



November 30, 2021

TO: Joint Committee on Public Education Appropriation
FR: Morgan Allen, COSA Deputy Executive Director
RE: K-12 Funding Adequacy Report

Co-Chair Frederick, Co-Chair McLain and members of the Committee, my name is Morgan Allen and I am here today on behalf of the Coalition of Oregon School Administrators and our 2700 members across Oregon. I appreciate the opportunity to share some perspective on the Report on Adequacy of Oregon's Public Education Appropriation.

I want to start by acknowledging the work of the Quality Education Commission. In addition to all their work related to K-12 funding, the 2020 Quality Education Model (QEM) report contains many important equity-focused recommendations for improving student outcomes in Oregon, especially for our BIPOC and tribal students, emergent bilingual students, students navigating poverty, and students with disabilities. Our members appreciate the work of Chair Rexford, the Commissioners, and the staff at the Department of Education to keep the model up-to-date and focused on meeting the needs of every Oregon student.

During the month of October, COSA hosted 11 virtual regional meetings across Oregon. More than 250 superintendents and administrators participated and engaged in a wide-ranging discussion about public education in Oregon. Some of the feedback we received at these meetings was near universal across all districts, large or small, urban or rural. Consistently, COSA heard:

- The number one priority for this school year and the foreseeable future is ensuring that our students receive in-person learning, safely, every day;
- Student and staff stress, anxiety, and other mental health needs are at an all-time high;
- Staffing shortages and workforce challenges have been exacerbated by the pandemic and exist at all grade levels, including
 - Chronic shortages of substitute teachers, bus drivers, nutrition & support staff
 - An insufficient preparation pipeline for the next generation of educators
 - Difficulty recruiting and retaining staff, particularly racially and linguistically diverse staff; and
 - Wages not proving competitive in the current job market;
- “COVID fatigue” is becoming a challenge to continued implementation of masking and other health and safety mandates.

For COSA members, it is critically important that we acknowledge Oregon's schools are entering a new era where COVID and its impacts are here to stay. We must be willing to ask important questions about what K-12 education looks like in a post-COVID world, and how we can work together to meet the needs of students, families and communities that have been most impacted by the pandemic. We should all be asking whether the current methodologies for

calculating the QEM and the Current Service Level (CSL) calculation for the State School Fund need to be modified to reflect the new realities facing our schools.

Looking forward, we'd like to offer a few recommendations and considerations for this committee and the Legislature to take into account before crafting the K-12 budget for the next biennium. These include:

Updating the QEM

- A thorough review of any updated QEM model recommendations to ensure staffing levels and wraparound services are in place to support students and provide for learning opportunities that were unfinished due to COVID.

Examining Fluctuations in Enrollment; Stabilizing Funding

- Statewide K-12 enrollment is down about 20,000 students compared to pre-pandemic numbers. We must account for fluctuating K-12 enrollments and consider a stabilization fund to ensure districts are not laying off staff in the short term due to COVID related enrollment disruptions.

Investing in Workforce Development and Diversification

- Oregon has serious staffing and pipeline challenges. By some counts, around a third of K-12 employees are eligible to retire today. In addition to making investments in our students, we must invest in developing the K-12 workforce or we will never replace staff who retire. Those costs must be added to and included in K-12 funding calculations.
- As we invest in our workforce, we need to make sure that our staff and leaders reflect Oregon students and their lived experiences. Close to 40% of Oregon students are students of color, while only about 12% of school staff are of color. Research shows that a diverse staff improves outcomes for all students; Oregon must increase investments to diversify staff and this needs to be included in K-12 cost models.

Improving How We Calculate Current Service Level

- Legislators, K-12 stakeholders and state budget staff need to engage in a collaborative dialogue and process about the development and calculation of the K-12 CSL number. Here are a few examples where having a deep understanding of school district budgets and costs are crucial:
 - PERS continues to be a cost driver outside the control of districts. K-12 costs are projected to increase \$335 million during the 23-25 biennium. The state must ensure CSL modeling accurately captures districts cost increases;
 - OEBC plan cost increases are “capped” at 3.4%, while health care inflation is increasing more like 5-7% per year. Funding models must be updated to reflect the true costs of providing health care for school employees and their families;
 - Current market rate salaries, wages and benefits must be used to calculate roll-up costs. The use of historical data and or statewide averages are not useful comparisons to the current job market realities and competition schools face for a limited workforce in Oregon.;

Thank you for the opportunity to share feedback from Oregon's superintendents and administrators today. Our members look forward to collaborating with you on these critical issues in the coming months.