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A STUDY OF THE EFFECTS OF THREE TEXAS SCHOOL FINANCE BILLS  
AND TITLE I OF THE ELEMENTARY AND SECONDARY EDUCATION  
ACT OF 1965 ON FISCAL EQUITY IN OPERATING REVENUE

DISSERTATION

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By

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The purpose of this study was to compare per pupil receipts for operation in most school districts in Texas based on the changes in State funding provided for by three major finance bills and to analyze the effects of federal monies provided by Title I of the Elementary and Secondary Education Act of 1965 to determine the degree of equity in the State's school finance structure.

The population consisted of 973 public school districts reporting all data for 1974-75, 1976-77, and 1977-78. The districts were grouped into ten wealth deciles based on School Tax Assessment Practices Board assessed property value per student in average daily attendance. A weighted mean value for each decile for each category and year of funding was computed. Correlation coefficients were computed to provide an index of relationship between the categories of dollars available per pupil for operations. Coefficients of variation were determined to express the magnitude of variation relative to the average value for each additive category for each decile.

The data indicated that Texas generally moved Statewide toward equalizing the revenue available for education per pupil with the addition of various categories of aid provided and/or increased by succeeding legislative enactments. When the dollars received by districts were analyzed by deciles, some discrepancies were found. The funding processes in House Bill 1126 and Senate Bill I made gains in reducing the inequities but education remained a function of the wealth of the district where a child resided.

The Federal government, attempting to compensate for educational deprivation, did not provide money to districts with regard to property value. The money provided went to districts having needy children but it did not contribute to equalizing total funding available per pupil in the State. The money tended to slightly disequalize per pupil revenue across the State.

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## CHAPTER I

### INTRODUCTION

The problem of equalizing educational expenditures within the states has been wrestled within state legislatures for at least fifty years (14, p. 7) but has intensified significantly in the last twenty years due to the rise in the overall cost of education, publication of inflammatory literature, and the passage of new legislation affecting education finance. The question of equity was the basis of court cases in California (33) and Minnesota in 1971 (40) and in New Jersey in 1973 (29), each of which was filed in the respective state court. The issue received attention at the Federal level with the Rodriguez case from Texas, filed in United States District Court in 1968 and appealed to the United States Supreme Court in 1972 (30).

The Texas Legislature addressed school finance in providing for "public free schools" in 1876 in the Texas Constitution (38, p. 25) and even more thoroughly in the Gilmer-Aikin bills passed in 1949. In an attempt to improve the financial disparities as identified in the various court decisions, the Legislature passed new legislation in 1975 (17) and 1977 (21) to address the issue of equity in financing Texas public schools.



The major issue in the debate over financial equity is the disparity between the amount of revenue raised in property poor and property wealthy districts at the same tax rate due to the wide range of assessed property values from district to district. Mort and Reusser stated, "Equalization does not mean uniformity; if it did we could use the simpler word. Equalization means assessing a satisfactory foundation level" (24, p. 81). In 1968 the Commission on Educational Financing for the National Education Association found the difference among local districts in a state according to ability to pay taxes to be as great as one hundred to one (25). Realizing that this disparity in ability to generate local money existed, the Federal government attempted to assist schools by providing additional revenue to public school districts with educationally disadvantaged students with the passage of the Elementary and Secondary Education Act of 1965 (39).

The focus of this study was on the effects of state legislation and federal programs which provided revenue to public school districts in Texas for the three school years identified, 1974-75, 1976-77, and 1977-78, in the various efforts to move closer to financial equity in education for the state of Texas.

#### Statement of the Problem

The problem of this study was an analysis of operating funds available per pupil to local Texas school districts to determine the effects of various funding dollars in providing

for financial equity in education in Texas. These monies included local, State General, Compensatory, and Equalization Aid and various categories of federal aid included in Title I during the Gilmer-Aikin program, 1974-75, House Bill 1126, 1976-77, and Senate Bill 1, 1977-78.

#### Purposes of the Study

The purposes of this study were as follows:

1. To compare the per pupil receipts for operation in all applicable school districts in Texas based on the changes in state funding as provided for by three major legislative finance bills;

2. To analyze the effects of the addition of federal monies through Title I of the Elementary and Secondary Education Act of 1965;

3. To determine the degree of equity in the school finance structure in Texas.

#### Research Questions

The following questions provided the focus for the research in this study:

1. To what extent did State General Aid go to districts in relationship to taxable property values per student in Texas school districts during the school years 1974-75, 1976-77, and 1977-78?

2. To what extent did succeeding legislative measures improve the equity of the distribution of State General Aid

relative to taxable property values per student during the school years 1976-77 and 1977-78?

3. To what extent did Equalization Aid in House Bill 1126, 1976-77 and in Senate Bill 1, 1977-78 have additional equalizing effects when applied to required Net Local Fund Assignment and State General Aid?

4. Did State Compensatory Aid provided for in House Bill 1126, 1976-77 and in Senate Bill 1, 1977-78, have any equalizing effects when applied to required Net Local Fund Assignment and State General Aid?

5. To what extent did all State aid in 1974-75, 1976-77, and 1977-78 have an equalizing effect when added to required Net Local Fund Assignment for the three years studied?

6. What relationship existed between the amount of Title I Federal dollars available per pupil and property wealth per pupil in Texas school districts for the years studied between 1974 and 1978?

7. What relationship existed in the distribution of Title I Federal money relative to the amount of Local and State General Aid and State Compensatory Aid available per pupil in the school districts in Texas analyzed in the ten deciles established by the researcher for the years studied?

8. Did Title I money have equalizing effects when applied to Local Fund Assignment, State General Aid, and State Compensatory Aid in Texas during 1974-75, 1976-77, and 1977-78?

### Limitations

The figures presented in the study were those reported by Texas school districts to the Texas Education Agency (TEA) for the years 1974-75, 1976-77, and 1977-78. The number of districts varied somewhat from year to year due to consolidation, annexation, and Agency factors.

This study included only revenue available for current operating expenses and excluded debt service and special program costs which were not specifically identified in the study.

### Background and Significance

Equity in school finance is a matter of concern to every local school district, each state legislature, and the Federal government. There are states like New York State, concerned with the issue since 1850 (24, p. 372), which have wrestled with the problem for over a hundred years without developing a thoroughly acceptable procedure. In an attempt to find a solution and achieve the goal of equalization as defined by Mort and Reusser as ". . . the assurance of an adequate foundation program of education" (24, p. 404), politicians have debated the issue in legislative sessions while attempting to develop educational finance bills; judges have addressed the problem in the courts and have analyzed state constitutions as well as the United States Constitution; and school finance authorities have developed theories and models to be implemented.

The basis of the problem is the disparity between property poor districts ". . . as measured by the value of locally taxable property per student . . ." (1, p. 81) and property wealthy districts in regard to the amount of money raised and available to support education locally from comparable tax efforts. Effort being defined as ". . . the extent to which a town actually draws on this taxable resource," (22, p. 115).

Every state politician becomes involved in this issue at some point in his or her political career as education and money are important to each man, woman, and child whom the politician represents. The courts have become involved with the issue at the state level in California with Serrano and Minnesota with Van Dusartz (40) in 1971 (33), New Jersey with Cahill in 1972 (29), and other states and at the Federal level in Texas with Rodriguez in 1973 (30). Many educational finance authorities have studied the problem and proposed theories and solutions including Cubberley (32), Strayer and Haig (35), Morrison (23), Mort (24), Johns and Morphet (13), Coons, Clune, and Sugarman (9), and Joel Berke (2, 3, 4) among others.

Since the United States Constitution does not address education directly, the responsibility for this function has fallen to the states based on the Tenth Amendment (8, p. 117), but the financial responsibility is borne by the local, state, and Federal Governments. In 1970-71, 55 per cent of all revenue used by local districts was raised by the districts themselves and 82 per cent of that money was generated from

property taxes. State governments contributed 39 per cent of the remaining necessary funds (28, pp. 4, 7). These figures were very close to Garvue's findings for Fiscal Year 1967 when 52.1 per cent of local district revenue was provided by local efforts and 39.9 per cent was provided by state sources (12, p. 217). The Federal contribution was less than 7 per cent of the total receipts. Of this federal aid, the largest portion, amounting to approximately \$1.6 billion, was funded from Title I of the Elementary and Secondary Education Act of 1965 (28, p. 9).

The issue of education in Texas arose during the State's fight for independence from Mexico and its financing based on land grants was instituted in 1836. In the Education Act of 1839, three leagues of land were provided to be surveyed and set apart for the establishment of a primary school or academy in each county (16, p. 134). This legislation provided very little actual revenue as land was plentiful and inexpensive, but the issue of education and support was addressed again during the drafting of the 1845 Constitution (37, p. 7). The resulting legislation established ". . . free schools throughout the State . . ." (37, p. 23) and provided ". . . means for their support by taxation on property . . ." (37, p. 23). The Act continued with the Legislature's duty: ". . . to set apart not less than one-tenth of the annual revenue of the State derivable from taxation, as a perpetual fund, which fund shall be appropriated to the support of free

public schools; . . ." (37, p. 23). The state had provided for land and money to maintain some type of free schools in each county. In the Fifth Legislative session in 1853-54, additional laws were passed addressing education and its funding. An Act to establish a System of Schools (15, p. 17) was passed which authorized \$2,000,000 to be used to establish the Special School Fund. The interest from this money was to be distributed on a per capita basis for the support of State schools. This Act also provided for the creation of school districts within counties. The criteria was "convenient size" (15, p. 17). Convenient size created districts with disproportionate property value which became the basis of court cases concerning inequitable funding due to the unbalanced property value among school districts. In order to accomplish the task of providing for educational opportunity in the state of Texas, the Constitution of the State of Texas of 1876, Article VIII, Section 5, directed that money generated from selling lands earmarked to support schools would be the Permanent School Fund (38). The interest from the investment of this money and certain designated taxes would be called the Available School Fund and would be distributed based on scholastic population (34, p. 12; 38, p. 26).

The Fiftieth Texas Legislature meeting in 1947 created a committee to study and review the educational system within the State in order to make recommendations to the Governor

and the next legislature for the improvement of the system. These recommendations became the basis of three education bills, Senate Bills 115 (20), 116 (19), and 117 (18), known collectively as the Gilmer-Aikin Bills, passed by the Fifty-First Legislature of Texas in 1949. The Sixty-Fourth Legislature meeting in 1975 attempted to further refine educational finance and remedy certain inequities created in the 1949 bills by passing House Bill 1126, as a response to the Rodriguez decision. The major revisions in this act included the addition of Equalization Aid to assist property poor districts and the use of market value of taxable property to determine the local share of school district costs rather than the complicated County Economic Index established in the Gilmer-Aikin Laws (17) and ". . . took into account the relative values of each county's contribution to the State's total income from manufacturing, mining, and agricultural activities" (30, p. 1284). With the changes effected in the 1975 bill to promote educational equity, the Legislature was aware that the problem had not been solved completely. Two sections, Section 10 which authorized the Governor to study the allocation of State funds to school districts and Section 12 which provided for a performance audit and evaluation of State funds allocated for vocational and special education (17), were added to the bill to provide the next legislature with information to continue refining the school finance laws (27, p. 10). Senate Bill 1 was passed by the Sixty-Fifth Legislature in Special



Session in 1977 to amend aspects of House Bill 1126. The refinements included an increase in Equalization Funds and a lowering of many districts' Local Fund Assignments (21).

Prior to passage of these last two bills in Texas, the Federal government realized that most state and local programs did not totally accomplish the goal of providing for equitable educational opportunity, particularly for educationally disadvantaged youth, and passed the Elementary and Secondary Education Act of 1965. Title I monies from this bill were made available to local districts for a variety of compensatory education programs to benefit educationally disadvantaged students and to help districts move closer to financial equity since the cost of educating such students was higher than was the cost of educating "regular" students. Ten years later, in 1975, Texas attempted to move even closer to financial equity by providing a State compensatory program compatible with the Federal program (17). This program provided additional funds to districts which had families meeting specific low income criteria.

A comparative study of the progress, or lack of it, made in achieving equity in educational financing in Texas based on the three major educational finance bills, Gilmer-Aikin, House Bill 1126, and Senate Bill 1, provided insight as to the status of the State in achieving this goal. In order to make an accurate assessment of educational opportunity in the State based on total dollars available to educate children,

the State Compensatory Funds, Equalization Funds, and the Federal dollars provided to districts were taken into consideration, as these dollars also contribute to the ultimate goal of providing equal educational opportunities to Texas youth.

This study was significant in the following ways.

1. It presented the effects of three major State finance bills in Texas school districts.
2. It determined the relationship of Federal money to local and State monies.
3. It expanded the research on equity of educational funding in Texas.
4. It provided implications for consideration in future funding activities.

#### Definition of Terms

The following terms were pertinent to and defined for this study:

Minimum Foundation Program (MFP)--the state of Texas assured educational program funded by State and local school districts in proportion to their local tax paying ability.

Local Fund Assignment (LFA)--the portion of the Minimum Foundation Program costs assigned by the state of Texas to the district to be raised by a prescribed local tax effort.

Net Local Share--the portion of the Minimum Foundation Program costs assigned by the state of Texas to the district

to be raised by a prescribed local maintenance tax effort not including the budget balance amount, if there is one.

Local Enrichment--the money raised by the local maintenance tax effort exceeding the Local Fund Assignment.

State Available Allocation--an amount of money credited to each district equally per pupil from the State Available School Fund.

Equalization Aid--an amount of money credited by formula to each district in which average per pupil wealth is less than a prescribed percentage of the average State per pupil amount.

State General Aid--the amount of money provided by the state of Texas to meet regular program costs of each district excluding the amounts credited by the State Available Allocation, Equalization and Minimum Aid, and Local Fund Assignment.

Minimum Adjustment Aid--an amount of money credited to districts which would lose some State revenue after legislative changes in the financial system of allocating the State share of the Minimum Foundation Program.

Federal Elementary and Secondary Education Act of 1965 (ESEA)--"An act to strengthen and improve educational quality and educational opportunities in the Nation's elementary and secondary schools" (39, p. 1), as defined in the Act itself.

Title I--the first of five titles in the Federal Elementary and Secondary Education Act of 1965, providing funds

to local educational agencies for compensatory programs for educationally deprived children.

Title I, Migrant Funds--funds provided to local educational agencies under Title I, Federal Elementary and Secondary Education Act of 1965, to assist children of migratory agricultural laborers.

