student achievement. In 2018, after eight years of uninterrupted economic growth, Oregon's poverty rate stood at 13 percent, meaning that more than one in 10 Oregonians met the federal definition of poverty and likely lacked one or more basic needs, representing more than 516,000 Oregonians, including 134,000 children.⁴⁴

Child poverty stands at 13.8 percent, a reduction from past years.⁴⁵ Between January and April of 2020, this rate dropped nearly five points, following the release of federal pandemic relief funds, such as the Child Tax Credit.⁴⁶ That tax credit expired in December 2021, sending many recipient families back into poverty. When measured by eligibility for free and reduced lunch programs, Oregon's low-income students exceed 50 percent of enrollment.

40 Baker, B.D., Farrie, D. and Sciarra, D.G. (2016), Mind the Gap: 20 Years of Progress and Retrenchment in School Funding and Achievement Gaps. ETS Research Report Series, 2016: 1-37.

41 C.M. Achilles, et al, *Tennessee's Student Teacher Achievement Ratio (STAR) project*, 2008. [https://doi.org/10.7910/DVN/SIWH9F_Harvard_Dataverse_V1_UNF:3:Ji2Q+9HCCZAbw3csOdMNdA== \[fileUNF\]](https://doi.org/10.7910/DVN/SIWH9F_Harvard_Dataverse_V1_UNF:3:Ji2Q+9HCCZAbw3csOdMNdA== [fileUNF])

42 Achilles, C.M. et al (2012). Class-size Policy: The Star Experiment and Related Class-size Studies. NCEA Policy Brief, 1.2.

43 TELL Survey results. <https://telloregon.org/results/>

44 Audrey Mechling, *A Portrait of Poverty in Oregon*, Oregon Center for Public Policy, August 7, 2021. <https://www.ocpp.org/2020/08/07/poverty-oregon/>

45 Annie E. Casey Foundation, Kids Count Data Center, 2019. <https://datacenter.kidscount.org/data/tables/2564-childhood-poverty#detailed/2/any/false/1729,37,871,870,573,869,36,868,867,133/any/5332>

46 Ashley Walker, Children's Institute, *Federal Aid Programs Brought 60K Children Out of Poverty*. Jan. 7, 2022. <https://childinst.org/federal-aid-program-brought-60k-oregon-kids-out-of-poverty/>

Education equity is the equitable implementation of policy, practices, procedures, and legislation that translates into resource allocation, education rigor, and opportunities for historically and currently marginalized youth, students, and families including civil rights protected classes. This means the restructuring and dismantling of systems and institutions that create the dichotomy of beneficiaries and the oppressed and marginalized.

*- Office of Equity, Diversity & Inclusion
Oregon Dept. of Education*

Oregon's 22,000 homeless students suffer some of the greatest barriers to learning, due to trauma, insecurity, frequent school moves, and inability to study in a home environment. Several state and federal programs support some relief for these children, but Oregon's housing crisis has grown so large that these resources cannot fully address the size of the problem.

While the overall statewide number of students experiencing houselessness, or who are unaccompanied, decreased, the COVID-19 pandemic and the closure of schools provided challenges for districts to identify and re-engage youth and students who are experiencing houselessness and provide services.

Language Diversity

Bilingualism of students is a benefit to students, families, and Oregon. The current prototype schools model does not allow for consideration of potential differences in cost for operating a variety of bilingual school models, which could be something to consider in future iterations. For now, the QEM includes updated estimates on the need for ELL educators and professional development of all teachers. Rates of ELL students impact QEM estimates, and districts that have students identified as English Language Learners receive additional weight in the school funding formula.

Oregon schools see a diversity of languages spoken. The largest district, Portland Public Schools, reports 60 different languages spoken in their schools.⁴⁷ According to data from the ESEA Title III: English Learner Collection for 2020-21, there were 55,617 English Learners (almost 10 percent of all K-12 students). In addition to the languages listed below, 256 students did not list a specific language and 1,327 students were listed as "Other Language"; 683 of these students participated in English Learner programs.⁴⁸

As of May 1, 2019, there were 102,786 students (about 18 percent of all Oregon students) who had direct experience with the state's English learner programs, as current or former English Learners (ELs). Within this student population, there was tremendous diversity in the cultural and linguistic assets they brought to their schools and districts. About half of those students (51,122 or 8.9 percent of all Oregon students) were classified as current ELs, meaning they were still developing their proficiency in English. A similar number (51,664 or 9.0 percent of Oregon students) were classified as former ELs, students who were at one time classified as current ELs, but had developed proficiency in English.⁴⁹

Special Education

The Individuals with Disabilities Education Act (IDEA) makes a free appropriate public education available to eligible students aged 5-21 and ensures special education and related services to those students. The percentage of Oregon students receiving special education services under IDEA has averaged 13.9 percent of total enrollment over the last five years, despite the fact that each school district's special education weight is capped at 11 percent in the distribution formula. A high-cost disability grant supplements some of the difference for students whose support needs exceed \$30,000 per year.

