TO DETERMINE WHETHER THE PRESENT EQUALIZATION LAW
IS SOUNDER THAN CERTAIN PREVIOUS EQUALIZATION LAWS

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CHAPTER I

STATEMENT OF THE PROBLEM

The purpose of this study is to determine whether the present equalization law is sounder than certain previous equalization laws.

Situation

As long as the cost of the public schools remained low and as long as wealth was fairly well distributed, the legislatures of the various states were satisfied to exercise the mandate of their constitutions through permissive or mandatory legislation covering local support. As the country emerged, however, from an agrarian civilization, the comparative concentration of wealth in limited areas began to be evidenced in inequalities both in educational opportunities offered and in tax burdens of the local school districts.\(^1\)

The equalization movement began in the eastern states during the last quarter of the nineteenth century. In Massachusetts definite action was taken in 1874. New Jersey took steps toward equalization in 1881. By 1905, when Cubberley made a study of state support, there were eight states with equalization laws.\(^2\)

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\(^2\) Ibid., p. 34.
In 1915, upon the recommendation of Governor James E. Ferguson, the Texas Legislature passed the first equalization law in the history of Texas. The biennial law of 1915-17 called for an expenditure of one million dollars for the biennium, $500,000 to be expended each year. Schools with not more than two hundred scholastics enrolled were eligible to receive aid, provided they had at least a fifty cents tax levy on the one hundred dollars of assessed valuation, and provided they met certain standards regarding teacher qualifications, buildings, equipment, and attendance. The State Board of Education and the State Superintendent were authorized to administer the funds, and the State Superintendent was given power to appoint supervisors to aid him in the inspection of schools affected by the law. The maximum aid any school could receive was five hundred dollars.\(^3\)

Since that time each succeeding legislature has passed a similar biennial equalization law. There have been seventeen equalization laws passed to date. The tendency has been to increase the size of the appropriation, the number of schools that could qualify, and the degree of control by the state relative to qualification for aid.

The principle provisions of these laws have been: size of appropriation, maximum grant, budget control, high school tuition, transportation, special grants, scholastic population, and

\(^3\) Laws of Texas, 1915-17, Thirty-fourth Legislature, First Called Session, pp. 22-26.
teacher-pupil ratio, average daily attendance, local tax rate, salary schedule, and teacher qualifications.

On Tuesday, May 20, 1947, the Senate, after hearing the report of the conference committee to adjust the differences between the House and the Senate on House Bill Number 235, passed without a dissenting vote the equalization bill for the biennium 1947-49. This particular law is significant because of the tremendous increase in teachers' salaries for which it provides. Another significant factor of the present law is the fact that it specifies that schools receiving aid must, after September 1, 1948, buy their buses, tires, and tubes on competitive bids under rules set up by the State Board of Control.

Delimitation

The term "equalization aid" will be used in this study to denote equalization of educational opportunity through enactment of biennial laws. The study will be limited to the biennial laws beginning with the biennium 1937-39, and ending with the biennium 1947-49. A set of criteria will be set up and validated in Chapter II, and will be used as a basis of comparison for the present law with the five previous laws. No attempt will be made to compare all of the provisions of the present law with all the provisions of all the previous

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5 Ibid., p. 1145.
laws. Rather, the study will be confined to determining the present law in the light of the validated criteria.

Sources of Data

Data relating to this problem have been gathered from the following sources: (1) professional books in the field of school finance; (2) professional books in the field of equalization of educational opportunity; (3) the Constitution of Texas; (4) Public School Laws of Texas; (5) Journals of the Texas Legislature; (6) theses related to the study; (7) Doctor's Dissertations related to the study; and (8) numerous pamphlets, bulletins, and other literature from the State Department of Education and other educational agencies.

Organization and Presentation

This study is divided into six chapters. Chapter I gives an introduction to the problem. In it is found a statement of the problem, a brief summary of the equalization movement in Texas, the delimitations of the problem, the sources of data, the organization and presentation of the data, and some related studies.

Chapter II will be devoted to the presentation of certain criteria by which the equalization laws of Texas will be evaluated. Data relative to equalization of opportunity taken from many sources including constitutions, state laws, and leading educational literature will be presented, tabulated, validated, and accepted as criteria for this study.
Chapter III will be devoted to an analysis of the soundness of the present law as compared to the criteria. Chapter IV will be an analysis of the soundness of certain previous laws as compared to the criteria.

Chapter V will be devoted to a comparison of the present equalization law with the five previous biennial equalization laws. This chapter will contain the solution to the problem. That is, it will determine whether the present equalization law is sounder than the five previous ones.

In Chapter VI will appear the findings, conclusions, and recommendations of this study.

Related Studies

In 1938, Walter D. Cocking and Charles H. Gilmore made a study of "Organization and Administration of Public Education." It was prepared for the Advisory Committee on Education. The major purpose of the study was to determine the character of the organization and to evaluate the effectiveness of the administration of public education in the various states and local school units. Emphasis throughout was placed on those phases of organization and administration relative to possible increased Federal participation in education. Briefly, the conclusion revealed that "the Federal Government, working jointly with the States, should seek to improve the general organization and administration of education in the States and local units."

6Walter D. Cocking and Charles H. Gilmore, Organization and Administration of Public Education, p. 158.
Iva C. Evans' thesis of August, 1938, titled, "To Determine a Plan for the Equalization of Educational Opportunities in Wheeler County, Texas," proposes to find out what educational inequalities exist in Wheeler County and to set up a plan to help equalize educational opportunities. His recommendation is a county unit plan. A similar study was made in Denton County in August, 1937, by Robert Lee Proffer. Proffer's problem was to determine the status of educational opportunity in Denton County and to make recommendations for its improvement. He recommended a complete re-organization of the schools of the county under one administrative unit, controlled by the County School Board, and administered by the County Superintendent.

Perhaps the study most closely related to this study is one made by D. K. Rogers. He made a study of Educational Equalization Legislation in Texas in 1940. His problem was to trace briefly the historical background of equalization in the United States, to present briefly a cross-section of the plans of equalization used by representative states in the United States, to analyze the principal legal provisions of the equalization laws of Texas for the purpose of showing the growth and development of the State's equalization policy, and to present a summary, draw conclusions, and make recommendations in the light of information received from the study.7

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Some of the findings, conclusions, and recommendations of his study are given below. The first equalization aid was used to stimulate more local support. Later came realization of the fact that some districts were in real need of help. Gradually, the State became aware of its responsibility and made provisions for a minimum educational program. Rogers concluded that a great deal of progress had been made, found that there were still many inequalities of educational opportunity in Texas, and recommended continued scientific study of equalization problems in Texas.
CHAPTER II

CRITERIA FOR SOUNDNESS

This chapter is devoted to the setting up of criteria for soundness to be used in solving the problem. It is divided into four parts. The first part contains nine sets of criteria taken from leading authorities in the field of equalization. Part two consists of a table on which these criteria are tabulated. Part three contains the validation of the criteria. Four principles are used in the validation process. Part four is a summary and definition of the criteria to be used in this study.

Introduction of Criteria

Constitutions provide the basic legal limitations within which education may develop. Cocking and Gilmore refer to the legal aspect of it in the following quotation:

Education is not mentioned in the Constitution of the United States as one of the functions delegated to the federal government, and hence, by inference it was left to the several states. Legal theory and practice have followed this interpretation. Almost without exception, the court decisions on this issue have stressed this point and insisted that it should be adhered to with all of its implications.1

The Constitution of Texas obligates the state to provide for the support and maintenance of free public schools. In 1937 there were seventeen provisions in it with reference to

1Cocking and Gilmore, op. cit., p. 9.
the schools. The following quotation from it is pertinent to this study.

A general diffusion of knowledge being essential to the preservation of the liberties and rights of the people, it shall be the duty of the legislature of the State to establish and make suitable provision for the support and maintenance of an efficient system of public free schools.\(^2\)

Other criteria used in *A Report of the Adequacy of Texas Public Schools* submitted here for validation are:

There is inequality of educational opportunity as long as some children have:

1. six months or less of school per year while others have eight or nine months;
2. splendid school buildings with all modern equipment and conveniences, while others attend school in shacks;
3. teachers with the best professional training while others have teachers with little or no training.

*Equality of educational opportunity means:*

1. building up the poorer, to approach the best schools;
2. taxing the wealth and natural resources of the state to educate the children of the state.

*An equalization program involves:*

1. it is not advisable to increase school revenues in low valuation districts by increasing the tax of the district's taxpayers;
2. Equalization should be brought about through the agency of the state;
3. The distribution of a state's equalization fund must be preceded by an impartial equalized valuation of all taxable property;
4. Equalization aid should not be extended to schools which in the judgment of the school authorities are not a necessary part of the state.

Such a program directs itself to two big educational problems, namely:

1. setting up educational opportunities to a desirable minimum program in each school district;
2. distributing the fund of equalization aid, where an equalization fund is state aid to close the gap between the cost of the minimum educational program needed for every child and the uniform financial ability of the local

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\(^2\) *Constitution of Texas*, Article VII, Section I, p. 61.
system to finance the cost whenever the cost of the program is greater than their ability to pay. 3

These statements of the essentials involved in realizing the equalization principle were taken from a report prepared for The Educational Finance Inquiry Commission, by Strayer and Haig.