State Compensatory Funds--an additional specified amount of money per pupil beginning with House Bill 1126 provided by the State to school districts which received federal compensatory education aid.

#### Basic Assumptions

The problems and procedures of this study were based on the following assumptions.

1. The data reported to the Texas Education Agency by local Texas school districts and the transcription of this information to the necessary computer files was accurate.

2. The very small number of districts which appear and disappear in the State each year did not affect the overall allocation figures to any significant degree.

3. The School Tax Assessment Practices Board (STAP) values were consistent and appropriate indicators of district property wealth for the three years studied. The assignment of districts to appropriate deciles remained constant when grouped by STAP Board values. The school district makeup of each decile, as determined by the STAP values, was constant for each of the three years of the study.

4. The small overall increase in average daily attendance (ADA) from 1974-75 to 1977-78 (less than 5 per cent) did not have a significant effect on the per pupil expenditures within the deciles.

#### Procedures for Collection of Data

Population--The population consisted of all local public school districts in Texas which reported data for 1974-75, 1976-77, and 1977-78 on the annual Audit Report and Superintendent's Annual Report and had data stored in the Texas Education Agency Database Files of the Foundation System for the years studied.

Selection of Population-- As there was a finite number of public school districts in the state of Texas and the information was available and retrievable if reported for these districts, it was possible to include all districts which reported data in all categories for all years studied. The total number of districts which met all criteria and were included in the study was 973.

#### Procedures for Analysis of Data

Research questions 1 - 6 were analyzed by determining a weighted mean (6, pp. 226-7; 11, p. 117) for each category of funding for each decile for each school year studied and comparing the weighted mean, representing a particular finance bill, to the weighted mean for the other finance bills, as applicable. A Pearson product-moment correlation statistic

(11, p. 24; 5, p. 488) was applied to determine the correlation coefficients for particular variables in the study in order to understand the relationship expressed in Research Question 7. The correlations were interpreted based on the guides presented by Borg (5, pp. 512-14). To answer Research Question number 8, a coefficient of variation (6, p. 25; 11, p. 116) was determined for the various categories of per pupil expenditures added to preceding expenditures to determine the magnitude of variation relative to the average amount of money per pupil in Texas.

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## CHAPTER II

### REVIEW OF RELATED LITERATURE

The study focused on the revenue received by Texas public school districts by per pupil allocation for each of three specified school year's current operating costs. These funds were distributed to the districts from various sources including local, State and Federal and provided a basic education to the children of the State for the school years 1974-75, 1976-77, and 1977-78. The process and procedures for providing local districts money from these three sources has evolved over a period of approximately one hundred years. The original established procedure and each change whether at the local, State or Federal level was instituted only after legislative consideration and action.

#### Legislative Background

The process for distributing money for education, referred to as the Minimum Foundation Program, was established with the current Texas Constitution, ratified by voters in February, 1876 (37). Article VII-Education-The Free Schools, Section 3, provided money for public free schools from occupation taxes and a poll tax and that any deficits were to be ". . . met by appropriations from the general funds of the State" (37, p. 25). This section has been amended six times to meet

changing needs, including a provision for direct ad valorem taxation. Section five outlines the provisions of the Permanent School Fund. The monies from the land set aside for the support of education were to be distributed to the counties according to the scholastic population and were referred to as the Available School Fund (37, p. 26). Newton (26, p. 2) identified the first equalization law in Texas (14, pp. 22-26), passed by the Thirty-Fourth Legislature, and noted that each succeeding legislature passed similar biennial equalization laws up to 1947, accounting for seventeen equalization laws prior to the passage of the Gilmer-Aikin Laws.

In 1949, the Fifty-First Legislature of Texas enacted into law three bills which came to be known as the Gilmer-Aikin bills, which reorganized the Texas public school system. Still (34) wrote that these laws were enacted to remedy the problems identified by a legislative committee appointed in 1947 to make recommendations concerning education and its financing in the State to the Governor. The laws were written to help Texas meet the expanding cost of public education, to increase the percentage of students being educated in the State from 66 per cent to a higher percentage, to increase the number of qualified teachers in the State and to prepare for educating more children as the State's school population expanded rapidly.

One of these three bills, Senate Bill 116, passed in 1949, presented a complicated formula, called the County

Economic Index, for establishing a more equitable educational system in Texas (23). As the Minimum Foundation Program, based on students in attendance (10, p. 50), was implemented and money was provided to public school districts, problems arose and various amendments followed in succeeding legislative sessions.

The most basic problem emerging was that property poor districts within the State were taxing the residents more heavily and yet gaining less revenue per pupil than property wealthy districts, thus a basic education was costing the tax payer more in property poor districts than in property wealthy districts. Reischauer and Hartman (29) found this true in that tremendous disparities in ability to raise necessary revenue existed among school districts, thus different communities had to exert widely varying tax efforts. In fact, Kelly (20) stated that in almost all states the high property value districts have been able to generate more money with a lower tax effort than property poor districts which exert more effort and generate less revenue for financing the cost of education. In 1973 a Phi Delta Kappa Committee studying educational finance found that disparities in financial ability for the local districts within a state are greater than are funding disparities between states (27, p. 14).

The situation of poor communities spending less per pupil after making a greater effort to sustain the system is typical of the Nation as a whole according to Miller (25).

As an example, Burrup (9) found the problem of inequitable school financing to be the same in California. That state charged the local school district with the responsibility of providing a majority of the cost of education yet the districts varied greatly in the assessed valuation of property per pupil, causing large differences in effort and revenue, since the districts with greater ability can tax less and raise more money than many districts which tax at a higher rate but can raise only nominal amounts. Other authorities cite similar findings (1, 5, 11, 29, 42).

After intensive study of the Texas educational finance system, Berke found ". . . poorer districts tax themselves at consistently higher equalized tax rates, yet realize far lower tax yields than do richer districts" (6, p. 32). The 1973 Phi Delta Kappa study, based on five districts ranked from high to low in terms of wealth measures used in distributing State funds, found considerable disparity in the Texas school finance structure even with a Minimum Foundation Program. The richest district had more than twice as much revenue per pupil and was 1100 times richer than the poorest. The difference in local revenue amounted to \$648 per pupil (27, p. 21). It appeared that the Texas system of levying and collecting local school taxes to maintain school districts was as inequitable as other states. According to Jencks,

If we want perfect equality between districts in the same state, we must end the school's dependence on local taxes and raise all revenue from statewide taxes

or federal aid. If we want to preserve some local discretion, we can rely on state aid formulas which make each district's income depend on the local tax rate, but not on the local tax base (17, p. 38).

#### Court Cases

Even with various finance bills and subsequent amendments to rectify identified inequities, several major problems, such as less revenue generated per pupil with higher tax rates, quality of education being a direct function of local district property value and unequal property values per pupil within many districts, were identified and found to exist in Texas. These inequities existed as a result of the basic funding structure for Texas public school education which was based on the ad valorem or property tax. Encouraged by law suits in other states (30, 33, 41), Rodriguez filed suit in United States District Court in San Antonio, Texas, in July, 1968, citing funding inequities due to the taxing structure in Texas based on property values which were unequal. According to Rodriguez, this "suit was brought on behalf of all children throughout Texas living in school districts with low property valuations and challenging the current method of state financing for public elementary/secondary education (31, p. 280). After various delays and failure of proposed legislative reform, the Federal District Court declared the Texas system of public school financing unconstitutional on December 23, 1971. The decision was based in part on a study of 110 Texas school districts conducted by Berke of Syracuse University

and ". . . submitted as an evidentiary affidavit to the three-judge federal court in the case of San Antonio v. Rodriguez" (7, p. 59). Berke's study showed a direct correlation between the level of per pupil expenditures and the value of the district's taxable property per pupil (8, p. 11).

The 110 Texas school districts studied by Berke yielded information leading to his conclusion that State districts which spent the most on educating students were able to raise the necessary revenue with tax rates lower than property poor districts. The lower tax rates often produced more money than the higher rates (8, p. 10). The lower tax rates generated more revenue due to the wide variations in taxable property values for school districts throughout the State. As early as 1922, Waterman had identified a possible solution to the problem and had recommended that a state should equalize the burden of educational support so that local districts could provide programs at equal expenditures of effort based on the tax rate (44, p. 287). Almost fifty years later the inequitable situation still existed in Texas and the Federal Court made a similar recommendation.

The idea of having equal amounts of dollars per pupil led to the original concept of a state providing money to local districts to equalize educational opportunities (36, p. 20). The stated objectives of the Texas Foundation Program were "to determine a basic level of education and provide equal dollars per student and to equalize the local tax



effort necessary to finance that program level" (3, pp. 3-4). The idea of equalization of revenue for educational funding was certainly not a new idea nor limited to Texas. Many statements concerning the issue had been made by scholars of educational finance about other states and the philosophy in general (5, 20, 29, 36, 45). Berke concluded that state "programs have never lived up to their expectations" (8, p. 11), and Kelly (20) had identified the purpose of state aid as equalizing local effort but evaluated the technique as being consistent in its failure to do so. In 1973, the Phi Delta Kappa Commission found that forty states had some type of equalization but not one had succeeded in equalizing school expenditures (27, p. 18).

In an attempt to abolish per pupil spending inequities as identified by the state's Supreme Court, the New Jersey Legislature passed a state income tax law. This legislation failed to equalize the per pupil expenditures, and the discrepancies in per pupil spending became greater despite a 50 per cent increase in state money earmarked for education. The wealth of a local school district continued to be the major factor in determining the amount spent for educating students and yet the poorer districts in 1977-78 received less than one quarter of state aid, down from the one-third received in 1975-76 before the state income tax law (15, p. 7).

In the Federal District Court decision for Texas, all three judges were unanimous in their opinion that "Any mild

equalizing effects that state aid may have do not benefit the poorest districts" (31, p. 282). Not only did they find the above to be true, but they stated that "nor does state financial assistance serve to equalize these great disparities" (31, p. 282). With the Federal District Court's findings and the decision that the Texas finance system for education was unconstitutional under the equal protection clause of the Fourteenth Amendment, the District Court granted a two-year stay for the State to take corrective action. The corrective action was to be based on the District Court's recommendation that ". . . some new form of financing had to be utilized to support public education, with the sole restriction that the program adopted not make the quality of public education a function of wealth other than the wealth of the state as a whole" (31, p. 280). In February of 1972, the Texas Attorney General appealed the District Court decision to the United States Supreme Court, which agreed in June, 1972, to hear the appeal.

The Sixty-Third Session of the Texas Legislature meeting in 1973, unsure of the pending Supreme Court decision, was attempting financial reform to resolve the inequities of the State's educational finance system as identified by the District Court. Three major plans submitted by interested groups were under consideration (46, pp. 98-101). Midway through the session, the United States Supreme Court handed down its decision on March 21, 1973, reversing the lower Court's

decision. Justice Powell delivered the Supreme Court's decision and stated,

The greatest disparities, however are attributable to differences in the amount of assessable property available with any district. Those districts that have more property, or more valuable property, have a greater capability for supplementing state funds (32, p. 1303).

This would seem to support what Berke had found in his study which was utilized by the District Court in its decision, but the majority opinion in the United States Supreme Court was that the study showed that only the top few districts had the highest family incomes and spent the most money on education and the bottom few districts had the lowest family incomes and spent the least money on education. The remaining 90 per cent of the school districts in the sample showed an inverted correlation between family income and money spent on education; therefore, there was no basis for the claim of comparative wealth discrimination. In addition to these findings, a footnote acknowledged that studies in other states had raised questions about the dependability of the correlation between a district's assessable property wealth and the collective wealth of families measured in terms of median family incomes for the district (32, p. 1293). Although this decision did not mandate a change,

The Court held that while the Texas school finance laws fostered serious inequities in educational opportunities available to public school students, they did not violate provisions of the United States Constitution. In essence, while the opinion

did not require immediate changes in the Texas law, it stressed the responsibility of the Texas Legislature to address the serious flaws which did exist (28, p. 9).

The Sixty-Third Legislature meeting in 1973 did not have adequate time to amend or pass new legislation in light of the timing of the reversal by the Supreme Court in Rodriguez to correct or improve the system, but the Governor's Office of Educational Research and Planning was created as a result of the Supreme Court's decision. Its purpose was to study the current system and develop recommendations for the next Legislature to use in addressing the issue and developing legislation to remedy existing inequities. According to Yodof and Morgan (46), this was the first time that the matter of equality of expenditure had been addressed by the Legislature. State political and educational leaders concurred, in spite of the reversal, that the Gilmer-Aikin laws were outdated and that state funding, determined by the complicated County Economic Index, ". . . was distributed in a highly inequitable manner" (28, p. 9).

#### Texas Legislation Since 1975

The Sixty-Fourth Session of the Texas Legislature in 1975 passed House Bill 1126 (22) in an effort to eliminate the inequities in the Gilmer-Aikin program identified by the courts, educators, and study committees. Although the bill did not provide for major structural changes, it did provide \$653 million of additional funds from the State and \$378

million in additional local funds to the Minimum Foundation Program (19, p. 398). The bill also brought several major changes to Texas school finance including:

1. general increases in the level of the Minimum Foundation Program,
2. implementation of a State Equalization Aid component to provide additional assistance to property poor districts,
3. addition of funds for Support of Educationally Disadvantaged Pupils--a State compensatory aid program, and
4. elimination of the inequitable County Economic Index and establishment of a single factor index determined by the taxable property in the districts.

Sunderman and Hinely concluded that the increases in the bill equaled inflationary rises and reflected what districts had already implemented (35, p. 10). The Texas Advisory Commission on Intergovernmental Relations acknowledged that gains had been made with House Bill 1126, but property poor districts still had to exert a greater tax effort than property wealthy districts (38, p. 6) even with the \$50 million per year equalization program established to supplement the equalizing aspects of the foundation programs (19, p. 399). Although an additional amount of money was provided to neutralize the wealth disparities between districts, Johns (19, p. 400) felt that this program had only a marginal effect in remedying those disparities not corrected by the foundation program, and Sunderman and Hinely state that the "equalization

money was far too little to effect any serious equalization . . ." (35, p. 10). The Legislature understood this weakness and had enacted House Bill 1126 as a step to the solution and not the total solution. Several sections, including Section 10 SUBCHAPTER H (22) which authorized the Governor to study the allocation of State funds to school districts, were written into the law to provide the next legislature with additional information so equity could, perhaps, become a reality.

