



Oregonians count on their elected representatives to fund schools so students can meet education goals...

Accountability for student achievement lies with Oregon schools. With teachers and administrators and classified employees. With parents. With students. And it lies with policy makers, including the governor and the legislature.

Oregonians want excellent schools that produce well-prepared students, and they count on their elected representatives to make sure schools have adequate resources to achieve excellence.

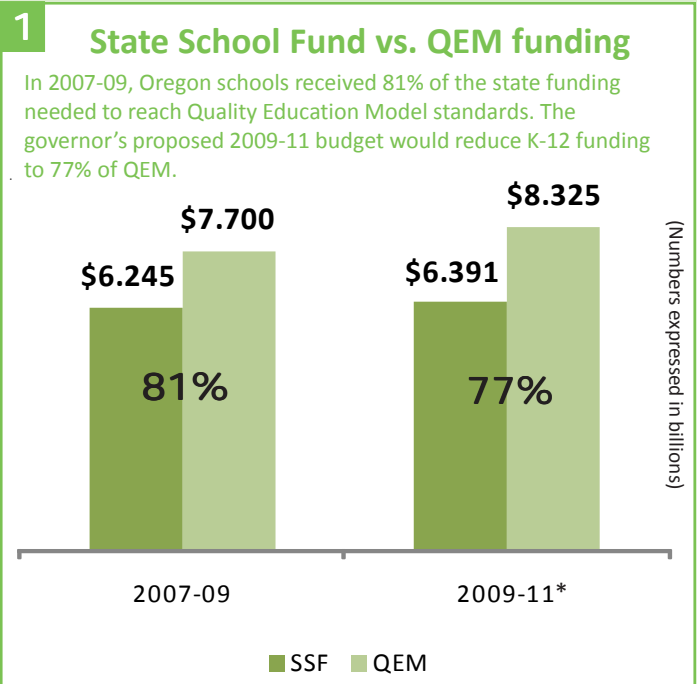
The level of school funding required to achieve Oregon's lofty education goals is defined via the Quality Education Model (QEM). The **QEM was established to determine the level of sustained K-12 funding required for 90 percent of students to meet the state's academic standards.** For the 2009-11 biennium, the QEM level for the State School Fund is estimated at approximately \$8.3247 billion (including the costs of Oregon's new diploma requirements). Maintained over time, the QEM investment level can be expected to yield the returns we seek for student achievement and high school graduation.

To date, however, schools have yet to be funded at the QEM level. In the 2007-09 biennium, for example, the State School Fund (SSF) totaled \$6.245 billion, approximately 81 percent of the QEM requirement (*Illustration 1*). Compared to the QEM requirement, 2007-09 SSF funding represented an improvement over the previous biennium, in which schools were funded at 74 percent of the QEM. The governor's proposed 2009-11 budget calls for funding at 77 percent of the QEM.

The funding level for 2007-09 did not, as many have suggested, represent a windfall for Oregon public schools.

Nor, as has been suggested, does proposed 2009-11 hold schools harmless.

In the long-term sense (as reflected in actual versus QEM-required funding), 2007-09 and proposed 2009-11 Oregon K-12 funding represents a continued disconnect between our goals for schools and our investment in achieving those goals. When addressed objectively, in fact, it is clear that those perceived gains in school funding in the 2007-09 biennium were, relatively speaking, not gains at all – and that school resources will continue to lag in 2009-11.



