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ABSTRACT

This paper describes funding formulas for the new Foundation School Program in Texas enacted under the Education Opportunity Act (H.B. 72), raises issues that have accompanied its first year of implementation, and provides preliminary data to compare prior and existing law. The state finance system, which previously distributed state aid according to a district's allotment of personnel units, was changed to a weighted pupil system under the new law. Topics discussed include the price differential index, small district adjustments, weighted pupils, results of the Texas program cost differential study, the effects of weighting students by special program area, the transportation allotment, allotments for educational improvement and career ladders, and the state and local share of program costs. The next section is a discussion of fully funded state programs: the Equalization Transition Fund, the Enrichment Equalization Allotment, and the Experienced Teacher Allotment. The final section discusses the results of a Fall 1985 survey of Texas school districts. References are provided, along with 13 tables providing the numerical data on which the discussion is based. Supplementary information is provided in six appendixes.
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THE LAWMAKERS RESPOND:
TEXAS EDUCATION FINANCE REFORM

(Part I)

Funding Formulas--
Revisions and Reviews

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Passage of the Education Opportunity Act (H.B. 72) in Texas'

Second Called Session of the Sixty-eighth Legislature provided a comprehensive change in all aspects of Texas elementary and secondary education. Under the "reform" measure the elected State Board of Education was abolished and replaced with a smaller appointed board. Beginning teachers' salaries were raised from the state minimum of \$11,100 to \$15,200, with all teachers receiving a minimum additional \$1,700 in 1984-85. A new, four-level career ladder was enacted which provided an additional \$2,000/year increment for teachers at levels 2, 3 and 4; placement on the career ladder is based on experience, eligibility and appraisals under a new evaluation system. All teachers and administrators are required to pass a competency exam. Students will be tested in first, third, fifth, seventh, ninth and eleventh grade; passing an exit level test has been required to receive a high school diploma. Students must maintain a grade average of at least 70 to be advanced from one grade level to the next and to participate in extracurricular activities. Each school district is required to have a discipline management program approved by the state, with procedures for removing students from schools stiffened and alternative education settings required. Class sizes, limited to 22 students, will be phased in for grades K through 4. Preschool classes must be made available for certain economically disadvantaged or limited English proficient students and state funded full day kindergarten is now available. The state finance system which previously distributed state aid according to a district's allotment of personnel units, was replaced by a weighted pupil system.

The purpose of this paper is to describe the new finance system enacted under H.B. 72, to raise issues that have accompanied its first year of implementation, and to provide some preliminary data to compare prior and existing law.

THE FOUNDATION SCHOOL PROGRAM

The Weighted Personnel System

Under prior law the major share of a district's entitlement under the Foundation School Program was based on the weighted personnel-unit (PU) system. Personnel units were awarded to districts based on the number of students in average daily attendance (ADA) by grade grouping as follows:

K-3	18.5	7-9	20
4-6	21	10-12	18

For example, a district with 74 children in kindergarten through third grade, 105 in grades 4-6, 80 in 7-9, and 54 in grades 10-12, would be allocated 4, 5, 4, and 3 PUs respectively, for a total of 16 regular program PUs ("The Foundation School Program" [FSP], 1984, p. 1). Additional PUs were awarded based on students in vocational education and special education. Flat grants for compensatory and bilingual education were made on a per capita basis, and aid for drivers' education and transportation was provided.

PUs were utilized to fund personnel through a state salary schedule consisting of 18 pay grades. Each pay grade consisted of multi-experience levels, and a single personnel unit value. The district exchanged its PU entitlement for personnel whose PUs equaled its allocation

e.g., a teacher with a bachelor's degree was at pay grade 7 which had a personnel unit value of 1.0. If the teacher had 3 years of previous experience, the district would be credited with \$12,340 salary for that person; with 9 years of experience the same 1.0 PUs would earn the district \$15,920 salary credited to its FSP cost (Table 1). This created what was called a "best buy" situation--a PU was utilized to employ the person generating the largest salary allotment for the PU cost to the district - and greater experience provided a better buy (see "FSP", 1984, p. 2). Clerical and administrative positions were also included in the system.

The Foundation Program cost per district under the PU system was shared between the state and localities, with each district's cost, or local fund assignment (LFA), consisting of the amount of funding raised by multiplying a tax rate of 11 cents per \$100 of the district's equalized valuation, subtracted from the FSP cost, to determine the state aid allocation. In addition, statutorily dedicated tax revenue awarded on a per capita basis was deducted from the LFA.

The program was intended to equalize the ability of school districts to provide a basic education. Districts with high taxable property values paid a larger share of the FSP cost and the state provided a proportionately smaller share; poor districts raised a smaller share of the FSP with the state providing a proportionately larger amount. However, several factors diminished the foundation program's equalizing ability (see HSG 1984a:11-13; Texas Research League 1984a, 1984b). First, local districts were not required to raise their local fund assignment but

could, and did, "enrich" their basic FSP by raising more local revenue than required to meet the local share cost. In fact, more than 95 percent of Texas' school districts raised additional enrichment funds, with property-rich districts spending many times the FSP level with lower tax rates than poorer districts with higher tax rates. Second, wealthy districts, whose enrichment funds enabled them to provide substantial salary supplements, attracted and retained a larger share of experienced teachers and had the state support their spending advantage over poor districts under this system (Table 2).

In 1973 disparities in the Texas Foundation School Program were challenged in U.S. Supreme Court in Rodriguez v. San Antonio. The court, in a 5 to 4 decision, found the Texas system was "chaotic and unjust" but that the solutions to the inequity must come from the [state] "lawmakers and the democratic pressures that elect them".

Despite a decade of efforts, studies and formula changes after Rodriguez aimed at reform of the finance system, the revenue disparity between the poorest and wealthiest districts in Texas increased (Lindahl 1984; Texas Research League 1984a, 1984b). Subsequently, on May 23, 1984 Edgewood v. Bynum was filed in state district court challenging, once again, the constitutionality of the state system of school finance.

Shortly thereafter the lawmakers responded. The Second Called Session of the Sixty-eighth Legislature, which convened June 4, 1984, enacted a complete restructuring of the school finance system and committed \$2.8 billion in new revenue to education over the next three years.

The Weighted Pupil System

The newly enacted Foundation School Program, consisting of a basic entitlement and six special allotments, replaces the personnel unit system and related statutory formulas under prior law. Table 3 provides a side-by-side comparison of appropriations, enacted under H.B. 72 and prior law, S.B. 179, for the Foundation School Program, fiscal year 1985 (Figure 1).

The basic entitlement is comprised of the basic allotment adjusted by sparsity, small district and price differential index formulas. A basic allotment (Sec. 16.101) of \$1290 for 1984-85 and \$1350 for 1985-86 and thereafter per student in average daily attendance (ADA) is stated in statute and may be increased in the appropriations act. ADA is determined by the best four of eight weeks attendance and includes kindergarten but excludes special education and vocational education. The ADA figure includes a Sparsity Adjustment (Sec. 16.104) for any district which is at least 30 miles from a high school district; or any district:

- (a) offering K-12 with prior year ADA of at least 90 using 130 ADA;
- (b) offering K-8 with prior year ADA of at least 50 using 75 ADA;
- (c) offering K-6 with prior year ADA of at least 40 using 60 ADA.

For 1984-85 approximately 2.87 million Texas students are in ADA. Of Texas' 1068 districts, the Sparsity Adjustment of 130 ADA was utilized for 52 districts, 75 ADA was utilized for 27 districts, and 60 ADA was utilized for 11 districts.

The 1984-85 Price Differential Index (Sec. 16.102)

The basic allotment for each district is adjusted by multiplying the amount of the basic allotment by an index factor that reflects the geographic variation in resource costs due to factors beyond the control of the school district, and results in what is termed the "adjusted basic allotment" (ABA).

For the 1984-1985 school year each district's basic allotment was adjusted by applying the following formula:

$$\text{ABA} = ((\text{BA} \times .75) \times \text{PDI}) + (\text{BA} \times .25)$$

where:

"ABA" is the adjusted basic allotment;

"BA" is the basic allotment; and

"PDI" is the price differential index applicable to the district.

The price differential index was calculated in accordance with the following formula:

$$\text{PDI} = \frac{(\text{CATS})}{(\text{CFTS})} + (.10 \times \text{DED})$$

where¹:

"CATS" is the total of salaries paid in the 1983-84 school year to classroom teachers whose salaries are paid from foundation or excess funds in other districts in the same county as the district for which the calculation is made (those who are paid from Title I, compensatory education, regional deaf, vocational contract, or other federal funds are excluded). If there are fewer than three districts assigned to that county by the

Central Education Agency for administrative purposes then "CATS" is the total of salaries paid in the 1983-84 school year to those teachers in districts contiguous to the district for which the calculation is made. There are 129 districts in 88 counties that fall into this category.

A district with territory in or contiguous to a county with a population of 1.5 million or more may elect to have "CATS" calculated on the basis of salaries in other districts in the county to which it is assigned for administrative purposes and salaries in the county with a population of 1.5 million or more. Dallas and Harris Counties have a population of 1.5 million or more; there are 13 districts with territory in or contiguous to Harris County. The phrase "with territory in" was interpreted to exclude those districts assigned either to Dallas or Harris counties for administrative purposes. A district with territory in exactly two counties may elect to have "CATS" calculated for the district on the basis both of salaries in other districts in the same county as the district for which the calculation was made and of salaries of districts in the second county in which it has territory. There were 289 districts with territory in exactly two counties.

"CFTS" is the total minimum state salary portion of salaries paid in the preceding year to the classroom teachers used to determine "CATS".

"DED" is the percentage of the district's students who are educationally disadvantaged defined as the best six month average of free and reduced price lunches under the National School Lunch Program, for the preceding school year. This average was compared to the estimated average daily attendance for 1984-85.

Thus, the Price Differential Index Calculations for 1984-85 were based on varying geographic configurations statutorily defined, with the basic configuration being the county in which the district was located but excluding the district itself. The costs for the PDI were thus based on a presumption of districts in the same area sharing the same labor market and therefore the same cost of teachers.

Calculation of the PDI. A "raw" PDI was calculated for each district; school districts were then ranked by index value. For any district in the bottom five percent of the order, (rank 53 or lower out of 1068 districts), the "adjusted" PDI was considered to be 1.00. If the highest actual index value of the districts in the bottom five percent was greater than 1.00, the raw index values of all remaining districts were divided by the highest index value of the districts in the bottom five percent, giving an adjusted value. For any district in the top five percent (rank 1016 or higher of 1068 districts), the adjusted PDI was considered to be that of the lowest index value (1.2883) of the districts in that top five percent.

After the adjusted PDI was calculated, an adjustment, secured by Austin and Bryan counties, was made for those districts having a high percentage of state employees. Any district located in a county in which the number of full-time state employees at pay grades 10-14, plus the number of public senior college or university faculty at the rank of instructor or a higher rank, employed within the county as of May 31, 1984, exceeded 125 percent of the number of non-federally funded classroom

teachers employed in that county as of May 31, 1984, was entitled to the maximum price differential index (PDI). The same group of teachers used to calculate "CATS" was used to calculate the number of teachers in a county.

Impact of the PDI. For 1984-1985, 53 districts (5 percent) had a value of 1.0 and 53 districts (5 percent) were assigned a maximum value of 1.29. As a second modification, the additional statutory adjustment for high percentages of state employees qualified 50 districts in 11 counties for the maximum index. In total, 103 districts had a maximum index of 1.29. Table 4 summarizes the number of districts and students by PDI adjustment factors.

The average index for 1984-1985 was 1.1895, providing an additional \$184 (14.25 percent) to the basic allotment for an average adjusted basic allotment of \$1,474. In general, major urban districts and their accompanying suburban areas, larger districts with respect to average daily attendance and wealthy districts tended to have higher price differential indices. According to the Price Differential Index Advisory Committee Report, these findings resulted from the inclusion of the salary enrichment funding, in the "CATS" portion of the formula:

With respect to wealth, higher salary differentials tend to exist within wealthier areas of the state compared to less wealthy areas of the state. Thus in wealthier urban and West Texas areas, higher salary differentials are often presented as a result of the financial ability to provide increased salaries (p.6).

The committee noted the compensatory education factor offset the above noted relationship to some degree, however.

Creation of the 1985-86 PDI.²

A Price Differential Index Advisory Committee was created under H.B. 72 as part of a process to update and improve the PDI specified in law for 1984-85. Less than a month after conclusion of the Second Called Session of the 68th Legislature, the newly appointed State Board of Education (SBOE) appointed the Price Differential Index Advisory Committee. From August to October 1984 the committee held hearings and met to determine an econometric model for estimating cost factors beyond the control of the district for inclusion in the updated index. The committee's decision was to focus on a three-stage regression model, designed to neutralize the effect of personnel characteristics and wealth/effort characteristics prior to the determination of a price differential index based on factors beyond the control of the district. The model sought to explain teacher costs, which represent 60 percent of the total general fund operating costs of Texas school districts (PDI Committee Report, 1984, p. 1).

Stage one of the analysis utilized the average monthly salaries paid to teachers³ (1983-1984) from state and local funds as the dependent variable, expressed in logarithmic terms. The three independent variables included:

- 1) experience of teacher;
- 2) degree status of teacher;
- 3) grade assignment of teacher e.g., elementary, secondary.

