

# EDUCATIONAL ACHIEVEMENT: SHAPING THE REGION'S REPUTATION AND DRIVING ITS ECONOMY

by John Tapogna, Managing Director, ECONorthwest

## Overview

Any region's reputation in education is a key to its economic vitality. Businesses look for signals of a quality workforce. Families want good schools for their children. The Portland-Vancouver region is making progress in education, but the news is not uniformly good.

On the positive side, Portland is rising in the ranks of so-called "well educated" cities—a reputation that benefits the region as a whole. Portland's attractiveness to young, recent college graduates is well documented and has played an important role in the trend. The influx of young professionals is a plus for the regional economy. However, instability of K-12 school funding continues to cloud the region's image. During the most recent recession, the national media frequently cited funding woes of Portland-area schools to illustrate the broader fiscal issues facing state and local governments. Despite the return of economic growth (and in some cases because of it), school-funding measures remained prominent on last November's ballots. Fast-growing districts needed capital for expansion while the region's largest district—Portland Public Schools—requested supplemental operating funds after two rounds of high-profile school closures. Unstable school finances remain a recognized problem, particularly in Oregon where volatile income taxes compose the majority of school revenue and the state plays no role in funding capital.

During the past 15 years, the standards-based movement has focused attention on the achievements of elementary and secondary students like no other time in history. Across the region, a higher percentage of students in early grades meet state-established reading and math benchmarks than do middle- or high-school students. State legislatures and individual districts have responded with a host of reforms to address underachievement in the higher grades. Students in Washington State will take high school exit exams in reading, math, and writing beginning with the class of 2008. In Oregon, the State Board of Education is

crafting more rigorous high-school diploma requirements, and school districts are experimenting with K-8 and small high school designs.

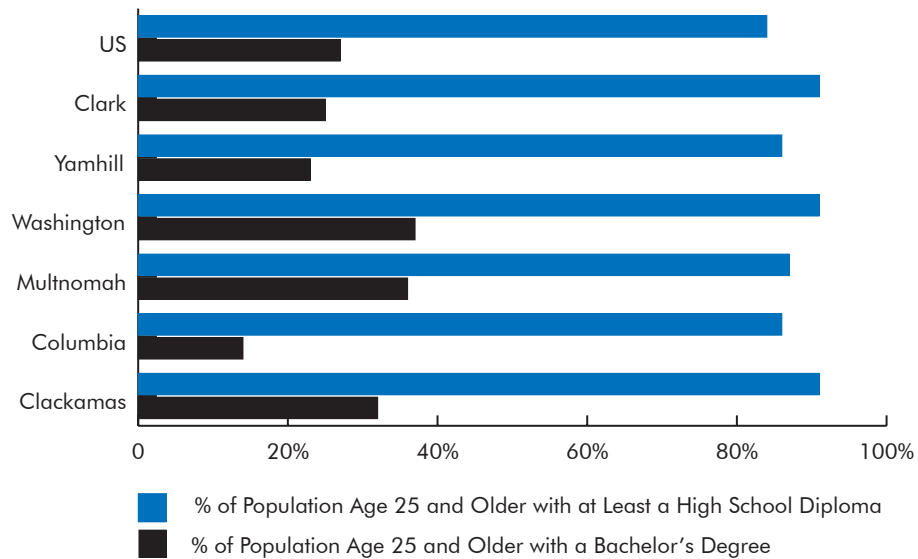
The federal No Child Left Behind Act ensures that student achievement and school quality will remain in sharp focus in the coming years. Performance on state and federal reports will shape the region's educational reputation and play a role in determining where in the region families and businesses locate.

## Education and the Economy

No factor better predicts job growth and overall economic health than the quality of a region's labor force. A well-educated population drives economic growth in a number of ways. Firms looking to relocate or expand routinely put workforce skills at the top of their location criteria, well ahead of tax and regulatory concerns. Well-educated citizens are more likely to create their own jobs and, once successful, keep their businesses in their hometowns. On this critical indicator of economic health, the region fares reasonably well.

Annual rankings of well-educated cities can shape the region's reputation. The City of Portland ranks 11th nationally with about 38% of the adult population holding a bachelor's degree. That puts Portland in a second-tier of cities with Oakland, San Diego, and San Jose but behind Seattle and San Francisco.

Rates of educational attainment vary across the region. In 2005, every county exceeded the national average in the share of the adult population that holds at least a high school diploma. The same fact held in 1990 (Figure 1).