In 1977, the Sixty-Fifth Texas Legislature in special session developed Senate Bill 1 in an effort to refine the changes provided for in House Bill 1126. This action increased the amount of equalization aid to districts, increased Foundation School Program aid, lowered the local fund assignment amount for many districts, and changed the value to be used as the basis for determining local ability to pay its share of program costs (24). Even with these changes, Walker and Parks contended that the basic structure of Texas public school finance remained unchanged (43, p. 11).

#### Federal Financial Aid Programs Affecting Texas Public Schools

In 1941, the Lanham Act was passed by the Congress of the United States in an attempt to neutralize the adverse economic effects of large government installations situated within local school district boundaries. Money was provided for the construction, maintenance, and operation of community

facilities in the areas where defense and war facilities would create an additional and unintentional burden on local governments due to the rapid increase in population when families were assigned to the installations. Public Law 815 and 874 (PL 815 and 817) were passed in 1950 to continue the concept of Federal Impact Area Aid as instituted with the Lanham Act (18, p. 376).

A second major influence resulting in allocation of federal funds to schools was Russia's successful launch of a satellite in 1957. Congress enacted The National Defense Education Act of 1958 to improve education in the United States, especially in the areas of science, mathematics, and foreign languages (18, p. 378). Seven years later as members of Congress and the newly elected President of the United States, Lyndon B. Johnson, prepared for the 1965 legislative session, the President appointed The Task Force on Education, composed of members from government and education and chaired by John W. Gardner. The purpose of this group was to develop proposals for an elementary and secondary educational program for improving educational quality and equalizing educational opportunity (2, pp. 39-40; 16, pp. 56-104; 13). The result of this committee and its recommendations was the most important financial measure enacted by Congress to date relating to financing for public schools--The Elementary and Secondary Education Act of 1965 (21, p. 23), which affected 90 per cent of the school districts in this country (39, p. 193).

The categorical aid, provided under the five titles of this Act, was to provide additional money to public education agencies to benefit children from families with income below a specified level or receiving welfare (18, pp. 379-80). The money was for support programs including school library resources, textbooks, and other printed instructional materials, almost doubling previously designated funds. With the criteria for funding established on family income or welfare status, almost 90 per cent of the schools in the Nation would qualify for and receive aid (18, p. 23). Those districts with the highest concentration of families with low incomes stood to benefit the most (16, p. 5). Berke (6, p. 164) also noted that money awarded under Title I tended to go to the cities in ways that state aid based on property value per pupil did not. Since Title I of the Act is, in part, an amendment to the Federal Impact Law (Pl 874) (4, p. 36; 40, p. 1), it is not surprising to note that these funds were five-sixths of the total Elementary and Secondary Education Act funds originally authorized (2, p. 49), and almost half (46 per cent) of the total federal aid received in 1967 (6, p. 133).

President Johnson supported this piece of legislation as part of his "Great Society" program which would meet the demands of the disadvantaged for public school to provide more equitable treatment for children of the poor and minority groups (2, p. 3; 16). In Texas these federal



revenues varied greatly from district to district due to local policies and circumstances, demonstrated need (43, p. 14), and ". . . on the basis of 1948 state aid policies" (7, p. 235).

Specific federal categorical grants were examined in this study in an effort to determine the effect these funds had in equalizing educational opportunities although that is not their purpose; and, as Wise stated, "At present, such aid does not seem destined to alleviate the statewide problem" (45, p. 163). Title I programs accounted for 31 per cent of the total federal dollars expended for education with more than two billion dollars distributed in 1975-76. Title I dollars had been estimated to be as much as 8 per cent of all elementary and secondary expenditures from all sources in one year (42, p. 5). The National Education Finance Project analyzed the effect federal aid had on school districts and found that Title I did ". . . significantly equalize educational opportunity by equalizing financial resources" (18, p. 383). In a study to determine if Title I and state compensatory programs, which Texas had, worked with or against state equalizing programs, based on property value rather than on family income, Vescera and Collins studied four states including Texas. They found in Texas that compensatory aid did reduce the spending variation; and Title I funds had an even greater impact than State funds did on reducing this range (42, p. 53).

The Texas system of financing public education had been referred to as "mysterious and complicated" and described as ". . . burdened with bureaucracy and politics" (12, p. A-16). Since 1949 the State had made a concerted effort with legislation to improve the process and to provide educational equity to all pupils in the various school districts through a Foundation School Program, Equalization Aid, a State Compensatory Program, and the utilization of federal monies. This study presents the results and/or effects of three major State finance laws, the Gilmer-Aikin bills, House Bill 1126 and Senate Bill 1, and one Federal program, The Elementary and Secondary Education Act of 1965, on the funding per pupil in the state of Texas for education.

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## CHAPTER III

### METHODS AND PROCEDURES

#### Description of the Population

The state of Texas public school system network consists of slightly more than 1050 school districts. The number varies annually due to consolidation, annexation, inactivity, and other factors which determine a specific number. The districts included have designations as independent school districts, rural high school districts, consolidated school districts, and rural independent school districts. These districts vary in geographical size, property tax value, and land use settings as well as in numbers of students in regular program average daily attendance.

As there is a finite number of public school districts in the State and the information is available and retrievable for these districts, it was not necessary to randomly sample this group. It was imperative to include all applicable districts in order to draw accurate conclusions about the state of Texas' educational finance system.

In order to make accurate comparisons across the three years studied, only those local Texas school districts which had reported all appropriate data for the years 1974-75, 1976-77, and 1977-78 on the Annual Audit Report and Superintendent's Annual Report and had the appropriate data stored

in the Texas Education Agency Files of the Foundation System were included. The total number of districts which reported income for all categories for the years studied was 973.

#### Procedures for Collecting Data

Since each Texas school district reports all income and budgetary data each year to the Texas Education Agency, it was necessary to review rather than solicit the identified information. In order to obtain this prerecorded information, contact was made with the Associate Commissioner for Financial Allocations for the Texas Education Agency, who referred the researcher to the Director of the Division of Information Analysis. (See Appendix A.) Arrangements were made for the preparation of computer tapes with the appropriate and necessary district budget information for the school years 1974-75, 1976-77, and 1977-78. Information was generated from the appropriate Audit Reports and Superintendents' Annual Reports and the Texas Education Agency Database Files of the Foundation System and included regular program costs, Net Local Share, Budget Balance amount, Local Enrichment, Minimum Aid, Equalization Aid, State Available Allocation, Title I--Regular and Migrant, and State Compensatory Funds. Other district information included was the School Tax Assessment Practices Board assessment of wealth per district and the average daily attendance figures for each district for 1977-78.

Since the number of districts within the State varies slightly each year due to previously mentioned conditions,



only those districts in operation with completed reports for all three years were included in the study. The district budget information is accumulated in its final form by the Texas Education Agency well after the end of the school year indicated, providing for the most accurate reporting available.

#### Procedures for Analysis of Data

The 973 school districts in Texas which reported all data for the three years studied were grouped into wealth deciles based on School Tax Assessment Practices Board assessed property value per student in average daily attendance (1977-78) by the computer center at North Texas State University. The ten deciles were comprised of ninety-seven or ninety-eight school districts to accommodate the uneven number of districts analyzed.

The deciles ranged from the property poorest 10 per cent of the districts (decile I) to the property wealthiest 10 per cent of the districts (decile X) based on property value per average daily attendance (ADA) figures for the 1977-78 school year, from the smallest districts to the largest districts. These deciles do not represent equally balanced property value increments, as the placement of a district within a decile was based on the total number of districts within Texas, reporting dollar figures for the various categories and average daily attendance, rather than on predetermined, incrementally developed spans of property value or numbers of

students. A weighted mean value in each set of deciles for each category and year of funding was computed. The average amounts of monies available for educational financing per pupil by the districts in each decile were placed in appropriate tables and graphs for inspection and interpretation.

#### Description of Controls

The districts placed in deciles and analyzed in relation to the other deciles were those districts that reported information for all categories for each of the three years studied. If a district omitted a category for at least one of the given years, the district's data were not included when calculating information for the other years.

If a district did not file an Audit Report or Superintendents' Annual Report for any one year of the three, figures for that district were not included in the overall calculations, nor were the dollars included for the years for which an audit or report was filed.

#### Statistical Procedure

The weighted mean as defined by Freund and Williams (3, p. 117) as the average of a group of numbers obtained by multiplying each number by another which is the weight to express the relative importance was calculated. The sums of these products was then divided by the sum of the weights (2, p. 227). This mean was computed after the average School Tax Assessment Practices Board full market value per pupil

for each district had been determined and districts were placed in deciles one to ten based on this per pupil amount. The computation for weighted mean involved adding the total revenue received by each district in the decile for each listed category and dividing the sum by the total Average Daily Attendance for each decile using 1977-78 figures.

The correlation coefficients (2, pp. 28-32) were computed using Pearson product moment coefficient of correlation (3, p. 24) to provide an index of relationship between the categories of dollars available per pupil for operations (2, pp. 28-32). The results of the comparison were interpreted based on Borg's analysis of correlations (1, pp. 512-14).

The coefficient of variation (2, p. 25) was determined to express the magnitude of variation relative to the average value for each additive category for each decile.

$$\text{coefficient of variation} = \frac{\text{standard deviation}}{\text{arithmetic mean}}$$

The ratio was multiplied by one hundred and presented in percentage form (3, p. 116).

#### Response to Research Questions

Research question 1 was explained by determining the average (weighted) amount of State General Aid per pupil provided districts within each of the deciles for each of the three major finance bills. A comparison was made between the amount of State General Aid provided, Net Local Fund Assignment, and property value per pupil for each decile for the

specific year, but the deciles were compared separately for each bill.

Research question 2 was examined by comparing the average (weighted) State General Aid allocations made to the districts in each decile for each year to correspond with the appropriate finance bill and determining by percentage of change how effective the bills were in equalizing the amount of money available per pupil for educational costs.

Research question 3 was examined by adding the average (weighted) Equalization Aid per pupil for the two years available to the Net Local Fund Assignment and State General Aid in the corresponding deciles and calculating the change in expenditure differences per pupil from the property poor districts to the property wealthy districts.

Research question 4 was resolved by adding the average (weighted) State Compensatory Funds for the two years available to the Net Local Fund Assignment and State General Aid in the corresponding deciles and calculating the change in expenditure differences per pupil from the property poor districts to the property wealthy districts.

Research question 5 was explained by running a cumulative total of the average (weighted) State General Aid, Equalization Aid, and Minimum Adjustment Aid added to the Net Local Fund Assignment to determine the effect that all State funds have in equalizing the results of the local taxing effort.

Research question 6 was addressed by adding the average (weighted) Title I regular program and Migrant monies together and examining these totals in relationship to property value deciles.

Research question 7 was examined by determining a correlation between Federal Title I money and Net Local Fund Assignment, State General Aid, State Compensatory Aid, and School Tax Assessment Practices Board value per pupil in the State.

Research question 8 was explained by examining the additive effect of each type of revenue on per pupil expenditures. A coefficient of variation was determined for the various categories of per pupil expenditures added to the Net Local Fund Assignment including State General Aid, State Equalization Aid, State Compensatory Aid, Minimum Adjustment Aid, and the Federal Elementary and Secondary Education Act of 1965 Title I money.

#### Reporting the Data

After all computations were made, the data was entered into tables as presented and an analysis of the indicated trends was reported in Chapter IV.

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## CHAPTER IV

### PRESENTATION OF THE DATA

The purpose of this study was to determine the effects of local, State, and federal monies provided for in three State laws and a federal law on educational equity per pupil in the state of Texas. Districts were placed in deciles and weighted means were determined for categories of aid for each of the three years studied. A correlation analysis was utilized to determine the relationship between several of the variables in the study. A variation analysis was also utilized to determine the magnitude of variation between the variables in the study. The effects of the three State legislative enactments and one federal law on equity in Texas school finance was determined in a final analysis of the data.

The data obtained during the study was organized into three major sections for presentation and discussion. The first section was designed to report and discuss the five research questions, 1-5, concerned with the effects of State funds on educational equity in Texas. The mean dollar values and percentages of State funds and total funds were calculated and presented in Tables I-XII. The second section reported and discussed the data for two research questions, 6 and 7, concerning federal funds and the effect of these dollars on

financial equity in Texas educational funding. The values used to address these two questions were placed in Tables XIII-XIV. The third section, corresponding to question 8, reported and discussed the analysis of all data to determine the variation in effect that each type of funding had on per pupil expenditure in Texas. The appropriate information was placed in Tables XV-XVII.

#### Analysis of State Funding Allocations on Per Pupil Receipts for Operations

State General Aid, based on property value per pupil, went to Texas public school districts very irregularly decile by decile. If the ten deciles were grouped by the three poorest, four middle, and three wealthiest deciles based on property value per pupil, then the money provided to this ranking for each of the three bills was in almost perfect order as the three poorest deciles consistently received the most money from the State and the three wealthiest deciles consistently with one decile deviation received the least. The ten individual deciles did not rank in perfect descending order of relationship from the property poorest districts (decile I) receiving the greatest amount of funds to the property wealthiest districts (decile X) receiving the least amount. The middle four deciles for each year were consistent in not receiving ordered equitable amounts of State aid based on average property values per pupil.



Since the 973 districts were placed in deciles based on property values per pupil, the property values for the deciles were in perfect descending order from property poorest to property wealthiest as were the Net Local Fund Assignment amounts which were based on property value per pupil also. (See Table I.) The data indicated that the local district's

TABLE I

## DECILE CONFIGURATION WITH PER PUPIL PROPERTY VALUE

Decile	School Tax Assessment Practices Board Value Per Pupil (ADA)
I*	\$ 43,461
II	70,568
III	87,761
IV	106,307
V	127,049
VI	151,989
VII	189,311
VIII	250,754
IX	352,707
X**	785,463

\*Property poorest.

\*\*Property wealthiest.

share of education costs determined by applying a fixed tax rate (x¢ per \$100 of full market value property) did correspond in inverse rank order with the order of average property value per pupil. The average Net Local Fund Assignment was in perfect ascending order--the property poorest deciles had to provide the least amount of funds locally and the property wealthiest deciles had to provide the most funds locally for

each of the three years, but the State aid was not distributed in property value order.

The following paragraph and tables answer research question 1 which addressed the extent to which State General Aid went to districts in relationship to taxable property values per student in Texas school districts during the school years 1974-75, 1976-77, and 1977-78.