The equation was stated as:

Estimated Log of Monthly Salary = $7.219989 + (0.094217 * \text{Advanced Degree}) + (0.015716 * \text{No Degree}) + (0.042689 * \text{Experience}) + (-0.000918052 * \text{Experience Squared}) + (0.041225 * \text{Secondary Teaching Assignment})$.

The estimated log of each teacher's monthly salary produced by the operation was then converted into dollars and subtracted from the actual salary, producing the first regression residual. The independent variables in the first stage explained 70.4 percent of the variance in teacher salary.

For the second stage, the dependent variable was the average district regression residual by district, produced in stage one. Wealth per teacher, divided by 100,000 and expressed as a log, and total effective tax rate were utilized as independent variables representing district wealth and tax effort characteristics. The resulting equation estimated the first regression residual:

Estimated First Regression Residual = $-999.135 + (234.262 * \text{Log of Wealth per Teacher}) + (295.339 * \text{Total Effective Tax Rate})$.

The results of the second regression were then subtracted from the first regression residual, producing a value called "the second regression residual" (p. 3). This stage explained an additional 14.3 percent in salary variance.

In the third stage, "the second regression residual", defined above, was the dependent variable, with independent variables consisting of:

- 1) average daily attendance;
- 2) students per square mile;
- 3) average wages in the county; and

4) percentage compensatory education students.

These factors were considered to be beyond the control of the district.

The equation was stated as follows:

Estimated Second Regression Residual = $-608.801 + (40.095288 * \text{Log of ADA}) + (20.020102 * \text{Log of Students per Square Mile}) + (0.662815 * \text{Percentage Compensatory Education Students}) + (0.105849 * \text{County Average Wage})$.

The third stage explained an additional 6.0 percent of the variance in teacher monthly salaries. In a total, 90.7 percent of the variance in teacher salary across the state was explained by the three stage model.

The estimate produced by the third regression analysis provided a basis for calculation of the Price Differential Index by district and represented the value of cost factors beyond control of the school district after adjustment for personnel, wealth and tax effort.

Calculation of 1985-86 PDI. The Price Differential Index for 1985-86 was based on the estimate of the third regression divided by the statewide average monthly teacher salary (\$1983.52) utilizing data from the first stage, which was then added to a factor of 1.0. The raw indices ranged from 0.7014 to 1.1198. An adjusted PDI was then created by indexing each district to a floor at the fifth percentile--the raw indices were divided by the value of the raw index of the district at the fifth percentile--with the resulting values less than 1.0 set to 1.00. After this division, the indices were capped at the index value of the district

at the 99th percentile. The PDI ranged from 1.00 to 1.247; it adjusted 76 percent of the basic allotment of \$1350.

For 1985-86, 53 districts with a raw index of 0.8490 or lower utilized a PDI factor of 1.0. The 11 districts with a raw index greater than 1.0587 had an adjusted index of 1.2470, and an adjusted basic allotment of \$1603.42. Appendix A provides a break out of districts at or above the 99th percentile and at or below the 10th percentile, with ADA, percent students of state totals, cumulative pupils, cumulative percentage of pupils and district cumulative percentages. It should be noted that special districts were included in the calculation resulting in a total of 1073 versus 1068 districts.

Table 5 provides a summary comparison of the Price Differential Index and per pupil adjustment factor by school district characteristic for 1984-1985, and 1985-1986. For 1985-1986 the average index provided an adjustment of \$191.61, an average increase of \$8.00 per ADA over the average adjustment for the prior year. The average index value was, 1.186, versus 1.189 in 1984-85. In both 1984-85, and 1985-86 the PDI favored large, major urban areas, and districts with high per-pupil property wealth. The formula for 1985-1986 provided increased per pupil funding for:

- 1) Central city districts--gained 62 percent (\$79.94) per pupil.
- 2) Districts with property wealth below \$208,737 per pupil. The largest increases in this category were for districts with \$99,213 per pupil or less -- gained 35 percent (\$47.88) per pupil.
- 3) Districts with ADA of 10,000-49,999--gained 34.9 percent per pupil (\$104.47).

Losing funding under the 1985-1986 PDI were:

- 1) Districts with 1,000 or less ADA--an average per pupil loss of 37.38 percent. The largest reductions occurred in districts with under 100 ADA (87.6 percent reduction [\$78.76]).
- 2) Rural districts--39.89 percent decrease (\$41.87) per pupil.
- 3) Districts with more than \$208,738 in taxable per pupil property values--an average 17.29 percent per pupil loss (\$37.62).

While the 1985-86 formula reduced the relationship between PDI and district property wealth to some degree, a strong positive tendency is still apparent. While much has been written with regard to the relationship between wealth and cost of education indices, the preliminary findings of the Texas case appear to support the much debated contention that:

Estimated cost variations in personnel costs simply reflect historical patterns of wage differentials which show wealthier districts pay higher salaries to teachers and other school personnel and therefore the cost index would simply be reinforcing this pattern of resource allocation ([question posed by] Chambers 1980, p. 280 [to which he disagreed]).⁴

Small District Adjustment (Sec. 16.103)

Districts under 1600 in size were provided an upward adjustment to the adjusted basic allotment (ABA), resulting in the adjusted allotment (AA), computed as follows:

$$AA = (1 + ((1,600 - ADA) \times .0004)) \times ABA$$

For districts that are at least 300 square miles, the .0004 modifier is utilized; for those districts over 300 square miles .00025 is utilized. A

district may choose either their adjusted allotment or adjusted basic allotment when determining its basic entitlement (see Texas Education Agency [T.E.A.], 1985, p. 30); the adjusted allotment represents a cost increase and therefore would be utilized whenever it applies, however. It should be noted that districts with modified ADA's due to the sparsity adjustment must utilize their adjusted ADA in this calculation.

Seventy-four percent (786) of Texas' districts received the adjusted allotment in 1984-85, with the majority (611) having less than 300 square miles. Districts under 90 ADA received both the Sparsity Adjustment and the Small District Adjustment. A refinement to the finance formulas would limit the sparsity adjustment to only those districts with average or below average taxable property wealth. The support for this derives from the data, which show that the highest receivers of state aid i.e., 99 percentile, were small wealthy districts for the most part.

Weighted Pupils (Sec. 16.151-16.154)⁵

The special needs of bilingual, compensatory, vocational and special education students are recognized in the finance formula through cost differentials. Although prior law provided additional funds for vocational and special education students, for the first time under H.B. 72, costs were based on students participating in the program rather than on the basis of personnel units.

The weights for 1984-85 were: vocational education 1.45, compensatory education 0.2, bilingual education 0.1. Special Education was funded for 1983-84 under the prior system of personnel units due to the short

time frame between passage and implementation of H.B. 72. Calculations of special program costs are shown in Table 7, utilizing selected proposed 1985-86 statutory weights for special education and a \$1350 base.

Under H.B. 72 the legislature directed the State Board of Education to conduct a cost study of each of the statutory weighted program areas. In October 1984 an Accountable Costs Advisory Committee was appointed; a cost differential study to be undertaken by Texas Education Agency (TEA) was also approved at this time. This study represents the first in a continuing biennial series of special program cost differential studies in Texas.

Data were collected for the study from a nearly stratified, random sample of 100 school districts operating a K-12 program (Appendix C); all 8 large urban districts were included; all districts under 100 ADA were excluded. The sample represented over one-third of the state's students and nearly ten percent of all districts. Data were collected by instructional arrangements in special education noted in statute⁶ to apply in 1985-86 unless changed by the legislature, and by those recommended by a statewide advisory group (Appendix D). The instructional arrangements in vocational education were developed by TEA and represent instructional methodologies mandated under the state curriculum. Each approved vocational course was grouped into six arrangements (Appendix E).

Costs for instruction,⁷ campus level support and district administration were calculated for each instructional arrangement, and for regular instruction; the total dollar amount attributable to an

instructional arrangement was divided by the number of full-time equivalent (FTE) students. This cost per FTE for an instructional arrangement was then divided by the cost per FTE for regular education to derive a weight.

Results of Texas Program Cost Differential Study. A set of weights by instructional arrangement was generated for the sample 100 districts in vocational and special education. For compensatory education, the large increase in funding together with 35 percent permissible overhead costs resulted in "extremely disparate [data] results" (Texas Program Cost Differential Study, 1985, p. 3-1). Also:

Linking students being served in compensatory education to funds being expended for that program was virtually impossible in most districts since no consistent and commonly applied definitions for compensatory education existed...(p. 3-1).

Thus, weights by instructional arrangement were not recommended in this area.

For bilingual education, methodological problems also resulted. However, an analysis of approximately 40 percent of the district's reporting costs for self-contained bilingual/ESL provided a basis for the recommendation of increasing the add-on weight from 0.1 to 0.25 thus providing comparability with compensatory education funding.

Existing program review, approval processes, and detailed accounting procedures linked to instructional arrangements in special education and vocational education provided sufficiently reliable data for generating weights by instructional arrangement. Tables 8.1 and 8.2 show the

staff analysis and the Accountable Cost Committee analysis, respectively, for nine special education arrangements and six vocational education arrangements with extreme data points removed.

Table 9 provides a comparison of weights recommended by the Accountable Cost Advisory Committee to the State Board of Education after consideration of the data, and the recommendation of the State Board of Education to the Sixty-ninth Legislature (the statutory weights are also shown for comparison). The State Board increased regular class support to temper funding disincentives for mainstreaming special education students and reverted the homebound category back to a 30 hour per-week definition of FTE thus providing comparability to other weights. Vocational Education for the Handicapped was placed back into the Vocational category by the Board where it originated, and Occupational Investigation Classes were added. It should be noted that the Accountable Costs study found the average per pupil cost of regular education programs to be \$2,100, excluding local district salary enrichment--substantially higher than the \$1290 basic allotment for 1984-85 or \$1350 for 1985-86. Weights, which were built on the \$2,100 base, were therefore underestimated when the basic allotment of \$1290 or \$1350 was employed. This presumable underfunding of the regular program raises both adequacy and equity concerns (see Chambers, 1985).

Impact of Weights. Distribution of students by special program area, and costs of those programs and the regular program are presented in Tables 10 and 11. Table 10 shows the percentage distribution of students

in each program area by district size, type; and wealth group, utilizing fall 1984 data. According to the data, the largest concentrations of special education students were found in major urban districts and districts with over 50,000 ADA. Larger percentages of vocational education students, on the other hand, were located in non-metropolitan and rural districts, districts under 5,000 ADA, and in less wealthy districts. Compensatory education students, classified by the national school free and reduced price lunch counts were, as might be expected, more highly represented in less wealthy districts (less than \$124,533 in property values per ADA), major urban areas and districts with over 50,000 ADA. Bilingual students were highly represented in the least wealthy districts, in urban and central city districts and those districts with over 50,000 ADA.

Data concerning per pupil cost differentials associated with special needs programs and the regular education program derived from the weighted pupil study (Table 11), show the average costs of special education (\$8,577.00) exceeded average regular education costs by 564 percent; the average cost of vocational education (\$3,199.00) exceeded regular education costs by 147 percent. The add-on weights of compensatory education and bilingual education provided an additional average \$318 and \$158 per student respectively.⁸

According to the Advisory Committee for Accountable Costs "The level of cost per student is heavily influenced by the application of the Price Differential Index and the small school adjustment factor. These factors assist in producing higher costs per student in large urban and

small districts" (p. 1-15). Nonetheless, urban areas have high percentages of bilingual, special education and compensatory education students relative to other districts; except for vocational education students, small districts do not. Thus, small district adjustments may need further scrutiny with regard to costs and needs related to diseconomies of scale.

Transportation Allotment (Sec. 16.156)

The following rate schedule was applied to linear density grouping for 1984-85 through 1986-87 and was included in the FSP as a flat grant: 2.40 and above, \$1.43; 1.65 to 2.40, \$1.25; 1.15 to 1.65, \$1.11; 0.90 to 1.15, \$0.97; 0.65 to 0.90, \$0.88; 0.40 to 0.65, \$0.79; up to 0.40, \$0.68. This allotment includes transportation for regular students, handicapped students and vocational students.

Education Improvement and Career Ladder (Sec. 16.158)

For each student in unadjusted average daily attendance, \$100 in 1984-85, \$120 in 1985-86, and \$140 in 1986-87 is allotted for three purposes: 1) career ladder salary supplements, 2) salaries for personnel other than classroom teachers, and 3) any legal purpose. From the funds, a district must spend the following for career ladder supplements: for 1984-85, \$30; for 1985-86, \$40; for 1986-87, \$50. Fifty percent of the balance in those years may be expended for any legal purpose (including career ladder) and the remainder spent for salaries of personnel other than classroom teachers.

The teacher career ladder, also enacted under H.B. 72, provides four steps with \$2000 increments for teachers on steps two, three, and four (see Appendix F); only level two is implemented in 1984-85, however. At \$30 per ADA and \$2000 per teacher supplement, one-fourth of Texas' teachers can be funded at level two without additional local funds during the 1984-85 school year.

State/Local Share of Program Costs (Sec. 16.251)

The local fund assignment (LFA) is 30 percent of the aggregate FSP cost in 1984-85 and 33.3 percent in 1985-86. The LFA was 12.7 percent of the shared FSP cost under prior law. The LFA changes in tandem with the basic allotment and enrichment equalization funds in the second year of the program (1985-86). For 1984-85 the local share is calculated as follows:

$$LFA = \frac{DPV}{SPV} \times (N \times FSP)$$

where:

"LFA" is a district's local share;

"DPV" is the district's taxable property value;

"SPV" is the state's total property values'

"N" is a percentage, which for 1984-85 is 30 percent and for each year thereafter is 33.3 percent; and

"FSP" is the total cost of the Foundation School Program.