To carry into effect the principle of "equalization of educational opportunity" and "equalization of school support" as commonly understood, it would be necessary:

1) to establish schools or make other arrangements sufficient to furnish the children in every locality within the State with equal educational opportunities up to some prescribed minimum;

2) to raise the funds necessary for this purpose by local or state taxation adjusted in such a manner as to bear upon the people in all localities at the same rate in relation to their tax-paying ability, and

3) to provide adequately either for the supervision and control of all the schools or for their direct administration, by a state department of education. 4

Paul R. Mort in his book, State Support for Public Education lists thirty-five findings. Ten of these related to this study are listed below:

(1) There are many instances where meager conditions have been allowed to persist because of lack of state action. There are numerous other examples where state action has resulted in offsetting the retarding effects of low economic ability.

(2) There is widespread need either for (a) the improvement of the assessment of local assessable property in those states utilizing both state and local support for financing the minimum program, (b) adequate equalization of assessment among districts by some central authority; or (c) obtaining by central authority dependable data showing the proportion of its true

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value at which property is assessed in the various
districts, the use of the third type of data would
assume the use of the computed true value in
determining state aid to be apportioned rather
than the assessment on which local taxes are based.
(3) Equalization of the burden of the state's
minimum program can be secured only by some measure
of state participation in the financing of public
schools.
(4) Either the state support must be large enough
to pay the entire cost of the minimum program or it
must be used to supplement the yield of a uniform
local tax.
(5) Local initiative is handicapped in the rural
areas in many states because of a type of organization
of school officials to areas so small that they cannot
provide the educational leadership responsive to their
own demands. The elimination of small districts is
necessary if local initiative is to play its proper
part in the maintenance of educational efficiency.
(6) The state as a disbursing agency has very
definite interest in safeguarding funds against
diversion. There is considerable confusion indicated
in state laws between this responsibility and the
element of controlling the nature of an educational
program. Proper safeguarding of expenditures demands
an improvement of accounting and an extension of audit-
ing practices. Most states either have neglected
adequate auditing or have substituted for it one form
or another of budgetary control.
(7) Whatever plan is followed for the allotment
of state revenues for education, it must be measured
in its effectiveness in producing the funds necessary
for carrying out fully the demands of the state
support program. Efficient budgetary practice in
local districts cannot be followed unless districts are
able to depend upon the state to meet its commitments.
(8) In spite of the poor conditions with respect
to the actual minimum program, it is recommended that
the first step in the re-organization of the financing
of a public school system be the equalization of the
burden of the present minimum program.
(9) In the development of a state system of school
support consideration should be given to the efficiency
principle. Not only is it necessary to equalize the
burden of a minimum program, but it is also necessary
to consider the need for relieving the property tax
situation in all types of communities, if there are
indications that this tax, upon which local initiative
must depend, is carrying an unfair share of the cost
of the government.
(10) In the treatment of relative ability of school districts to support education, every effort should be made to obtain the highest standards possible from the very beginning. The inadequacies of measures available represents one of the most serious problems in the development of state aid programs where less than complete state support of the minimum program is contemplated. 5

Additional criteria taken from Legislative Plans for Financing Public Education, by Covert and Keeseecker are:

(1) A definition of a foundation (or minimum) education program to be maintained throughout the State,

(2) provision for State participation in the cost of financing the foundation program,

(3) provision for revenue for an adequate and dependable supply of state funds for maintenance of State school program,

(4) provisions which assure an equitable distribution throughout the State of the cost of the foundation education program,

(5) provisions for the establishment of suitable school units that are effective and economical,

(6) provisions which will enable local school districts to compute with certainty each year the amount of funds available from the state and thereby determine definitely the amount of revenue which must be derived by local taxes,

(7) requirements that schools be operated on efficient methods of budgeting, purchasing, and accounting.

(8) the establishment of or provision for State regulation of an equitable State-wide salary schedule for teachers and school officials,

(9) placing upon local school districts responsibility to exert a reasonable effort toward the support of a foundation education program,

(10) provisions which safeguard local school districts in their fundamental right to tax themselves in order to improve or enlarge the State education program, and to administer the school program in a manner which will stimulate local initiative, interest, experimentation, and cooperation in the improvement of general educational facilities. 6

5 Paul R. Mort, State Support for Public Education, pp. 3-10.

Kenneth E. Oberholtzer and Alton Thompson in a very recent magazine article list omission by the United States Constitution, provisions in State Constitutions, a minimum salary, financial ability and educational needs of local districts, a minimum local tax, a uniform true assessed valuation throughout the State and a set teacher-pupil ration as necessary to a sound state aid program.\(^7\)

Walter D. Cocking in another recent magazine article lists the following criteria for state support of schools:

1. Recognition of an increasing need for education which could be met only by increasing educational opportunities and facilities.
2. A growing recognition that education is the primary responsibility of the state rather than of local units of government.
3. A greater amount of state support is a powerful incentive for better local units of school organization and programs.
4. Inadequacy of local property tax as a source of school support, and hence the need to broaden the tax base.
5. The rapid growth of tax-supported public services, resulting in an increasing competition for the local tax dollar.
6. A growing concentration of wealth and population at points throughout the state. Since the concentration of wealth and concentration of population do not coincide, the situation has led to general acceptance of the principle, "educate people where they live and tax the wealth where it is".\(^8\)

Finally, some of the criteria offered as a basis for evaluating state control of finances by Raleigh Warren Holmstedt refer to the question of equalization and are: property

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\(^7\) Kenneth E. Oberholtzer and Alton Thompson, "State Aid for Schools Must Increase", *The School Executive*, April, 1947, p. 60.

assessments should be fair and uniform, a minimum program should be supported by all taxpayers, the basis for distribution of funds should have a direct relationship on the educational need, local authorities should be allowed to spend state money according to educational needs, the state should prescribe the standard of minimum educational program, contracts for services or materials involving large sums of money should be let on competitive bids, the local budget should conform to accepted standards, and all of the economic resources of the state should be utilized for the support of schools.⁹

In Table 1 is shown statistics for tabulation of criteria for soundness for equalization of educational opportunity from nine sources.

⁹Raleigh Warren Holmstedt, State Control of Public School Finance, p. 52.
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Validation of Criteria

Part one of Chapter II consists of criteria gathered from the leading thinkers of the past quarter of a century in regard to the states' responsibility and participation in equalization of educational opportunity. In a majority of cases these criteria were set up after extensive surveys had been made. Several of the authors have devoted years of study to this question and have written numerous books about it. Many of these principles have been studied for several years in educational programs. These should provide sound criteria for the present study.

Part two of Chapter II was devoted to a tabulation of the criteria presented in part one. This table will be referred to frequently in the validation of criteria to follow.

Four principles will be used in attempting to validate the criteria which will be used as a measurement for this problem.

1. The criteria will be judged from the standpoint of legality.

2. The principles of sound research will be used in validating the criteria. In other words, if a criterion is a conclusion of some extensive study, then it is surely justified. On the other hand, some criterion may be mentioned by only one of the authorities. However, if it is a conclusion to a research problem, then it would be valid.
3. The principle of logical reasoning will be used in the validation process.

4. The principle of statistical data will be applied. If a majority of the thinkers agree upon one point, then that point will be justified.

It would require too much space to apply all of these principles to all criteria. As each principle is justifiable in its own right for validating any criterion, the writer will apply only those principles deemed necessary to each criterion.

The first criterion listed in Table 1 is legal aspect. Since the Constitution of the United States, by omission and inference, left the support and maintenance of schools to the states, and the Texas Constitution states that it is the duty of the state to support and maintain schools; and since it has been an accepted principle throughout the years, this study accepts this as the first criterion for a comparison of the present equalization law with certain previous ones.

The second criterion for consideration is the provision for a minimum program. Since many states have had laws providing for a minimum program in operation for sometime, this study accepts the legality of the minimum program idea. In Table 1 it may be seen that seven out of the nine authorities listed the minimum program as one of their criteria. Hence, the minimum program would qualify from the
standpoint of statistical data. Then, inasmuch as Strayer and Haig, Mort, Covert and Kesseecker, and Holmstedt all include the provision for the minimum program in their conclusions to a research problem, it would naturally be accepted on the principle of sound research. Finally, from the standpoint of logical reasoning if the state is charged with the responsibility of maintaining an efficient educational program, it would have to set up some minimum program.

The third criterion is the provision for state financial assistance. The Constitution of Texas says that the legislature shall "make suitable provision for the support and maintenance of an efficient system of free public school."\(^{10}\) Strayer and Haig, Mort, Covert and Kesseecker, and Holmstedt all list state financial assistance as essential to equalization. This study then accepts state financial assistance as one of its criteria, on the basis that it is legal and that it is substantiated by four sound research problems.