⁴⁷ Portland Public Schools Multilingual and Multicultural Center, accessed May 2022. <https://mlc.portlandschools.org/about#:~:text=Since%20then%2C%20Portland's%20multilingual%20community,speak%20over%2060%20different%20languages.>

⁴⁸ Oregon Dept. of Education, *Oregon Statewide Report Card 2020-21*. <https://www.oregon.gov/ode/schools-and-districts/reportcards/Documents/rptcard2021.pdf>

⁴⁹ Oregon Dept. of Education, *English Language Learners in Oregon Annual Report 2018-2019*, June 2020. <https://www.oregon.gov/ode/reports-and-data/LegReports/Documents/Oregon%20English%20Learners%20Report%202018-19%20Final.pdf>

EXHIBIT E: SPECIAL EDUCATION ENROLLMENT

	2016-17	2017-18	2018-19	2019-2020	2020-21
Special Education	77,964	78,867	80,436	82,485	79,782
Total Enrollment	578,947	580,684	581,730	582,661	560,917
% of Enrollment	13.5%	13.6%	13.8%	14.2%	14.2%

Workforce Diversity

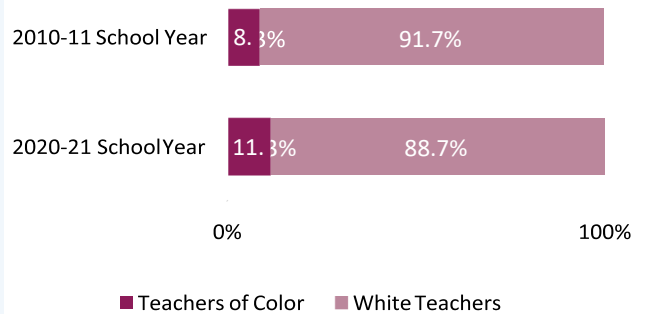
In the 2020-21 school year, Oregon employed 31,729 teachers, of which 11.3 percent were teachers of color (teachers who were identified in state reporting as Asian, Black or African American, Hispanic or Latino, American Indian or Alaska Native, Native Hawaiian or Pacific Islander, or Two or More Races). The overall teacher workforce increased by 1,938 teachers over the ten-year span, and representation of teachers of color increased by 3 percent (from 8.3 percent in the 2010-11 school year).⁵⁰

The benefits of a teacher workforce that mirrors its student demographics are multifold. Studies investigating the impact of racial matching for teachers and students found positive results on racially, ethnically and/or linguistically diverse student test scores and improved perceptions of teachers of color for White students, a key facet of developing anti-racism in today's schools and society (Clotfelter, Ladd, & Vigdor, 2007). Another longitudinal study provided evidence that Black students taught by a Black teacher at least once between third and fifth grade were less likely to drop out of high school and more likely to aspire to go to college (Gershenson, et al., 2017). Most recently, results suggest that Black students are more likely to take advanced coursework if taught by a Black teacher (Hart, 2020).⁵¹ Policymakers and education leaders are challenged to redefine policies, structures and practices that invest in community-based professional learning for ethnic studies, multicultural education, and culturally sustaining pedagogy, and anti-racist practices in schools.⁵²

The Educator Advancement Council launched ten Regional Educator Networks (RENs) across Oregon to implement meaningful, systematic changes to improve recruitment, retention, and professional learning of educators of color.

In collaboration with the Oregon Department of Education (ODE), the Teacher Standards and Practices Commission, the Higher Education Coordinating Commission, and representatives of school districts are providing programs and initiatives for professional development of educators. Components include educator recruitment and retention; educator diversity; mentoring and coaching educators; and expanding educator scholarship opportunities.

EXHIBIT F: OREGON TEACHER WORKFORCE DEMOGRAPHICS



Workforce Shortage

In addition to educator workforce diversity challenges, Oregon is facing a drastic educator crisis that may become even graver. In 2021, the Teacher Standards and Practices Commission was compelled to lower the standards for substitute teaching licenses until 2024, requiring applicants only to be over the age of 18 and pass a background check. Shortages in special education, math, science, languages, and increasingly,

⁵⁰ Educator Advancement Council, Oregon Dept. of Education, *Data Brief: Teacher Workforce Demographic Changes Over the Last 10 Years*, updated 2/24/2022. https://core-docs.s3.amazonaws.com/documents/asset/uploaded_file/2764/EAC/2063658/EAC_newsletter_ode_staff_positions_data_Feb_2022.pdf

⁵¹ Educator Advancement Council, Oregon Dept. of Education, *Oregon Educator Equity Report*, November 2020, 14. https://core-docs.s3.amazonaws.com/documents/asset/uploaded_file/1719960/2020_Ed_Equity_Report.pdf