The formula requires a larger local fund assignment from wealthy districts than in the past, thus releasing more state aid to the least wealthy districts; preliminary figures indicate that local share as a percent of

M&O taxes went from 17% in 1983-84 to 47% in 1984-85. As under prior law, however, local districts are not required to raise their local share and are permitted to enrich revenue beyond the local fund assignment. It should be noted here that DPV and SPV are in aggregate versus per pupil units, e.g. DPV/ADA and SPV/ADA, an inclusion which would aid equity considerations.

Fully Funded State Programs

In addition to the state and local shared Foundation School Program costs, the state fully funds several add-on programs (see Table 3). The state-local shared costs represent 89 percent of the FSP total, when fully funded state programs are included. Of the state add-on program revenue ninety-two percent is located in three items: 1) Enrichment Equalization Aid, 2) Experienced Teacher Allotment, and 3) Transition Aid. Although a discussion of these factors is beyond the scope of this paper, the formulas are presented below.

Equalization Transition Fund. This fund provides \$70 million in 1984-85, \$35 million in 1985-86, and \$17.5 million in 1986-87 to aid districts that receive less state aid in a school year than it received in the previous school year and raises taxes to offset the loss. The amount of loss borne by the state decreases over the three years e.g., 60 percent, 40 percent, 20 percent, after which the provision expires. The formula is as follows:

$$ETE = N \times DL \times DETR / SETR$$

where:

"ETE" is the equalization transition entitlement;

"N" is a percentage, which for the 1984-85 school year is 60 percent, for the 1985-86 school year is 40 percent, and for the 1986-87 school year is 20 percent;

"DL" is the amount of the district's lost state aid;

"DETR" is the district's effective tax rate for the prior year;
and

"SETR" is the statewide average effective tax rate for the prior year.

If DETR is less than SETR, a value of 1.0 is used in the formula. If a district's lost state aid (DL) minus the equalization transition entitlement (ETE) is greater than the total amount by which the district's 1984 tax levy exceeds its 1983 tax levy, the district's equalization entitlement is adjusted (AETE) in accordance with the following formula (where DTI is the district tax levy increase):

$$AETE = [DTI / (DL - ETE)] \times ETE$$

Enrichment Equalization Allotment. Equalization aid was designed to provide additional funding to districts that have less than 110 percent of the state average property wealth and demonstrate a specified tax effort. The formula is as follows:

$$EEA = [1 - \frac{DPV}{ADA} \times 1.10] \times ADA \times MAXENT \times \frac{DTRT}{BTRT}$$

where:

"EEA" is the enrichment equalization allotment to the district;

"DPV/ADA" is the district's taxable value of property divided by the number of students in average daily attendance in the district;

"SPV/ADA" is the total statewide taxable value of property divided by the total number of students in average daily attendance in the state;

"MAXENT" is the minimum entitlement per ADA, which is the percentage of the total of the district's other FSP allocations per ADA, which percentage for the 1984-85 school year is 35 percent and for each school year thereafter is 30 percent;

"ADA" is the number of students in average daily attendance in the district.

If a district's tax effort exceeds the statewide average, then the DTRT/BTRT is set to equal one; if the district's tax effort is less than the statewide average, its equalization aid is proportionately reduced. Tax effort is the greater of two ratios under this formula:

- (1) the ratio of the district's effective maintenance tax rate to the effective maintenance tax rate necessary for a district at 110 percent of SPV/ADA to raise its local share plus an amount equal to MAXENT (.35 times the district's FSP cost per student); or
- (2) the ratio of the district's total effective tax rate to the sum of: the effective maintenance tax rate necessary to a district at 110 percent of SPV/ADA to raise its local share plus an amount equal to MAXENT, plus the statewide average effective tax rate for debt service.

Experienced Teacher Allotment. Approximately 36 million is distributed through the experienced teacher allotment as follows:

$$EXP = \frac{DAS}{SAS} - 1 \times 1 - \frac{LFA}{DFSP} \times [.75 \times (DFSP - TA)]$$

where:

"EXP" is the experience allotment;

"DAS" is the district's average classroom teacher's minimum salary required;

"SAS" is the statewide average classroom teacher's minimum salary;

"LFA" is the district's local share of the FSP;

"DFSP" is the total of the district's other FSP allotments, not including enrichment equalization; and

"TA" is the district's transportation allotment.

If the formula results in a negative amount, the district is not entitled to an experienced teacher allotment.

RESULTS OF FALL 1985 SURVEY OF TEXAS SCHOOL DISTRICTS⁸

Preliminary information on expenditures, revenues, taxes, salaries and school enrollments planned for the 1984-85 school year was requested by the Texas Education Agency in fall 1984 in an attempt to determine differences that had occurred since the 1983-84 school year under the new finance formula. While these figures represent district estimates for budgeting purposes, they do reveal substantial changes from examination of similar data for 1983-84 (Table 12).

The data, which exclude federal aid and changes in operating fund balances, show an average budgeted expenditure level per student for 1984-85 of \$2,810, an increase of 15 percent over 1983-84. Budgeted state support was estimated to increase 19 percent to \$1,422 per student; local revenue projections show a 14 percent increase to \$1,283 per pupil. Average teacher salaries were expected to rise to \$22,648 (12 percent increase) with actual beginning salaries increasing 23 percent to \$17,320.

In general, districts with the least taxable property per pupil (under \$96,587) recorded the largest estimated percentage increases in: expenditure per student (30 percent), state aid (105 percent), average teacher salaries (19 percent) and beginning teacher salaries (34 percent). With regard to the increase in revenue by source, most startling, perhaps, is the projected 14 percent increase in tax levies for the support of general operations. Districts with per pupil property wealth above \$200,122 project the highest increase. This may threaten equity goals resulting in inflation rather than equalization.

Table 13 provides additional detail on FSP components and total costs and student/district counts over three years. It is based on preliminary 1984 property values and fall 1984 student counts--excluding compensatory education which is based on 1983-84 student counts.⁹ It shows, for example, that the total average tax rate in Texas for 1984-85 is 64 cents per hundred dollars equalized valuation. It is projected that this rate will be 58 cents in 1985-86 and 59 cents in 1986-87. Average state property wealth per student in ADA is \$221,776 in 1984-85; average adjusted basic allotment (ABA) \$1,474.91 per pupil and average adjusted allotment, (AA) \$1,700.80. There are 74 districts that are budget balanced i.e., receive no state funds. Foundation School Program Aid per ADA in 1984-85 is \$1,918.56.

While the jury is still out on the question of the adequacy and equity of the new weighted pupil approach to Foundation School Program funding in the State of Texas, one critical question undergirds further consideration in this area throughout the nation:

What curricular program and pedagogy will provide the foundation necessary for the citizens of the 21st century?

Only when that question is answered can adequacy and equity concerns in education finance be appropriately addressed.

FOOTNOTES

¹ Texas Education Agency, explanations and figures. Fall 1984.

² See PDI Advisory Committee Report, November 1984, State Board of Education, Austin, Texas.

³ Average FSP minimum salaries across all districts within a program were used for teachers, assuming a ten month contract.

⁴ See Matthews, M. and Brown, C. L. (1980) Response To: The Development of a Cost Education Index: Some Empirical Estimates and Policy Issues. Journal of Education Finance, (6) 236-238.

⁵ This section heavily relies on the 1984-85 Texas Program Cost Differential Study, March, 1985, Texas Education Agency.

⁶ If the legislature did not adopt new instructional arrangement weights for special education in 1985-86, which it didn't, weights were specified in law that became operative. They were: Homebound, 5.0; Hospital class, 5.0; Speech therapy, 10.0; Resource room, 2.7; Self-contained, severe, regular campus, 3.5; Self-contained, separate campus, 2.7; Multidistrict class, 3.5; Nonpublic day school, 3.5; Vocational adjustment class, 2.3; Community class, 3.5; Self-contained pregnant, 2.0.

⁷ Full time equivalent units were utilized, with 30 contact hours between the instructor and student per week generating one FTE.

⁸ 1984-85 Texas Program Cost Differential Study, March 1985, p. 1-16.

⁹ Texas Education Agency, Memorandum to Members of the Sixty-ninth Legislature, February 19, 1985.

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FOUNDATION PROGRAM

BASIC GRANT

(With Price Differential Index Applied)

plus

SPECIAL POPULATIONS

(Special Ed.) (Comp Ed.) (Bilingual Ed./ESL) (Voc.Ed.)

plus

TRANSPORTATION ALLOTMENT

plus

EDUCATION IMPROVEMENT/ CAREER LADDER

equals

TOTAL PROGRAM

Figure 1. Texas Foundation School Program: Shared State and Local Portion

TABLE 1

TEXAS STATE PUBLIC EDUCATION COMPENSATION PLAN
FOUNDATION SCHOOL PROGRAM SALARIES
1983-84 SCHOOL YEAR ONLY

PAY GRADE	STEP	EXPER	MONTHLY SALARY	10 MONTH ANNUAL	183 DAILY RATE	11 MONTH ANNUAL	202 DAILY RATE	12 MONTH ANNUAL	220 DAILY RATE	226, VO AG DAILY	INDEX	BASE
7	0	0	1,111	11,110	60.710	12,221	60.500	13,332	60.600	58.991	.900	1,234
	1	1	1,148	11,480	62.732	12,628	62.515	13,776	62.618	60.956	.930	1,234
	2	2	1,188	11,880	64.918	13,068	64.693	14,256	64.800	63.080	.963	1,234
	3	3	1,234	12,340	67.432	13,574	67.198	14,808	67.309	65.522	1.000	1,234
	4	4	1,283	12,830	70.109	14,113	69.866	15,396	69.982	68.124	1.040	1,234
	5	5	1,336	13,360	73.005	14,696	72.752	16,032	72.873	70.938	1.083	1,234
	6	6	1,394	13,940	76.175	15,334	75.911	16,728	76.036	74.018	1.130	1,234
	7	7	1,456	14,560	79.563	16,016	79.287	17,472	79.418	77.310	1.180	1,234
	8	8	1,523	15,230	83.224	16,753	82.936	18,276	83.073	80.867	1.234	1,234
	9	9	1,592	15,920	86.995	17,512	86.693	19,104	86.836	84.531	1.290	1,234
	10	10	1,666	16,660	91.038	18,326	90.723	19,992	90.873	88.460	1.350	1,234
	10 +	11	1,699	16,990	92.842	18,689	92.520	20,388	92.673	90.212	1.350	1,234
	11	12	1,740	17,400	95.082	19,140	94.752	20,880	94.909	92.389	1.410	1,234
	11 +	13	1,775	17,750	96.995	19,525	96.658	21,300	96.818	94.248	1.410	1,234
	12	14-15	1,814	18,140	99.126	19,954	98.782	21,768	98.945	96.319	1.470	1,234
	12 +	16-17	1,850	18,500	101.093	20,350	100.743	22,200	100.909	98.230	1.470	1,234
	13	18-19	1,888	18,880	103.169	20,768	102.812	22,656	102.982	100.248	1.530	1,234
	13 +	20-22	1,926	19,260	105.246	21,186	104.881	23,112	105.055	102.265	1.530	1,234
	14	23+	1,962	19,620	107.213	21,582	106.842	23,544	107.018	104.177	1.590	1,234
	14 +		2,001	20,010	109.344	22,011	108.965	24,012	109.145	106.248	1.590	1,234

PERSONNEL UNIT VALUE: 1.00

REGULAR PROGRAM: 183 DAYS

BACHELOR'S DEGREE TEACHER, LIBRARIAN,
VISITING TEACHER, SP ED RELATED SERVICE,
NON-DEGREE VOC TEACHER & NURSE, R.N.

SEE TEA BULLETIN 753, PROCEDURE 3.1020 FOR FURTHER
POSITION, CERTIFICATION AND FUNDING INFORMATION

SOURCE: DIVISION OF STATE FUNDING, TEXAS EDUCATION AGENCY
"TEXAS STATE PUBLIC EDUCATION COMPENSATION PLAN"

TABLE 2

AVERAGE SALARY ENRICHMENT IN SURROUNDING GEOGRAPHIC AREA
BY WEALTH OF DISTRICT, 1983-84

# Districts	Wealth/ADA	Average Salary Enrichment Index 1983-84*
152	Under \$99,213	12.756%
153	\$99,213-\$126,808	13.699%
153	\$126,809-\$158,792	13.735%
152	\$158,793-\$208,737	17.401%
153	\$208,738-\$289,068	21.183%
153	\$289,069-\$476,381	25.604%
152	Over \$476,381	20.137%

*Based on salary index calculations for 1984-85 PDI

Source: Report of the Price Differential Index Advisory Committee To
The Texas State Board of Education, November 1984, p.17.

