

Common School Fund Benefits Oregon Schools



\$74.2 Million Going to State's 197 K-12 Public School Districts in 2024

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

Common School Fund distributions are considered local revenue in the state funding formula, and the dollars are quite significant. In a district such as Corvallis, the 2024 distribution supports the equivalent of 19 teacher salaries – see below for a sampling of distributions and salaries supported.

The 2024 distribution is approximately \$141 per student.

State Land Board Oversees Common School Fund

When Congress admitted Oregon to the Union in 1859 it 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. In the late 1800s, land swindlers also cheated Oregon out of thousands of acres. Today, approximately 20 percent of Oregon’s original acreage—about 681,000 acres—remain dedicated to producing revenue for schools.

The State Treasurer and Oregon Investment Council invest the Common School Fund, which earned an average 5.4 percent rate of return over the three-year period ending in December 2023. The fund – both the principal and the interest – is invested in a mix of assets, including stocks, bonds, private equity, and real estate.

The value of the fund fluctuates with changing market conditions, and is now valued at \$2.3 billion.

Fund distributions are sent to school districts twice a year. Historically, about 4 percent of the fund has been distributed to school districts. The 2024 distribution is 3.5 percent.

2024 Common School Fund Distributions

A sampling of districts and the impact of their distributions

School District	Distribution	Equal to*
Ashland	\$339,114	5 teacher salaries
Bend-LaPine	\$2,289,066	33
Coos Bay	\$379,461	5
Corvallis	\$1,344,575	19
Hood River	\$462,869	7
Medford	\$1,800,481	26
Ontario	\$325,185	5
Pendleton	\$381,714	5
Portland	\$6,415,269	91
Salem-Keizer	\$5,383,662	76

*Based on National Education Association FY22 statewide salary average of \$70,402 per teacher; figures are rounded.





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.

“Protecting and enhancing the Common School Fund is arguably the most important thing we do,” says Vicki Walker, director of the Department of State Lands, the administrative agency of the Land Board. “Our goal is to have every education advocate understand its role in funding K-12 schools.”

Inputs into the fund include revenues from school lands, publicly owned waterways, and from estates of people who die without a will and known heirs. All unclaimed 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 \$74.2 million in 2024.

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

“Every dollar helps Oregon schools,” Walker says. “Through balancing revenue enhancement and resource protection, our goal is to provide sustainable funding for schools forever.”



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