**Figure 1: Educational Attainment of Adults 25 Years and Older**

Source: 2005 American Community Survey. Data for Columbia County are from the 2000 Census, [www.census.gov](http://www.census.gov)

In 2005, the share of the population holding a bachelor's degree exceeded the U.S. average in Clackamas, Multnomah, and Washington Counties. The most notable trend since 1990 is the sizable increase in the percent of Multnomah County residents who hold bachelors' degrees. The 12-percentage point increase in 15 years can be attributed, in part, to the net in-migration of young, recent college graduates. At an estimated 36% of adults with bachelors' degrees, Multnomah County's rate is virtually even with Washington County's, which was not the case in 1990.

The Multnomah and Washington county rates remain well behind San Francisco County, California (49%), Santa Clara County, California (44%), and King County, Washington (42%), which all boast very strong technology and professional service sectors.

Rates of educational attainment are lower in the region's outlying counties. The shares holding bachelor's degrees in Clark, Columbia, and Yamhill Counties are

below the national average; however, all three counties exceed the US average on rates of high school attainment.

Much has been written recently about the region's attractiveness to young, college-educated professionals. Precisely how they will impact the region is still unknown. Where will they work as their experience and skills mature? How many will start their own businesses, and in which sectors? Where will they choose to live as they form families and raise children? Answers to these questions will emerge throughout the next decade, and local lawmakers would be wise to watch this group and craft policies that support their entrepreneurial spirit.

The quality of a region's public schools also shapes its educational reputation. Businesses look to a strong K-12 system to generate a quality workforce, and business leaders desire strong schools for the children of their employees. So what do the enrollment, achievement, and finance trends of public K-12 schools tell us about the region's attractiveness?

### K-12 Enrollment

Regional enrollment in public K-12 schools increased 30% during 1990-2005 from 253,894 to 329,196. Both underlying demographic trends and in-migration of families with children drove the overall increases. Throughout the 1990s, the children of the baby boom generation moved through the K-12 system. Enrollment gains were not uniform across the region. Generally, suburban areas saw gains while inner-Portland and outlying rural areas declined. School districts in Clark and Washington counties experienced the strongest growth. The eight school districts located in Clark County enrolled 45,320 in 1990 and 75,183 in 2005—a 66% increase (see Figure 2). Meanwhile, enrollment climbed 47%—from 54,572 to 80,222—in Washington County's seven districts.

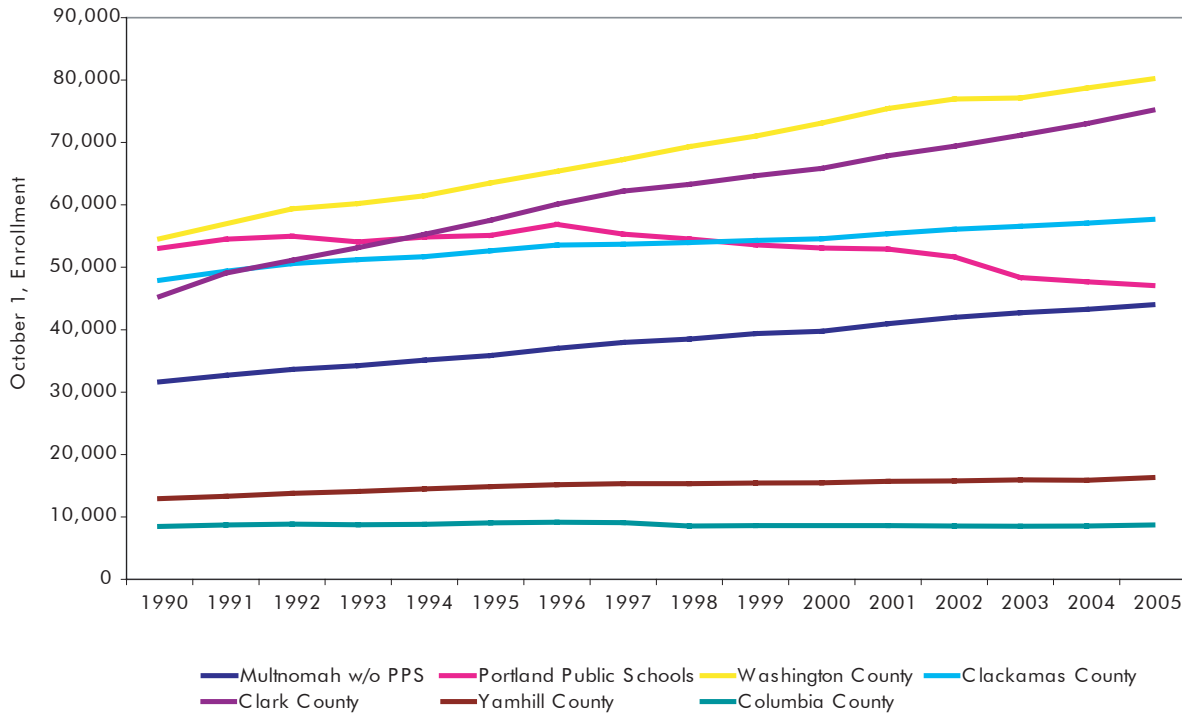
Ten of the region's 46 districts lost enrollment during 1990-2005 (see Table 1). Enrollment in the Portland Public Schools stood at 53,042 in 1990, peaked at 56,856 in 1996 and then gradually declined to 47,089 in 2005. In 1990, the Portland Public Schools enrolled one out of every five public school students in the region. In 2005, PPS enrolled about one in seven. Analysts point to a fixed,