TABLE 3

A COMPARISON OF APPROPRIATIONS
BETWEEN SENATE BILL 179, SIXTY-EIGHTH REGULAR LEGISLATIVE SESSION
AND HOUSE BILL 72, SIXTY-EIGHTH LEGISLATURE, SECOND CALLED SESSION, FISCAL YEAR 1985

	Senate Bill 179	House Bill 72	Percent Change
Regular Program	(a) \$3,273,935,670	(a) \$4,099,597,926	25.21
Special Education	(c) 433,762,400	(b) 435,449,300	0.40
Compensatory Education	(h) 51,600,000	(c) 319,449,694	519.08
Bilingual Education	(f) 9,902,857	(d) 35,216,182	255.61
Vocational Education	(b) 246,400,060	(e) 239,899,119	(0.3)
Transportation	*	(f) 176,825,000	10.00
Education Improvement/			
Career Ladder	---	(g) 291,218,500	100.00
Drivers Education	(g) 1,502,500	---	(100.00)
FSP Subtotal	4,017,103,487	5,597,655,721	39.35
Less Local FSP	510,000,000	(h) 1,605,793,899	214.86
State Share FSP	\$3,507,103,487	(i) \$3,991,861,822	13.82
Experience Teacher Allotment		(j) 36,832,575	100.00
Equalization Aid	(i) 275,000,000	(k) 499,557,187	81.66
Minimum Aid/Transition Aid	(r) 70,000,000	(l) 70,000,000	0.00
Visually Handicapped Program	(d) 5,663,842	(m) 6,230,226	9.99
Regional Schools for Deaf	(e) 21,892,730	(n) 24,082,003	10.00
Regional Media Centers	(j) 2,771,010	(o) 2,774,000	0.11
Computer Services	(k) 2,771,010	(p) 2,774,000	0.11
Education Service Centers	(l) 7,719,850	(q) 7,712,000	(0.10)
Incentive Aid	(m) 600,000	(r) 600,000	0.00
Sick Leave	(o) 7,890,000	(s) 5,000,000	(36.62)
Student Teaching	(p) 2,200,000	(t) 2,200,000	0.00
Community Education	(q) 1,505,000	(u) 1,505,000	0.00
Gifted and Talented Education	(s) 4,513,350	(v) 4,513,350	0.00
ASF to State Schools	**	(w) 2,418,000	---
Educational Television	(n) 1,271,219	---	(100.00)
Less Prior Years Adjustment	(t) -3,000,000	(x) -3,000,000	0.00
Total State Aid	\$3,907,901,498	\$4,654,142,163	+ 19.10

*Included as part of (a), (b), (c) totals

**Not included under this section

Note: () = loss

TABLE 4

TEXAS EDUCATION AGENCY

BEST ADA BY PDI GROUPINGS

PDI Range	Number of Districts	Total ADA	Percent
1.0000	53	60,637	2.2
1.0001 - 1.0500	278	275,548	9.9
1.0501 - 1.1000	238	243,038	8.7
1.1001 - 1.1500	148	369,383	13.3
1.1501 - 1.2000	110	409,469	14.7
1.2001 - 1.2500	83	273,964	9.8
1.2501 - 1.2883	159	1,153,544	41.4
STATE TOTALS	1,069	2,785,585	100.0

Source: Texas Education Agency, August 10, 1984.

TABLE 5

SUMMARY OF 1984-85 AND 1985-86 PRICE DIFFERENTIAL INDEX (PDI)
By Type Of School District

Number of Districts	Group/Class	Average PDI: 1984-85/1985-86		Average Adjusted Basic Allotment: 1984-85 1985-86		Average Adjustment Per ADA: 1984-1985		Average Adjusted Percentage 1984-1985	
ADA SIZE									
6.00	50,000+	1.26	- 1.25	\$1541.28 - \$1603.08		\$251.28	\$253.05	19.47	18.75
54.00	10,000-49,999	1.20	- 1.22	1485.30 - 1579.77		195.30	299.77	15.13	17.02
32.00	5,000-9,999	1.18	- 1.18	1465.73 - 1529.66		175.73	179.66	13.62	13.31
88.0	3,000-4,999	1.17	- 1.15	1458.80 - 1507.71		168.80	157.71	13.08	11.68
137.00	1,500-2,999	1.14	- 1.12	1426.97 - 1476.26		136.97	126.26	10.61	9.35
96.00	1,000-1,499	1.12	- 1.10	1410.11 - 1454.52		120.11	104.52	9.31	7.74
202.00	500-999	1.11	- 1.08	1393.6 - 1435.25		103.66	85.25	8.04	6.31
371.00	100-499	1.10	- 1.06	1387.78 - 1406.56		97.78	56.56	7.58	4.19
82.00	-99	1.09	- 1.01	1379.80 - 1361.04		89.80	11.04	6.95	0.82
DISTRICT TYPE ^{a/}									
8.00	Major Urban	1.24	- 1.24	1527.05 - 1602.60		237.05	252.60	18.38	18.71
30.00	Other Cent. City	1.13	- 1.20	1418.39 - 1558.37		128.39	208.37	9.95	15.43
87.00	Suburban-Growing	1.22	- 1.19	1503.56 - 1544.63		213.39	194.63	9.95	14.42
65.00	Suburban-Stable	1.24	- 1.22	1521.39 - 1571.91		231.39	221.91	17.94	16.44
208.00	Non-Metro 1000+ADA	1.13	- 1.13	1416.78 - 1482.21		126.78	132.21	9.83	9.79
233.00	Non-Metro W/Town	1.10	- 1.08	1388.56 - 1432.19		98.56	82.19	7.64	6.08
437.00	Rural	1.11	- 1.06	1394.97 - 1413.10		104.97	63.1	8.14	4.67
WEALTH/ADA									
152.00	\$-99,213	1.14	- 1.18	1427.63 - 1535.51		137.63	185.51	10.67	13.74
153.00	\$99,213-126,808	1.15	- 1.17	1433.30 - 1524.27		143.30	174.21	11.11	13.50
153.00	\$126,809-158,792	1.14	- 1.16	1422.12 - 1514.90		132.12	164.90	10.24	12.21
152.00	\$158,793-208,737	1.17	- 1.18	1456.00 - 1537.52		166.00	187.52	12.87	13.89
153.00	\$208,738-289,068	1.23	- 1.20	1512.11 - 1551.92		222.11	201.92	17.22	14.96
153.00	\$289,069-476,381	1.25	- 1.22	1533.45 - 1571.52		243.45	221.52	18.87	16.41
152.00	\$476,381+	1.19	- 1.11	1476.86 - 1466.12		186.86	116.12	14.49	8.60
STATE AVERAGE		1.189	- 1.186	\$1474.00 - \$1541.61		\$184.00	\$191.61	14.25	14.19

^{a/} N=1068 for definitions of district types see Appendix B

Note: ADA = Average Daily Attendance; PDI = Price Differential Index

Source: Adapted from Letter to District Administrators from TEA, Nov. 1984, and the Price Differential Index Report to the BOE, Nov. 1984, Austin, Texas.

TABLE 6

RANK ORDER OF TEXAS SCHOOL DISTRICTS AT THE 99TH PERCENTILE, BY
 STATE SHARE OF FOUNDATION SCHOOL PROGRAM AID RECEIVED UNDER
 H.B. 72 (1984-1985) AND DISTRICT SIZE AND WEALTH RANK

District	Wealth Rank	Size/ADA	State Aid Shared FSP Portion
San Vincente ISD	799	27	\$6,399.19
Terlingua ISD	1008	27	4,545.57
Adrian ISD	766	98	3,430.03
Walcott ISD	926	56	3,322.82
Estelline ISD	911	47	3,152.76
Oflen ISD	82	52	3,142.10
Patton Springs ISD	641	104	2,976.98
Priddy ISD	105	99	2,878.93
Samr. wood ISD	907	97	2,878.93
Waka ISD	932	54	2,853.89
McAdoo ISD	593	56	2,715.78

SOURCE: Texas Education Agency, January 3, 1985.

TABLE 7

Calculations of Special Program Cost
for an Example District

Student Data:

Total ADA 1,000

Special Education FTE 50
Vocational Education FTE 50

Regular Education ADA 900
Vocational Education FTE
Bilingual Education ADA 100
Subsidized School
Lunch Count 300

Regular Program Cost Calculation - General

Basic Allotment (BA) = \$1,350

F.Y. 1986 Formula: $\$1,350(.76)(PDI) + \$1,350(.24) = ABA$

Regular Program Cost Calculation - Example District

PDI = 1.10

Adjusted Basic Allotment (ABA) = \$1,452.60

Small School Adjustment = 1.24

Regular Program Cost per ADA = \$1,801.22

Program Instructional Arrangement	Weight	Cost Per Student (Weight x 1801.22)	Students	Cost
Special Education				
Resource Room	2.7	\$4,863.29	20	\$ 97,266
Self-Contained (Mild/Mod.)	2.3	4,142.81	20	82,856
Self-Contained (Severe)	3.5	6,304.27	10	63,043
(Subtotal)			(50)	(243,165)
Vocational Education	1.45	\$2,611.77	50	\$ 130,589
Compensatory Education	.2	\$ 360.24	300	\$ 108,072
Bilingual Education	.1	\$ 180.12	100	\$ 18,012
				\$ 499,838
Regular Education	1.0	\$1,801.22	900	\$1,621,098
Total All Programs	1.18 average	\$2,120.94 average	1,000	\$2,120,936

Source: Texas Education Agency, 1984-85 Texas Program Cost Differential Study, March, 1985.

TABLE 8.1

TOTAL COSTS, STUDENT FTES AND FUNDING
WEIGHTS BY INSTRUCTIONAL ARRANGEMENT
STAFF ANALYSIS

----- FUND=STATE/LOCAL FUNDS -----							
INSTRUCTIONAL ARRANGEMENT	FUNDING WEIGHTS (WEIGHTED)	FUNDING WEIGHTS (UNWEIGHTED)	STUDENT FTES	TOTAL COST PER FTE	TOTAL COSTS	DIRECT COSTS	INDIRECT COSTS
REGULAR CLASS SUPPORT	2.63	3.56	142.71	5.532	789.461	695.244	94.217
RESOURCE ROOM	3.23	3.22	15,866.53	6.779	107,551,946	92,155,695	15,396,251
PARTIALLY SELF-CONTAINED	9.05	8.88	1,610.82	18.999	30,604,488	26,245,702	4,358,786
SELF-CONTAINED	4.80	5.68	5,678.71	10.083	57,256,090	49,708,155	7,547,935
STAFF INTENSIVE SELF-CONTAINED	6.44	6.61	1,494.01	13.527	20,209,354	17,184,156	3,025,199
VOCATIONAL ADJUSTMENT CLASS	2.43	2.68	501.70	5.103	2,560,033	2,143,799	416,233
HOSPITAL/COMMUNITY CLASS	4.26	4.38	754.42	8.951	6,753,137	5,775,531	977,603
HOMESOUND-BASED/HOSPITAL BEDSIDE	2.73	3.28	567.42	5.722	3,246,596	2,816,830	429,760
CONTRACT PLACEMENTS	3.19	4.20	356.00	6.694	2,382,948	2,303,307	79,646
VOCATIONAL CLASSROOM INSTRUCTION	1.51	1.60	3,846.05	3.171	12,197,650	10,185,766	2,011,885
VOCATIONAL COOPERATIVE PROGRAM	1.35	1.62	9,985.49	7.877	28,204,266	23,108,542	5,095,724
OCCUPATIONAL CUSTER PROGRAM	1.70	1.78	3,393.12	3.579	12,144,506	10,028,276	2,116,230
GENERAL OCCUPATIONAL TRAINING	1.48	1.65	9,952.09	3.098	30,834,319	25,348,638	5,485,681
VOCATIONAL TECHNICAL TRAINING	1.87	1.88	2,006.72	3.931	7,882,510	6,630,687	1,251,823
VOCATIONAL ED. FOR HANDICAPPED	2.98	3.36	685.66	6.265	4,295,374	3,552,640	742,734
SPECIAL EDUCATION SUBTOTAL	4.09	3.74	26,972.33	8.577	231,354,053	199,028,414	32,325,638
VOCATIONAL EDUCATION SUBTOTAL	1.52	1.64	29,869.14	3.199	95,564,625	78,854,547	16,710,077
TOTAL FOR SPECIAL PROGRAMS	2.74	2.46	56,841.46	5.751	326,918,678	277,882,962	49,035,716
PLANT OPERATIONS SUBTOTAL	.	.	.	.	230,881,143	0	230,881,143
TOTAL FOR REGULAR EDUCATION	1.00	1.00	849,271.44	2.100	1,783,168,457	1,268,046,600	515,121,857
GRAND TOTAL (SPECIAL + REGULAR)	.	.	906,112.90	2.329	2,110,087,135	1,545,929,562	564,157,573

Source: Texas Program Cost Differential Study, Texas Education Agency, p.3-5, 3-6.