⁵² Oregon Educator Equity Report, 15

across all subjects and grade levels—as well as in educator support staff (bus drivers, special education assistants, etc.)—have reached levels that jeopardize the educational quality and learning gains Oregon has made in recent years. Fully 25 percent of educators are currently retirement-eligible, and half of educators in recent national and state surveys have reported that they are considering resignation or retirement in 2022.⁵³ In a national poll, when asked about the likelihood that they'll leave teaching in the next two years, 54 percent of teachers said they are “somewhat” or “very likely” to do so.⁵⁴

The TELL survey is a valuable resource for education policy makers in assessing our progress. It is an anonymous online survey of educators regarding their education experiences and teaching environment, the results of which are one component of a school improvement planning. The longitudinal data has incredible value for Oregon. For example, the 2018 survey, the most recent one to have been completed, showed data that the pandemic has exposed more broadly. In 2018, 48 percent of educators identified that the level of non-licensed personnel was already inadequate for schools to operate effectively, and that current licensed staff was largely not involved in mentoring support for new hires, a typical key program for support and retention efforts. To see survey results by district, visit <https://telloregon.org/results/>.

In response to workforce concerns, the 2022 Legislature passed HB 4030, the Educator Workforce Bill, that features a number of short-term policy changes and a \$100 million investment focused on helping to address Oregon's educator workforce shortages. The bill provides for training opportunities, relaxed reciprocity agreements, recruitment and retention grants, and additional support for TSPC. The 2021 Legislature enacted HB 2166, which allows the Teacher Standards and Practices Commission to permit accredited educator preparation providers to offer nontraditional pathways to licensure and increases the scholarship amount for diverse teacher candidates from \$5,000 to \$10,000.

Funding School Facilities

The 2014 Task Force on School Capital Improvement Planning found that the condition of Oregon's K-12 schools, “reflects a national pattern of under-investment: crumbling buildings, obsolete systems, and deteriorating site conditions. Oregon's school facilities are falling into obsolescence and failing to provide our children with environments for achievement and success.”⁵⁵

The 2013 Legislature created the Oregon School Capital Improvement Matching (OSCIM) Program. While the state program appears to be functioning well, it still contributes a relatively small share of the total capital spending of school districts and the state should consider additional ways to support districts in improving their facilities.



53 Oregon Education Association, *Education at a Breaking Point, Ringing the Alarm on the Historic Staffing Crisis Within Oregon Schools*, 2021. https://www.oregoned.org/uploads/02_docs/EducatorStaffingCrisis_Report_2021_v2.pdf

54 Liana Loewus, *Why Teachers Leave—Or Don't: A Look at the Numbers*, Education Week, May 4, 2021. <https://www.edweek.org/teaching-learning/why-teachers-leave-or-dont-a-look-at-the-numbers/2021/05>

55 Oregon School Capital Improvement Planning Task Force and Portland State University. Hatfield School of Government. Center for Public Service, “The Schools our Students Deserve: A Statewide School Facilities Program for Oregon” (2014). Center for Public Service Publications and Reports. 5. https://pdxscholar.library.pdx.edu/publicservice_pub/5

FINDINGS, RECOMMENDATIONS & CONCLUSIONS

Findings

1. In addition to incorporating comprehensive strategies to eliminate educational inequities, the Quality Education Commission finds that while the state has made progress in recent years to narrow the investment gap between what it has historically budgeted for K-12 and what that system needs to achieve the state's educational objectives, that progress has been challenged by a host of barriers.
2. The calculation of the gap itself is fraught with methodological challenges. The new Student Success Act—designed to narrow the gap but not close it—has been delayed by revenue shortfalls and additional cost line-items. In 2021, the Legislature did not view the new SSA funding entirely as additive, enacting budgets that used the fund in part to supplant a portion of State School Fund's General Fund source, which lessened its gap-closing potential in the current biennium. Additional questions regarding the calculation of the current service level (baseline) budget, as well as the use of corporate kicker funds complicate the picture for K-12 funding and its relative adequacy or inadequacy.
3. State School Fund resources required to fund K-12 schools at a level recommended by the QEC for the 2023-2025 biennium is estimated to be \$11.889 billion, \$2.517 billion more than the amount required to maintain the current service level.⁵⁶
2. Remain faithful to the intent of and targeted funding for the Student Success Act. The Student Success Act's revenue source, the Corporate Activities Tax, ought to be sustained in order to accomplish the implementation vision of the Act. SSA was designed to provide much of the gap-closing investments our schools need, and it remains a once-in-a-generation opportunity to improve the effectiveness of our system on behalf of the students in our state.
3. Increase equal opportunity and access to high-quality early learning programs. This includes developmentally appropriate, culturally specific, and inclusive early learning programs. The research is clear that high-quality early learning has lifelong positive impacts on children because it prepares them to enter kindergarten ready to learn.
4. Pay attention to social and emotional learning. Students need to develop social and emotional skills to be effective learners and to thrive in social settings.
5. Build community partnerships. Schools and districts thrive in communities that partner with entities that are best-situated to provide key services to students, such as non-profits and social service agencies.
6. Build systems designed to continuously improve. School district leaders ought to pay close attention to the varying needs of schools within their districts in order for overall educational achievement gains to occur, even as state funding improves.