**Table 1: Public School Enrollment by County and District, 1990 and 2005**

County	School District	1990	2005	Percent Change 1990-2005
Clackamas	Canby	4,299	5,184	21%
	Colton	886	758	-14%
	Estacada	2,222	2,209	-1%
	Gladstone	2,056	2,231	9%
	Lake Oswego	6,218	6,953	12%
	Molalla River	2,888	2,869	-1%
	North Clackamas	12,403	16,921	36%
	Oregon City	6,984	8,100	16%
	Oregon Trail	4,484	4,239	-5%
	West Linn-Wilsonville	5,481	8,214	50%
<b>All Clackamas County Districts</b>		<b>47,921</b>	<b>57,678</b>	<b>20%</b>
Columbia	Clatskanie	1,737	865	-50%
	Rainier	1,482	1,212	-18%
	Scappoose	1,950	2,218	14%
	St. Helens	2,626	3,692	41%
	Vernonia	677	716	6%
<b>All Columbia County Districts</b>		<b>8,472</b>	<b>8,703</b>	<b>3%</b>
Multnomah	Cenntennial	4,973	6,401	29%
	Corbett	712	618	-13%
	David Douglas	6,370	9,994	57%
	Gresham Barlow	9,067	12,033	33%
	Parkrose	3,301	3,470	5%
	Portland	53,042	47,089	-11%
	Reynolds	6,975	10,906	56%
	Riverdale	249	586	135%
<b>All Multnomah County Districts</b>		<b>84,689</b>	<b>91,097</b>	<b>8%</b>

County	School District	1990	2005	Percent Change 1990-2005
Washington	Banks	1,021	1,236	21%
	Beaverton	24,874	36,640	47%
	Forest Grove	4,360	5,955	37%
	Gaston	671	509	-24%
	Hillsboro	14,004	19,694	41%
	Sherwood	1,387	3,837	177%
	Tigard-Tualatin	8,255	12,351	50%
	<b>All Washington County Districts</b>		<b>54,572</b>	<b>80,222</b>
Yamhill	Amity	779	839	8%
	Dayton	780	1,031	32%
	McMinnville	4,107	6,030	47%
	Newberg	4,186	5,206	24%
	Sheridan	839	1,042	24%
	Willamina	923	952	3%
Yamhill-Carlton	1,306	1,213	-7%	
<b>All Yamhill County Districts</b>		<b>12,920</b>	<b>16,313</b>	<b>26%</b>
Clark	Battleground	7,578	13264	75%
	Camas	2,288	5275	131%
	Evergreen	14,242	25576	80%
	Green Mountain	74	121	64%
	Hockinson	923	2062	123%
	La Center	798	1486	86%
	Ridgefield	1,359	1969	45%
	Vancouver	15,943	22415	41%
	Washougal	2,115	3015	43%
<b>All Clark County Districts</b>		<b>45,320</b>	<b>75,183</b>	<b>66%</b>

Sources: 1990-1998, NCES; 1999-2005 Oregon counties, ODE; 1999-2004 Clark County, Washington State School Superintendent; All Oregon Trail enrollments are from ODE. 1990 & 1991 Oregon Trail enrollments are estimates; 1994 Gresham-Barlow is an estimate; 1990-2005 Columbia and Yamhill Counties, ODE; Washington 2005 Data, <http://reportcard.ospi.k12.wa.us/Download/2006/DemographicInformationByDistrict.xls>