TABLE 8,2

TOTAL COSTS, STUDENT FTES AND FUNDING
WEIGHTS BY INSTRUCTIONAL ARRANGEMENT
ACCOUNTABLE COST COMMITTEE ANALYSIS

----- FUNDS=STATE/LOCAL FUNDS -----						
INSTRUCTIONAL ARRANGEMENT	FUNDING WEIGHTS	STUDENT FTES	TOTAL COST PER FTE	TOTAL COSTS	DIRECT COSTS	INDIRECT COSTS
REGULAR CLASS SUPPORT	2.63	142.71	5,532	789,461	695,244	94,217
RESOURCE ROOM	3.04	14,499.64	6,391	92,670,136	79,411,521	13,258,615
SPEECH THERAPY	5.13	1,507.44	10,777	16,246,222	13,805,981	2,440,241
PARTIALLY SELF-CONTAINED	9.05	1,610.82	18,999	30,604,488	26,245,702	4,358,785
SELF-CONTAINED	4.80	5,678.71	10,083	57,256,090	49,708,155	7,547,935
STAFF INTENSIVE SELF-CONTAINED	6.44	1,494.01	13,527	20,209,354	17,184,158	3,025,199
VOCATIONAL ADJUSTMENT CLASS	2.43	501.70	5,103	2,560,033	2,143,790	416,243
VOCATIONAL ED. FOR HANDICAPPED	2.98	685.66	6,265	4,295,374	3,552,640	742,734
HOSPITAL/COMMUNITY CLASS	4.26	754.42	8,951	6,753,137	5,775,534	977,603
HOMEBOUND-BASED/HOSPITAL BEDSIDE	2.73	567.42	5,722	3,246,596	2,816,836	429,760
VOCATIONAL CLASSROOM INSTRUCTION	1.51	3,846.05	3,171	12,197,650	10,185,766	2,011,885
VOCATIONAL COOPERATIVE PROGRAM	1.35	9,985.49	2,825	28,204,266	23,108,542	5,095,724
OCCUPATIONAL CLUSTER PROGRAM	1.70	3,393.12	3,579	12,144,506	10,028,276	2,116,230
GENERAL OCCUPATIONAL TRAINING	1.48	9,952.09	3,098	30,834,319	25,348,638	5,485,681
VOCATIONAL TECHNICAL TRAINING	1.87	2,006.72	3,931	7,888,510	6,630,687	1,257,823
SPECIAL EDUCATION SUBTOTAL	4.07	27,442.54	8,550	234,630,890	201,339,558	33,291,332
VOCATIONAL EDUCATION SUBTOTAL	1.49	29,183.47	3,127	91,269,251	75,301,908	15,967,343
TOTAL FOR SPECIAL PROGRAMS	2.74	56,626.02	5,755	325,900,141	276,641,465	49,258,675
PLANT OPERATIONS SUBTOTAL	.	.	.	230,881,143	0	230,881,143
TOTAL FOR REGULAR EDUCATION	1.00	849,271.44	2,100	1,783,168,457	1,268,046,600	515,121,857
GRAND TOTAL (SPECIAL + REGULAR)	.	905,897.45	2,328	2,109,068,598	1,544,688,065	564,380,532

Source: Texas Program Cost Differential Study, Texas Education Agency, p.3-5, 3-6.

TABLE 9

A COMPARISON OF WEIGHTS RECOMMENDED FOR SPECIAL AND VOCATIONAL EDUCATION BY THE
ACCOUNTABLE COSTS ADVISORY COMMITTEE AND THE STATE BOARD OF EDUCATION, 1985,
TO THOSE SPECIFIED IN STATUTE (H.B. 72)

HOUSE BILL 72		ACCOUNTABLE COST COMMITTEE		STATE BOARD OF EDUCATION	
<u>Instructional Arrangement</u>	<u>Weight</u>	<u>Instructional Arrangement</u>	<u>Weight</u>	<u>Instructional Arrangement</u>	<u>Weight</u>
<u>Special Education</u>		<u>Special Education</u>		<u>Special Education</u>	
Regular Class Support	N.A.	Regular Class Support	3.0	Regular Class Support	4.0
Resource Room	2.7	Resource Room	3.0	Resource Room	3.0
Speech Therapy	10.0	Speech Therapy	5.1	Speech Therapy	5.1
Self-contained, Mild and Moderate, Regular Campus	2.3	Self-contained, Mild and Moderate	5.1	Self-contained, Mild and Moderate	5.1
Self-contained, Severe, Regular Campus	3.5	Partially Self-contained	5.1	Partially Self-contained	5.1
Vocational Adjustment Class	2.3	Staff Intensive Self-contained, Severe	6.9	Staff Intensive Self-contained, Severe	6.9
Hospital Class	5.0	Vocational Adjustment Class	2.4	Vocational Adjustment Class	2.4
Homebound Class	5.0	Vocational Education for Handicapped	3.0	Hospital/Community Class	5.1
Community Class	3.5	Hospital/Community Class	5.1	Homebound/Homebased/Hospital Bedside	20.3
Multidistrict Class	3.5	Homebound/Homebased/Hospital Bedside	2.7*		
Nonpublic Class	3.5				
Self-contained, Pregnant	2.0				
<u>Vocational Education</u>		<u>Vocational Education</u>		<u>Vocational Education</u>	
All Arrangements	1.45	Vocational Classroom Instruction	1.5	Occupational Investigation Classes	1.3
		Vocational Cooperative Programs	1.4	Vocational Classroom Instruction	1.5
		Occupational Cluster Programs	1.7	Vocational Cooperative Programs	1.4
		General Occupational Training	1.5	Occupational Cluster Program	1.7
		Vocational Technical Training	1.9	Vocational Education for the Handicapped	3.0

*Based on 4 hours per week FTE definition.

Note: For definitions of Instructional Arrangements see Appendix D and E.

TABLE 10

DISTRIBUTION OF STUDENTS BY PROGRAM AND DISTRICT TYPE

SIZE (ADA)	TOTAL ADA	REGULAR EDUCATION ADA	SPECIAL EDUCATION FTE	VOCATIONAL EDUCATION FTE	COMPENSATORY EDUCATION NSL COUNT	BILINGUAL EDUCATION ADA
OVER 50,000	100.00	92.73	3.72	3.62	53.83	12.53
25,000 - 49,999	100.00	94.04	2.95	3.04	25.33	6.29
10,000 - 24,999	100.00	93.60	3.23	3.20	30.12	7.54
5,000 - 9,999	100.00	92.98	3.45	3.60	44.52	14.00
3,000 - 4,999	100.00	92.64	3.35	4.04	29.61	4.09
1,600 - 2,999	100.00	92.19	3.48	4.35	36.08	4.84
1,000 - 1,599	100.00	92.37	3.38	4.28	33.11	3.67
500 - 999	100.00	92.31	3.38	4.31	34.07	3.81
UNDER 500	100.00	91.59	3.26	5.18	40.01	3.02
TYPE						
MAJOR URBAN DISTRICTS	100.00	92.91	3.65	3.50	53.46	12.19
OTHER CENTRAL CITY DISTRICTS	100.00	93.18	3.41	3.43	46.87	12.39
SUBURBAN-FAST GROWING DISTRICTS	100.00	94.06	2.83	3.14	17.45	4.67
SUBURBAN-STABLE DISTRICTS	100.00	93.12	3.41	3.51	24.38	4.75
NON-METRO DISTRICTS WITH 1000+ ADA	100.00	92.24	3.44	4.34	39.66	6.58
NON-METRO DISTRICTS WITH TOWN	100.00	92.11	3.45	4.45	36.37	3.43
RURAL DISTRICTS	100.00	92.12	3.20	4.70	34.04	3.10
WEALTH GROUP (VALUE/ADA)						
UNDER \$96,587	100.00	93.43	2.95	3.65	62.42	21.72
\$96,587 - \$124,533	100.00	92.35	3.54	4.15	49.24	9.73
\$124,534 - \$155,053	100.00	92.25	3.47	4.30	31.21	2.69
\$155,054 - \$200,121	100.00	93.03	3.43	3.57	22.02	2.18
\$200,122 - \$280,353	100.00	92.82	3.57	3.63	25.75	3.42
\$280,354 - \$470,607	100.00	93.45	3.26	3.34	33.70	7.19
OVER \$470,607	100.00	94.23	2.94	2.86	26.92	3.94
STATE TOTAL	100.00	93.01	3.35	3.68	36.05	7.53

SOURCE: DIVISION OF INFORMATION ANALYSIS, TEXAS EDUCATION AGENCY (UNPUBLISHED DATA) in 1984-85 Texas Program Cost Differential Study, p. 1-11.

BEST COPY AVAILABLE

TABLE 11

TOTAL COSTS, STUDENT FTES AND FUNDING
WEIGHTS BY INSTRUCTIONAL ARRANGEMENT
STAFF ANALYSIS

----- FUND=STATE/LOCAL FUNDS -----							
INSTRUCTIONAL ARRANGEMENT	FUNDING WEIGHTS (WEIGHTED)	FUNDING WEIGHTS (UNWEIGHTED)	STUDENT FTES	TOTAL COST PER FTE	TOTAL COSTS	DIRECT COSTS	INDIRECT COSTS
REGULAR CLASS SUPPORT	2.63	3.56	142.71	5.532	789.461	695.244	94.217
RESOURCE ROOM	3.23	3.22	15,866.53	6.779	107,551.946	92,155.695	15,396.251
PARTIALLY SELF-CONTAINED	9.05	8.88	1,610.82	18.999	30,604.488	26,245.702	4,358.785
SELF-CONTAINED	4.80	5.68	5,678.71	10.083	57,256.090	49,708.155	7,547.935
STAFF INTENSIVE SELF-CONTAINED	6.44	6.61	1,494.01	13.527	20,209.354	17,184.156	3,025.199
VOCATIONAL ADJUSTMENT CLASS	2.43	2.68	501.70	5.103	2,560.033	2,143.793	416.243
HOSPITAL/COMMUNITY CLASS	4.26	4.38	754.42	8.951	6,753.137	5,775.533	977.603
HOMEBOUND-BASED/HOSPITAL BEDSIDE	2.73	3.28	567.42	5.722	3,246.596	2,816.830	429.760
CONTRACT PLACEMENTS	3.19	4.20	356.00	6.694	2,382.948	2,303.302	79.646
VOCATIONAL CLASSROOM INSTRUCTION	1.51	1.60	3,846.05	3.171	12,197.650	10,185.760	2,011.885
VOCATIONAL COOPERATIVE PROGRAM	1.35	1.62	9,985.49	2.825	28,204.266	23,108.542	5,095.724
OCCUPATIONAL CUSTER PROGRAM	1.70	1.78	3,393.12	3.579	12,144.506	10,028.276	2,116.230
GENERAL OCCUPATIONAL TRAINING	1.48	1.65	9,952.09	3.098	30,834.319	25,348.638	5,485.681
VOCATIONAL TECHNICAL TRAINING	1.87	1.88	2,006.72	3.931	7,882.510	6,630.687	1,257.823
VOCATIONAL ED. FOR HANDICAPPED	2.98	3.36	685.66	6.265	4,295.374	3,552.640	742.734
SPECIAL EDUCATION SUBTOTAL	4.09	3.74	26,972.33	8.577	231,354.053	199,028.414	32,325.639
VOCATIONAL EDUCATION SUBTOTAL	1.52	1.64	29,869.14	3.199	95,564.625	78,854.547	16,710.077
TOTAL FOR SPECIAL PROGRAMS	2.74	2.46	56,841.46	5.751	326,918.678	277,882.962	49,035.716
PLANT OPERATIONS SUBTOTAL	.	.	.	.	230,881.143	0	230,881.143
TOTAL FOR REGULAR EDUCATION	1.00	1.00	849,271.44	2.100	1,783,160.457	1,268,046.600	515,121.857
GRAND TOTAL (SPECIAL + REGULAR)	.	.	906,112.90	2.329	2,110,087.135	1,545,929.562	564,157.573

SOURCE: 1984-85 Texas Program Cost Differential Study, p. 3-5.

Table 12

TEXAS EDUCATION AGENCY
FALL 1984 QUESTIONNAIRE
SELECTED PRELIMINARY 1984-85 SCHOOL DISTRICT DATA
WITH PERCENT CHANGE FROM 1983-84

16:15 MONDAY, FEBRUARY 11, 1985 0

NMNR OF DIST	AOA GROUPINGS	- - - G E N E R A L F U N D				O N L Y - - -				MAINT. TAX LEVY		AVG. TEACHER		"AVG" BEG. (CHR	
		TOTAL EXPEND.		STATE REVENUE		LOCAL REVENUE						SALARY		SALARY (BA)	
		PER STUDENT	% CHG	PER STUDENT	% CHG	PER STUDENT	% CHG	(THOUSANDS)	% CHG	84-85	% CHG	84-85	% CHG		
6	OVER ---- 50,000	2,867	12.47	1,288	12.87	1,466	14.13	773,087.6	15.01	24,090	10.27	17,787	15.64		
13	25,000---- 49,999	2,641	16.57	1,383	15.32	1,161	20.44	461,915.5	23.90	23,412	11.26	17,853	19.73		
43	10,000---- 24,999	2,776	12.65	1,369	13.32	1,302	13.64	823,253.5	14.77	23,095	11.65	17,525	20.26		
32	5,000---- 9,999	2,717	16.06	1,554	24.19	1,016	7.78	208,106.0	9.38	23,048	15.08	17,548	26.80		
93	3,000---- 4,999	2,740	15.49	1,436	18.03	1,174	13.73	401,104.2	17.36	22,123	13.09	17,032	27.82		
118	1,600---- 2,999	2,655	15.42	1,459	22.53	1,130	13.86	264,123.7	14.76	21,290	14.06	16,743	30.90		
116	1,000---- 1,599	2,936	18.34	1,493	30.91	1,355	9.87	188,893.8	13.15	21,241	12.90	16,835	30.86		
200	500---- 999	3,046	20.97	1,660	39.99	1,348	7.76	181,541.5	9.10	20,766	13.39	16,449	32.52		
440	UNDER ---- 500	3,766	22.48	1,778	33.39	1,841	11.87	185,850.2	12.33	20,261	13.85	16,201	33.61		