Gilmer-Aikin's inequitable procedure for determining the Local Fund Assignment (6, p. 18) resulted in the local districts raising the smallest average portion of the cost, a State average for all deciles of 12 per cent or \$62 as seen on Table II. House Bill 1126, which was passed to alleviate some of the previous funding inequities, raised the State's average local share for all deciles to 24 per cent of all State revenue or \$191, an overall average jump of 12 per cent of total State revenue per pupil. (See Table III.) This \$129 difference represented an average increase of 208 per cent in responsibility from an average of \$62 per pupil to an average per pupil amount of \$191. Due to the hue and cry of local districts, Senate Bill I was passed and reduced the State's average share statewide to \$138 or 15 per cent of total State revenue which was a 28 per cent or \$53 reduction in actual dollars. (See Table IV.)

The following paragraph and tables answer research question 2 which addressed the extent to which succeeding legislative measures improved the equity of the distribution

TABLE II  
 AVERAGE MINIMUM FOUNDATION PROGRAM AID PER PUPIL BY WEALTH DECILE  
 1974-75--GILMER-AIKIN BILLS

Decile	Net Local Fund Assignment			State General Aid			Net Local Fund Assignment and State General Aid			Total Revenue/ADA	
	\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		State \$	All \$
		State	All		State	All		State	All		
I*	33	6	6	302	59	54	335	65	60	515	559
II	48	9	9	302	56	54	350	65	62	538	561
III	49	9	9	313	58	55	362	67	63	539	571
IV	56	11	11	262	53	50	318	64	61	496	520
V	86	18	16	218	44	42	305	62	58	491	525
VI	86	15	14	294	52	49	381	68	63	564	606
VII	98	18	17	269	50	47	367	68	64	543	577
VIII	134	25	23	235	43	40	368	68	63	543	581
IX	168	30	29	204	37	35	372	67	64	552	581
X	165	38	37	81	19	18	247	65	55	431	450
State Average	62	12	11	276	53	50	338	65	61	520	553

\*Property poorest

TABLE III

AVERAGE MINIMUM FOUNDATION PROGRAM AID PER PUPIL BY WEALTH DECILE  
1976-77--HOUSE BILL 1126

Decile	Net Local Fund Assignment		State General Aid		Net Local Fund Assignment and State General Aid		Total Revenue/ADA	
	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	State \$	All \$
		State		All		State		
I*	93	12	420	54	49	66	777	849
II	151	19	412	51	48	69	815	851
III	167	20	411	50	47	71	818	866
IV	206	26	340	44	42	70	780	813
V	253	32	296	38	36	70	785	832
VI	252	30	355	42	39	72	848	914
VII	320	37	295	34	32	71	864	911
VIII	371	43	240	28	26	71	860	910
IX	464	51	176	19	19	71	906	947
X	571	65	76	9	8	73	882	920
State Average	191	24	365	45	43	69	804	854

\*Property poorest

TABLE IV

## AVERAGE MINIMUM FOUNDATION PROGRAM AID PER PUPIL BY WEALTH DECILE

1977-78--SENATE BILL I

Decile	Net Local Fund Assignment		State General Aid		Net Local Fund Assignment and State General Aid		Total Revenue/ADA		
	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	State \$	All \$	
									State
I*	69	7	506	54	49	575	61	941	1024
II	107	11	520	55	53	627	67	939	978
III	123	13	530	56	53	652	69	940	998
IV	143	16	475	54	51	618	70	883	924
V	174	20	448	51	48	621	71	875	926
VI	179	19	501	54	50	680	73	933	1007
VII	220	23	474	50	48	694	74	941	996
VIII	266	28	430	46	43	696	74	942	1000
IX	374	39	336	35	33	710	73	968	1016
X	611	63	97	10	10	707	73	973	1017
State Average	138	15	486	53	50	624	68	923	981

\*Property poorest

of State General Aid relative to taxable property values per student during the school years 1976-77 and 1977-78.

When the local responsibility for costs was reduced, the difference had to be made up someplace else, as the cost of education did not decline. The effects of each succeeding piece of legislation on the revenue per pupil by decile is evident on Table V. House Bill 1126 increased the dollar amount of State General Aid and, more importantly for the districts in the eight less wealthy deciles, provided a greater percentage of increase to the property poorer districts, decreasing to the property wealthier districts with three exceptions--deciles V, VIII, and IX. Senate Bill I did provide additional money per pupil at about the same average percentage increase as House Bill 1126, but did so with no attempt to equalize the allocation based on property value. Quite the contrary, Senate Bill I provided more money percentagewise to the nine deciles wealthier than the poorest. Senate Bill I created a randomness in both dollars allocated and percentage of increase for State aid by deciles from the previous bill. The next-to wealthiest decile, decile IX, received 91 per cent more funds in 1977-78 than in 1976-77 and the poorest district received only 20 per cent more funds. With Senate Bill I the two property poorest deciles, I and II, received the least percentage of increase from previous years of all deciles and deciles IX and VIII, wealthier deciles, received the greatest percentage increases in that order.

The total increase of money available per pupil represented by the new legislation from 1974-75 to 1977-78 shown on Table V varied from an average high of \$230 in decile V to an average low of \$16 in decile X. The range of these increases in per pupil allocations represented a maximum increase in decile V of 106 per cent to the lowest of 20 per cent in decile X, the difference of 86 per cent in the increase of funds. If the purpose of each succeeding piece of legislation had been to move closer to equity, then Senate Bill I would have improved the disparity in the average of increases established in House Bill 1126, which established larger percentage increases in funding in the property poorer districts. Senate Bill I did not perpetuate this trend of greater increases to property poorer districts but reversed it by providing less percentage increases to the property poorer districts than to the property wealthier districts.

In two of the three years the decile receiving the greatest average State Aid was the third poorest decile rather than the poorest. Deciles IX and X were consistent in receiving the least amounts of average State aid for the three years as property value per pupil would indicate as shown in Table VI. House Bill 1126 provided the most consistent average State funding per pupil based on property values with eight of the ten deciles receiving aid in the same descending order as property value deciles.

TABLE V  
AVERAGE STATE GENERAL AID PER PUPIL BY WEALTH DECILES

Decile	Gilmer- Aikin 1974/75 (1)	House Bill 1126 1976/1977 (2)	% of Increase (3)	Senate Bill 1977/78 (4)	% of Increase (5)	Total \$ Increase (6)	Total % Increase (7)
I*	302	420	39	506	20	204	68
II	302	412	36	520	26	218	72
III	313	411	31	530	29	217	69
IV	262	340	30	475	40	213	81
V	218	296	36	448	51	230	106
VI	294	355	21	501	41	207	70
VII	269	295	10	474	61	205	76
VIII	235	240	2	430	79	195	83
IX	204	176	14	336	91	132	65
X	81	76	6	97	28	16	20
State Average	276	365	32	486	33	210	76

\*Property poorest



TABLE VI  
DECILE RANKING OF AVERAGE STATE AID ALLOCATIONS

Deciles (by property value/ADA)	1974 - 75		1976 - 77		1977 - 78	
	Decile Rank	State Aid	Decile Rank	State Aid	Decile Rank	State Aid
I**	III	\$313	I*	\$420	III	\$530
II	I	302	II*	412	II*	520
III	II	302	III*	411	I	506
IV	VI	294	IV*	355	VI	501
V	VII	269	IV	340	IV	475
VI	IV	262	V	296	VII	474
VII	VIII	235	VII*	295	V	448
VIII	V	218	VIII*	240	VIII*	430
IX	IX*	204	IX*	176	IX*	336
X	X*	81	X*	76	X*	97

\*Aid-received ranking consistent with property value ranking.

\*\*Property poorest

The result of these two bills was that instead of a perfect inverse correlation of more funds based on low property value, there was no correlation between money received and average property value with the exception of deciles IX and X receiving less money consistently than the other eight deciles.

The following paragraphs and tables answer research question 3 which addressed the extent to which Equalized Aid in House Bill 1126, 1976-77 and in Senate Bill 1, 1977-78 had additional equalizing effects when applied to required Net Local Fund Assignment and State General Aid.

In addition to providing State funds more equitable than previous legislation, House Bill 1126 also provided for State Equalization Aid. (See Tables VII-VIII.) This aid was awarded local districts with a Local Fund Assignment per pupil less than the total Statewide Local Fund Assignment per pupil plus 25 per cent (House Bill 1126, Sec. 16.301). This procedure provided average State Equalization Aid (Table VII) to the deciles in a range from an average of \$36 to the property poorest districts to an average of \$1 in decile IX and an average of no money to districts in decile X. The effects of this Equalization Aid on equity when added to the Net Local Fund Assignment and State General Aid provided in House Bill 1126 were to alter the range of the percentage of all State funds by deciles from 66 per cent to 73 per cent without Equalization Aid (Table III) in deciles I - X, a seven point range, to 70 per cent to 73 per cent (Table VII in deciles

I - X, a three point range. The effects of these monies were considered as a percentage of all revenue, including appropriate State and Federal allocations, per pupil also rather than just of State revenue. This comparison provided a similar picture. The range of these percentages was from an average of 60 per cent in decile I to 70 per cent in decile X (Table III), a ten point range, to 65 per cent in decile I to 70 per cent in decile X (Table VII), a five point range in per cent after Equalization Aid had been added. The equalization monies in 1976-77 raised the four property poorest deciles' average per cent of funds by at least two and as much as five percentage points as a per cent of total State revenue or total revenue per pupil. The districts in decile I received an increase in percentage of total State funds and total funds by an average of five percentage points. In the remaining six deciles, the average per cent of total revenue was raised in only one decile, decile VI, by one percentage point, and total State revenue was raised in only one decile, decile VII, by one percentage point. The four deciles representing the 40 per cent wealthiest school districts in Texas did not receive enough Equalization Aid to affect the percentages representing total money from all sources. This new feature within House Bill 1126 of providing property poorer districts with additional funds did have some equalizing effect when added to the original two sources of State funding. This was seen when the range per pupil narrowed. Instead of districts

being separated by a wide range in available funds as a per cent of total State money, the districts moved closer together in money available per pupil in education.

Senate Bill I altered the procedure for calculating Equalization funds from a consideration of average Net Local Fund Assignment to average property value. A district became eligible for Equalization Aid if the property value per pupil was below the Statewide average property value per pupil plus 10 per cent. (Senate Bill I, Sec. 16.301.). The new procedure provided aid in a range from an average of \$117 to the property poorest districts in decile I to an average of \$1 in deciles VII and VIII and an average of no money to districts in deciles IX and X. The effect on equity of this procedure in calculating aid when added to the Net Local Fund Assignment and State General Aid was to alter the range by decile of the percentages of all State funds without Equalization Aid from 61 per cent to 74 per cent (Table IV), a thirteen point range, to 72 per cent to 74 per cent with Equalization Aid, a two point range in deciles I through X. The cumulative amount again was considered as a percentage of total revenue available per pupil rather than just of State provided money. The 973 districts represented in the ten deciles had varying amounts of money available to educate the students of the State. These average amounts by decile were calculated as a percentage of all State money and all available money per decile to determine how widely the districts

varied. A range in per cents representing all money available per pupil was established from an average of 56 per cent to 70 per cent without Equalization Aid (Table IV), a fourteen point range, to a range of an average of 68 to 71 per cent with Equalization Aid (Table VIII) or a three point range. The deciles were separated by as much as 14 per cent prior to the addition of Equalization Aid. The result was very similar to the change in percentages when the cumulative totals were examined in relation to total State funds. The Equalization Aid narrowed the range of average percentage of total State funds from thirteen percentage points and of total funds from fourteen percentage points between the property poorest districts and the property wealthiest to only two percentage points of total State and three percentage points of total revenue difference. The total effect of the Equalization Aid provided in Senate Bill I was greater than that provided by House Bill 1126 based on the difference between deciles, although there was greater disparity in the deciles before Equalization Aid was added.

The following paragraph and tables addressed research question 4 as to the question of State Compensatory Aid provided for in House Bill 1126, 1976-77 and in Senate Bill 1, 1977-78, having equalizing effects when applied to required net Local Fund Assignment and State General Aid.

The legislators meeting in the Sixty-Fourth Legislature in 1975 addressed several other areas of school finance in

TABLE VII

AVERAGE MINIMUM FOUNDATION PROGRAM AVERAGE AID + EQUALIZATION  
 AID PER PUPIL BY WEALTH DECILES  
 1976-77--HOUSE BILL 1126

Decile	Net Local Fund Assignment (NLFA)			State General Aid (SGA)			Equalization Aid (EA)			NLFA + SGA + EA		Total Revenue/ADA		
	\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		State	All	State	All	
		State	All		State	All		State	All					State
I*	93	12	11	420	54	49	36	5	4	549	71	65	777	849
II	151	19	18	412	51	48	24	3	3	587	72	69	815	851
III	167	20	19	411	50	47	20	2	2	598	73	69	818	866
IV	206	26	25	340	44	42	13	2	2	559	72	69	780	813
V	253	32	30	296	38	36	5	1	1	553	70	66	785	832
VI	252	30	28	355	42	39	7	1	1	614	72	67	848	914
VII	320	37	35	295	34	32	4	0	0	619	72	68	864	911
VIII	371	43	41	240	28	26	3	0	0	614	71	67	860	910
IX	464	51	49	176	19	19	1	0	0	641	71	68	406	947
X	571	65	62	76	9	8	0	0	0	647	73	70	882	920
State Average	191	24	22	365	45	43	19	2	2	575	72	67	804	854

\*Property poorest

TABLE VIII

AVERAGE MINIMUM FOUNDATION PROGRAM AVERAGE AID + EQUALIZATION  
 AID PER PUPIL BY WEALTH DECILES  
 1977-78--SENATE BILL I

Decile	Net Local Fund Assignment (NLFA)			State General Aid (SGA)			Equalization Aid (EA)			NLFA + SGA + EA			Total Revenue/ADA	
	\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		State \$	All \$
		State	All		State	All		State	All		State	All		
I*	69	7	7	506	54	49	117	12	11	692	74	68	941	1024
II	107	11	11	520	55	53	65	7	7	692	74	71	939	978
III	123	13	12	530	56	53	46	5	5	699	74	70	940	999
IV	143	16	15	495	54	51	24	3	3	642	73	69	883	924
V	174	20	19	448	51	48	4	0	0	626	72	68	875	926
VI	179	19	18	501	54	50	3	0	0	683	73	69	933	1007
VII	220	23	22	474	50	48	1	0	0	695	74	70	941	996
VIII	266	28	27	430	46	43	1	0	0	697	74	70	942	1000
IX	394	39	37	336	35	33	0	0	0	710	73	70	968	1016
X	611	63	60	97	10	10	0	0	0	708	73	70	973	1017
State Average	138	15	14	486	53	50	52	6	5	676	73	69	923	981

\*Property poorest

Texas that needed attention as pointed out by the Supreme Court in its reversal of the United States District Court's decision which declared the State's financial scheme unconstitutional. In addition to including Equalization Aid, Section 16.176, Support for Educationally Disadvantaged Pupils was added. This section was based on the provisions for funding under Title I of the Federal Elementary and Secondary Education Act of 1965. The State would provide a fixed amount of revenue per pupil to all districts with students who qualified for Federal Compensatory Education Aid. Since this allocation was not based on a district property value average but rather on individual incomes, the distribution did not depend on a district's average property value or average Local Fund Assignment; therefore, property wealthy school districts could have large numbers of eligible students residing within the boundaries and/or as many as property poorer districts. The range of funds provided to districts within deciles is based on an average per pupil per decile. The range of money provided by House Bill 1126 (Table IX) was from an average high of \$13 per pupil to an average low of \$3 per pupil. The State Compensatory money amounted to only 1 per cent of total State monies in seven deciles, 2 per cent in two deciles, and had no impact in decile X. In all deciles, excluding X, the monies amounted to only 1 per cent of the all total revenue per average daily attendance received and less than .5 per cent in decile X.



