

Memorandum

PREPARED FOR: JPEA Committee

DATE: October 28, 2025

RE: Responses to Questions from Oct 22 Meeting



LPRO
LEGISLATIVE POLICY
AND RESEARCH OFFICE

This memorandum responds to committee members' requests for information during the meeting held on October 22, 2025.

Does the Quality Education Commission attempt to recruit broader panels?

No, they do not. In 2024, they did send out a survey to educators, families, and other stakeholders. The QEM report (page 11) does not indicate how many surveys were sent out nor how many responses were received. The survey results are [posted on ODE's website](#) and indicate approximately 200 responses, but information about how many individuals received the survey and how it was distributed is not readily available.

Does the Quality Education Model include central district costs?

Yes, it does.

All costs outside of personnel are captured independently from the actual 2022-2023 expenditures, inflated to estimate the same cost in 2025-2027, and then divided by the number of enrolled students to get a per student cost. The per student cost is then multiplied by the number of students in the prototype schools. The QEM appendices outline the revenue and expenditure codes used to capture the expenditures from the data. These centralized costs are captured in the following cost categories:

- Student Transportation
- Technology Services
- Operations and Maintenance
- Other Support Services
- Centralized Special Ed Services
- Curriculum Dev. and Assessment
- Executive Administration
- Business and Fiscal Administration
- Personnel Administration
- Public Information
- ESD Special Education Services
- ESD Instructional Support
- ESD Technology Services
- ESD Central Services
- ESD Administration

How is it that the QEM follows best practices on pricing but not on cost estimates?

Establishing prices and generating cost estimates are two very different processes, with the latter requiring more complex statistical analyses. Pricing is the cost of a single input. Cost estimates, or scaling that single input to the quantity recommended and then calculating that at the school or district level, is a more complex math problem. As a hypothetical example, the QEM follows best practices to determine that a pencil costs \$2 but does not follow best practices to determine how much money a school or district needs to buy pencils for all their students, given that some students might need one pencil, and other students need 2 or 5 or 7.5 pencils.

The best practices for cost estimation include 1) generating cost estimates for each school in the state, and 2) generating cost estimates for each district in the state. The QEM skips over these steps and generates just a statewide estimate.

The AIR evaluation did not explore why best practices were or were not followed. The QEC could provide further insight into the reasoning behind their decisions.

Do any professional judgment panel models factor revenue sources into account?

Cost studies only estimate how much money schools need, without regard to the source. It is best practice to have a professional finance team assess the revenues, independent of the costs, and this assessment typically happens only after a final model has been produced. The AIR evaluation did not describe nor assess best practices for estimating revenue.

In a professional judgement model, panel members exercise professional judgement in determining how best to serve students in a quality education setting. If panel members also consider revenues, it may bias panel members to spend more or less in particular areas.

Is there any precedent for cost models prioritizing highest-need districts in their calculation of necessary revenue?

Cost studies estimate funding needs for all schools and districts, but the more commonly used methods account for levels of students' needs via prototype schools (professional judgment panels) or funding distribution and cost variation analyses (cost-function models).



A best practice of both the PJP and cost-function methods is to generate cost estimates for every school and district in the state; this information could be used to 1) observe how costs vary by school/district levels of student needs and 2) identify districts with higher costs due to higher needs.

The current cost model assumes all schools need the items specified by the Quality Education Commission. To consider the need level in developing the cost model, a needs assessment would first need to be conducted across the state.

Distribution of the funding is a separate action from calculating a total cost. In Oregon, the distribution of State School Fund dollars is statutorily driven with specific per-pupil weights applied. Some Fund for Student Success investments may be distributed on a highest-need basis as required by the grant.