DISTRICT TYPE

8	MAJOR URBAN DISTRICT	2,823	13.53	1,355	16.74	1,355	13.32	819,672.3	14.18	23,910	10.84	17,628	16.14
30	OTHER CENTRAL CITY	2,645	13.06	1,510	18.10	998	7.96	358,144.0	6.90	22,333	12.20	17,272	27.34
87	SUBURBAN - FAST GROWTH	2,753	14.89	1,326	13.13	1,331	17.87	686,632.8	23.83	22,498	11.79	17,583	20.77
65	SUBURBAN - STABLE	2,789	15.00	1,378	16.00	1,326	16.52	657,401.6	18.47	23,953	12.20	17,828	20.55
207	NON-METRO W 1000+ AOA	2,739	15.63	1,455	21.53	1,164	11.93	551,485.3	12.67	21,691	13.73	16,836	29.50
233	NON-METRO W TOWN	3,116	18.35	1,629	36.72	1,475	9.23	217,816.6	10.88	20,839	12.70	16,547	32.64
431	RURAL	3,539	23.28	1,718	33.95	1,667	10.03	196,723.3	12.58	20,334	14.61	16,229	32.88

WEALTH - MARKET VALUE/AOA (STATE AVG=\$221,562)

151	UNDER \$96,587	2,478	29.87	1,992	44.10	356	3.60	122,105.3	9.80	20,856	18.53	16,672	34.36
152	\$96,587-\$124,774	2,603	22.30	1,847	35.84	688	6.36	229,601.8	8.11	21,963	16.66	16,566	29.58
152	\$124,775-\$155,063	2,554	17.41	1,610	28.21	874	7.10	244,685.2	10.60	21,200	13.20	16,713	32.36
151	\$155,064-\$200,121	2,673	13.21	1,434	17.14	1,163	11.85	510,740.6	14.94	22,392	11.64	17,118	23.71
152	\$200,122-\$278,973	2,849	11.67	1,208	5.89	1,543	18.25	740,282.7	17.72	23,328	11.21	17,490	19.59
152	\$278,974-\$469,267	3,101	9.62	1,016	-2.80	1,952	15.56	1,342,448.8	17.27	24,011	8.28	18,161	15.04
151	OVER \$469,267	4,551	10.40	570	-25.22	3,703	13.76	298,011.5	14.38	24,743	11.45	16,689	21.91

M&O EFFECT TAX EFFORT/\$100 MV

132	UNDER ----- \$0.30	2,557	22.05	1,650	26.60	728	17.95	139,419.3	23.65	20,868	14.22	16,892	35.82
133	\$0.30 ----- \$0.37	2,488	16.18	1,366	16.42	1,042	22.13	283,860.2	31.40	21,657	12.96	17,104	27.05
133	\$0.38 ----- \$0.42	2,631	15.06	1,340	15.62	1,151	16.50	595,663.9	18.91	22,102	10.68	17,010	19.00
133	\$0.43 ----- \$0.48	2,822	14.14	1,367	14.39	1,363	15.84	763,630.1	17.07	23,384	10.90	17,656	23.05
132	\$0.49 ----- \$0.53	2,898	17.60	1,501	21.98	1,299	11.54	377,296.5	14.27	23,190	14.41	17,227	23.58
133	\$0.54 ----- \$0.60	3,006	13.62	1,357	14.83	1,517	12.01	473,364.7	10.63	22,639	11.75	17,487	22.65
133	\$0.61 ----- \$0.73	2,938	12.66	1,448	21.86	1,421	8.75	587,683.6	11.27	23,340	13.49	17,504	21.35
132	OVER ----- \$0.73	3,360	15.17	1,605	31.40	1,710	7.26	266,957.5	4.66	22,795	10.21	17,294	21.09

M&O TAX EFFORT/\$100 MV

531	LESS THAN (\$0.48)	2,666	15.72	1,396	16.92	1,153	17.18	1,782,573.6	20.28	22,341	11.61	17,254	23.95
530	(\$0.48) OR MORE	3,002	14.42	1,457	21.25	1,455	10.01	1,705,302.3	10.64	23,032	12.75	17,402	22.19

TOTAL TAX EFFORT

531	LESS THAN (\$0.57)	2,712	14.50	1,343	14.01	1,258	16.76	1,629,829.4	19.29	22,605	11.56	17,346	23.98
530	(\$0.57) OR MORE	2,898	15.61	1,493	22.94	1,305	10.88	1,858,046.5	12.13	22,685	12.61	17,296	22.45

1061	* STATE SUMMARY *	2,810	15.11	1,422	18.78	1,283	13.54	3,487,875.9	15.37	22,648	12.12	17,320	23.55
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SOURCE: Texas Education Agency, 1985.

TABLE 13

TEXAS EDUCATION AGENCY

10:06 THURSDAY, MARCH 28, 1985

CURRENT LAW - WITH 1984 PROPERTY VALUES AND FALL 1984 STUDENT COUNTS

STATE TOTAL

	1984-85	1985-86 (in thousands)	1986-87		1984-85	1985-86	1986-87
STATE AID CALCULATION:				SPECIAL CONDITIONS (COUNTS):			
Regular Education	4,062,208.6	4,241,843.0	4,241,843.0	No. Districts in Grp.	1,068		
Special Education	411,258.0	461,821.6	461,821.6	Small District Adj.	786	786	786
Vocational Education	233,175.4	243,678.4	243,678.4	<300 sq. miles	611	611	611
Compensatory Education	312,806.2	329,433.5	329,433.5	>=300 sq. miles	175	175	175
Bilingual Education	32,312.4	34,187.1	34,187.1	Sparse District Adj.	90	91	91
All Programs	5,051,760.7	5,310,963.6	5,310,963.6	130 ADA	52	53	53
Education Improvement	287,026.3	344,431.6	401,836.8	75 ADA	27	28	28
Transportation	167,971.7	167,971.7	167,971.7	60 ADA	11	10	10
Total FSP	5,506,758.7	5,823,366.8	5,880,772.1	Budget Balanced	74	95	97
Less: Net LFA	(1,597,446.3)	(1,927,458.3)	(1,989,081.2)	Equalization Aid	706	703	701
State Share	3,909,312.4	3,895,908.5	3,891,690.8	Max. Equalization	466	458	456
Equalization	496,557.2	437,310.1	442,493.4	Special LFA Modif.	83	3	0
Experienced Teacher	36,433.0	36,680.9	36,690.2	STUDENT COUNTS:			
Transition	70,000.0	35,000.0	12,530.3	Total ADA	2,870,263.07	2,870,263.07	2,870,263.07
Total State Aid	4,512,303.0	4,404,900.1	4,383,404.6	Regular Ed. ADA	2,669,125.91	2,669,125.91	2,669,125.91
	=====	=====	=====	Special Ed. FTE's	95,582.73	96,539.90	96,539.90
MEMO DATA:				Vocational Ed. FTE's	105,554.43	105,554.43	105,554.43
Chng from Base 84-85	0.0	-107,402.8	-128,898.3	Comp. Ed. Students	1,034,875.40	1,034,875.40	1,034,875.40
Number gaining aid	0	492	493	Bilingual Ed. ADA	216,243.00	216,243.00	216,243.00
Total gains	0.0	137,831.1	153,821.7	Total Weighted ADA	3,052,709.07	3,343,433.76	3,343,433.76
Total ADA affected	0	1,146,795	1,174,529	FINANCIAL DATA:			
Chng from Prior Year	940,666.1	-107,402.8	-21,495.5	PDI	1.1911	1.1864	1.1864
Number gaining aid	872	492	446	Exp. Tchr. Sal. Ratio	1.0253	1.0255	1.0255
Total gains	975,338.9	137,831.1	18,474.9	Total Eff. Tax Rate	0.6455	0.5774	0.5856
Total ADA affected	2,642,691	1,146,795	1,381,243	Maint. Eff. Tax Rate	0.5451	0.4876	0.4945
% St Funds of Budget	51.19			SPTS Prop Val (000'S)	636,554,027.6	711,581,327.0	701,577,140.5
Cost of Small School	141,793.2	158,306.7	158,306.7	Wealth/ADA	221,776	247,915	244,430
Cost of Sparse ADA	3,778.9	3,651.2	3,651.2	% of St. Avg. Wealth	100.00	100.00	100.00
Cost of PDI	560,714.8	639,021.3	639,021.3	COST PER STUDENT:			
Maximum Equalization	537,344.2	468,434.8	474,032.6	Reg. Ed. (ABA)	1,474.61	1,541.25	1,541.25
Eq. Mnt. Tax Rate	0.5410	0.5149	0.5351	Reg. Ed. (AA)	1,700.80	1,745.31	1,745.31
Eq. Tot. Tax Rate	0.6414	0.6048	0.6262	Special Ed.	4,302.64	4,783.74	4,783.74
Maintenance Tax Levy	3,469,604.0			Vocational Ed.	2,209.05	2,308.56	2,308.56
Career Ladder	86,107.9	114,810.5	143,513.2	Compensatory Ed.	302.26	318.33	318.33
Budget Balance Loss	62,817.2	87,117.3	95,083.9	Bilingual Ed.	149.43	158.10	158.10
Loss to LFA appeal	10,997.3	40.9	0.0	All Programs/Tot. ADA	1,760.03	1,850.34	1,850.34
Available Sch. Fund	624,905.9	659,110.3	659,110.3	All Programs/Wtg. ADA	1,520.13	1,588.48	1,588.48
				Total FSP/Total ADA	1,918.56	2,028.86	2,048.86
				State Aid/Total ADA	1,572.09	1,534.67	1,527.18

ESTIMATE - SUBJECT TO REVISION

WARNING: PRELIMINARY 1984 PROPERTY VALUES ARE USED TO CALCULATE LFA AND EQUALIZATION AID FOR THE NEXT BIENNium.

FALL 1984 STUDENT COUNTS ARE USED THROUGHOUT, EXCEPT FOR COMP. ED., WHICH IS FROM 1983-84.

TOTAL COSTS ARE EXPRESSED IN THOUSANDS.

SOURCE: Texas Education Agency, 1985.