The fourth criterion shown in Table 1 provides that there shall be suitable school units. It is a well known fact that schools with from one to seven or eight teachers cannot offer equal educational opportunities comparable to those found in the larger units. If the state is to provide a minimum program which will offer equal educational

\(^{10}\)Constitution of Texas, Article VII, Section I, p. 60.
opportunities to all, common sense will teach us that there must be suitable school units. Three of the authorities listed suitable school units in their criteria; two of them were research studies. Therefore, suitable school units is accepted as one of the criteria for this study.

The fifth criterion listed in Table 1 is sound budget practice. Mort, Covert and Keesecker, and Holmstedt in their conclusion to an extensive research problem each listed sound budget practice. In the opinion of this writer that is sufficient proof that sound budget practice should be a criterion for judging a sound equalization program.

Table 1 shows state regulation of standards as the sixth criterion. Here again if the state is to maintain a minimum program, there must be some standards set. The state is the logical agency to provide these standards, not only from the standpoint of a minimum program, but as a means of justifying state financial support. Again conclusions of four of the research problems list state regulation of standards as one of their criteria. They are Strayer and Haig, Mort, Covert and Keesecker, and Holmstedt. Thus, in the writer's opinion, state regulation of standard is validated as a criterion for this problem.

The seventh criterion listed in Table 1 is the provision for effort on the part of the local district. Even though only one of the authorities lists this criterion, the writer feels justified in using it for this problem since Covert and
Keesecker, as mentioned before, did an extensive research problem on equalization.

Table 1 shows allowing for local initiative as the ninth criterion. This means that local districts may go beyond the requirements and standards set up by the State. Certainly no state would want to prevent any district from providing the best opportunities possible. Since two of the three writers mentioning this criterion were doing a research problem, their conclusion in this matter is acceptable for use in this study.

Uniform assessed valuations are listed in Table 1 as the tenth criterion. Five of the authorities agree that this criterion should be used in determining the soundness of an equalization program. Here again the fact is that Mort, Oberholtzer and Thompson, and Holmstedt all agree on this principle. Too, there can be no fair distribution of equalization funds so long as one school district renders their taxes at fifty per cent of their market value while another district renders theirs at seventy five per cent. Therefore, it is logical to include uniform assessed valuations as one of the criteria in this study.

Sound safeguarding practices is shown in Table 1 as the eleventh criterion. Mort is the only authority listing this one. However, if the state is to assume the responsibility of supporting equalization, it is only logical that there should be safeguarding practices. The state should have a
very definite interest in safeguarding funds against di-
version. It should be pointed out, also, that others
advocate this principle under the criterion of sound budget
practices. Therefore, the principle of sound safeguarding
practices is accepted as the eleventh criterion for use in
this study.

Table 1 shows consideration for need and ability to
pay as a criterion. Six of the authorities list this
criterion. Since Strayer and Haig, Mort, and Holmstedt all
agree on this criterion after completing a research problem
on equalization, this study accepts consideration for need
and ability to pay as the twelfth criterion for measuring the
soundness of Texas equalization laws.

The thirteenth criterion listed in Table 1 is purchasing
on a basis of competitive bids. This criterion is listed by
Holmstedt. Even though Holmstedt is the only authority list-
ing this criterion, it seems justified in that it is a con-
clusion to a research problem. On that basis, the writer
accepts purchasing on a basis of competitive bids as the
thirteenth criterion of this study.

Other criteria listed are: tax all state resources, teacher-
pupil ratio, adequate funds on time, and highest standards pos-
sible. Some of these criteria overlap to a certain extent.
Each authority, in setting up his criteria, has used different
terms. The writer feels that these last four criteria are
covered by the other thirteen that were accepted. It has been
the purpose of this writer to collect, assimilate and validate a set of sound criteria for this study. The list includes thirteen criteria which will be summarized in the next portion of this chapter.

Summary of Criteria

(1) Education is the function of the state subject to the limitations of the constitution, laws, and accepted principles of democratic government.

(2) The state must establish and support a minimum program which provides equality of educational opportunity for all.

(3) The state must provide financial support for an equalization program by taxing the wealth of the state to educate the children of the state.

(4) The state must provide for equitable distribution of funds.

(5) The state must provide for suitable school units. Schools must be large enough to carry on a minimum program. Proper buildings and equipment are also essential and should be provided.

(6) Sound budget practices are essential to an equalization program. The budget shall be a complete preview of the educational and financial picture of the school.

(7) The state must provide standards for the schools to meet with reference to teacher qualifications, teacher salaries, length of term, and other minimum requirements.
(8) The state must provide for effort on the part of local districts.

(9) The state shall stimulate local initiative by encouraging local districts to go beyond state requirements.

(10) The state shall make provisions for uniform assessed property valuations throughout the state.

(11) The state shall provide proper safeguarding practices through uniform reporting and auditing procedures.

(12) State school funds must be apportioned on an equitable measure of educational need and ability to support schools.

(13) Expenditure of large sums of money for equipment and supplies shall be made only after competitive bids have been received.
CHAPTER III

AN ANALYSIS OF THE SOUNDNESS OF THE PRESENT EQUALIZATION LAW

Introduction

This chapter is an analysis of the soundness of the present equalization law. The thirteen criteria summarized in Chapter II will be used as a measurement for determining the soundness of the present law. The criteria will be taken in the order that they appear in the summary. Each criterion will then be compared to the provisions of the present law that are related to it, as shown in Table 2. In some cases, some provisions may be compared to more than one criterion, depending on the nature of the provision. Also, the soundness of each provision will be judged as they are compared to the criteria.

Provisions of Present Law Compared to Criteria

Article XII, Section I, of the present law provides for the appointment of five members of the Senate by the President of the Senate, and five members of the House by the Speaker of the House, who make up the Joint Legislative Committee. One of the duties of the Joint Legislative Committee is to appoint a Legislative Accountant. One of the duties of the
<table>
<thead>
<tr>
<th>Criteria</th>
<th>Provision</th>
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<tbody>
<tr>
<td>Legal Aspect</td>
<td>Duties of Legislative Committee</td>
</tr>
<tr>
<td></td>
<td>Duties of Legislative Accountant</td>
</tr>
<tr>
<td>Minimum Program</td>
<td>Providing for salary aid and length of term</td>
</tr>
<tr>
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<td>Providing for Transportation Aid</td>
</tr>
<tr>
<td></td>
<td>Providing for Tuition Aid</td>
</tr>
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<td></td>
<td>Providing for transfer by district</td>
</tr>
<tr>
<td>Financial Assistance</td>
<td>Making an appropriation of $18,000,000.00</td>
</tr>
<tr>
<td></td>
<td>Providing for a salary schedule</td>
</tr>
<tr>
<td></td>
<td>Defining budgetary need</td>
</tr>
<tr>
<td>Equitable Distribution of Funds</td>
<td>Defining what schools may receive aid</td>
</tr>
<tr>
<td></td>
<td>Providing for Tuition Aid</td>
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<td></td>
<td>Providing for Transportation Aid</td>
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<tr>
<td>Suitable School Units</td>
<td>Defining what schools may receive aid</td>
</tr>
<tr>
<td></td>
<td>Providing for transfer by district</td>
</tr>
<tr>
<td>Sound Budget Practices</td>
<td>Providing for an application for aid</td>
</tr>
<tr>
<td></td>
<td>Providing for the function of Deputy State Superintendents</td>
</tr>
<tr>
<td></td>
<td>Providing for the duties of the State Superintendent</td>
</tr>
<tr>
<td></td>
<td>Providing for the duties of the Legislative Accountant</td>
</tr>
<tr>
<td></td>
<td>Providing for the report of the Depository Banks</td>
</tr>
<tr>
<td>State Regulation of Standards</td>
<td>Defining what schools may receive aid</td>
</tr>
<tr>
<td></td>
<td>Providing for a salary schedule</td>
</tr>
<tr>
<td></td>
<td>Providing for the duties of the Deputy State Superintendents</td>
</tr>
<tr>
<td></td>
<td>Providing for the duties of the State Superintendent</td>
</tr>
<tr>
<td>Criteria</td>
<td>Provisions</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>------------------------------------------------------</td>
</tr>
<tr>
<td>Local District Effort</td>
<td>Defining what schools may receive aid</td>
</tr>
<tr>
<td>Local District Initiative</td>
<td>Providing for the levy of a tax</td>
</tr>
<tr>
<td>Uniform Assessed Valuation</td>
<td>Providing for the levy of a tax</td>
</tr>
<tr>
<td>Expenditure for Instruction</td>
<td>Providing for the duties of the Deputy State Superintendent</td>
</tr>
<tr>
<td>Expenditure for Instruction</td>
<td>Providing for the duties of the County Superintendent</td>
</tr>
<tr>
<td>Expenditure for Instruction</td>
<td>Providing for the duties of the State Superintendent</td>
</tr>
<tr>
<td>Expenditure for Instruction</td>
<td>Providing for the duties of the Legislative Accountant</td>
</tr>
<tr>
<td>Consideration for Need and Ability to Pay</td>
<td>Providing for Transportation Aid</td>
</tr>
<tr>
<td></td>
<td>Defining Budgetary need</td>
</tr>
<tr>
<td></td>
<td>Providing for advance payment</td>
</tr>
<tr>
<td></td>
<td>Providing for special cases</td>
</tr>
<tr>
<td>Competitive Bids</td>
<td>Declaration relative to purchases of buses</td>
</tr>
</tbody>
</table>
Legislative Accountant is to audit all applications for aid after they have been passed on by the State Department of Education.\textsuperscript{1} The Constitution of Texas provides for three departments of government, namely: the legislative, the judicial, and the executive. According to the constitution it shall be the duty of the legislative department to make the laws, the judicial to interpret the laws, and the executive to enforce the laws.\textsuperscript{2} The duties of the Joint Legislative Committee and the Legislative Accountant are clearly administrative. Judging the present law from the standpoint of the first criterion, namely legal aspect, the conclusion of this study is that these two phases of the present law are unsound since the legislative committee and the Legislative Accountant are charged with enforcing the law rather than making the law.