TABLE IX

AVERAGE MINIMUM FOUNDATION PROGRAM AID + COMPENSATORY AID  
 PER PUPIL BY WEALTH DECILES  
 1976-77--HOUSE BILL 1126

Decile	Net Local Fund Assignment (NLFA)		State General Aid (SGA)		Compensatory Aid (CA)		NLFA + SGA + CA		Total Revenue/ADA			
	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	\$	% of Total Revenue/ADA	State \$	All \$		
		State		All		State		All			State	All
I*	93	12	420	54	49	2	12	525	68	62	777	849
II	151	19	412	51	48	1	8	571	70	67	815	851
III	167	20	411	50	47	1	9	587	72	68	818	866
IV	206	26	340	44	42	1	6	552	71	68	780	813
V	253	32	296	38	36	1	10	559	71	67	785	832
VI	252	30	355	42	39	2	13	620	73	68	848	914
VII	320	37	295	34	32	1	9	624	72	68	864	911
VIII	371	43	240	28	26	1	10	621	72	68	860	910
IX	464	51	176	19	19	1	8	648	72	68	906	947
X	571	65	76	9	8	0	3	650	74	71	882	920
State Average	191	24	365	45	43	1	10	566	70	66	804	854

\*Property poorest

TABLE X

AVERAGE MINIMUM FOUNDATION PROGRAM AID + COMPENSATORY AID  
PER PUPIL BY WEALTH DECILES  
1977-78--SENATE BILL I

Decile	Net Local Fund Assignment (NLFA)			State General Aid (SGA)			Compensatory Aid (CA)			NLFA + SGA + CA			Total Revenue/ADA	
	\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		\$	% of Total Revenue/ADA		State \$	All \$
		State	All		State	All		State	All		State	All		
I*	69	7	7	506	54	49	12	1	1	587	62	57	941	1024
II	107	11	11	520	55	53	8	1	1	635	68	65	939	978
III	123	13	12	530	56	53	9	1	1	662	70	66	940	998
IV	143	16	15	475	54	51	6	1	1	624	71	68	883	924
V	174	20	19	448	51	48	10	1	1	632	72	68	835	926
VI	179	19	18	501	54	50	13	1	1	693	74	69	933	1007
VII	220	23	22	474	50	48	9	1	1	703	75	71	941	996
VIII	266	28	27	430	46	43	10	1	1	706	75	71	942	1000
IX	374	39	37	336	35	33	8	1	1	718	74	71	968	1016
X	611	63	60	97	10	10	4	0	0	712	73	70	973	1017
State Average	138	15	14	486	53	50	10	1	1	634	69	65	923	981

\*Property poorest

The average Compensatory Aid monies received under Senate Bill I (Table X) were almost the same decile by decile as those received in House Bill 1126 and percentage of total State and total revenue were exactly the same in eight of the ten deciles and decreased from 2 per cent to 1 per cent in deciles I and VI. Compensatory Aid provided additional monies to districts but had little or no equalizing effect at all percentage wise when added to Net Local and State General monies.

The following paragraphs and tables answer research question 5 which addressed the extent to which all State aid in 1974-75, 1976-77, and 1977-78 had an equalizing effect when added to required Net Local Fund Assignment for the three years studied.

The cumulative effects of all average State aid was examined to determine the extent of equalization on required local effort provided by these monies. The only other funding included but not examined separately prior to the cumulative treatment was Minimum Adjustment Aid, provided for in House Bill 1126, Section 16.254 and Senate Bill I, Section 13, d., which insured that no district would receive less money than it had received per pupil in the previous funding formula. This provision benefited the property wealthy districts and lessened the positive effects of other equalization measures, especially the first year. This is obvious as equalization legislation attempted to provide monies for all districts to

have approximately the same amount of money to spend per pupil regardless of property values, causing some districts to receive more money and some to receive less depending on the change in funding procedures. Minimum Adjustment Aid did not interfere with districts receiving more, but it did prevent districts from receiving less money. The difference between what the State should provide and provided in the past was greater immediately after the initial efforts of the legislature to correct the inequities. Six deciles or approximately 60 per cent of the districts in the State benefited by Minimum Adjustment Aid provisions as the per pupil allocation was reduced with new legislation. The range of benefits as shown in Table XI was from a weighted average of \$1 to \$42 per pupil in the wealthiest 60 per cent of the districts in the State. The four deciles containing the property poorest districts based on per pupil property value did not receive this aid, as they continued to receive increased amounts of State aid because these districts were the least able to raise funds locally. Since the wealthier districts had been receiving more funds than newer legislation would provide, attempts to equalize provided lower per pupil receipts than previously allowed. The Minimum Adjustment Aid provision prevented these wealthier deciles from receiving less per pupil receipts than under previous funding procedures. The Minimum Adjustment Aid Funding protection clause in Senate Bill I (Table XII) did not make as great a difference as indicated by the fact

that the range of average per pupil receipts was from a weighted average of \$1 to \$25 per pupil with only the districts in deciles VI - X, the wealthiest 50 per cent of the districts in the State, receiving any adjustment funds. This \$24 range and 50 per cent of districts affected were less than the \$41 range and 60 per cent created by House Bill 1126 funding.

The total average dollar amount established by House Bill 1126 (Table XI) that the four categories of State funding provided was examined as previously done on State General Aid in research question 1 by grouping the deciles into the three property poorest deciles, the four middle, and three wealthiest deciles. In this grouping, equity was achieved as the three property poorest districts did receive more average dollars per pupil and in ascending property value order with decile I receiving the most per pupil. The three property wealthiest deciles received the least amount of average dollars per pupil in ascending property value order also. The four deciles in the middle were again consistent in not receiving equitable amounts of total State aid based on average property value ranking per pupil.

The average percentage of total State revenue per pupil that these four funding categories represented was in a range of from an average per pupil amount of 11 per cent to 60 per cent and a range from an average of 10 per cent to 55 per cent for total revenue available. The intermediate percentages

fell in descending order with the exception of deciles V and VI being in reverse order in both total revenue and total State revenue calculations. House Bill 1126 did provide State funds in an equitable manner with property poorer districts receiving more aid if percentage of total revenue and total State revenue per pupil was the criteria for determining equity.

The analysis of the total of the previous four funding categories with the Net Local Fund Assignment as a percentage of average total State revenue per pupil revealed a range of receipts from 72 per cent to 76 per cent, but the order was not dependent on average property value per pupil order, as decile IV and V in the middle deciles received an average percentage amount as small as the property poorest decile and decile VI and VII received as much percentage wise as the property wealthiest decile, decile X. If perfect equity had been provided by this law, all deciles would have received funds which when added to the local effort would have, in this case, equaled the State average of 73 per cent of all available State funds. Instead, the decile receiving the most aid (decile IX) was separated from the decile receiving the least (decile I) by \$130 per pupil.

The total average dollar amounts provided by Senate Bill I in the four previously described funding categories were analyzed as above with deciles grouped into the three property poorest deciles, the four middle, and the three

wealthiest. Again, equity was achieved in this ordered arrangement as the three property poorest deciles received more total State funds and the three property wealthiest deciles received less total State funds than the average amount received by districts in the other seven deciles. The four deciles in the middle were again consistent in not receiving ordered equitable amounts of average total State aid based on average property values per pupil.

The range of average percentage of total State revenue per pupil that these funds represented was from an average of 67 per cent to 13 per cent with the intermediate percentages falling in the exact randomly descending pattern as House Bill 1126 created. The only difference observed when looking at these funds in relation to total revenue available was that the range was from an average of 62 per cent to 12 per cent, but the same descending pattern developed. The conclusion was the same as drawn for House Bill 1126, that Senate Bill I did provide more funds to property poorer districts than to property wealthier districts if percentage of total State and total revenue per pupil was the criteria for determining equity in State educational funding.

The analysis of these funds added to the Net Local Fund Assignment as a percentage of total State revenue per pupil revealed a range of an average of 73 per cent to 76 per cent and an average of 69 per cent to 72 per cent when total revenue funds were considered. In one situation a range of

only three percentage points appeared which was a narrower range than House Bill 1126 had created. If true equity had been provided for by Senate Bill I, then all deciles would have had funds which, when added to the local effort, would have equaled the State average of \$687 per pupil available to all deciles for educating the children within the State. Instead of all deciles reflecting a similar average figure, a range of average state totals was revealed. This range extended from an average low of \$636 per pupil in decile V to an average high of \$737 per pupil in decile X or a difference of \$101 per pupil. On inspection, deciles IV, V, and VI received a smaller average total sum than the other seven deciles for these five funding categories and had less total money available from the State; deciles IV and V also had less total revenue available than the other eight deciles. The legislation did provide more funds to some of the property poorer districts but did not provide adequate amounts of State money to offset the basic problem of property poor districts being unable to raise equitable sums of money to support education.

A category of aid not included in the topic heading or cumulative effect table was State Available Fund money. The distribution of this money by scholastic population was designated as early as 1876 in the Constitution. This money was distributed to all districts by enrollment, not by property value, and was equitably distributed. Some districts would



TABLE XI

EQUALIZATION EFFECT OF STATE AID  
 PER PUPIL BY WEALTH DECILES  
 1976-77--HOUSE BILL 1126

Decile	State General Aid (SGA)	Equalization Aid (EA)	State Compensatory Aid (SCA)	Minimum Adjustment Aid (MAA)
I*	420	36	12	0
II	412	24	8	0
III	411	20	9	0
IV	340	13	6	0
V	296	5	10	1
VI	355	7	13	5
VII	295	4	9	23
VIII	240	3	10	31
IX	176	1	8	42
X	76	0	3	15
State Average	365	19	10	3

\*Property poorest

TABLE XI--Continued

SGA+EA+SCA+MAA			Net Local Fund Assignment (NLFA)	SGA+EA+CA+ MAA+NLFA			Total Revenue/ADA	
\$	% of Total Revenue/ADA			\$	% of Total Revenue/ADA		State	All
	State	All			State	All		
468	60	55	93	561	72	66	777	849
444	54	52	151	595	73	70	815	851
440	54	51	167	607	74	70	818	866
359	46	44	206	565	72	69	780	813
312	40	38	253	565	72	68	785	832
380	45	42	252	632	75	69	848	914
331	38	36	320	651	75	71	864	911
284	33	31	371	655	76	72	860	910
27	25	24	464	691	76	73	906	947
94	11	10	571	665	75	72	882	920
397	49	46	191	588	73	69	804	854

TABLE XII

EQUALIZATION EFFECT OF STATE AID  
 PER PUPIL BY WEALTH DECILES  
 1977-78--SENATE BILL I

Decile	State General Aid (SGA)	Equalization Aid (EA)	State Compensatory Aid (SCA)	Minimum Adjustment Aid (MAA)
I*	506	117	12	0
II	520	65	8	0
III	530	46	9	0
IV	475	24	6	0
V	441	4	10	0
VI	501	3	13	1
VII	474	1	9	1
VIII	430	1	10	6
IX	336	0	8	15
X	97	0	4	25
State Average	486	52	10	1

\*Property poorest

TABLE XII--Continued

SGA+EA+SCA+MAA			Net Local Fund Assignment (NLFA)	SGA+EA+CA+ MAA+NLFA			Total Revenue/ADA	
\$	% of Total Revenue/ADA			\$	% of Total Revenue/ADA		State	All
	State	All			State	All		
635	67	62	69	704	75	69	941	1024
593	63	61	107	700	75	72	939	978
585	62	59	123	708	75	71	940	998
505	57	55	143	648	73	70	883	924
462	53	50	174	636	73	69	875	926
518	56	51	179	697	75	69	933	1007
485	52	49	220	705	75	71	941	996
447	47	45	266	713	76	71	942	1000
359	37	35	374	733	76	72	968	1016
126	13	12	611	737	76	72	973	1017
549	59	56	138	687	75	70	923	981

receive more money than others due to a larger number of pupils rather than property value. Fewer students in a district with high property value would obviously affect the per pupil property value, but districts with larger enrollments would receive more State Available money. The sum would have no overall equalizing or disequalizing effect.

#### Discussion

When the 973 districts were placed in deciles and examined in relation to money raised and received from the State, inequities became obvious. Local Fund Assignments, an amount to be raised locally based on a specified tax rate times property value, were calculated in absolute proportion to property value by definition. State General Aid was not allocated to districts within deciles in absolute proportion to property value. The most inequitable awarding of these dollars was established during the period that the Gilmer-Aikin bills were in effect; and the most equitable allocation appeared to be during the period when House Bill 1126 regulated funding.

Equalization Aid did go to deciles in proportion to property wealth with the property poorest decile receiving more aid than property wealthier deciles. This aid also narrowed the gap between property poor and wealthy deciles in funds available for educating children, although Senate Bill I tended to do a better job than House Bill 1126.

Compensatory education did not contribute to the equalizing effort as all deciles received approximately the same average amount of money per pupil which amounted to only 1 per cent of all available State funds received. Minimum Adjustment Aid went to the property wealthier districts in an effort to cut the losses due to larger allocations provided in previous legislation. This aid tended to only slightly disequalize due to the small amounts of money provided per pupil. Available School Fund dollars were awarded equally per pupil to students across the State, therefore, having no effect on equity.