APPENDIX

APPENDIX A

TEXAS EDUCATION AGENCY RANKED RAW INOICES WITH CUMULATIVE TOTALS, ON WEIGHTED AOA

RANK	COUNTY DISTRICT NUMBER	DISTRICT NAME	RAW INDEX	WEIGHTED PUPILS	DIST PERCENT	CUMULATIVE WEIGHTED PUPILS	CUMUL PERCENT	CUMUL PCT OF OISTS
1	101912	HOUSTON ISO	1.1198	213,322.02	6.542	213,322.02	6.542	0.093
2	057905	DALLAS ISO	1.1014	144,231.45	4.423	357,553.47	10.965	0.186
3	015907	SAN ANTONIO ISO	1.0808	73,040.13	2.240	430,593.60	13.205	0.279
4	101917	PASADENA ISO	1.0737	36,223.99	1.111	466,817.59	14.316	0.372
5	101920	SPRING BRANCH ISO	1.0687	27,972.00	0.858	494,789.59	15.174	0.466
6	220905	FORT WORTH ISO	1.0680	70,680.54	2.168	565,470.13	17.341	0.559
7	101902	ALOINE ISO	1.0677	36,617.67	1.123	602,087.80	18.464	0.652
8	101909	NORTH FOREST ISO	1.0656	17,251.98	0.529	619,339.78	18.993	0.745
9	057916	RICHARDSON ISO	1.0638	34,583.37	1.061	653,923.15	20.054	0.838
10	071905	YSLETA ISO	1.0587	51,280.31	1.573	705,203.46	21.626	0.931
11	227901	AUSTIN ISO	1.0587	62,665.82	1.922	767,869.28	23.548	1.024
12	015905	EDGEWOOD ISO	1.0573	19,898.19	0.610	787,767.47	24.158	1.117
13	071902	EL PASO ISO	1.0561	67,224.66	2.062	854,992.13	26.220	1.210
14	101903	ALIEF ISO	1.0561	20,833.58	0.639	875,825.71	26.859	1.304
15	057909	GARLAND ISO	1.0526	31,352.91	0.961	907,178.62	27.820	1.397
16	240901	LAREDO ISO	1.0516	27,254.92	0.836	934,433.54	28.656	1.490
17	178904	CORPUS CHRISTI ISO	1.0515	43,472.43	1.333	977,905.97	29.989	1.583
18	101910	GALENA PARK ISO	1.0512	13,665.21	0.419	991,571.18	30.409	1.678
19	057912	IRVING ISO	1.0509	20,810.07	0.638	1,012,381.25	31.047	1.769
20	101915	KLEIN ISO	1.0504	22,166.17	0.680	1,034,547.42	31.726	1.862
21	101907	CYPRESS-FAIRBANKS ISO	1.0494	28,532.44	0.875	1,063,079.86	32.601	1.955
22	220901	ARLINGTON ISO	1.0483	35,435.67	1.087	1,098,515.53	33.688	2.048
23	057914	MESQUITE ISO	1.0469	19,206.06	0.589	1,117,721.59	34.277	2.142
24	015904	HARLAND ISO	1.0467	18,195.03	0.558	1,135,916.62	34.835	2.235
25	123910	BEAUMONT ISO	1.0455	22,495.76	0.660	1,158,412.38	35.525	2.328
26	057910	GRAND PRAIRIE ISO	1.0441	15,336.89	0.470	1,173,749.27	35.995	2.421
27	101911	GOOSE CREEK ISO	1.0441	17,658.31	0.542	1,191,407.58	36.537	2.514
28	031901	BROWNSVILLE ISO	1.0432	37,282.56	1.143	1,228,690.14	37.680	2.607
29	108901	AMARILLO ISO	1.0423	28,684.80	0.880	1,257,374.94	38.560	2.700
30	101919	SPRING ISO	1.0415	14,578.54	0.447	1,271,953.48	38.007	2.793
31	123907	PORT ARTHUR ISO	1.0403	13,064.98	0.401	1,285,018.46	39.408	2.886
32	015908	SOUTH SAN ANTONIO ISO	1.0399	12,917.04	0.396	1,297,935.50	39.804	2.980
33	152901	LUBBOCK ISO	1.0396	31,499.36	0.966	1,329,434.86	40.770	3.073
34	101913	HUMBLE ISO	1.0380	14,719.34	0.451	1,344,154.20	41.221	3.166
35	015910	NORTH EAST ISO	1.0378	36,743.00	1.127	1,380,897.20	42.348	3.259
36	057903	CARROLLTON-FARMERS BRANCH ISO	1.0367	13,638.13	0.418	1,394,535.33	42.766	3.352
37	079907	FORT BEND ISO	1.0364	24,712.79	0.758	1,419,248.12	43.524	3.445
38	220902	BIRDVILLE ISO	1.0325	17,531.60	0.538	1,436,779.72	44.062	3.538
39	015915	NORTHSIDE ISO	1.0319	41,816.54	1.282	1,478,596.26	45.344	3.631
40	220916	HURST-EULESS-BEDEFORD ISO	1.0317	17,478.73	0.536	1,496,074.99	45.880	3.724
41	101908	DEER PARK ISO	1.0307	8,710.22	0.267	1,504,785.21	46.147	3.818
42	101914	KATY ISO	1.0301	13,756.97	0.422	1,518,542.18	46.569	3.911
43	108906	MCALLEN ISO	1.0297	21,522.19	0.660	1,540,064.37	47.229	4.004
44	043910	PLANO ISO	1.0293	25,824.13	0.792	1,565,888.50	48.021	4.097
45	101905	CHANNELVIEW ISO	1.0278	5,220.99	0.160	1,571,109.49	48.181	4.190
46	084910	CLEAR CREEK ISO	1.0277	18,928.20	0.580	1,590,037.69	48.762	4.283
47	057907	DUNCANVILLE ISO	1.0275	8,561.52	0.263	1,598,599.21	49.024	4.376
48	068901	ECTOR COUNTY ISO	1.0260	26,717.40	0.819	1,625,316.61	49.844	4.469
49	161914	WACO ISO	1.0254	15,597.13	0.478	1,640,913.74	50.322	4.562
50	165901	MIDLAND ISO	1.0254	18,341.17	0.562	1,659,254.91	50.884	4.655
51	108909	PHARR-SAN JUAN-ALAMO ISO	1.0244	17,846.59	0.547	1,677,101.50	51.432	4.749
52	161906	WEST ORANGE-COVE CONS ISO	1.0235	5,496.48	0.169	1,682,597.98	51.600	4.842
53	101916	LA PORTE ISO	1.0230	6,800.81	0.209	1,689,398.79	51.809	4.935
54	221901	ABILENE ISO	1.0209	20,395.81	0.625	1,709,794.60	52.434	5.028
55	057911	HIGHLAND PARK ISO	1.0205	4,273.80	0.131	1,714,068.40	52.565	5.121
56	212905	TYLER ISO	1.0193	17,334.32	0.532	1,731,402.72	53.097	5.214
57	243905	WICHITA FALLS ISO	1.0187	15,351.66	0.471	1,746,754.38	53.568	5.307
58	057920	WILMER-HUTCHINS ISO	1.0181	5,049.96	0.155	1,751,804.34	53.723	5.400

TEXAS EDUCATION AGENCY
RANKED RAW INOICES WITH CUMULATIVE TOTALS ON WEIGHTED AOA

RANK	COUNTY DISTRICT NUMBER	DISTRICT NAME	RAW INOEX	WEIGHTED PUPILS	DIST PERCENT	CUMULATIVE WEIGHTED PUPILS	CUMUL PERCENT	CUMUL PCT OF OISTS
987	198906	MUMFORD ISO	0.8594	100.95	0.003	3,251,060.87	99.700	91.899
988	242905	KELTON ISO	0.8585	147.94	0.005	3,251,208.81	99.705	91.993
989	169909	PRAIRIE VALLEY ISO	0.8584	153.44	0.005	3,251,362.25	99.710	92.086
990	200905	WINGATE ISO	0.8582	74.22	0.002	3,251,436.47	99.712	92.179
991	177904	OIVIDE ISO	0.8580	146.89	0.005	3,251,583.36	99.716	92.272
992	050909	JONESBORO ISO	0.8578	174.10	0.005	3,251,757.46	99.722	92.365
993	115901	FT HANCOCK ISO	0.8570	290.32	0.009	3,252,047.78	99.731	92.458
994	169906	GOLD BURG ISO	0.8569	169.10	0.005	3,252,216.88	99.736	92.551
995	206902	RICHLAND SPRINGS ISO	0.8569	206.56	0.006	3,252,423.44	99.742	92.644
996	246914	COUPLAND ISO	0.8569	87.73	0.003	3,252,511.17	99.745	92.737
997	206903	CHEROKEE ISO	0.8567	176.23	0.005	3,252,687.40	99.750	92.831
998	086902	HARPER ISO	0.8563	280.58	0.009	3,252,967.98	99.759	92.924
999	056902	TEXLINE ISO	0.8561	181.53	0.006	3,253,149.51	99.764	93.017
1000	018908	CRANFILLS GAP ISO	0.8556	161.33	0.005	3,253,310.84	99.769	93.110
1001	193902	LEAKEY ISO	0.8556	287.22	0.009	3,253,598.06	99.778	93.203
1002	049908	WALNUT BEND ISO	0.8555	38.45	0.001	3,253,636.51	99.779	93.296
1003	242901	MOBEETIE ISO	0.8554	149.43	0.005	3,253,785.94	99.784	93.389
1004	062906	MEYERSVILLE ISO	0.8551	133.37	0.004	3,253,919.31	99.788	93.482
1005	072908	HUCKABAY ISO	0.8547	166.12	0.005	3,254,085.43	99.793	93.575
1006	244901	HARROLD ISO	0.8547	152.26	0.005	3,254,237.69	99.798	93.669
1007	065902	HEOLEY ISO	0.8546	163.53	0.005	3,254,401.22	99.803	93.762
1008	063906	PATTON SPRINGS ISO	0.8537	157.57	0.005	3,254,558.79	99.808	93.855
1009	011905	MCOADE ISO	0.8536	89.03	0.003	3,254,647.82	99.810	93.948
1010	242907	LELA ISO	0.8533	84.52	0.003	3,254,732.34	99.813	94.041
1011	173901	MOTLEY COUNTY ISO	0.8532	277.69	0.009	3,255,010.03	99.821	94.134
1012	042904	TALPA CENTENNIAL ISO	0.8528	170.25	0.005	3,255,180.28	99.827	94.227
1013	167902	STAR ISO	0.8525	104.67	0.003	3,255,284.95	99.830	94.320
1014	232904	UTOPIA ISO	0.8523	190.84	0.006	3,255,475.79	99.836	94.413
1015	242906	BRISCOE ISO	0.8519	84.58	0.003	3,255,560.37	99.838	94.507
1016	098903	PRINGLE-MORSE ISO	0.8512	84.55	0.003	3,255,644.92	99.841	94.600
1017	039905	MIOWAY ISO	0.8502	165.85	0.005	3,255,810.77	99.846	94.693
1018	162904	MCMULLEN ISO	0.8501	156.65	0.005	3,255,967.42	99.851	94.786
1019	177903	BLACKWELL ISO	0.8501	150.80	0.005	3,256,118.22	99.855	94.879
1020	235903	MCFAADDIN ISO	0.8496	19.30	0.001	3,256,137.52	99.856	94.972
1021	073904	WESTPHALIA ISO	0.8490	82.92	0.003	3,256,220.44	99.859	95.065
1022	040903	BLEASOE ISO	0.8487	96.94	0.003	3,256,317.38	99.861	95.158
1023	148905	ORROUZETT ISO	0.8486	95.72	0.003	3,256,413.10	99.864	95.251
1024	160905	LOHN ISO	0.8481	107.36	0.003	3,256,520.46	99.868	95.345
1025	104906	WEINERT ISO	0.8473	107.12	0.003	3,256,627.58	99.871	95.438
1026	103902	HARTLEY ISO	0.8470	193.20	0.006	3,256,820.78	99.877	95.531
1027	180903	ADRIAN ISO	0.8469	161.98	0.005	3,256,982.76	99.882	95.624
1028	132902	JAYTON-GIRARD ISO	0.8467	196.53	0.006	3,257,179.29	99.888	95.717
1029	169908	MONTAGUE ISO	0.8467	82.57	0.003	3,257,261.86	99.890	95.810
1030	174910	ETOILE ISO	0.8466	86.41	0.003	3,257,348.27	99.893	95.903
1031	062905	WESTHOFF ISO	0.8462	67.58	0.002	3,257,415.85	99.895	95.996
1032	224902	WOODSON ISO	0.8452	105.50	0.003	3,257,521.35	99.898	96.089
1033	115902	SIERRA BLANCA ISO	0.8448	180.92	0.006	3,257,702.27	99.904	96.182
1034	182906	PALO PINTO ISO	0.8443	71.78	0.002	3,257,774.05	99.906	96.276
1035	018906	IRIDELL ISO	0.8442	175.35	0.005	3,257,949.40	99.912	96.369
1036	104907	PAINT CREEK ISO	0.8438	112.79	0.003	3,258,062.19	99.915	96.462
1037	143905	SWEET HOME ISO	0.8425	83.72	0.003	3,258,145.91	99.918	96.555
1038	242904	ALLISON ISO	0.8420	82.53	0.003	3,258,228.44	99.920	96.648
1039	044904	SAMNORWOOD ISO	0.8416	166.10	0.005	3,258,394.54	99.925	96.741
1040	049909	SIVELLS BEND ISO	0.8413	68.10	0.002	3,258,462.64	99.927	96.834
1041	180904	WILORAADO ISO	0.8409	62.64	0.002	3,258,525.28	99.929	96.927
1042	133902	HUNT ISO	0.8384	81.31	0.002	3,258,606.59	99.932	97.020
1043	063902	MCAOOD ISO	0.8378	87.96	0.003	3,258,694.55	99.934	97.114
1044	117907	SPRING CREEK ISO	0.8371	23.35	0.001	3,258,717.90	99.935	97.207

Appendix A continued

TEXAS EDUCATION AGENCY
RANKED RAW INOICES WITH CUMULATIVE TOTALS ON WEIGHTED AOA

RANK	COUNTY DISTRICT NUMBER	DISTRICT NAME	RAW INOEX	WEIGHTED PUPILS	DIST PERCENT	CUMULATIVE WEIGHTED PUPILS	CUMUL PERCENT	CUMUL PCT OF DIST
1045	217903	OLD GLORY ISO	0.8368	63.01	0.002	3,258,780.91	99.937	97.300
1046	097904	POTTSVILLE ISO	0.8365	99.85	0.003	3,258,880.76	99.940	97.393
1047	137904	SANTA GERTRUDIS ISO	0.8352	78.62	0.002	3,258,959.38	99.943	97.486
1048	138904	BENJAMIN ISO	0.8343	160.26	0.005	3,259,119.64	99.947	97.579
1049	122901	FT DAVIS ISO	0.8338	219.28	0.007	3,259,338.92	99.954	97.672
1050	143904	VYSEHRAO ISO	0.8324	36.18	0.001	3,259,375.10	99.955	97.765
1051	072910	MORGAN MILL ISO	0.8312	78.86	0.002	3,259,453.96	99.958	97.858
1052	059902	WALCOTT ISO	0.8310	80.66	0.002	3,259,534.62	99.960	97.952
1053	103901	CHANNING ISO	0.8305	147.28	0.005	3,259,681.90	99.965	98.045
1054	077903	SOUTH PLAINS ISO	0.8301	38.00	0.001	3,259,719.90	99.966	98.138
1055	096901	ESTELLINE ISO	0.8294	83.71	0.003	3,259,803.61	99.968	98.231
1056	076901	HOBBS ISO	0.8293	35.53	0.001	3,259,839.14	99.969	98.324
1057	233903	COMSTOCK ISO	0.8292	152.98	0.005	3,259,992.12	99.974	98.417
1058	143906	EZZELL ISO	0.8270	77.34	0.002	3,260,069.46	99.977	98.510
1059	072904	BLUFF DALE ISO	0.8227	35.88	0.001	3,260,105.34	99.978	98.503
1060	022902	MARATHON ISO	0.8215	157.17	0.005	3,260,262.51	99.982	98.636
1061	090905	GRANVIEW-HOPKINS ISO	0.8197	22.74	0.001	3,260,285.25	99.983	98.790
1062	122902	VALENTINE ISO	0.8163	141.07	0.004	3,260,426.32	99.987	98.883
1063	090901	ALANREED ISO	0.8089	17.71	0.001	3,260,444.03	99.988	98.976
1064	137905	LAURELES ISO	0.8081	60.00	0.002	3,260,504.03	99.990	99.069
1065	131001	KENEON COUNTY WIDE CSO	0.8014	75.00	0.002	3,260,579.03	99.992	99.162
1066	072050	THREE WAY CSO	0.8013	19.85	0.001	3,260,598.88	99.993	99.255
1067	077904	OCUGHERTY ISO	0.8003	28.43	0.001	3,260,627.31	99.994	99.348
1068	086024	ODSS CSO	0.7872	22.12	0.001	3,260,649.43	99.994	99.441
1069	022004	TERLINGUA CSO	0.7780	81.20	0.002	3,260,730.63	99.997	99.534
1070	022903	SAN VICENTE ISO	0.7725	75.00	0.002	3,260,805.63	99.999	99.628
1071	133012	OLIVIOE CSO	0.7622	9.09	0.000	3,260,814.72	99.999	99.721
1072	233004	JUNO CSO	0.7530	10.36	0.000	3,260,825.08	100.000	99.814
1073	069903	CARTA VALLEY ISO	0.7524	6.84	0.000	3,260,831.92	100.000	99.907
1074	115002	ALLAMOORE CSO	0.7014	2.27	0.000	3,260,834.19	100.000	100.000