The second criterion provides that the state shall maintain a minimum program. The present law provides in Article III, Section II, for two minimum programs, namely: the unaccredited school with approximately eight months of school, and the accredited school with approximately nine months of school. In the opinion of the writer this double standard is unsound, since the criterion calls for one minimum program. However, other provisions of the law are commendable in that they provide the accredited school and the nine months term

\textsuperscript{1}Senate Journal, Fiftieth Legislature, Regular Session, May 20, 1947, p. 11.

\textsuperscript{2}The Constitution of Texas, Article II, p. 12.
for many pupils in the state. Transportation aid provided for in Article V and tuition aid provided for in Article IV afford an opportunity for many to receive better educational opportunities. Also, Article VIII further provides an opportunity for many pupils to attend the better schools. Districts unable to maintain a satisfactory school may, upon the agreement of the board of trustees, the approval of the County Superintendent and the State Superintendent, contract the whole district to another district. Many districts not willing to consolidate are sending to affiliated schools by contract. Another phase of the minimum program idea is the question of qualified teachers. The present law, with liberal increments for college training, and experience, is sound so far as it will provide qualified teachers for schools under its jurisdiction. In its meeting in June, 1947, the committee on classification and accreditation of schools gave the following ruling in regard to teacher qualifications. For the school year 1947-48 only teachers with two years college training may teach. For the year 1948-49 only teachers with three years college training may teach. For the year 1949-50 only teachers with a degree may teach. Of course this is not a provision of the equalization law, yet equalization schools are affected by it. This study recognizes this step forward toward a more desirable minimum program

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for the schools of Texas. In the opinion of the writer, the liberal raise in teachers salaries provided by the equalization law no doubt influences the committee to make this important move with respect to teacher qualifications.

The third criterion for soundness is that the state shall provide financial assistance for the equalization of educational opportunity. The equalization law for the biennium 1947-49 appropriates eighteen million dollars for each year of the biennium; $10,770,000 is set aside for salary aid, $700,000 for tuition aid, and $6,350,000 for transportation aid. The size of appropriation for the biennium 1947-49 certainly indicates that Texas is beginning to assume more responsibility for the equalization of educational opportunity. It is interesting to note at this point that the legislature in setting up an equalization program and financing it has provided a minimum teachers salary that some of the so-called "better schools" are not going to be able to meet. Out of approximately four thousand districts in Texas, Charles H. Tennison, Director of Public Relations of The Texas State Teachers Association, estimates that there will be from seventy to eighty-five districts unable to meet the two thousand dollars minimum salary.6

The fourth criterion validated for this study provides for equitable distribution of funds by the state. The law

5 Senate Journal, Fiftieth Legislature, op. cit., p. 12.
provides that school districts having not less than twenty, or more than 1500 scholastics, which can show a budgetary need may qualify for salary aid. There can be no sound reasons for placing any scholastic restrictions on a district. The number of scholastics who live in a district is not a sound basis for distribution of funds. The only equitable method of distribution of funds is on a basis of need. This applies not only to salary aid but to tuition aid and transportation aid as well. The present law provides that tuition aid shall be paid in the amount of fourteen dollars per month for high school pupils, and six dollars per month for grade school pupils not to exceed five months. The receiving schools may receive tuition aid regardless of need. This violates the criterion of equitable distribution of funds, and is, therefore, unsound.

The State shall provide suitable school units is the fifth criterion for judging the soundness of equalization laws in this study. The law requires districts to have twenty pupils for one teacher. This of course, is not a suitable school unit except in very rare cases. The provisions for transportation and tuition aid enable some pupils to attend a suitable school unit. Article VIII of the law provides for the transferring of an entire district by contract. This provision has been mentioned previously in this chapter with reference to another criterion. However, it is directly related to the criterion of suitable school units. Many
districts unwilling to consolidate are taking advantage of this provision and are sending to larger schools by contracting the whole district. Since many pupils are given better educational opportunities by this practice, it is commendable. However, considering the state as a whole, very little responsibility has been assumed by the State of Texas in providing suitable school units.

The sixth criterion accepted for analyzing the soundness of equalization laws in the state shall provide for sound budget practices. Article II of the present law deals with the rural aid budget. The budget must be prepared on forms furnished by the State Superintendent of Public Instruction. The receipts shown on the budget must include: state and county available and local maintenance, balances brought forward from the preceding year, state and county available and local receipts for the current year, tuition to be collected locally, and miscellaneous receipts. The expenditures will include salaries of teachers as determined by the salary schedule and a maximum of three hundred dollars per teacher in accredited schools and $250.00 in the unaccredited schools for current operating expenses. The total amount of the expenditures less the total receipts will be the salary aid which a school will be eligible to receive.\(^7\) The application for salary aid must be on file with the State

\(^{7}\) Senate Journal, Fiftieth Legislature, Regular Session, May 20, 1947, p. 5.
Department of Education and the Legislative Accountant not later than October the first of each year. The numbers of teachers to which a school is entitled is based on the teacher-pupil quota. The ratio is one teacher for from twenty to thirty-five pupils, and one additional teacher for each additional thirty pupils, or fractional part thereof. The law provides that the superintendent of the school and the president and secretary of the school board must sign the application. It is then checked by the Deputy State Superintendent. Next, it is checked by the State Department of Education. Finally, it is checked by the Legislative Accountant. Also all treasurers of depositories are required to make itemized reports under oath to the State Superintendent of Instruction of the expenditures of all money granted under the provisions of this act. Districts must not exceed the amount approved in the budget and must spend the money for the purpose approved. It is the opinion of this study that the state is using sound budget practices.

The seventh criterion set up for measurement of the soundness of the equalization laws provides for the regulation of standards by the state. Article I, Section 4, of the law provides that no school shall be granted salary aid if the average daily attendance is less than sixty-five per cent. Article III, Section 1, provides for the teacher-pupil quota. The teacher-pupil quota is one teacher for

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8Ibid.

9Ibid., p. 4.
from twenty to thirty-five scholastics or fractional part thereof. If scholastics are transferred into a district, the fractional part must be at least two.\(^{10}\) Article III, Section 2, of the present law includes the salary schedule. Table 4 shows the salary schedule for the biennium 1947-49. Other provisions related to regulation of standards by the state are: the duties of the State Superintendent of Public Instruction explained in Article V of the present law, and the duties of the Deputy State Superintendents explained in Article VII of the present law. The law provides for eighteen Deputy State Superintendents, whose duty it is to see that the schools that receive aid comply with the provisions set forth in the law and the State Department of Education. At this point in the study the criterion of the State's providing for supervision of standards is accepted as sound. The writer reserves the right to question some of the standards. This will be done in Chapter VI.

The eighth criterion accepted for this problem is that the state shall provide for effort on the part of the local district. No school shall receive aid unless it has a fifty cents tax on the one hundred dollar valuation for local maintenance.\(^{11}\) There was considerable agitation in the last session of the State Legislature to increase this tax to seventy-five cents on the one hundred dollar valuation. In the opinion of the writer, the legislature did the wise thing

\(^{10}\textit{Ibid.}, p. 5.\) \(^{11}\textit{Ibid.}, p. 3.\)
by leaving the tax at fifty cents, since many authorities contend that the local districts are carrying more than their share of the tax burden.

The state shall provide for local initiative is the ninth criterion for judging the soundness of equalization laws. The law for the biennium 1947-49 contains three provisions that are related to this criterion. First, after indebtedness in local and equalization funds have been retired the income in excess of the fifty cents for maintenance may be used for any lawful school purpose except increasing teachers salaries.\(^{12}\) Second, the law provides that no school may pay its teachers more than the salary schedule provides.\(^{13}\) Third, the method of determining allowance for administrator found in the salary schedule is related to the ninth criterion at least from the administrator's viewpoint. The first and third provisions mentioned here are, in the opinion of the writer sound. The second is questionable.