**Figure 2: K-12 Public School Enrollment by County, Fall 1990 to Fall 2005**

Source: 1990-1998, NCES; 1999-2005 Oregon counties, ODE; 1999-2004 Clark County, Washington State School Superintendent; All Oregon Trail enrollments are from ODE. 1990 & 1991 Oregon Trail enrollments are estimates; 1994 Gresham-Barlow is an estimate; 1990-2005 Columbia and Yamhill Counties, ODE; Washington 2005 Data, <http://reportcard.ospi.k12.wa.us/Download/2006/DemographicInformationByDistrict.xls>

old, and increasingly expensive housing stock as one reason that Portland has become relatively less attractive to families with children over time. While out-migration from PPS has been stable, in-migration of families with children has slowed due, in part, to housing prices. Private- and home-school enrollments and changing birth rates have played only minor roles in the district’s enrollment. Enrollment declines in PPS spurred two rounds of high-profile school closures that dominated district and community attention during much of the 2004-2005 and 2005-2006 school years.

Other declining enrollment districts are located in rural areas: the Colton, Molalla River, and Oregon Trail districts in Clackamas County; the Clatskanie and Rainer districts in Columbia County; the Corbett district in Multnomah County; the Gaston district in Washington County; and the Yamhill-Carlton

district in Yamhill County. The declines in rural districts mirror a statewide trend. Of Oregon’s 87 small rural districts, 67 have recorded a drop in enrollment since 1995, leading to proposals for the consolidation of smaller districts.

Other declining enrollment districts are located in rural areas: the Colton, Molalla River, and Oregon Trail districts in Clackamas County; the Clatskanie and Rainer districts in Columbia County; the Corbett district in Multnomah County; the Gaston district in Washington County; and the Yamhill-Carlton district in Yamhill County. The declines in rural districts mirror a statewide trend. Of Oregon’s 87 small rural districts, 67 have recorded a drop in enrollment since 1995, leading to proposals for the consolidation of smaller districts.

Enrollment increases and declines pose different budget challenges. Fast growing districts need additional classroom space and rely on local voters to periodically approve bonds for capital construction. In Oregon, the capital needs of growing districts have risen on the public policy agenda and led to calls for a greater state-level role in providing K-12 capital or alternative finance methods (e.g., system development charges). In Washington, school capital bonds require a 60% supermajority for approval. Opponents of the 1944 law argue that it presents a significant challenge to provide adequate infrastructure in fast growing districts like those in Clark County. Supporters believe a supermajority is appropriate when asking taxpayers to take on debt. Unlike Oregon, however, Washington charges school impact fees to home developers. For example, the fast-growing Evergreen district in east Vancouver and Clark County plans to almost double its fee from \$3,540 per single-family home to \$6,819. Washington policymakers argue that existing

fees typically fund portable or modular classrooms, and that traditional bonding is required for full school construction.

In Oregon, declining enrollment presents fiscal challenges. The state's funding formula, which equalizes per student resources across the state, distributes dollars based on the average rather than marginal cost of serving a student. The formula's method does a poor job of recognizing fixed costs, which do not fall in step with enrollment. For example, spending on principals and building operations decline only if and when a district elects to close schools. Consequently, the average funding lost by a shrinking district is typically higher than the immediate savings associated with serving a smaller student base. In Oregon, a rough rule of thumb suggests district funding is reduced by about \$5,000 for each student lost, but short-term operating costs decline by only half that amount—about \$2,500 per student.

In upcoming years, districts across the region will compete for a relatively fixed population of school-aged children. Unlike the 1990s when the children of baby boomers grew K-12 enrollment, demographers see the school-age population growing at slower rates than the general population. Districts located in areas with relatively affordable housing that are close to new employment centers will grow while districts without those characteristics will stagnate or decline. Attracting Hispanic families with children, whose population percentages are expected to increase at higher rates than those of other ethnicities, will also be a key to enrollment growth.

### **K-12 Achievement**

Since the early 1990s, essentially all states have developed educational standards. These standards have defined the knowledge and skills students are expected to master at various grade levels in core academic subject areas. Oregon and Washington have implemented assessment systems that track student-, school-, and district-level progress on achievement in elementary and secondary schools.