Recommendations

1. Incorporate educational best practices at a system-wide level. Oregon should avoid the temptation to rely on discrete programs, activities, and interventions that treat only the symptoms, not the root causes, of educational achievement challenges.

⁵⁶ As the Legislative Appropriation for the 2023-25 biennium will not pass into law until after the publication of this report, the state funding gap is calculated as the difference between the Full-Implementation QEM Recommendation and the 2023-25 current service level estimated by the QEM.

Conclusion

For more than 20 years, this report has examined the inputs needed to sustain a high-quality public education system by determining what practices are necessary to achieve those ends. In these reports, the QEC has also determined the level of investment the state would need to make in order to achieve those results. Much has changed in the education landscape in those decades. The Quality Education Commission believes that the model should to be reviewed and updated to incorporate such considerations as capital needs, early education access, the cost of ameliorating the impacts of low socio-economic status on students, and successful strategies to address the growing crisis of student behavioral and mental health challenges.

In its initial development, education finance and policy experts crafted a model that addressed the needs of students in the 1990s. Should the Legislature agree to invest in new work to revise those assumptions based on today's students' needs, future Models will be better able to approximate the investment level and best practices needed to ensure that all students have the educational opportunities they deserve.



RESOURCES

- Quality Education Commission reports 1999 – 2022
<https://www.oregon.gov/ode/reports-and-data/taskcomm/Pages/QEMReports.aspx>
- Education Funding Reports (Ballot Measure 1) 2001-2021
<https://www.oregonlegislature.gov/citizenengagement/Pages/Publications-Reports.aspx>
- Quality Education Commission Statutes ORS 327.497-506
https://www.oregonlegislature.gov/bills_laws/ors/ors327.html
- 1999 School Finance Legislation Issue Brief (Legislative Revenue Office)
https://www.oregonlegislature.gov/lro/Documents/rr4-99_schoolfinance_fund_distribution.pdf

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Appendix 1 - Cost Impacts of Changes to QEM Recommendations

	2023-24		2024-25		2023-25	
2022 QEM Full Implementation Model	\$	6,465,947,380	\$	6,760,852,427	\$	13,226,799,806
2022 QEM Model ADMW Extended		690,000		695,000		
SSF Funds per student weight	\$	9,370.94	\$	9,727.85	\$	9,550
	2022 QEM Full Implementation					
	Model Biennial Cost without this		Cost Impact of		Cost Impact per	
	change		this change		student weight	
Increase per-pupil funding for Parent Community Outreach Program	\$	13,213,585,075	\$	3,214,731	\$	9.54
Reduce per-pupil funding for additional formative needs assessments	\$	13,245,914,010	\$	(19,114,204)	\$	(13.80)
Increase counsellors in Elementary Schools from 0.5 to 1.44 FTE	\$	13,052,790,692	\$	74,009,114	\$	125.64
Increase Software replacement percentage from 0 to 1 FTE	\$	13,067,710,032	\$	59,089,774	\$	114.87
Increase per-pupil Funding for Texts, Consumables and Classroom Sets	\$	13,202,374,193	\$	24,425,613	\$	17.64
Reimburse Teacher out of pocket expenses for classroom supplies	\$	13,201,791,407	\$	25,008,399	\$	18.06
Reduce recommendation for State Level Special Education fund from \$52m to historical actual amount of \$35m	\$	13,260,799,806	\$	(34,000,000)	\$	(25)
Increase per-pupil ESD Expenditures on Instructional Support by 20%	\$	13,184,592,600	\$	42,207,207	\$	30
Cost with no Changes	\$	12,644,716,086	\$	82,083,720	\$	420
ESTIMATED SSA FUNDS	\$	1,338,196,612				
FULL QEM SSF	\$	1,306,519,474				
QEM CSL SSF	\$	10,709,762,604				
FUNDING GAP (\$)	\$	596,756,869				
FUNDING GAP (%)					5.57%	

Cost with all Changes	\$	13,226,799,806	
ESTIMATED SSA FUNDS	\$	1,338,196,612	
FULL QEM SSF	\$	11,888,603,194	
QEM CSL SSF	\$	10,709,762,604	
FUNDING GAP (\$)	\$	1,178,840,590	
FUNDING GAP (%)			11.01%



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