The tenth criterion by which equalization laws are judged in this study is that the state shall provide for uniform assessed valuations. The only provision in the present equalization law even remotely related to this criterion is the provision in Article I, Section 2, which states that no

\(^{12}\text{Ibid.},\text{ Section II, P. 3.}\)
\(^{13}\text{Ibid.},\text{ Section I, p. 3.}\)
school district shall be eligible for aid unless it is currently assessing taxes on the highest valuation it has used in the previous two years, or can show that the lower assessed valuation is due to actual loss of property, or whose income from local maintenance is equal to or in excess of the highest income from such source in the two year period immediately preceding.\textsuperscript{14} In a report of the county tax assessor-collections in 1945 to the State Auditor, the estimated ratio of assessed value to actual value of taxable property varied from twenty-five per cent in two counties to one hundred per cent in two counties. Sixty counties reported the ratio to be fifty per cent, and 118 counties reported more than fifty per cent.\textsuperscript{15} Although these figures are only estimates, they are true enough to prove the point that Texas had made no provision for uniform assessed valuation. Therefore, the equalization law is unsound as far as this particular criterion is concerned.

The eleventh criterion validated for this study is that the state shall provide for sound safeguarding practices. The present law provides that the State Superintendent of Public Instruction shall appoint eighteen Deputy State Superintendents who are to make a thorough investigation, in person, of the teaching staff and financial condition of each school applying for aid through the superintendents and the

\textsuperscript{14} Ibid., Section 2, p. 3.

\textsuperscript{15} Texas Almanac, 1945-46, p. 333.
depository banks; no aid shall be given unless it can be shown that all provisions of this act have been complied with, that such amount of aid is really needed as shown by the approved budget and actual expenditures, and the funds are being used as approved. During the second semester of the year the Deputy State Superintendent shall check to ascertain whether the standards are being maintained and the funds used as approved. The present law provides that the County Superintendents shall check all tuition reports. He must determine the following facts: age of pupil, the district in which he was enumerated, the district in which he lives, the district in which he attends school, the grade in which the pupil is classified in the receiving school, the highest grade taught in the home district of the pupil, and the amount of time the pupil was in actual attendance at the receiving school. Also, the County Superintendent shall locate a point on each bus route two and one half miles from each receiving school and after such point is established he shall personally determine whether a school is requesting transportation aid on any pupil residing within the two and one half mile limit. Section 4 of Article XII states that the Legislative Accountant shall audit all applications for aid after they have been passed on by the State Department of Education, and when such applications

18 Ibid., Article IV, Sec., 2, p. 7.
have been approved by the said department, it shall be the duty of the Legislative Accountant to approve or reject such applications as the provisions of this act may require. The Legislative Accountant shall have access at all times to all the books, accounts, reports, and other records of the State Department of Education pertaining to the administration and enforcement of this law, and shall also have access to the records of all school and bank depositories thereof.\(^{20}\) Any district violating any of the provisions of this act shall forfeit all rights to such aid and shall be disqualified to receive any aid of any nature under any article of this act for the current year. Should any school district fail to use the funds for the exact purpose for which they were allocated in the approved budget, such school district becomes ineligible for further aid until such offense is corrected.\(^ {21}\) The State of Texas, in the opinion of the writer, is making suitable provision for the eleventh criterion, namely, sound safeguarding practices. Some minor changes will be advocated in the conclusions to the study in Chapter VI.

The consideration for need and ability to pay is criterion number twelve. Several provisions are made in the present law relative to this criterion. In the provisions for transportation, the law provides that school districts with one hundred square miles or more of territory or with

\(^{20}\)Ibid., Article XII, Section IV, p. 11.

\(^{21}\)Ibid., Article XV, p. 13.
less than one scholastic per square mile may receive $3.50 per pupil per month rather than the three dollars per pupil per month. Furthermore, counties with less than three scholastics per square mile in the entire county shall receive $3.50 per pupil per month when there is a need shown. The equalization budget is based on this criterion. Therefore, as provided by law, in order for a school to qualify for salary aid, it is necessary to show a need in the budget for aid. Another provision of the law related to need is the provision for an advanced payment of not more than half of the salary, tuition and transportation aid. This is a great help to schools and saves quite a bit of interest on short term loans for schools. Also, schools unable to pay cash for buses may issue interest bearing time warrants in amounts sufficient to make such purchases. These warrants must mature in five years, and the interest shall not be more than six per cent per annum. Then there are numerous examples of consideration for the needs of special cases, such as the Alabama Indians of Polk County, transportation of children of employees of state eleemosynary institutions, attendance requirements where there has been an epidemic resulting in a quarantine, attendance requirement relative to school districts

22 Ibid., Article V, p. 8.
23 Ibid., Article X, Sec., I, p. 10.
24 Ibid., Article 634 (a-1), p. 12.
having parochial schools within their boundaries, and school districts having geographical barriers. The present law, then, has taken into consideration the needs and ability to pay of the schools of Texas. Not all of the school districts that need aid will receive aid as has been pointed out in connection with another criterion. Yet Texas is making progress toward that end, as will be pointed out in Chapter V.

Finally, the state shall provide for competitive bids when large sums of money are to be spent for equipment and supplies. Article XIV provides that all school districts receiving aid under any equalization bill which seeks to equalize educational advantages in the state, shall purchase all motor vehicles, including buses and bus bodies, and motor vehicle tires and tubes, through the Board of Control under competitive bidding in order that savings may be made which will make it possible to provide adequate compensation for the teachers, and otherwise equalize educational opportunity. This is the first provision of any equalization law relative to the thirteenth criterion. It does not meet all the requirements of the criterion, but is sound in so far as it goes.

25 Ibid., Article XIV, p. 12.
CHAPTER IV

AN ANALYSIS OF THE SOUNDNESS OF THE FIVE PREVIOUS BIENNIAL EQUALIZATION LAWS

Introduction

This chapter is an analysis of the soundness of the five biennium equalization laws that were in effect from 1937 through 1947. First, the major provisions of each biennium law related to each criterion will be summarized in Table 3. Major changes in the law from biennium to biennium will be shown. Then the combined provisions will be compared to the thirteen criteria set up in Chapter II, as a basis for determining the soundness of equalization laws. As in Chapter III, the provisions of the laws will be compared to the criteria in the order that they are listed in Chapter II.

Provisions of Previous Laws Compared to Criteria

The first criterion set up in Chapter II for determining the soundness of equalization laws was the legal aspect. Table 3 shows that the law for the biennium 1937-39 provided that the administration of the law was delegated to the State Superintendent of Public Instruction under the supervision of the State Board of Education. At that time it was the duty
### TABLE 3