Oregon assesses student progress in grades 3, 5, 8, and 10. According to the Oregon Department of Education, the purpose of the Oregon Report Card is to

monitor trends among school districts and Oregon's progress toward achieving its goals and "to communicate information to parents about school progress and achievement while meeting the legislative expectation for school and district accountability." A comparison of reading and math scores for the 2000 and 2005 school years suggests four conclusions (see Table 2):

- Performance relative to standard is generally stronger in earlier grades. In both 2000 and 2005, regional districts generally showed a higher percentage of 3rd graders meeting state standards than 8th graders or 10th graders. This achievement "drop off" is not unique to the region, and state-level test results exhibit similar trends. Education policymakers use the trends support a call for more rigor in middle and high school curricula or other reforms, including a return to K-8 school configurations. Other observers believe the tests themselves may be to blame. Specifically, some argue that Oregon's third grade standard may be set too low, and the 8th grade standard too high and that recalibrating the tests would more appropriately evaluate a student's progression over time.

- Socio-economic status correlates with achievement levels. The regional achievement scores reflect conclusions that student achievement is correlated with higher levels of parental educational attainment and household income. Scores in districts with high attainment/income (e.g., Lake Oswego, Riverdale, West Linn-Wilsonville) are routinely higher than scores in districts with lower attainment/incomes (e.g., Clatskanie, St. Helens, Vernonia, Reynolds).

- Between 2000 and 2005, students show improvement in math. At each of the four testing grades, the majority of school districts in the region report gains during 2000-2005 in the share of students meeting the state's math standards. For 3rd grade math, in the median district 89% of student met standard—up from 79% in 2000's median district. At the 10th grade level, 45% of students met the math standard in 2005—up from 36% for the median district in 2000. The 10th grade underscores two points: teachers have better prepared students for the math test, but many students still fall short of the state standards.

**Table 2a: Oregon Report Card Scores-Percentage of Students Meeting or Exceeding Achievement Standards**

	1999/2000								2004/2005							
	3rd		5th		8th		10th		3rd		5th		8th		10th	
	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math
Canby	78	67	76	73	66	58	47	46	85	91	90	89	70	67	59	54
Colton	96	94	76	78	67	68	52	38	86	84	86	>95	79	79	52	43
Estacada	72	72	72	68	59	54	47	38	NA	85	NA	92	NA	61	NA	47
Gladstone	95	89	75	72	73	75	64	43	86	>95	83	82	69	70	57	43
Lake Oswego	96	93	93	89	80	84	73	67	>95	>95	95	>95	88	86	77	76
Molalla River	90	87	76	72	61	45	41	31	86	84	83	88	65	61	44	33
No. Clackamas	92	83	82	78	69	61	50	43	91	92	86	88	70	72	61	60
Oregon City	87	79	75	72	65	58	55	40	90	91	84	86	58	59	44	48
Oregon Trail	80	67	69	74	59	52	42	36	90	89	84	89	63	59	48	36
West Linn-Wilsonville	93	90	88	87	76	71	72	65	94	NA	93	NA	82	NA	78	NA
Clatskanie	91	90	76	63	59	44	43	22	67	80	84	86	73	71	39	31
Rainier	88	73	65	65	61	51	48	32	94	>95	75	82	42	43	49	59
Scappoose	86	87	80	71	63	42	53	32	86	90	80	84	44	55	34	37
St. Helens	77	76	70	66	51	45	42	26	76	85	73	75	49	48	35	31
Vernonia	77	82	72	60	57	34	47	23	73	78	77	85	53	62	46	42
Centennial	80	75	72	65	60	45	42	33	74	81	66	73	56	57	41	36
Corbett	93	100	85	84	83	69	42	35	>95	94	89	90	74	66	92	82
David Douglas	81	73	67	62	62	54	48	29	83	84	76	80	54	64	44	42
Gresham-Barlow	80	75	75	75	67	65	54	40	84	87	78	83	66	67	48	41
Parkrose	71	69	59	58	57	40	47	24	82	89	74	83	48	33	50	34
Portland	79	74	72	73	62	56	51	41	86	86	83	86	66	67	50	49
Reynolds	74	62	64	54	59	43	50	31	73	76	72	73	55	55	46	31
Riverdale	98	86	95	95	80	74	88	75	>95	>95	93	93	>95	>95	76	71

Source: Oregon Department of Education, Office of Analysis and Reporting, [www.ode.state.or.us/data/schoolanddistrict/testresults/reporting/publicrpt.aspx](http://www.ode.state.or.us/data/schoolanddistrict/testresults/reporting/publicrpt.aspx)