Source: 2009-11 State of Oregon Governor's Budget; Quality Education Commission

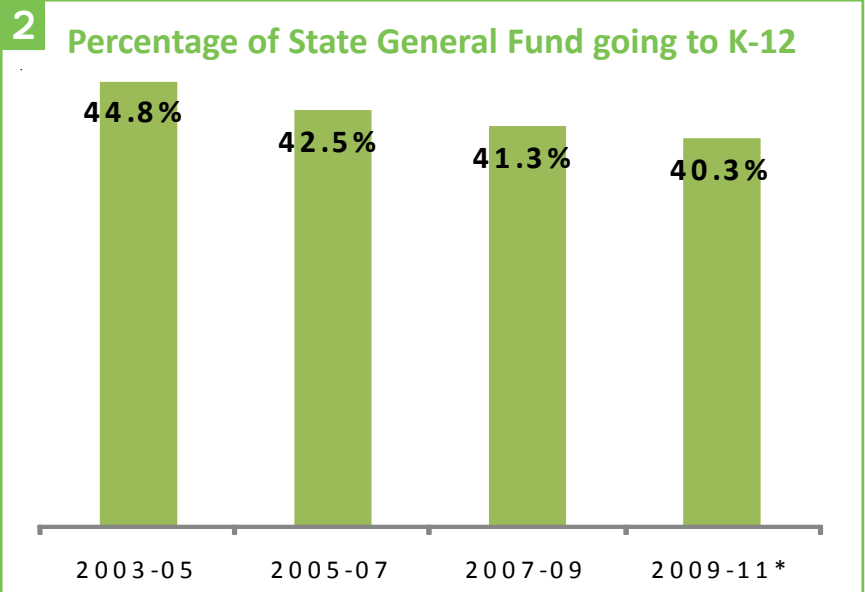
*Proposed



...but K-12 funding, contrary to perception, has **not** kept pace

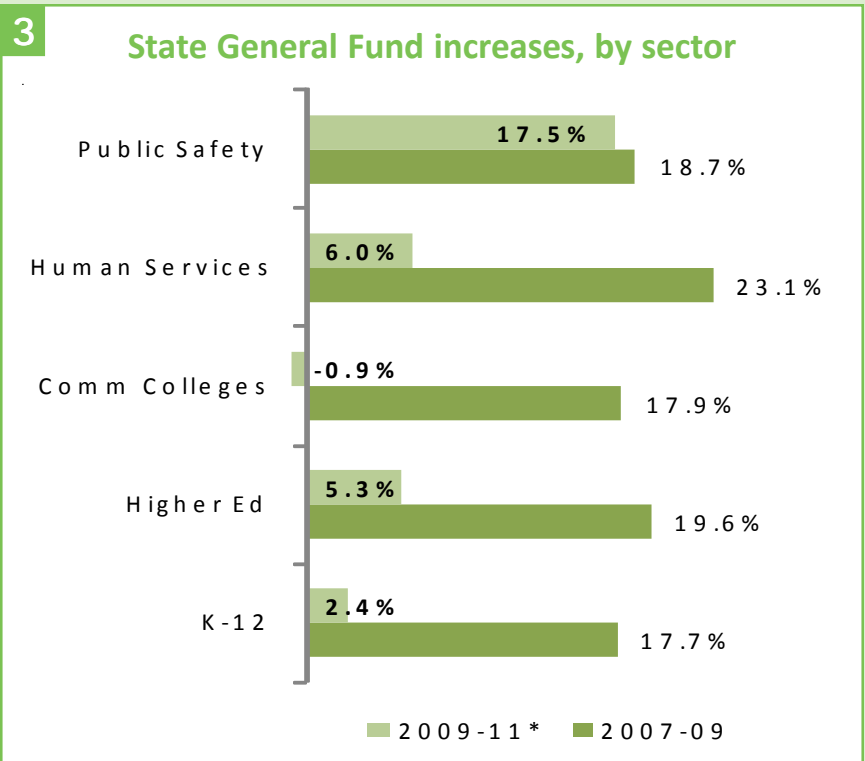
Consider:

- K-12's percentage of the state General Fund continued to decline in 2007-09 – and will decline even further in 2009-11 if the governor's proposed budget is adopted (*Illustration 2*).
- Compared to other government sectors, K-12 got the smallest percentage increase in funding in the 2007-09 biennium – and is slated to receive among the smallest increases in 2009-11 (*Illustration 3*). In addition to those sectors depicted in Illustration 3, the governor has proposed a 108 percent increase in the general fund budget for Transportation in 2009-11; he has also proposed a 6.2 percent decrease for Natural Resources, after a 19.8 percent increase in 2007-09.
- Compared to inflation, K-12's funding remains below 1990-91 (*Illustration 4*).



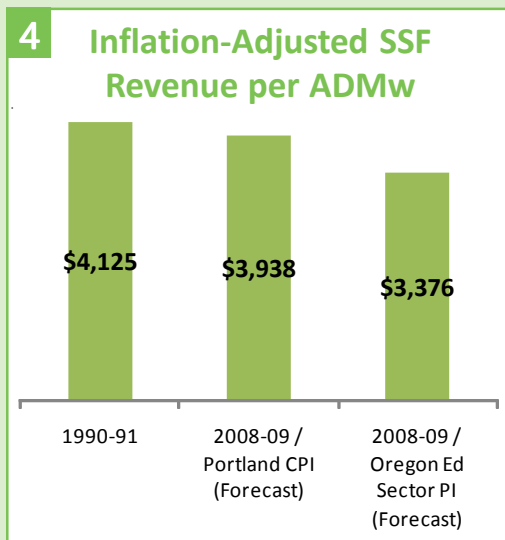
Source: Legislative Fiscal Office, "General Fund & Lottery Spending by Major Program Area", 2007
 Source: 2009-11 State of Oregon Governor's Budget

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 Source: 2009-11 State of Oregon Governor's Budget

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Source: Oregon Department of Education, "Inflation-Adjusted Formula Revenue per Weighted Daily Average Membership (ADMw), 2007