A TABLE SHOWING PROVISIONS OF FIVE BISENIUM LAWS RELATED TO THE THIRTEEN CRITERIA

<table>
<thead>
<tr>
<th>Legal Aspect</th>
<th>1937-39</th>
<th>1939-41</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Superintendent of Public Instruction and State Board of Education are charged with administering the law.</strong></td>
<td>State Auditor empowered to audit reports.</td>
<td>State Auditor empowered to audit reports.</td>
</tr>
<tr>
<td><strong>State Auditor empowered to audit reports.</strong></td>
<td><strong>Joint Legislative Advisory Committee created to act in an advisory capacity.</strong></td>
<td><strong>Same</strong></td>
</tr>
<tr>
<td><strong>Salary schedule based on 8 month term for unaccredited schools, and on 9 month term for accredited school.</strong></td>
<td><strong>Tuition paid to accredited schools in the amount of $7.50 for 5 months.</strong></td>
<td><strong>Transportation paid in the amount of $2.50 for high school students, and $1.00 for grade school students. $2.00 paid on all students in districts over 100 square miles. Provision for transfer of entire district by contract.</strong></td>
</tr>
<tr>
<td><strong>Minimum Program</strong></td>
<td><strong>Amount of appropriation for each year of biennium $5,500,000.00</strong></td>
<td><strong>Same</strong></td>
</tr>
<tr>
<td><strong>Financial Support</strong></td>
<td><strong>Base pay for unaccredited, $85.00; accredited, $90.00, plus $2.50 per month for each year of college above</strong></td>
<td><strong>Base pay same.</strong></td>
</tr>
<tr>
<td></td>
<td>1941-43</td>
<td>1943-35</td>
</tr>
<tr>
<td>--------------------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td><strong>Same</strong></td>
<td>State Superintendent of Public Instruction State Board of Education, Joint Legislative Committee, and Legislative Accountant are charged with administering the law. Legislative Accountant empowered to audit all reports.</td>
<td>Same</td>
</tr>
<tr>
<td><strong>Same</strong></td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td><strong>Except:</strong></td>
<td>Except: Transportation payment on grade school pupils raised to $1.50.</td>
<td>Except: Transportation payment raised to $2.25 on high school students, $1.75 on grade school students, and $2.25 on all students in districts of over 100 square miles.</td>
</tr>
<tr>
<td>Amount of appropriation for each year of biennium, $8,444,180.00</td>
<td>Amount of appropriation for each year of biennium, $9,830,990.00. Base pay same except raised $4.00, and $1.50 was paid for experience instead of $1.00.</td>
<td>Amount of appropriation for each year of biennium, $14,000,000.00. Base pay $135.00. $3.00 per month for each year of college after first year and $1.50 for each year.</td>
</tr>
<tr>
<td>Financial Support (continued)</td>
<td>1937-39</td>
<td>1939-41</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>Tuition aid</td>
<td>$750,000.00</td>
<td>$782,477.00</td>
</tr>
<tr>
<td>Transportation aid</td>
<td>$1,780,000.00</td>
<td>$2,160,375.00</td>
</tr>
<tr>
<td>Salary aid</td>
<td>$2,200,000.00</td>
<td>$3,725,357.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Equitable Distribution of Funds</th>
<th>1937-39</th>
<th>1939-41</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition aid $7.50 on high school pupils for 5 months.</td>
<td>Same</td>
<td></td>
</tr>
<tr>
<td>Transportation aid $2.00 for high school pupils, $1.00 for grade school pupils, $2.00 for all pupils in districts of 100 square miles, or more.</td>
<td>Same</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Suitable School Units</th>
<th>1937-39</th>
<th>1939-41</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition aid $7.50 on high school pupils for 5 months.</td>
<td>Same</td>
<td></td>
</tr>
<tr>
<td>Transportation aid $2.00 for high school pupils, $1.00</td>
<td>Same</td>
<td></td>
</tr>
<tr>
<td></td>
<td>1941-43</td>
<td>1943-45</td>
</tr>
<tr>
<td>----------</td>
<td>---------------</td>
<td>---------------</td>
</tr>
<tr>
<td>Tuition aid</td>
<td>$920,000.00</td>
<td>Tuition aid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$920,000.00</td>
</tr>
<tr>
<td>Transportation aid</td>
<td>$3,039,020.00</td>
<td>Transportation aid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$3,440,000.00</td>
</tr>
<tr>
<td>Salary aid</td>
<td>$4,350,000.00</td>
<td>Salary aid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$5,378,420.00</td>
</tr>
<tr>
<td>Same</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Same</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Same</td>
<td></td>
<td>Transportation aid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2.25 for high school pupils, $1.75 for grade school pupils, $2.25 on all pupils in districts of 100 square miles, or more. $1.50 in counties with less than 3 scholastics per square mile.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Same</td>
<td></td>
<td>Same</td>
</tr>
<tr>
<td>Same</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Same</td>
<td></td>
<td>Transportation aid</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2.25 on high school pupils, $1.75 for grade school pupils.</td>
</tr>
</tbody>
</table>
|          |               |               | $3.00 for high school pupils, $2.75 for
<table>
<thead>
<tr>
<th>Suitable School Units (continued)</th>
<th>1937-39</th>
<th>1939-41</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>grade school pupils.</strong> $2.00 for all pupils in districts of 100 square miles or more.**</td>
<td><strong>Same</strong></td>
<td><strong>Same</strong></td>
</tr>
<tr>
<td><strong>Provision for transfer of entire district by contract.</strong></td>
<td><strong>Same</strong></td>
<td><strong>Same</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Sound Budget Practice</th>
<th>1937-39</th>
<th>1939-41</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Application for aid prepared by the superintendent with the assistance of the deputy state superintendent, signed by superintendent, president and secretary of school board.</strong> Checked by deputy state superintendent and filed by October 1st. Approved by State Auditor after Director of Equalization has approved it! Any appeals are made to the State Board of Education. Depository reports checked by State Auditor and State Department of Education. Secretary of school board reports receipts, expenditures, and balances August 31st.</td>
<td><strong>Same</strong></td>
<td><strong>Except: appeals are made to Joint Legislative Committee.</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regulation of Standards</th>
<th>1937-39</th>
<th>1939-41</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Districts with from 20 to 500 school children eligible for aid if they have a $0.50 tax for maintenance or a $0.75 tax in all. Un-accredited schools.</strong></td>
<td><strong>Same</strong></td>
<td><strong>Same</strong></td>
</tr>
<tr>
<td>1941-43</td>
<td>1943-45</td>
<td>1945-47</td>
</tr>
<tr>
<td>---------</td>
<td>---------</td>
<td>---------</td>
</tr>
<tr>
<td>grade school pupils, $2.25 on all pupils in districts of 100 square miles or more.</td>
<td>grade school pupils, $3.25 for all pupils in districts of 100 square miles or more, $3.50 in counties with less than 3 schoolastics per square mile.</td>
<td>Same</td>
</tr>
<tr>
<td>Same</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Same</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Except: the report of the secretary of the school board not required</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Except: the name of the Joint Legislative Advisory Committee was changed to Joint Legislative Committee, and the Legislative Accountant was created and took over the duties of the State Auditor</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Same</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>Except: a $0.50 maintenance only</td>
<td>Except: 12 Deputy State Superintendents schoolastics</td>
<td>Except: 20 to 1250 State Superintendents schoolastics</td>
</tr>
<tr>
<td>Regulation of Standards (continued)</td>
<td>1937-39</td>
<td>1939-41</td>
</tr>
<tr>
<td>-----------------------------------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>have 8 month terms, accredited schools have 9 month term. Teacher qualifications left to State Department of Education provided they violated no state law. 24 deputy state superintendents check to ascertain whether standards are being maintained and how money is being spent during second semester. sixty-five percent attendance required except in sparcely settled area or increase of epidemics.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Effort on Part of District</strong></td>
<td>$0.50 maintenance tax or $0.75 over all tax</td>
<td>Same</td>
</tr>
<tr>
<td><strong>Provide for Local Initiative</strong></td>
<td>$0.50 maintenance tax or $0.75 over all tax, 1 teacher for first 20 schoolistics, and 1 additional teacher for each additional 35 schoolistics, or fractional part. Fractional part must be 2 if transferred. Salary schedule</td>
<td>Same</td>
</tr>
</tbody>
</table>

Uniform Assessed Valuations
<table>
<thead>
<tr>
<th></th>
<th>1941-43</th>
<th>1943-45</th>
<th>1945-47</th>
</tr>
</thead>
<tbody>
<tr>
<td>50.50 maintenance tax</td>
<td>Same</td>
<td>Same</td>
<td>Same</td>
</tr>
<tr>
<td>40.50 maintenance tax</td>
<td>Same</td>
<td>Same</td>
<td></td>
</tr>
<tr>
<td>Assessed valuation of all districts must be reported</td>
<td></td>
<td></td>
<td>Assessed valuation must not be lower than the 2 preceding years unless the district can show actual loss of property or current income</td>
</tr>
<tr>
<td>Uniform Assessed Valuations (Continued)</td>
<td>1937-39</td>
<td>1939-41</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Deputy State Superintendent to visit school with reference to the budget and report to Director of Equalization prior of Jan. 15. During second semester Deputy State Superintendent shall check to ascertain whether standards are being met and funds used as approved. County Superintendent shall check all tuition reports and transportation to see that all pupils on which transportation is requested actually live 2½ miles from school. Director of Equalization and State Auditor check all applications and all depository reports. County Superintendent or Secretary of independent district reports of equalization receipts, expenditure, and balance due Sept. 10. Violation of any provision disqualifies a district for any aid in current year. Failure to spend money for</td>
<td>Same</td>
<td>Except: County Superintendent or secretaries of school board in independent districts report on receipts, expenditures, and balances in equalization fund due on October 1st.</td>
<td></td>
</tr>
</tbody>
</table>

Proper Safeguarding Practices
<table>
<thead>
<tr>
<th></th>
<th>1941-43</th>
<th>1943-45</th>
<th>1945-47</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>from local tax equal to or in excess of highest income from such source in two year period immediately preceding.</td>
</tr>
<tr>
<td>Same</td>
<td></td>
<td></td>
<td>Same</td>
</tr>
<tr>
<td>Except: no report required of County Superintendent or Secretary of independent districts on Equalization funds. Deputy reports December 31st.</td>
<td>Same</td>
<td>Except: State Auditor replaced by Legislative Accountant</td>
<td>Same</td>
</tr>
<tr>
<td>Proper Safeguarding Practices (continued)</td>
<td>1937-39</td>
<td>1939-41</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------</td>
<td>--------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>purpose allocated the district become ineligible for further aid until it is corrected. Depository report</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budgetary need determined by local and state and county balances plus current local, state, and county receipts, tuition collected locally and miscellaneous receipts subtracted from teachers salaries based on the salary schedule plus an allowance of so much per teacher. Tuition aid—$7.50 for high school pupils for 5 mos. Transportation aid $2.00 for high school pupils, $1.00 for grade school pupils, $2.00 on all pupils in districts of 100 square miles or more. Special provisions of minor importance. Schools with 20 to 500 scholastics eligible for aid.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Competitive Bids</th>
<th>No provision&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Same&lt;sup&gt;2&lt;/sup&gt;</th>
</tr>
</thead>
</table>

<sup>1</sup> Texas. Senate Journal, Forty-fifth Legislature, Second Called Session, 1937.