**Table 2b: Oregon Report Card Scores-Percentage of Students Meeting or Exceeding Achievement Standards**

	1999/2000								2004/2005							
	3rd		5th		8th		10th		3rd		5th		8th		10th	
	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math
Banks	81	61	73	66	67	57	68	43	79	90	86	89	61	54	57	50
Beaverton	86	82	81	81	72	67	58	51	90	91	87	91	73	77	63	56
Forest Grove	95	79	73	70	57	45	47	29	84	90	66	70	52	48	63	53
Gaston	80	81	69	68	65	61	50	50	90	88	94	91	66	61	57	43
Hillsboro	78	72	69	67	61	54	47	34	80	81	73	78	63	65	49	42
Sherwood	92	90	81	71	76	69	61	43	94	94	94	94	73	74	59	58
Tigard-Tualatin	90	78	82	77	77	71	57	58	90	90	87	90	73	74	64	66
Amity	92	91	63	67	61	45	49	33	89	>95	69	70	68	59	43	45
Dayton	81	69	70	59	51	37	48	33	76	90	71	83	57	60	49	50
McMinnville	80	71	80	77	57	58	47	43	87	90	82	90	60	61	61	46
Newberg	82	81	77	72	66	61	51	35	91	>95	92	94	66	75	66	70
Sheridan	86	81	72	61	35	22	36	25	73	71	69	71	42	35	61	46
Willamina	77	77	57	61	53	31	29	15	77	86	75	84	47	51	37	33
Yamhill-Carlton	85	93	73	76	69	69	44	43	82	88	84	88	76	77	54	40

Source: Oregon Department of Education, Office of Analysis and Reporting, [www.ode.state.or.us/data/schoolanddistrict/testresults/reporting/publicrpt.aspx](http://www.ode.state.or.us/data/schoolanddistrict/testresults/reporting/publicrpt.aspx)

■ Student performance on reading was mixed at best during 2000-2005. On the 3rd, 8th, and 10th grade-tests, districts were as likely to report achievement declines as they were gains. Fifth grade reading was the exception where only four districts saw a decline in the percentage of students meeting standard during 2000-2005.

Washington State has a decade-long history of developing and implementing its Essential Academic Learning Requirements (EALRs). The EALRs define benchmarks, or cumulative indicators, originally for grades 4, 7, and 10. Recently, the state has expanded testing for reading and math to all grades between 3-8 to comply with the federal No Child Left Behind Act. The EALRs, in turn, form the framework for the Washington Assessment of Student Learning (WASL), which will be required for high school graduation beginning in 2008. The WASL exit exam adds a significant consequence to the annual assessments and puts Washington's

standards under increased scrutiny. A review of district-level WASL scores since 2001 shows three trends (see Table 3):

- Achievement rates have generally improved over time. With limited exceptions, 2005 achievement rates for reading and math were higher in all school districts except for one in Clark County.

- Passing rates generally decline at higher grades. As in Oregon, achievement rates are lower for high schoolers than for elementary school children. With 10th grade achievement rates well below 100% in both reading and math, the underperforming students will face unprecedented challenges in attaining a high school diploma.

- Students generally perform better on reading than math. In Clark County and across Washington, students have generally performed better in reading than math. Subpar achievement levels in math have led some educators to call on the state Board of Education to increase math requirements and specify content.

### Regional K-12 Finance

Few aspects of the K-12 system capture more stakeholder and media interest than finance. In Oregon and Washington, policymakers have debated the goals of funding equity, stability, and adequacy. Lawmakers and voters tend to support the notions of stability and resource equity (that is, providing a similar level of funding to students across a state). Arriving at consensus on an adequate funding level—

**Table 3: Washington Assessment of Student Learning Scores-Percentage of Students Meeting or Exceeding Achievement Standards, Clark County Districts**

	1999/2000						2004/2005						2000-2005, Percentage Point Change					
	4th		7th		10th		4th		7th		10th		4th		7th		10th	
	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math	Read	Math
Battleground	58	34	44	29	61	36	77	61	70	55	72	46	19	27	26	26	11	11
Camas	82	68	59	36	61	27	90	76	86	63	76	55	8	9	27	28	15	29
Green Mountain	60	40	NA	NA	NA	NA	90	80	67	38	NA	NA	30	40	NA	NA	NA	NA
La Center	73	47	39	26	64	26	86	62	64	48	80	60	13	16	25	22	16	34
Evergreen	71	44	41	27	63	28	80	63	68	51	75	48	9	20	28	25	12	21
Hockinson	78	47	66	42	NA	NA	87	77	82	60	92	72	9	31	16	19	NA	NA
Ridgefield	94	63	51	37	72	51	86	76	79	63	69	48	-8	13	27	26	-3	-4
Vancouver	69	44	38	26	57	31	75	54	65	44	73	46	6	10	27	19	17	16
Washougal	64	40	40	25	46	22	86	72	75	60	68	38	23	32	36	34	23	16