The total dollars provided by various legislative provisions intent on equalizing State funding were not equitable. In 1976-77 the difference in average funds available per pupil for education was as much as \$130 and \$101 in 1977-78. The latter legislation did narrow the discrepancy by \$29 per pupil. If legislation continued at that rate, then in the fourth biennium after Senate Bill I, 1985-86, the State could have equitable per pupil financing for education.

#### Analysis of Federal Title I Allocations on Average Per Pupil Equity

Effects of Title I funding authorized by the Elementary and Secondary Education Act of 1965 and subsequent amendments were analyzed by determining what per cent of total available revenue funds these monies were by decile. Title I figures represented the average dollar amount of Title I funds per

pupil received by the districts within the deciles for the three years studied.

The following paragraphs and table answer research question 6 which addressed the relationship which existed between the amount of Title I federal dollars available per pupil and property wealth per pupil in Texas school districts for the years studied between 1974 and 1978.

The per cent of all funds available per pupil in Texas for the appropriate year that the value represented was calculated. The average per pupil allocation from 1974-75 to 1976-77 increased by as little as \$10 in decile IV where the allocation went from \$24 to \$34 to as much as \$30 in decile I where the allocation moved from \$44 to \$74. The funds again increased from 1976-77 to 1977-78 from a low of \$3, the difference between \$48 to \$51 in decile V, to a high of \$11 in decile III, which showed an increase from \$47 to \$58. The greatest gains in funding were seen in the property poorest decile, decile I, where the allocation went from \$44 in 1974-75 to \$84 in 1977-78, a \$40 increase. The smallest increase during the same time period was shown in decile IV with a 1974-75 allocation of \$24 to the 1977-78 allocation of \$40. Even though the dollar amount increased somewhat, the per cent of total available funds represented by the specific category changed very little due to increased State funding, also. The dollar amounts of revenue were raised in the second year studied, but the per cent of total money available

per pupil increased in only one decile, the property poorest and by only 1 per cent. The per cent of total funds available represented by federal money in 1976-77 actually decreased by 1 or 2 per cent in five deciles, randomly, and remained exactly the same in four deciles and increased by 1 per cent in one decile. The deciles in which rising and lowering per cents occurred were not in any property value per pupil order.

The federal money awarded to districts in Texas during the year in which Senate Bill I was in effect was received as randomly as during the years when House Bill 1126 was in effect. The average increase from 1976-77 to 1977-78 was \$7, but the per cent of total funds available per pupil remained the same in five deciles and increased in four deciles. The only decile where federal dollars represented by per cent of total funds per pupil declined was in the property poorest district where the per cent went from 9 per cent of total funds to 8 per cent. (See Table XIII.)

Since Federal Title I funds as specified in the Federal Elementary and Secondary Education Act of 1965 were awarded based on family income or welfare status, the distribution would not be dependent on property value per pupil within a district or the deciles. There was no discernable pattern of distribution of Title I funds based on average per pupil property value in any of the three years. The districts in decile II, which represented many of the property poorer districts in the State, received as much average per pupil aid



as did districts in decile X, which was composed of the property wealthiest districts in the State, in all three years surveyed. Each year the per pupil receipt of Title I funds averaged 6 per cent of all funds available in Texas. These findings did support the statement in the Vescera study (7) that estimated Title I dollars to be about 8 per cent of all elementary and secondary expenditures from all sources in one year. This held true in Texas. In the three school years addressed in this study, average Title I funds were at least 8 per cent of all average available funds per pupil in the property poorest districts in decile I and 7 per cent of all average funds in four deciles during this entire time period. For the three years, the districts in decile VI consistently received 7 per cent of all available funds from the Federal government through Title I. If Title I money had gone to districts based on property value per pupil, the districts in decile VI would not have averaged 7 per cent of total money from these funds, especially if decile I districts averaged about 8 per cent and the deciles in between received 4 to 6 per cent. (See Table XIII.)

This information supports the purpose of the Federal Act and its distribution specifications. Children whose parents have low incomes and/or on welfare do not necessarily live in the property poorest districts. In Texas, the indications are that more of the low income families do live in the ninety-seven property poorer districts represented by decile I

than any other due to the amount of money per pupil that was received. The next highest concentration of low income families determined by amount of funds received per pupil for all three years was in districts in decile VI, which would not be considered a property poor decile in this study. The second poorest decile based on property values was decile II, and those districts received average funds of \$23, \$37, and \$40 per pupil which were second only to or the same as the property wealthiest districts which received \$20, \$37, and \$43 per pupil. The Texas school districts in deciles I and II, which represent the property poorest districts per pupil, received the most aid and almost the least money per pupil respectively from Federal funds.

The districts in decile III, which had been grouped as one of the three property poorest districts, received an average of \$32, \$47, and \$58 per pupil in succeeding years and districts in four wealthier deciles received at least the same or more money per pupil than these districts for the first two years. The Federal money may or may not equalize amounts of money available per pupil, but the indication is it goes to districts with students who individually qualify rather than just to districts with low per pupil property values. If the above is correct, then support is given to the statement that poorer families do not necessarily live in poorer school districts--a major point in the Rodriguez case. In a study based on 1967 data reported by Berke and

TABLE XIII

AVERAGE TITLE I MONEY PER PUPIL BY WEALTH DECILES

Decile	1974-75 Total Title I		1976-77 Total Title I		1977-78 Total Title I	
	\$	Total Revenue/ADA	\$	Total Revenue/ADA	\$	Total Revenue/ADA
		%		%		%
I*	44	559	74	849	84	1024
II	23	561	37	851	40	978
III	32	571	47	866	58	998
IV	24	520	34	813	40	924
V	33	525	48	832	51	926
VI	42	606	66	914	74	1007
VII	33	577	47	911	55	996
VIII	38	581	50	910	58	1000
IX	29	581	41	947	48	1016
X	20	450	37	920	43	1017
State Average	33	553	51	854	58	981

\*Property poorest.

Kirst (1), it was found that there was no relationship between Title I aid and property wealth. This was verified for Texas.

The following paragraphs and table answer research question 7 which addressed the relationship which existed in the distribution of Title I Federal money relative to the amount of Local and State General Aid and State Compensatory Aid available per pupil in the school districts in Texas as analyzed in the ten deciles established by the researcher for the years studied.

The relationship between Title I money and various categories of State money was examined next. (See Table XIV.) There were no State equalization or compensatory programs within the provisions of the Gilmer-Aikin laws in effect during the school year 1974-75. Based on Borg's (2) interpretation of significance for correlation results, there was very little correlation between Federal Title I money and any State revenue provided that year. The only correlation of any significance between Federal money and any other funding categories was the one between Title I funds and State Compensatory Aid for both years studied. A correlation of .64 in 1976-77 and .67 in 1977-78 indicated that group predictions were accurate enough for most purposes; therefore, State Compensatory funds quite often went to districts receiving Federal funds. The State Compensatory program was set up with these stipulations, and the above figures

indicated that the distribution of funds usually fell within the buidelines.

Although the numbers are too small to indicate much significance, the negative correlation between Federal funds and some variables indicated that Title I funds were distributed slightly more often to districts with lower per pupil property values than to districts with higher per pupil property values. This is indicated in all three years studied. Federal money is inversely correlated to Net Local Fund Assignment. The higher the Net Local Fund Assignment based on higher property value, the lower the Federal Title I allocation. The positive correlation between Title I money and State General, State Equalization, and State Compensatory Aid indicated that the more Federal money received, the more money received in these other categories indicating property poorer districts. The correlation figure is not large, but the direction of correlation would support this finding. This fact supported the situation within State and Federal money allocation. The purpose of Federal money was to provide additional funds to educate those students who had been educationally deprived. The deprivation was based on family income, but the location of these students within districts provided more of a drain when the district was not as wealthy as others and could not raise the additional money to provide for the educational deficiency of many pupils.

TABLE XIV  
RELATIONSHIP BETWEEN TITLE I FUNDS AND STATE AID CATEGORIES

Variables (per pupil)	Title I Funds	Net Local Fund Assignment	State General Aid	State Equalization Aid	State Compensatory Aid	State Available Allocation	Minimum Adjustment Aid	School Tax Assessment Board Value
Title I Funds (1974-75)	1.00	.04	.01	.00	.00	.17	.00	-.08
Title I Funds (1976-77)	1.00	-.09	.10	.09	.64	.10	-.05	-.11
Title I Funds (1977-78)	1.00	-.08	.06	.09	.67	.04	.03	-.10

### Discussion

Title I was found not to be related to property wealth as money was provided to districts based on individual family income and/or welfare status. There appeared to be no relationship between the property value per pupil and the amount of Title I money received per pupil. The only significant correlation indicated between Title I money and any other State money was between Title I and State Compensatory Aid. This was reasonable as the legislation specified that State Compensatory Aid was to go to districts in direct proportion to the numbers of children eligible for Title I aid. The direction of correlation indicated very slightly that the higher School Tax Assessment Practices board values and, thus, Net Local Fund Assignments, the lower Title I funds and the higher State General and Compensatory Aid, the higher Title I funds.

#### Analysis of All Identified State and Federal Allocations on Per Pupil Equity

The average, standard deviation, and coefficient of variation were tabulated for various categories of per pupil expenditure. Local revenues were shown first with State funding categories added one after another, followed by total Title I funds. This process provided a way to examine the additive effect of each type of revenue available/received on per pupil average daily attendance.

The following paragraphs and tables addressed research question 8 as to the question of Title I money having equalizing effects when applied to Local Fund Assignment, State General Aid, and State Compensatory Aid in Texas during 1974-75, 1976-77, and 1977-78.

Most categories of State aid, collectively, added to the equalizing effect. The coefficient of variation established how large the average variance about the mean was. The larger the coefficient, the greater the disparity for expenditure. The average dispersion around the mean for per pupil expenditures was greatest when only local funds were considered and lowest when all State equalizing categories were considered. The addition of State aid had an equalizing effect in all three years studied.

In 1974-75, the addition of Title I money did not affect the dispersion around the mean; it was .26 with the addition of State Available funds and the same after adding Title I funds (Table XV). The situation differed by .01 or 1 per cent in 1976-77 and by 2 per cent in 1977-78. The disparity was reduced by State General Aid, State Available Aid, and State Equalizing Aid; State Compensatory Aid did not alter the disparity. In 1976-77 Minimum Adjustment Aid increased the disparity. This was consistent with previous findings concerning Minimum Adjustment Aid, which was first introduced in House Bill 1126 and tended to have more of an impact than following the next legislative action. Minimum Adjustment Aid



TABLE XV  
 STATEWIDE MEASURES OF EXPENDITURE EQUITY  
 1974-75--GILMER-AIKIN BILL

Equity Measures	Net Local Fund Assignment +	State General Aid +	State Available Aid +	State Equalization Aid +	State Compensatory Aid +	Minimum Adjustment Aid +	Total Title I
Average	62	338	520	.	.	.	553
Standard Deviation	78	125	133	.	.	.	145
Coefficient of Variation	1.26	.37	.26	.	.	.	.26

TABLE XVI  
 STATEWIDE MEASURES OF EXPENDITURE EQUITY  
 1976-77--HOUSE BILL 1126

Equity Measures	Net Local Fund Assignment +	State General Aid +	State Available Aid +	State Equalization Aid +	State Compensatory Aid +	Minimum Adjustment +	Total Title I
Average	191	556	772	791	801	804	854
Standard Deviation	113	101	106	104	106	110	127
Coefficient of Variation	.59	.18	.14	.13	.13	.14	.15

TABLE XVII  
 STATEWIDE MEASURES OF EXPENDITURE EQUITY  
 1977-78--SENATE BILL I

Equity Measures	Net Local Fund Assignment +	State General Aid +	State Available Aid +	State Equalization Aid +	State Compensatory Aid +	Minimum Adjustment Aid +	Total Title I
Average	138	624	861	913	922	923	981
Standard Deviation	90	101	102	98	99	102	127
Coefficient of Variation	.65	.16	.12	.11	.11	.11	.13

had no impact on the disparity. The level of disparity was reduced from .26 to .14 by House Bill 1126 and to a lower level, .14 to .11, by Senate Bill I. (See Tables XVI and XVII.)

The additional Title I monies increased the disparity in both school years 1976-77 and 1977-78. The increase was consistent at .02 or 2 per cent from the level provided by State Compensatory funds. The indication was that Title I monies did not equalize expenditures; they, in fact, disequalized expenditures.

#### Discussion

The additive effect of most State funding contributed to equalization with the exception of Minimum Adjustment Aid in 1976-77. The addition of Title I funds was of no equalizing value in 1974-75 and had a disequalizing effect in both 1976-77 and 1977-78. Since Title I funds proved to be not related to property wealth, then this was a logical consequence although not the intent of the drafters of the bill.

#### Summary

With the addition of various categories of aid as provided and/or increased by succeeding legislative enactments, Texas generally moved Statewide toward equalizing the revenue available for education per pupil. When the dollars received by districts were analyzed by deciles, some discrepancies were found in providing money. The money provided for education in Texas during the years studied remained a function

of the wealth of the district where a child resided as it was during the Rodriguez case.

The Legislative procedures in House Bill 1126 and Senate Bill I made gains in reducing the inequities but did not completely eliminate the problems of varying property wealth districts. The Federal government in an attempt to compensate for educational deprivation did not provide money to districts with regard to property value. The money provided did go to the districts with children needing the money but did not contribute to the equalizing of total funding available per pupil in the State. In the last two years studied, the money tended to slightly disequalize per pupil revenue across the State as a whole.

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## CHAPTER V

### SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

#### Summary

The purpose of this study was to determine the effect that three State finance bills and one Federal finance act had on equity in educational funding in the state of Texas.

The research questions were stated as follows.

1. To what extent did State General Aid go to districts in relationship to taxable property values per student in Texas school districts during the school years 1974-75, 1976-77, and 1977-78?

2. To what extent did succeeding legislative measures improve the equity of the distribution of State General Aid relative to taxable property values per student during the school years 1976-77 and 1977-78?

3. To what extent did Equalization Aid in House Bill 1126, 1976-77, and in Senate Bill 1, 1977-78, have additional equalizing effects when applied to required Net Local Fund Assignment and State General Aid?

4. Did State Compensatory Aid provided for in House Bill 1126, 1976-77 and in Senate Bill 1, 1977-78, have any equalizing effects when applied to required Net Local Fund Assignment and State General Aid?