<sup>2</sup> Texas. Senate Journal, Forty-sixth Legislature, Regular Session, 1939.
<table>
<thead>
<tr>
<th></th>
<th>1941-43</th>
<th>1943-45</th>
<th>1945-47</th>
</tr>
</thead>
<tbody>
<tr>
<td>Same</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Except: transportation raised to $1.50 on grade school pupils.</td>
<td>Except: transportation raised to $2.25 on high school pupils, and $1.75 on grade school pupils, and $2.25 on all pupils of districts of 100 square miles or over.</td>
<td>Except: tuition raised to $9.00 on high school pupils, and $5.00 paid on grade school pupils for 5 months. Transportation raised to $3.00 for high school pupils, $2.75 for grade pupils, $3.25 on all pupils in districts with 100 square miles or more, and $3.50 on all pupils in counties with less than 3 school districts per sq. mile. Scholastic limitation raised to 1250.</td>
<td></td>
</tr>
</tbody>
</table>


of the State Auditor to audit the applications for aid and the depository reports. The Joint Legislative Committee, which was created in 1938, still remained an advisory committee for the biennium 1937-39. The biennium law for 1939-41 gave the Joint Legislative Advisory Committee some power in administering the law. The following quotation is taken from Section 24 of the Senate Journal:

It is specifically provided herein that the State Board of Education, State Superintendent of Public Instruction, or Joint Legislative Advisory Committee, or any other agency charged with the responsibility of administering the funds hereby appropriated shall not pledge the State for any year in excess of the amount herein appropriated.\(^6\)

In the biennium law of 1943-45 the word advisory was dropped and the Joint Committee was referred to as the Joint Legislative Committee. Also this biennium law made provision for the Legislative Accountant for the first time. The following quotation from the Senate Journal refers to the duties of the Legislative Accountant:

In addition to the other duties conferred on the Legislative Accountant by this act, it shall be his duty to audit all applications for aid, after same has been passed on by the State Department of Education, and when such application has been approved by said Department, it shall then be the duty of the Legislative Accountant to approve, or reject such application as the provisions of this act may require. The Legislative Accountant shall have access at all times to all the books, accounts, reports, and other records of the State Department of Education pertaining to the administration and enforcement of this law, and also shall have access to the records of all school and bank depositories thereof.\(^7\)

\(^6\)Senate Journal, Regular Session, 48th Legislature, p. 2069.

\(^7\)Senate Journal, Regular Session, 48th Legislature, p. 1158.
It is the opinion of this study that the biennium law of 1937-39 was sound, as compared to criterion number one, in that it made provision for the administration of the law by an administrative agency of the government. The other biennium laws are judged unsound in the light of this criterion because they made provisions for the administration of the laws by legislative agencies.

The second criterion validated in Chapter II as a measurement of the soundness of equalization laws was that the state must establish and support a minimum program which provides equality of educational opportunity for all. All five biennium laws under consideration in this chapter made provisions, as shown in Table 2, for two minimum programs. They are: the unaccredited school with eight months of school and the accredited school with nine months of school. The base pay for teachers in the unaccredited schools was eighty-five dollars per month for the first three bienniums and ninety-five dollars for the fourth biennium under consideration here. The base pay for teachers in accredited schools was ninety dollars per month for the first three bienniums and one hundred dollars for the fourth biennium. The discrimination in length of term and in teachers salaries both violate the second criterion accepted for this study, namely: that the State shall provide a minimum program for all. Also prior to the war years, the law required teachers in accredited schools to have a degree; while those in unaccredited schools were required to have two
years of college training. This, too, is contrary to the 
minimum program ideas. Provision for tuition aid, transpor-
tation aid, and transfer of districts by contract, in all 
five biennium laws afforded many pupils better educational 
opportunities. Yet, judging the five biennium laws under 
consideration here by the second criterion, they did not 
provide an adequate minimum program for all.

The third criterion being used in this study is that 
the state shall provide financial support for the equali-
zation of educational opportunity. The amounts of the 
appropriations for each year of the five bienniums, as 
shown in Table 3 were: 1937-39, $5,500,000.00; 1939-41, 
$6,825,827.00; 1941-43, $6,444,190.00; 1943-45, $9,830,990.00; 
and 1945-47, $14,000,000.00. These figures show that Texas 
was assuming more financial support of the school from bienn-
nium to biennium. The last appropriation in the periods 
under consideration is more than double the first. Yet, it 
should be kept in mind that the cost of living had greatly 
increased during this period of time, and that the increase 
in salaries had not kept pace with the rising cost of 
living. It is the opinion of this study that all of these 
appropriations were inadequate, and that the state was not 
fulfilling the obligation of the third criterion. A look 
at teacher salaries for this period should add weight to the 
above statement. For a period of six years when the 
biennium laws of 1937-49, 1939-41, and 1941-43 were in effect
the base pay of teachers was eighty-five dollars per month in unaccredited schools, and ninety dollars per month in accredited schools. In the next biennium, the base pay was raised five dollars per month. The biennium law of 1945-47 raised the base pay to $135.00 per month. It was during these years that teachers left the profession by the thousands. Schools were forced to get anybody available to teach. The state had failed to provide adequate financial support to schools.

The fourth criterion accepted for judging the soundness of equalization laws is that the state must provide for equitable distribution of funds. According to the biennium law of 1937-39, only schools with from twenty to five hundred scholastics were eligible for aid unless they were nine miles long, or contained forty-eight square miles; no district containing a town with a population of 3600 was eligible. There was no change in this provision until the biennium law of 1945-47; then the maximum scholastic population limitation was raised to 1250. The scholastic limitation of these five biennium laws is unsound when compared to the criterion of equitable distribution of funds. Equalization funds cannot be distributed equitably on a basis of scholastic population, but can only be distributed on a basis of need. Table 3 shows that tuition aid was provided for in the five biennium laws considered in this chapter. The first four laws allow $7.50 for high school pupils for
five months. The biennium law for 1945-47 provides nine
dollars for high school pupils and five dollars for grade
school pupils for five months. Here again, the money is
provided regardless of the need. In the opinion of the
writer, the payment of tuition without consideration for
need is unsound as far as equitable distribution of funds
is concerned. The biennium law of 1937-39 provided for a
payment of two dollars per month for transportation of
high school pupils and one dollar per month for grade
school pupils, except in districts containing one hundred
square miles or more, where two dollars per month was paid
on all pupils. There was no change in the next biennium
law. The law for 1941-43 raised the payment on grade
school pupils to $1.50. The law for 1943-45 raised the
payment of $2.25 on all pupils in districts with one hundred
square miles or more. The law for 1945-47 provided for pay-
ment of three dollars on high school pupils, $2.75 on grade
school pupils, $3.25 on all pupils living in counties of
less than three scholestics per square mile. The policy
of paying two dollars for transportation of high school
pupils and one dollar for grade school pupils is unsound.
There should be no distinction. The writer can see no
sound reason for paying more for transporting one pupil
than another. It is noted in Table 3 that with each new
biennium law this gap is being closed.
The fifth criterion validated for evaluating the soundness of equalization laws is that the state must provide suitable school units. Table 3 shows that the minimum number of scholastics required to qualify for aid, under the five biennium laws being discussed in this Chapter, was twenty. It is the opinion of this study that one teacher and twenty pupils does not constitute a suitable school unit. However, as pointed out in Chapter III, the state is providing suitable school units for some pupils through tuition aid, transportation aid, and the transfer of whole districts by contract. As long as Texas has some unqualified teachers teaching several grades in a run down shack, and while the best qualified teachers are teaching one grade in the finest buildings with the best available equipment, the state is not meeting the criterion of providing suitable school units.

The sixth criterion for determining the soundness of equalization laws as used in this study is that the state must provide for sound budget practices. Table 3 shows the various practices used under the five biennium laws discussed. For the biennium 1937-39, the following procedure was followed. The superintendent with the assistance of the Deputy State Superintendent made application for aid. This was done on forms furnished by the State Department of Education and was called the Rural Aid Budget. The budget was signed by the superintendent, and the president and
secretary of the local school board, and approved by the Deputy State Superintendent. The budget was to be in the hands of the Director of Equalization not later than October the first of each year. After approval from the Director of Equalization, the application was approved or rejected by the State Auditor. Any appeal on the application was made to the State Board of Education. The biennium law for 1937-39 provided for an annual report of all treasurers of depositories. These were checked by the State Auditor and the State Department of Education. Also, it was the duty of County Superintendents and secretaries of school boards to send to the State Department of Education a report of all receipts and expenditures of equalization funds with correct balances on the last day of August. This report was due on the tenth of September under the biennium law of 1937-39, and the first of October under the biennium law of 1939-41. The biennium law for 1939-41 made one change; namely, that the Joint Legislative Advisory Committee took over what authority the State Board of Education had had in administering the equalization law. The biennium law of 1941-43 did not require the report by the county superintendents and secretaries of school boards in regard to equalization funds. The biennium law of 1943-45 created the office of the Legislative Accountant. Except for the above changes, the budget practices are the same as in the law of 1937-39. This study accepts these budget practices as sound. However, some of the practices are not
acceptable to other criteria as is pointed out in other parts of this chapter.