Source: State of Washington Office of the Superintendent of Public Instruction, [www.k12.wa.us/assessment/WASL/overview.aspx](http://www.k12.wa.us/assessment/WASL/overview.aspx)

that is, the level of resources required to bring a certain percentage of students to an educational standard—has proven difficult. An array of factors drive achievement, including a family’s socioeconomic position, parental involvement, and teacher quality. Isolating the independent effect of spending is therefore technically challenging. Academic literature would suggest that an increase in spending can generate an improvement in achievement, but improvement is not guaranteed.

Looking across the region, about three in five districts (28 of 46) spent between \$6,500 and \$8,000 per student on ongoing operations and maintenance in 2004-2005 (see Table 4) For comparison, most districts spent below the U.S. average (\$8,618 per student).

A number of factors can lead to higher or lower spending averages. For example, the Portland Public Schools, which spent \$9,886 per student in 2004-2005, receive revenue from the federal and state governments to provide supplemental services to low-income and special needs students. Conversely, the Sherwood school district has identified fewer students with special needs and operates with lower revenue and spending per student. Riverdale’s above average spending is supported, in part, by donations from parents and other private parties.

Looking across the time period, median per student spending of Oregon’s 38 districts was generally 7 to 16% higher than Washington’s 8-district median. The instability of Oregon’s K-12 spending is notable in 2002-2003. The recession, and corresponding state fiscal crisis, resulted in a decline in spending per student in most Oregon districts. Addressing instability of K-12 revenue remains

**Table 4a: Spending for Clackamas, Columbia, and Multnomah Counties**

County	District Name	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	Average
							Annual Growth Rate
							2001-2005
Clackamas	Canby	\$6,316	\$6,862	\$6,738	\$6,534	\$6,818	1.9%
	Colton	\$6,350	\$6,683	\$6,338	\$6,484	\$6,689	1.3%
	Estacada	\$6,736	\$6,516	\$6,784	\$7,401	\$8,138	4.8%
	Gladstone	\$6,483	\$6,751	\$6,316	\$6,839	\$7,420	3.4%
	Lake Oswego	\$7,151	\$7,384	\$7,064	\$6,979	\$7,275	0.4%
	Molalla River	\$7,200	\$7,119	\$6,288	\$7,234	\$6,747	-1.6%
	North						
	Clackamas	\$7,265	\$6,862	\$6,417	\$6,751	\$6,800	-1.6%
	Oregon City	\$6,545	\$7,189	\$6,801	\$6,555	\$7,138	2.2%
	Oregon Trail	\$6,311	\$6,611	\$6,413	\$6,580	\$7,102	3.0%
Columbia	West Linn-						
	Wilsonville	\$6,419	\$6,761	\$6,538	\$6,579	\$6,976	2.1%
	Clatskanie	\$7,066	\$7,071	\$6,957	\$7,059	\$7,603	1.8%
	Rainier	\$7,033	\$7,693	\$7,093	\$7,220	\$7,147	0.4%
	Scappoose	\$6,304	\$6,511	\$6,503	\$6,345	\$6,675	1.4%
Multnomah	St. Helens	\$6,677	\$6,508	\$6,495	\$6,034	\$6,615	-0.2%
	Vernonia	\$6,911	\$7,658	\$7,690	\$7,140	\$7,075	0.6%
	Cenntennial	\$6,330	\$6,655	\$6,227	\$7,701	\$7,808	5.4%
	Corbett	\$7,859	\$7,167	\$7,432	\$7,214	\$7,821	-0.1%
	David Douglas	\$6,612	\$6,998	\$6,768	\$6,990	\$7,250	2.3%
	Gresham Barlow	\$6,652	\$6,843	\$6,660	\$7,145	NA	NA
	Parkrose	\$6,738	\$6,533	\$6,401	\$7,650	\$8,017	4.4%
	Portland	\$8,166	\$8,291	\$7,921	\$8,753	\$9,306	3.3%
Reynolds	\$6,788	\$7,084	\$6,440	\$7,986	\$8,628	6.2%	
Riverdale	\$9,314	\$9,695	\$9,300	\$10,162	\$10,654	3.4%	

Source: ECONorthwest calculated using data from the Oregon Department of Education and Washington Office of Superintendent of Public Instruction

at the top of the public policy agenda in Oregon. Governor Kulongoski has pledged to dedicate a fixed share of the state general fund to education to add predictability to school district budgets. Meanwhile, the foundation-sponsored Chalkboard Project has proposed a K-12 spending guarantee, which would change with student enrollment, as well as a compensation index.

