



# Oregon Schools Benefit from Common School Fund



***The State Treasurer and Oregon Investment Council invest the Common School Fund, which exceeded its performance target over the three-year period ending in 2011, earning a 13 percent average annual return. The value of the fund fluctuates with changing market conditions, and is now valued at approximately \$1 billion. Only the earnings are sent to schools.***

***“Every education advocate should understand the Common School Fund.”***

Louise Solliday, Director  
Department of State Lands

## **\$48.75 million sent to state’s 197 K-12 school districts in 2011**

Since Oregon became a state in 1859, a little-known fund – the Common School Fund – has provided hundreds of millions of dollars for Oregon public schools.

In a district such as Eugene, their share in 2011 (\$1,602,521) would support nearly 19 full-time teaching positions. In Bend, 15. And in Medford, 12.5. While Common School Fund distributions are considered local revenue in the state funding formula, the dollars are not insignificant.

## **State Land Board oversees Common School Fund**

The act of Congress admitting Oregon to the Union in 1859 granted sections 16 and 36 of every township for the use of schools. Nearly 3.4 million acres – roughly the size of Connecticut – came under state ownership.

Our “land-rich, cash-poor” state quickly sold many school lands, as state officials felt private ownership of these lands would yield more for schools through property taxes and other economic benefits. As a result, only about a quarter of Oregon’s original acreage – just under 780,000 acres — remains in state ownership.

## **2011 Common School Fund Distributions**

A sampling of districts and their distributions

School District	Distribution	Equal to*
<b>Astoria</b>	<b>\$168,224</b>	<b>2 full-time teachers</b>
<b>Bend</b>	<b>\$1,318,516</b>	<b>15 full-time teachers</b>
<b>Coos Bay</b>	<b>\$276,473</b>	<b>3 full-time teachers</b>
<b>Eugene</b>	<b>\$1,602,521</b>	<b>18.5 full-time teachers</b>
<b>Hood River</b>	<b>\$296,646</b>	<b>3 full-time teachers</b>
<b>Medford</b>	<b>\$1,088,163</b>	<b>12.5 full-time teachers</b>
<b>Pendleton</b>	<b>\$240,711</b>	<b>3 full-time teachers</b>
<b>Portland</b>	<b>\$4,461,315</b>	<b>51 full-time teachers</b>

\* Based on the annual statewide average of \$86,745 per teacher for salary and benefits; figures are rounded



## DEPARTMENT OF STATE LANDS FACT SHEET COMMON SCHOOL FUND

***Common School Fund distributions are sent to school districts twice a year. By law, fund distributions cannot benefit current students at the disadvantage of future students, or vice-versa.***



***About three-fourths of the annual revenue from state school lands comes from forestlands. In fiscal year 2011, the Elliott State Forest near Coos Bay generated \$8.1 million. The State Land Board owns 91 percent of the 93,000-acre forest.***

The Oregon Constitution dedicates the mineral, timber and other resource rights of school lands to the Common School Fund, and names the State Land Board as trustee of the fund. The board is composed of the Governor (chair), Secretary of State and State Treasurer.

“Protecting and enhancing the Common School Fund is arguably the most important thing we do as a state agency,” says Louise Solliday, director of the Department of State Lands (DSL), the administrative arm of the Land Board.

Inputs into the fund include revenues from leasing state-owned rangelands and waterways, and harvesting timber on Common School Fund forestlands. In addition, all unclaimed property (money) the state receives is held in the Common School Fund until the rightful owner is located.

### **Goal is to grow the fund significantly over time**

As the Common School Fund grows, so do distributions to Oregon school districts. Since 2000, distributions have ranged from a low of \$13 million in 2004 to a high of \$55.4 million in 2008. Distributions in the 2011-13 biennium will total \$101 million.

The Department of State Lands is strategically managing the fund’s real estate assets to increase revenues to schools. Disposing of non-producing lands, investing in high-quality lands, and ensuring that state land leases reflect market values are among the agency’s strategies, says Solliday.



“Every dollar helps Oregon schools – it’s just that simple,” she says. “My goal is for every education advocate across the state to understand the Common School Fund and the Department of State Lands’ role in supporting Oregon’s schoolchildren from generation to generation.”

### **For more information and copies of this fact sheet, contact:**

Julie Curtis: (503) 986-5298; [julie.curtis@state.or.us](mailto:julie.curtis@state.or.us)

#### **Oregon Department of State Lands**

775 Summer St. NE, Suite 100

Salem, Oregon 97301-1279

(503) 986-5200 | [www.oregonstatelands.us](http://www.oregonstatelands.us)