5. To what extent did all State aid in 1974-75, 1976-77, and 1977-78 have an equalizing effect when added to required Net Local Fund Assignment for the three years studied?

6. What relationship existed between the amount of Title I Federal dollars available per pupil and property wealth per pupil in Texas school districts for the years studied between 1974 and 1978?

7. What relationship existed in the distribution of Title I Federal money relative to the amount of Net Local and State General Aid and State Compensatory Aid available per pupil in the school districts in Texas analyzed in the ten deciles established by the researcher for the years studied?

8. Did Title I money have equalizing effects when applied to Net Local Fund Assignment, State General Aid, and State Compensatory Aid in Texas during 1974-75, 1976-77, and 1977-78?

The study included the 973 public school districts in Texas which had reported all necessary data for 1974-75, 1976-77, and 1977-78. The districts were grouped into ten balanced deciles of ninety-seven or ninety-eight districts based on average property value per pupil. Once the districts had been divided into deciles, weighted means were determined for each decile for each appropriate funding category. Correlation coefficients were determined and coefficients of variation were calculated.



After the data were gathered and tabulated decile by decile for each year corresponding to a particular finance bill in the study, the results were analyzed by using several mathematical and statistical procedures. Percentage of total available State revenue and total revenue per pupil was calculated for each funding category separately and again as each was added to local and State aid. Percentage of increase/decrease was determined for State funds based on monies allocated in House Bill 1126 and in Senate Bill I. Percentage of total revenue available per pupil was calculated for Title I monies. A correlation analysis was utilized to determine significant relationships among variables in the study. The correlations were interpreted based on the guides presented by Borg. A coefficient of variation was determined for the various categories of per pupil expenditures added to preceding expenditures to determine the magnitude of variation relative to the average amount of money per pupil available in Texas.

The data indicated that State General Aid did not go to the districts in strict relationship to taxable property values per pupil for the three years studied. The closest relationship was provided during 1976-77 with House Bill 1126. Senate Bill I during 1977-78 provided the next best relationship of State aid to property value per pupil with the Gilmer-Aikin bills showing less relationship than the other two legislative responses to equity.

Data appropriate to research question 2 indicated that House Bill 1126 increased the average amount of State General Aid to districts in eight of the ten deciles with decreasing amounts going to the wealthier districts as determined by property value per pupil. Senate Bill I provided less of an increase in aid to the three property poorest deciles than to six of the seven wealthier deciles. The allocation did not appear to be determined by property value per pupil, as it was randomly distributed at best.

Equalization Aid addressed in research question 3 did have some equalizing effect when added to Net Local Fund Assignment and State General Aid as reflected in the data. The aid as provided for in Senate Bill I had a slightly greater effect than it did in House Bill 1126 although the disparity was greater to begin with in the previous bill.

Compensatory Aid as provided for in House Bill 1126 and Senate Bill I and addressed in research question 4 had little equalizing effect as money was not provided to districts based on property value per pupil. The funds provided did little to alter dollars available per pupil or the range of percentages as they amounted to approximately 1 per cent of all State funds for all deciles for both years.

Data collected for research question 5 indicated that State aid did not totally equalize expenditures per pupil. House Bill 1126 provided more equitable funding than the Gilmer-Aikin bills, and Senate Bill I improved the range of

per cent established in House Bill 1126; but both provided a difference in range of per pupil expenditure between the property poorest district and the property wealthiest districts of over \$100.

There appeared to be no relationship between the allocation of Title I monies and property value per pupil in Texas as investigated for research question 6. Since these monies are allocated based on family income level, this finding was not surprising.

Data collected in response to research question 7 indicated that there was a significant relationship between Title I money and State Compensatory money as expected based on State law for allocation of these funds. The direction of correlation indicated that the more Title I money the districts in a decile received, the more State aid was received and the lower the Net Local Fund Assignment and property value per pupil.

Title I addressed in research question 8 indicated that money had no equalizing effect in 1974-75 and a disequalizing effect in 1976-77 and 1977-78.

### Conclusions

The findings of this investigation support the following conclusions.

1. Local Fund Assignments were calculated in absolute proportion to property value.

2. State General Aid tended not to be distributed to districts in absolute proportion to property value.

3. Equalization Aid did go to districts in proportion to property wealth with property poorer districts receiving more aid than property wealthier districts.

4. Compensatory Education Aid tended to have a neutral effect on equalizing efforts as all districts received approximately the same percentage of aid.

5. Minimum Adjustment Aid tended to go to property wealthier districts and tended to only slightly disequalize.

6. Available School Fund dollars tended not to have any equalizing effects as all districts received the same amount of money per pupil.

7. House Bill 1126 and Senate Bill I both provided additional funds which contributed to more equitable State educational financing per pupil.

8. Title I money tended not to be a function of property wealth and no relationship existed between property value per pupil and average per pupil funding.

9. Federal Title I funds tended to slightly disequalize funding efforts in Texas.

10. Educational funding remained a function of the wealth of the district where a child resided rather than a function of the wealth of the State as a whole.

### Recommendations

Based on the results of the study, it is recommended that,

1. Local Fund Assignments continue to be calculated based on district property value per pupil;

2. State General Aid calculation procedures be revised to reflect more accurately the discrepancy between property poorer districts' ability and property wealthier districts' ability to generate revenue so that the State can be more effective in funding;

3. State Equalization Aid and Compensatory Aid be increased to more quickly equalize funding per pupil;

4. Minimum Adjustment Aid be eliminated from State funding schemes;

5. Studies be conducted with additional State financial data to determine the degree to which Texas continues to move toward financial equity in educational funding;

6. Additional studies be conducted to determine the effects of Title I funding in Texas on financial equity.

APPENDIX

APPENDIX A

# Richardson Independent School District

JOHN F. ROBERTS, ED.D., SUPERINTENDENT

400 S. GREENVILLE AVE.  
RICHARDSON, TEXAS  
75081

DAN McLENDON, PH.D.  
DEPUTY SUPERINTENDENT -  
INSTRUCTION

A. J. RANDALL  
DEPUTY SUPERINTENDENT -  
ADMINISTRATION

BOARD MEMBERS  
JOHN A. STALLINGS  
PRESIDENT  
MARTIN W. VERNON  
VICE PRESIDENT  
CHARLES WEST  
SECRETARY  
LEO J. EVELETH, JR.  
CHARLES A. RICHARDSON, D.O.S.  
MRS. PAUL R. SEEGBERS  
BOB WARNER

June 30, 1978

Dr. Raymon L. Bynum  
Associate Commissioner for  
Financial Allocations  
Texas Education Agency  
201 East 11th St.  
Austin, TX 78701

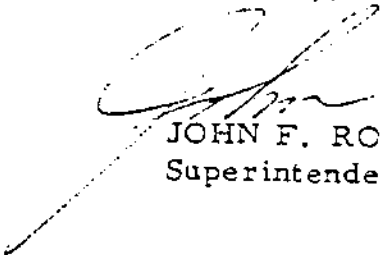
Dear Raymon:

Frances Smith, a principal in the Richardson Independent School District, is completing studies toward her doctorate degree in Administrative Leadership at North Texas State University. At this time, she is beginning work on her dissertation in the area of school finance. Her major professor is Dr. Harold Sunderman.

In order to collect accurate and appropriate data for her topic, she would like to utilize TEA information for various school districts in the state. Mrs. Smith will contact your office for advice.

Any assistance you can provide will be appreciated. We believe her project is worthy and will be beneficial to public schools in Texas.

Sincerely,

  
JOHN F. ROBERTS  
Superintendent

bt

APPENDIX B

DISTRICTS IN DECILE X

Sonora ISD	Refugio ISD
Driscoll ISD	Lela ISD
Harper ISD	Klondike ISD
Ft. Stockton ISD	Ramirez CSD
Andrews ISD	Channing ISD
Cross Roads ISD	Sabine Pass ISD
Glasscock ISD	Sterline City ISD
Quail RHSD	Buena Vista ISD
Premont ISD	Devers ISD
Grandfalls-Royalty ISD	Crane ISD
Midway ISD	Industrial ISD
Nordheim ISD	Waka ISD
Llano ISD	Loop ISD
Mullin ISD	Plemons ISD
Aspermont ISD	Pottsville ISD
Nueces Canyon ISD	Comstock ISD
San Isidro ISD	Three Way CSD
Lefors ISD	Miami ISD
Moran ISD	Allison ISD
Union ISD	Santa Cruz ISD
Follett ISD	Denver City ISD
Highland ISD	Whiteface ISD
Darrouzett ISD	Plains ISD
D'Hanis ISD	Spring Creek ISD
Throckmorton ISD	Hawkins ISD
Snyder ISD	Briscoe ISD
Rock Springs ISD	Sundown ISD
La Poynor ISD	Hunt ISD
Gruver ISD	Doss CSD
Wellman ISD	Pringle-Morse ISD
Novice ISD	Matagorda ISD
Leggett ISD	Jayton-Girarc ISD
Wildorado ISD	Austwell-Tivoli ISD
Dawson ISD	McMullen ISD
Barbers Hill ISD	Borden County ISD
Port Aransas ISD	Guthrie CSD
Canadian ISD	Wink-Loving ISD
Texline ISD	Texhoma ISD
Hartley ISD	Benjamin RhSD
Royal ISD	Walcott ISD
Hobbs ISD	Kelton ISD
Round Top-Carmine ISD	Alan Reed ISD
IRA ISD	Santa Gertrudis ISD
Irion Co ISD	Grandview-Hopkins ISD
Bledsoe ISD	Iraan-Sheffield ISD
Liberty Chapel CSD	Kenedy County Wide CSD
Grady ISD	AllaMoore CSD
Harrold ISD	Juno CSD
Utopia ISD	Divide CSD



## DISTRICTS IN DECILE IX

Era ISD	Junction ISD
Ben Bolt-Palito Blanco ISD	Happy ISD
Sweeny ISD	Evadale ISD
Cayuga ISD	Gause ISD
Blanco ISD	Pawnee ISD
Culberson County ISD	Sunnyvale ISD
Comfort ISD	Richland Springs ISD
Bellevue ISD	Water Valley ISD
Bellville ISD	Phillips ISD
Colmesneil ISD	Brackett ISD
Menard ISD	McCamey ISD
Slocum ISD	Glen Rose ISD
Sunray ISD	Van Vleck ISD
Terlingua CSD	White Deer ISD
Ft. Davis ISD	Hallsburg CSD
Neches ISD	Northside ISD
Calude ISD	Palacios ISD
Coppell ISD	Dripping Springs ISD
Valentine ISD	Monahans-Wickett-Pyote ISD
Schleicher ISD	Trent ISD
Rankin ISD	San Vicente CSD
Slidell ISD	Robert Lee ISD
Perrin-Whitt CISD	Anderson-Shiro Cons ISD
Megargel ISD	San Perlita ISD
Cushing ISD	Medina ISD
Rice CSD	WestPhalia CSD
Muenster ISD	Gold Burg ISD
Lazbuddie ISD	George West ISD
Groom ISD	Stratfore ISD
Albany ISD	Leakey ISD
Deer Park ISD	Rochelle ISD
Bryson ISD	Johnson City ISD
Lometa ISD	Woodson ISD
Forestburg ISD	Ingram ISD
Iola ISD	Hallettsville ISD
Flatonia ISD	Crockett Co Cons CSD
Sulphur Bluff ISD	Anahuac ISD
Louise ISD	Higgins ISD
McCaulley ISD	Terrell County ISD
Abernathy ISD	Prairie Valley ISD
Graford ISD	Forsan ISD
Sierra Blanca ISD	Motley County ISD
Carbon ISD	London ISD
Christoval ISD	Marathon ISD
Tidehaven ISD	White Oak ISD
Damon ISD	Montgomery ISD
Estelline ISD	Mobeetie ISD
Santo ISD	Star ISD
Panhandle ISD	Adrian ISD

## DISTRICTS IN DECILE VIII

Texas City ISD	Angleton ISD
Sands ISD	McLean ISD
Bronte ISD	Oakwood ISD
Spade ISD	Frnaklin ISD
Sabinal ISD	Boling ISD
Needville ISD	Lexington ISD
Columbia-Brazoria ISD	Strawn ISD
Greenwood ISD	Silverton ISD
Hedley ISD	Pettus ISD
Corrigan-Camden ISD	Smyer ISD
Point Isabel ISD	Jacksboro ISD
Prosper ISD	Dime Box ISD
Van ISD	United ISD
Moulton ISD	Keene ISD
Jarrell ISD	West Rusk ISD
Hermleigh ISD	Goliad ISD
Fairfield ISD	Smiley ISD
Perryton ISD	Crowell ISD
Falls city ISD	Lueders-Avoca ISD
Columbus ISD	Leon ISD
Patton Springs ISD	Booker ISD
Spring Hill ISD	Mount Calm ISD
Knippa ISD	Cotton Center ISD
Newcastle ISD	Skidmore-Tynan ISD
Bynum ISD	Leveretts Chapel ISD
Dumas ISD	Three Way ISD
Savoy ISD	Lakeview ISD
Highland Park ISD	Willis ISD
Groveton ISD	Benavides ISD
Goldthwaite ISD	Wheeler ISD
Three Rivers ISD	Rice Cons ISC
Mount Vernon ISD	Burton ISD
Sudan ISD	Spearman ISD
Centerville ISD	Marble Falls ISD
Jourdanton ISD	Centerville ISD
Burnet Cons ISD	Mason ISD
Malone ISD	Katy ISD
Prairie Lea ISD	Bosqueville ISD
North Zulch ISD	Tatum ISD
Normangee ISD	Richards ISD
Big Sandy ISD	Wingate ISD
Eden ISD	Archer City ISD
Gordon ISD	Reagan ISD
Baird ISD	Evant ISD
Cranfills Gap ISD	Zapata ISD
Waelder ISD	Lovelady ISD
Brooks ISD	Jim Ned ISD
Weimer ISD	Martins Mill ISD
Lipan ISD	Chester ISD