Governor Gregoire’s “Washington Learns” initiative is investigating the adequacy of the state’s K-12 system. Washington has long ranked in the bottom tier of states on spending per student and, like Oregon, has operated with large class sizes. Consultants to the “Washington Learns” process have called for reduced K-3 class sizes, full-day kindergarten, and one-on-one tutoring for early readers.

In both states, the governors are recommending a seamless PreK-to-University System that facilitates student transitions from one system to the next and consolidates resource allocation decisions.

The region’s economic prosperity is linked to the skills of its workforce. The future points to both opportunities and challenges. The coming decade will show whether Portland’s attractiveness to young professionals persists and how, or if, those professionals turn their education credentials into an economic engine. Where this wave of 1990s-era, college-educated immigrants locate, as they age and form families, will shape the regional landscape. The quality of K-12 schools will play an important role in their location decisions.

Federal and state education standards will keep K-12 student achievement in the top tier of the public consciousness and policy agenda. On both sides of the border, policymakers have offered an array of proposals to boost high-school achievement

**Table 4b: Spending for Washington, Yamhill, and Clark Counties**

County	District Name	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005	Average Annual Growth Rate 2001-2005
Washington	Banks	\$6,030	\$6,623	\$6,410	\$6,592	\$6,729	2.8%
	Beaverton	\$6,250	\$6,294	\$6,281	\$6,269	\$6,932	2.6%
	Forest Grove	\$6,940	\$7,079	\$6,935	\$6,978	\$7,494	1.9%
	Gaston	\$6,626	\$7,171	\$6,847	\$7,137	\$8,485	6.4%
	Hillsboro	\$6,771	\$7,359	\$6,601	\$6,656	\$7,189	1.5%
	Sherwood	\$6,286	\$6,368	\$5,844	\$5,815	\$6,175	-0.4%
	Tigard-Tualatin	\$7,366	\$7,720	\$7,780	\$7,087	\$7,249	-0.4%
Yamhill	Amity	\$6,968	\$7,281	\$7,248	\$7,451	\$8,076	3.8%
	Dayton	\$6,810	\$7,076	\$6,616	\$7,039	\$7,565	2.7%
	McMinnville	\$6,029	\$6,354	\$6,230	\$6,787	\$7,007	3.8%
	Newberg	\$6,194	\$6,342	\$6,421	\$6,493	\$7,082	3.4%
	Sheridan	\$6,842	\$7,313	\$6,694	\$6,869	\$7,724	3.1%
	Willamina	\$6,989	\$7,615	\$7,460	\$7,032	\$7,229	0.8%
	Yamhill-Carlton	\$6,674	\$6,812	\$7,538	\$6,680	\$7,388	2.6%
Clark	Vancouver	\$6,602	\$6,821	\$7,092	\$7,367	\$7,659	3.8%
	Hockinson	\$6,851	\$6,355	\$6,670	\$6,729	\$6,718	-0.5%
	La Center	\$5,572	\$5,891	\$6,199	\$6,124	\$6,470	3.8%
	Green Mountain	\$6,695	\$6,569	\$6,830	\$7,035	\$8,043	4.7%
	Washougal	\$6,660	\$6,944	\$6,707	\$6,612	\$6,984	1.2%
	Evergreen	\$6,384	\$6,514	\$6,691	\$6,991	\$7,318	3.5%
	Camas	\$6,269	\$6,522	\$6,521	\$6,644	\$6,738	1.8%
	Battleground	\$5,943	\$6,069	\$6,240	\$6,246	\$6,644	2.8%
Ridgefield	\$5,923	\$6,020	\$6,050	\$6,260	\$6,385	1.9%	

Source: ECONorthwest calculated using data from the Oregon Department of Education and Washington Office of Superintendent of Public Instruction

and shrink dropout rates. At their core, the key strategies—exit exams and revamped diploma requirements—bet that students, and their parents, will respond to higher expectations. In ten years, we will know whether the high expectations and accountability of the standards movement translate into better education for the region’s children.