APPENDIX B

Definitions

Analyze Report Categories: In addition to the categories of size, wealth and tax effort, a special district grouping of data used for TEA school finance policy analysis. These categories are defined as follows:

1. Major Urban Districts: The largest school districts located within the central city of each of the state's six largest Standard Metropolitan Statistical Areas (SMSA's), (i.e., Austin, Corpus Christi, Dallas-Fort Worth, El Paso, Houston, and San Antonio). SMSA's are defined by the U.S. Bureau of the Census.
2. Other Central City Districts: Districts which are considered by TEA to be the "most central" to the state's remaining SMSA's.
3. Suburban-Fast Growing Districts: Generally, suburban districts of 1,000 or more refined ADA which had at least 10 percent increase in the number of original entries from 1976 to 1981, and some smaller suburban districts which displayed rapid growth for the same period.
4. Suburban-Stable Districts: Suburban districts which are similar to those in the previous category but which do not demonstrate high ADA growth rates.
5. Non-Metro With 1000+ ADA Districts: Districts which have 1,000 or more refined ADA and which are not included in the previous categories.
6. Non-Metro With Town Districts: Districts which have less than 1,000 ADA and which encompass a town having a population of approximately 1,000 or more.
7. Rural Districts: Districts which have less than 1,000 ADA and which have no central town within their boundaries.

SAMPLE OF DISTRICTS

APPENDIX C Per Pupil Wealth

<u>Analyze Codes</u>	1 (Less than 107,999)	2 (108,000-241,999)	3 (Greater than 242,000)
	0 Observations	0 Observations	Houston (101912)
1 Major Urban			
2 Central City	0 Observations	College Station (021901) Longview (092903)	Texas City (084906) West Orange Cove (181906)
3 Suburban-Fast Growing	Santa Fe (084909)	Alvin (020901) Orangefield (181905)	Spring Hill (092907)
4 Suburban-Stable	Little Cypress- Mercedville (181908) Liberty-Eylau (019908)	Pearland (020908)	Spring Branch (101920) Deer Park (101908)
5 Non-metro	Paris (139909)	Crockett (133901) Cleveland (146901)	Caldwell (026901)
6 Non-metro with Town	Troup (212904).	Hemphill (202903)	West Rusk (201904)
7 Rural	Avinger (034902)	Deweyville (176903) Kennard (113906)	Evadale (121906)

Superregion 1
(Regions 4,5,6,7,8)
(East)

<u>Analyze Codes</u>	<u>Per Pupil Wealth</u>		
	1 (Less than 107,999)	2 (108,000-241,999)	3 (Greater than 242,000)
1 Major Urban	San Antonio (015907)	Corpus Christi (178904) Austin (227901)	0 Observations
2 Central City	Brownsville (031901) Laredo (240901)	Victoria Cons (235902)	0 Observations
3 Suburban-Fast Growing	Santa Rosa (031914) Round Rock (246909)	Gregory-Portland (205902)	Tuloso-Midway (178912)
4 Suburban-Stable	La Feria (031905) Somerset (015909)	North East (015910)	Alamo Heights (015901) Point Isabel (031909)
5 Non-metro	Medina Valley (163908)	Kerrville (133903) Aransas County (004901)	La Grange (075902)
6 Non-metro with Town	Sabinal (232902)	Blanco (016902)	Ganado (120902)
7 Rural	Florence (246902)	Skidmore-Tynan (013905)	Van Vleck (158906)

Superregion 2
(Regions 1,2,3,13,20)
(South)

SAMPLE OF DISTRICTS

Per Pupil Wealth

<u>Analyze Codes</u>	1	2	3
	(Less than 107,999)	(108,000-241,999)	(Greater than 242,000)
1 Major Urban	0 Observations	Fort Worth (220905)	Dallas (057905)
2 Central City	Killeen (014906)	Waco (161914) Temple (014909) Denison (091903)	0 Observations
3 Suburban-Fast Growing	Springtown (184902) Keller (220907)	Plano (043910)	Coppell (057922)
4 Suburban-Stable	Burleson (126902) La Vega (161906)	Garland (057909)	Richardson (057916)
5 Non-metro	Commerce (116903)	Mexia (147903)	Fairfield (081902)
6 Non-metro with Town	Farmersville (043904) Hico (097903)	Knox City-O'Brien (138902)	Saint Jo (169911)
7 Rural	Era (049906) Collinsville (091902)	Bynum (109902)	Harrold (244901)

Superregion 3
(Regions 9,10,11,12)
(North)

<u>Analyze Codes</u>	<u>Per Pupil Wealth</u>		
	1 (Less than 107,999)	2 (108,000-241,999)	3 (Greater than 242,000)
1 Major Urban	El Paso (071902) Ysleta (071905)	0 Observations	0 Observations
2 Central City	Abilene (221901)	Lubbock (152901) Amarillo (188901)	Ector County (068901)
3 Suburban-Fast Growing	Anthony (071906) River Road (188902) Canutillo (071907)	Canyon (191901)	0 Observations
4 Suburban-Stable	Lubbock-Cooper (152906)	0 Observations	0 Observations
5 Non-metro	Roosevelt (152908) Hereford (059901)	Ballinger (200901)	Snyder (208902) Crockett (053001)
6 Non-metro with Town	Clyde (030902)	Clint (071901) Roscoe (177901)	Terrell County (222901) Stratford (211902)
7 Rural	Balmorhea (195902)	New Deal (152902)	Whitharral (110908) Grady (156905)

Superregion 4'
(Regions 14,15,16,17,18,19)
(West)

APPENDIX D

SPECIAL EDUCATION INSTRUCTIONAL ARRANGEMENTS

Regular Class With Special Education Support

Instruction occurs in the regular education classroom with special education personnel providing direct services to students or teacher or both. Instruction by a helping or itinerant teacher, special materials or equipment, interpreters for the deaf, assistance by special education aides and consultation with regular education teachers are examples of such direct services. Consultation in this context includes development of behavior management plans and cooperative planning for delivery of effective instruction in the essential elements as defined on the individual education plan (IEP).

Resource Room

Academic or non-academic instruction is provided in a special education setting for less than 50% of the regular school day. An example of this arrangement is the provision of braille instruction to visually handicapped students by an itinerant teacher. Another example includes small group instruction in language arts or math.

Partially Self-Contained

Instruction is provided in a special education setting for at least 50% but less than 100% of the regular school day. Self-contained, mild and moderate is included in this instructional arrangement.

Self-Contained

Instruction is provided in a special education setting 100% of the regular school day. An example of this type of arrangement is instruction of an emotionally disturbed student whose disruptive behavior necessitates removal from the regular classroom setting.

Staff Intensive Self-Contained

Instruction is provided for students whose unique needs are so complex that additional staff is necessary. To meet these special needs, the staff-student ratio may require one staff member per student, but is estimated to be one staff member to not more than three students. Includes self-contained, severe, regular campus. An example of this type of arrangement is instruction in such areas as feeding, toileting, attending, and communication for the student who is severely mentally retarded and physically handicapped.

Vocational Adjustment Class

Students are placed on a job with regularly scheduled supervision by special education personnel (Vocational Adjustment Coordinators), who also provide coordination between the school and the employer. Students working part-time receive a minimum of two hours of job-related and academic instruction per day. Students working full-time receive a minimum of one hour of job-related instruction per week. An example of this type of arrangement is a mentally retarded student who is placed on a job part-time in the morning. In the afternoon the student receives instruction by special education personnel for two hours--academic in reading and math for one hour and job-related skills for one hour.

Hospital/Community Class

Instruction is provided by special education personnel in a class setting within a hospital or other facility not operated by the school district. An example of this arrangement is one in which emotionally disturbed students receiving psychiatric treatment are instructed in a group setting by special education personnel.

Supplemental funding is frequently provided in this instructional arrangement for costs above the basic allocation to assist in educating students from other districts who are in residential facilities within the LEA, such as ICF/MR, hospital, and care and rehabilitation treatment center placements.

Homebound/Hospital Bedside/Home-Based

Instruction is provided by special education personnel on a one-to-one basis in a hospital or home setting. Staff time may include travel from home to home and coordination and collection of information for the home school. An example of this arrangement is instruction provided to a handicapped student recovering from injury or illness in the hospital or at home.

Contract Placements

Instruction is provided in a nonpublic day or residential school in accordance with an individual contract for services, components of which the school district is unable to provide and which can be provided by the contract placement. An example of this type of arrangement is instruction of a seriously emotionally disturbed student whose behavior is so destructive that a structured and secure 24 hour placement is required.

APPENDIX E

VOCATIONAL EDUCATION INSTRUCTIONAL ARRANGEMENTS

Classroom Instruction

This category includes those vocational courses which are taught in a classroom mode and whose normal complement of students approximates that of a social studies class.

Cooperative Programs

This category includes those vocational courses^s which are taught in a cooperative mode. This implies a course whose structure consists of one hour of work-related classroom instruction and 2-3 hours of on-the-job-training.

Occupational Cluster Programs

This category includes those vocational courses which are taught in a laboratory setting and whose content is not occupationally specific but deals with several occupations within an occupational cluster.

General Occupational Training

This category includes those vocational courses which are taught in a laboratory setting and where the content of the course focuses on specific occupations or a small group of allied occupations.

APPENDIX E continued

Technical Training

This category includes those vocational courses which are taught in a laboratory setting which focus on highly technical skills or provide training in occupational areas requiring high cost equipment or highly specialized instructors.

Vocational Education for the Handicapped

This category includes all vocational programs designed for the handicapped, regardless of instructional setting.

CAREER LADDER ENTRY REQUIREMENTS

Level	What certificate is needed?	What performance level is necessary?*	What experience is necessary?	What college work/training is needed?†
Probationary	None	None	None	Satisfactory scores on comprehensive exam; successful completion of bachelor's degree and an approved teacher education program (or admission into alternative certification program); recommendation of higher education institution
One	Level one certificate	"Satisfactory" performance in every appraisal category	See certification requirements	No additional requirements
Two	Level two certificate	"Exceeding expectations" during preceding year and "satisfactory" other years	Option A: Three years teaching experience Option B: Two years teaching experience	Option A: Bachelor's degree; nine hours of college work or 135 hours of training, or combination Option B: Master's degree in subject taught
Three	Level three certificate	Option A: "Exceeding expectations" during three of preceding four years and "satisfactory" the other year Option B: "Clearly outstanding" performance during two of preceding three years and "satisfactory" during other year	Option A: Five years teaching at level two Option B: Three years teaching at level two	Option A: Six hours of college work or 90 hours of training, or combination Option B: Three hours of college work or 45 hours of training, or combination
Four (Master teacher)	Level four (master teacher) certificate	Option A: "Clearly outstanding" performance during two of the preceding three years and "satisfactory" during the year Option B: "Clearly outstanding" performance for three consecutive years	Option A: Three years teaching at level three Option B: Two years teaching at level three	Option A: Satisfactory performance on master teacher exam; six hours of college work or 90 hours of training, or combination Option B: Satisfactory performance on master teacher exam; three hours of college work or 45 hours of training, or combination

*Performance levels listed are minimum requirements.

†Training refers to advanced academic training. Higher education course work and advanced academic training must relate to the general subject area taught

Is a recommendation needed?†	How long is a certificate valid?	Is certificate renewable?***
See entry requirements	See entry requirements	See entry requirements
Yes, from current or last employing school district	Three years from date of recommendation by a school district	Yes, upon recommendation of district with completion of additional six hours college work in area of assignment or certification, or 90 hours of training, or combination
Yes, from current or last employing school district	Five years	Yes, with possession of level two certificate; completion of six college hours beyond bachelor's degree in area of assignment or certification, or 90 hours of training, or combination; recommendation of current or last employing district
Yes, from current or last employing school district	Five years	Yes, with possession of level three certificate; completion of six hours beyond current requirements in area of assignment or certification, or 90 hours of training, or combination; recommendation of current or last employing district
Yes, from current or last employing school district	Life	