## DISTRICTS IN DECILE VII

Alamo Heights ISD	Brazosport ISD
Meadow ISD	Santa Anna ISD
Talco-Bogato Cons ISD	Walnut Springs ISD
Electra ISD	Zavalla ISD
Yantis ISD	Milano ISD
Godley ISD	Alvin ISD
Aledo ISD	Brock ISD
Center Point ISD	Paradise ISD
Valley Mills ISD	Thrall ISD
Tolar ISD	Maydelle ISD
Winona ISD	Kermit ISD
Roxton ISD	Vega ISD
Mirando City ISD	Grapeland ISD
Navarro ISD	Mumford ISD
Chireno ISD	Milford ISD
Wallis-Orchard ISD	Shiner ISD
Coolidge ISD	Saint Jo ISD
Holliday ISD	Oglesby ISD
Trinity ISD	Southland ISD
Turkey-Quitaque ISD	Jonesboro RHSD
Teague ISD	Calhoun Co ISD
Ropes ISD	Whitharral ISD
Marfa ISD	Ft. Hancock ISD
Fredericksburg ISD	Woodsboro ISD
Carlisle ISD	Latexo ISD
Comal ISD	Sheldon ISD
Poolville ISD	Clarendon ISD
Levelland ISD	Granger ISD
Riviera ISD	Beckville ISD
Sidney ISD	Quitman ISD
Lamar Consolidated ISD	Agua Dulce ISD
Eustace ISD	Florence ISD
Groesbeck ISD	Fayetteville ISD
Madisonville ISD	East Bernard ISD
Callisburg ISD	Jim Hogg County ISD
Wall ISD	Gustine ISD
Kennard ISD	Dilley ISD
Blum ISD	Chico ISD
Hutto ISD	Coldspring-Oakhurst ISD
Bremond ISD	New Waverly ISD
Sealy ISD	La Porte ISD
McAdoo ISD	Bandera ISD
Giddings ISD	Post ISD
Chillicothe ISD	Paducah ISD
La Pryor ISD	Ganado ISD
Kress ISD	Clint ISD
Penelope ISD	Sabine ISD
Bishop Cons ISD	Cross Plains ISD
Quanah ISD	

## DISTRICTS IN DECILE VI

Millsap ISD	Riesel ISD
Friona ISD	Gary ISD
Pewitt ISD	SpringLake-Earth ISD
Yoakum ISD	New Home ISD
Hughes Springs ISD	Gladewater ISD
Harmony ISD	Gorman ISD
Rotan ISD	La Grange ISD
West Hardin ISD	Wells ISD
Edna ISD	Rochester ISD
Lasara ISD	Asherton ISD
Aransas County ISD	Lorenzo ISD
O'Donnell ISD	De Leon ISD
Pearsall ISD	Crawford ISD
Boerne County Line ISD	Coahoma ISD
Hart ISD	Carthage ISD
Dickinson ISD	Danbury ISD
Edgewood ISD	Aquilla Isd
Dimmitt ISD	Yorktown ISD
Port Arthur ISD	Queen City ISD
Avery ISD	Sam Rayburn ISD
Farwell ISD	Rockdale ISD
Elkhart ISD	Alvord ISD
Alto ISD	Breckenridge ISD
Hays Cons ISD	Valley View ISD
Granbury ISD	Stanton ISD
Como-Pickton ISD	Cotulla ISD
Hallsville ISD	Livingston ISD
Clifton ISD	Dalhart ISD
Galveston ISD	Hempstead ISD
Olton ISD	Waller ISD
Frisco ISD	Banquete ISD
El Campo ISD	Rising Star ISD
East Chambers ISD	Dublin ISD
Caldwell ISD	Hamshire-Fannett ISD
Meridian ISD	Wortham ISD
Smithville ISD	Bovina ISD
Dawson ISD	Frankston ISD
Montague ISD	Henrietta ISD
Daingerfield-Lone Star ISD	Goose Creek ISD
Kerens ISD	Karnes City ISD
Malakoff ISD	Speegleville ISD
Big Sandy ISD	Apple Springs ISD
Covington ISD	Charlotte ISD
Bland ISD	Anton ISD
Alba-Golden ISD	Hamilston ISD
Pecos-Barstow-Toyah ISD	Burkeville ISD
Snook ISD	Ponder ISD
Ricardo ISD	Krum ISD
Schulenburg ISD	

## DISTRICTS IN DECILE V

Abbott ISD	Bridgeport ISD
Pampa ISD	Campbell ISD
Lone Oak ISD	Tarkington ISD
La Vernia ISD	Wharton ISD
Mount Enterprise ISD	Lockney ISD
Bay City ISD	Goodrich ISD
Fruitvale ISD	Conroe ISD
Rockwall ISD	Graham ISD
Hardin ISD	Houston ISD
Stinnett ISD	Galena Park ISD
Morgan ISD	Odem ISD
Detroit ISD	Midlothian ISD
Tuloso-Midway ISD	High Island ISD
Crosbyton ISD	McLeod ISD
Devine ISD	Eula ISD
Eanes ISD	Ralls ISD
Mount Pleasant ISD	Pilot Point ISD
Jefferson ISD	Comanche ISD
Seagraves ISD	Nocona ISD
Blooming Grove ISD	Manor ISD
Olney ISD	Fannidel ISD
Rains ISD	Hamlin ISD
Fort Bend ISD	Wilson ISD
Orange Grove ISD	North Lamar ISD
Dell City ISD	Trinidad ISD
Celeste ISD	Thorndale ISD
Delmar ISD	Tomball ISD
Lampasas ISD	Poth ISD
Spur ISD	Carrizo Springs ISD
Celina ISD	Sanger ISD
La Marque ISD	Bullard ISD
Woden ISD	Goree ISD
Moody ISD	New Summerfield ISD
A & M Cons ISD	Navasota ISD
Warren ISD	Somerville ISD
Spurger ISD	Peaster ISD
Runge ISD	Elysian Fields ISD
Hemphill ISD	Mildred ISD
South Park ISD	Byers ISD
Forney ISD	Amherst ISD
Hico ISD	Ingleside ISD
Stockdale ISD	West Orange-Cove Cons ISD
Tahoka ISD	Brenham ISD
Dallas ISD	Rule ISD
Bastrop ISD	Venus ISD
Nixon ISD	Salado ISD
Cumby ISD	Whitesboro ISD
Alief ISD	Liberty Hill ISD
Cypress-Fairbanks ISD	

## DISTRICTS IN DECILE IV

Community ISD	Morton ISD
Liberty ISD	Itasca ISD
Eagle Mt-Saginaw ISD	Leander ISD
Cuero ISD	Cameron ISD
Brownfield ISD	Arlington ISD
New Deal ISD	Lindale ISD
Lufkin ISD	Miles ISD
Roscoe ISD	Nazareth ISD
Joaquin ISD	Honey Grove ISD
Hull-Daisetta ISD	Troup ISD
La Villa ISD	Bowie ISD
Carrollton-Farmers Branch ISD	Hondo ISD
Spring ISD	Northwest ISD
Lubbock-Cooper ISD	Cooper ISD
Muleshoe ISD	Spring Branch ISD
Georgetown ISD	Ballinger ISD
Rio Vista ISD	Avalon ISD
Monte Alto ISD	Brownsboro ISD
Whitney ISD	Pflugerville ISD
Arp ISD	Brady ISD
Midland ISD	Pine Tree ISD
Wolfe City ISD	Decatur ISD
Gregory-Portland ISD	Caddo Mills ISD
Los Fresnos C ISD	Hale Center ISD
Diboll ISD	Marion ISD
Childress ISD	Flour Bluff ISD
Collinsville ISD	Rosebud-Lott ISD
Athens ISD	Carroll ISD
Winters ISD	Calvert ISD
Royse City ISD	Mabank ISD
Laneville ISD	Union Hill ISD
Ranger ISD	Clear Creek ISD
Ector County ISD	Roby ISD
Luling ISD	Sanford ISD
Haskell ISD	San Saba ISD
Scurry-Rosser ISD	Knox City-O'Brien ISD
Lyford ISD	Frost ISD
Medina Valley ISD	Buffalo ISD
Rusk ISD	Tulia ISD
Westminster ISD	Huntsville ISD
Floydada ISD	Nacogdoches ISD
Crosby ISD	Gonzales ISD
Grandview ISD	Merkel ISD
West Sabine ISD	Wylie ISD
Winnsboro ISD	Colorado ISD
Shamrock ISD	Port Neches ISD
Shepherd ISD	Magnolia ISD
Bridge City ISD	Maypearl ISD
Hardin-Jefferson ISD	

## DISTRICTS IN DECILE III

Coleman ISD	Blanket RHD
Terrell ISD	Channelview ISD
Overton ISD	Commerce ISD
Kemp ISD	Tornillo ISD
Palmer ISD	Eastland ISD
Nederland ISD	Grand Saline ISD
Linden-Kildare ISD	Atlanta ISD
Richardson ISD	Munday ISD
Lorena ISD	Uvalde Cons ISD
Westwood ISD	Vernon Cons ISD
Canton ISD	Memphis ISD
Ore City ISD	Petrolia ISD
Whitehouse ISD	Dayton ISD
Klein ISD	Sinton ISD
Marlin ISD	Canyon ISD
Waskom ISD	Mart ISD
Cedar Hill ISD	Edinburg ISD
Sherman ISD	Bonham ISD
Kilgore ISD	Crockett ISD
Stephenville ISD	Henderson ISD
Pittsburg ISD	Victoria Cons ISD
Newton ISD	West ISD
Humble ISD	Longview ISD
Garrison ISD	Broadus ISD
Lockhart ISD	Pleasanton ISD
Ennis ISD	Gainesville ISD
Floresville ISD	Wills Point ISD
Bartlett ISD	Trenton ISD
Orangefield ISD	Grapevine ISD
Whitewright ISD	Central Heights ISD
Bangs ISD	Holland ISD
Midway ISD	Rogers ISD
Lindsay ISD	Kenedy ISD
Italy ISD	Kerrville ISD
Jacksonville ISD	Chilton ISD
Taft ISD	Bryan ISD
Taylor ISD	Loraine ISD
Woodville ISD	Sulphur Springs ISD
Hubbard ISD	Cisco ISD
Hereford ISD	Kingsville ISD
Austin ISD	City View ISD
Idalou ISD	La Joya ISD
Clarksville ISD	Anson ISD
Bells ISD	Borger ISD
Bloomington ISD	Denton ISD
Farmersville ISD	Crystal City ISD
Crandall ISD	Petersburg ISD
Central ISD	Huntington ISD
Wellington ISD	

## DISTRICTS IN DECILE II

New Diana ISD	Round Rock ISD
Kennedale ISD	Kaufman ISD
Lake Dallas ISD	Friendswood ISD
Beeville ISD	Stamford ISD
Waxahachie ISD	Waco ISD
New Caney ISD	Boyd ISD
Aldine ISD	San Marcos ISD
Rio Grande City ISD	Union Grove ISD
Clyde ISD	Hearne ISD
Abilene ISD	Burkburnett ISD
Lancaster ISD	Marshall ISD
Azle ISD	Seguin ISD
Hurst-Eules-Bedford ISD	Huffman ISD
Lytle ISD	Lamesa ISD
New Braunfels ISD	Elgin ISD
Redwater ISD	Lit Cypress-Mrceville ISD
Crowley ISD	Leonard ISD
Amarillo ISD	Gatesville ISD
Corsicana ISD	Karnack ISD
Aubrey ISD	Mineola ISD
Keller ISD	Cleveland ISD
Academy ISD	Lewisville ISD
Plano ISD	Howe ISD
Iowa Park Cons ISD	Cleburne ISD
Weatherford ISD	Alpine ISD
Greenville ISD	Windthorst ISD
Slaton ISD	Balmorhea ISD
Corpus Christi ISD	Harleton ISD
Quinlan ISD	Springtown ISD
Santa Maria ISD	Timpson ISD
Jasper ISD	Avinger ISD
Alvarado ISD	Gilmer ISD
Kirbyville ISD	Mansfield ISD
Ferris ISD	Hitchcock ISD
Duncanville ISD	Pasadena ISD
Beaumont ISD	Troy ISD
Big Spring ISD	DeKalb ISD
Wichita Falls ISD	Hawley ISD
Temple ISD	Fort Worth ISD
China Spring ISD	North East ISD
East Central ISD	Plainview ISD
Sweetwater ISD	Kountze ISD
Texarkana ISD	Irving ISD
Palestine ISD	Anna ISD
Van Alstyne ISD	Frenship ISD
Hillsboro ISD	Chapel Hill ISD
Mexia ISD	Deweyville ISD
Shelbyville ISD	Littlefield ISD
Tyler ISD	



## DISTRICTS IN DECILE I

Edgewood ISD	Wylie ISD
Edcouch-Elsa ISD	Early ISD
Harlandale ISD	Poteet ISD
South San Antonio ISD	Hudson ISD
Mercedes ISD	Princeton ISD
Mission ISD	Castleberry ISD
North Forest ISD	Del Valle ISD
Killeen ISD	Red Oak ISD
Laredo ISD	Northside ISD
Boles Home ISD	La Vega ISD
Pharr-San Juan-Alamo ISD	Mathis ISD
Robstown ISD	Brownwood ISD
San Benito Cons ISD	Somerset ISD
Ysleta ISD	Roosevelt ISD
San Felipe-Del Rio C ISD	Judson ISD
La Feria ISD	Allen ISD
Copperas Cove ISD	Birdville ISD
Santa Rosa ISD	Belton ISD
Southwest ISD	Mineral Wells ISD
Lumberton ISD	San Antonio ISD
Weslaco ISD	El Paso I SD
Presidio ISD	Calallen ISD
Maud ISD	Silsbee ISD
Donna ISD	Lake Worth ISD
Hooks ISD	San Angelo ISD
Wilmer-Hutchens ISD	McKinney ISD
Connally ISD	Buna ISD
Southside ISD	Garland ISD
Raymondville ISD	Alice ISD
Socorro ISD	Vidor ISD
Brownsville ISD	De Soto ISD
Aransas Pass ISD	Shallowater ISD
Paris ISD	Sante Fe ISD
San Elizario ISD	Pearland ISD
River Road ISD	Natalia ISD
Roma ISD	Lubbock ISD
Mesquite ISD	Tenaha ISD
New Boston ISD	Denison ISD
Schertz-Cibolo-U City ISD	Splendora ISD
Harlingen ISD	McGregor ISD
Fabens ISD	Center ISD
West Osó ISD	Sharyland ISD
Burleson ISD	Hidalgo ISD
Canutillo ISD	Eagle Pass ISD
Robinson ISD	Grand Prairie ISD
McAllen ISD	Joshua ISD
Liberty-Eylau ISD	Progreso ISD
White Settlement ISD	Rio Hondo ISD
Everman ISD	

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