The seventh criterion used in this study for judging the soundness of equalization laws is that the state must provide for proper regulation of standards. As shown in Table 3, the biennium law of 1937-39 required that schools qualifying for aid must have as many as twenty and not more than five hundred scholastics, a fifty cents maintenance tax or an over-all tax of seventy-five cents, and sixty-five per cent attendance. There were exceptions to these standards in rare cases. These have been mentioned previously and are not of great importance here. The biennium law of 1937-39 also provided for twenty-four Deputy State Superintendents. The chief duty of the Deputy State Superintendents was to see that proper standards were being maintained. Two types of schools were provided for: the accredited school and the unaccredited school. Each type of school had separate standards as to length of term, salary schedule, and teacher qualifications. The matter of teacher qualifications is not provided for in the equalization laws but is left to the State Department of Education and the Committee on Classification and Accreditation, as provided by acts of the Thirty-fourth Legislature. The Committee required all accredited schools to employ only teachers with degrees beginning with the school year 1936-37.8

8 Regulations, Standards, and Activities of the Division of Supervision, Bulletin State Department of Education, p. 32.
During the time that standards were relaxed, schools could employ sub-standard teachers on a temporary basis. The major change in the five biennium laws under consideration in this chapter was the reduction in the number of Deputy State Superintendents from twenty-four to twelve during the years 1943-45 and 1945-47. It is the opinion in this study that twelve Deputy State Superintendents cannot properly check the schools of Texas to see if standards are being maintained. Also the writer reserves the right to recommend, in Chapter VI, that certain standards be changed.

The eighth criterion validated for judging the soundness of equalization laws is that the state must provide for effort on the part of the local district. As shown in Table 3 the biennium law of 1937-39 required that school districts must levy a fifty cents maintenance tax or an overall tax of seventy-five cents. The next biennium law required the same. In 1941-43 the law was changed requiring only a fifty cents maintenance tax. It remained the same in the next two biennium laws. In the opinion of the writer, suitable provisions have been made for local effort in these biennium laws.

The ninth criterion used in this study for determining the soundness of equalization laws is that the state shall provide for local initiative. As can be noted in Table 3 the provisions of the five biennium laws from 1937-39 to 1945-47 related to this particular criterion are: a minimum
maintenance tax, the teacher-pupil quota, and the salary schedule. The only change of any significance in the laws of this period was in the biennium law of 1941-43. The laws of the two previous bienniums had provided for a local maintenance tax of fifty cents on the one hundred dollar valuation or a combined maintenance and bon tax of seventy-five cents. The law of 1941-43 provided only for a local maintenance tax of fifty cents. The other two provisions mentioned above are only remotely related to the criterion. For instance, the teacher-pupil ratio probably stimulates local districts to get as many scholeastics as possible, either by census enumeration or transfers, in order to secure additional teachers. The other possible stimulation could be that administrators whose salaries are based on the number of teachers would make a special effort to get into a higher salary bracket if they were near the borderline. It is the opinion of this study that the five biennium laws made previously made suitable provisions for local initiative.

That the state should provide for uniform assessed valuations is the tenth criterion for determining the soundness of equalization laws. The first three biennium laws shown in Table 3 make no reference to uniform assessed valuations. The biennium law of 1943-45 required that the assessed valuation of all districts receiving aid be reported. The biennium law of 1945-47 required that the assessed valuation
must not be lower than the valuation of either of the two previous years unless it could be shown that there was an actual loss of property, or unless the current income from local taxes was equal to or in excess of the highest income from such source in either of the two preceding years. This, of course, does not provide uniform assessed valuation. Therefore, the five previous biennium laws are unsound as compared to this criterion.

That the state shall provide sound safeguarding practices is the eleventh criterion for this study. A study of Table 3 shows the provisions of the five previous laws related to this criterion. The biennium law of 1937-39 required that the Deputy State Superintendents visit the equalization schools to help prepare the budget. Their reports were to be in the hands of the Director of Equalization by January 15. During the second semester they were required to visit all the schools to check and ascertain whether standards were being met, and if funds were being spent as approved. This particular biennium law also required the county school superintendents to check all tuition reports and transportation lists. It was his responsibility to see that transportation aid was being paid only to pupils who lived two and one half miles from school. This law also provided that the Director of Equalization and the State Auditor should check all applications for aid and all depository records and reports. County superintendents and secretaries
of independent district school boards were required under this law to send a report, not later than the tenth of September of each year, of receipts, expenditures, and balances of the equalization fund to the State Department of Education. This law also contained some penalty provisions. If a district violated any provision of the law, it was disqualified for any aid during that year. Districts failing to spend money as allocated were ineligible for further aid until correction had been made. One minor change was made in the law for the biennium 1939-41. First, the report of the county superintendents and school board secretaries was not due until the first of October. The biennium law of 1941-43 did not require this report. The report of the Deputy State Superintendents of the first visit for the first two bienniums of this period was due by the fifteenth of January. The writer accepts the safeguarding practices of the five previous biennium laws as sound.

That the state shall distribute funds on a basis of need and ability to pay is the twelfth criterion for judging the soundness of equalization laws. The major provision of the five previous biennium laws related to this criterion are shown in Table 3. Budgetary need, in the biennium law of 1937-39, was the difference between current, local, state and county funds, balances in these funds, tuition collected locally, miscellaneous income and teacher salaries based on
the salary schedule as well as a certain allowance per teacher for operating expenses. The number of teachers was based upon the same teacher-pupil ratio as is common to all laws referred to in this study. The 1937-39 law limited aid to districts with from twenty to five hundred scholastics except in certain cases which have been mentioned several times in this study. Tuition aid was provided for in the amount of $7.50 per month for five months. Transportation aid was provided for in the amount of two dollars for high school pupils and one dollar for grade school pupils, except that two dollars was paid on all pupils in districts containing one hundred square miles or more. The major changes shown in Table 3 from 1937 to 1945 were transportation aid was raised gradually to the point that three dollars was paid on high school students and $2.75 on grade school students, except that $3.25 was paid on all pupils in districts of one hundred square miles or more, and $3.50 on all pupils in counties of less than three scholastics per square mile in the entire county. The biennium law of 1945-47 provided five dollars tuition aid on grade school pupils for the first time, and high school tuition was raised to nine dollars. Also the biennium law of 1945-47 raised the scholastic limitation to 1250 scholastics. Two references are made to special cases in the biennium law of 1937-39: the Alabama Indians in Folk County and the State Home at Waco. Other special cases are provided for in later laws. The law of
1945-47 makes special provisions for the Alabama Indians, districts containing government or university land, children of employees of state eleemosynary institutions and others. The five previous biennium laws partially consider the need and ability of districts but do not go far enough to meet fully the requirements of the twelfth criterion. The policy of scholastic limitation in qualifying for aid, and the paying of tuition regardless of need are unsound, judged in the light of this criterion.

The thirteenth and last criterion accepted as a measurement for determining the soundness of equalization laws is that the state shall provide for competitive bids when large sums of money are spent for equipment. Since no provisions are made for this practice in any of the five biennium laws from 1937-39 through 1945-47, these laws are unsound with regard to the last criterion of this study.
CHAPTER V

A COMPARISON OF THE SOUNDNESS OF THE PRESENT
WITH THE FIVE PREVIOUS EQUALIZATION LAWS

Introduction

The purpose of this study is to determine whether the present equalization law is sounder than the five previous equalization laws of Texas. This chapter contains the solution to the problem. In Chapter III, the major provisions of the present law were compared to the criteria. In Chapter IV, the combined major provisions of the five previous biennium laws were compared to the criteria. In this chapter, the major provisions of the present law will be compared to the combined major provisions of the five previous laws for the purpose of determining whether the present law is sounder than the five previous laws.

Determining Whether the Present Equalization Law is Sounder Than the Five Previous Equalization Laws.

In Chapter III, the present law was compared to the first criterion accepted for judging the soundness of equalization laws. This criterion was that education is the function of the state subject to the limitations of the constitution, laws, and accepted principles of democratic government. The present law was judged unsound on the grounds that the Joint
Legislative Committee and the Legislative Accountant, both legislative agencies, are given certain powers in administering the law. It was pointed out that this is contrary to the delegation of powers by the Constitution to the three departments of government: the legislative, the executive, and the judicial. It was shown in Chapter IV that the biennium laws of 1939-41, 1941-43, 1943-45, and 1945-47 also violated this criterion. The biennium law of 1937-39 provided for the administration of the law by executive agencies. Therefore, the biennium law of 1937-39 is sounder than the biennium law of 1947-49 as compared to this criterion.

The second criterion to which these equalization laws were compared was that the state must establish and support a minimum program which provides equality of opportunity for all. In Chapter III, the present law was judged unsound when compared to this criterion inasmuch as it provided for two minimum programs. These were the accredited school with eight months of school. At the same time, it was pointed out that many pupils were given the opportunity of attending accredited schools because of increased appropriations for transportation and tuition. It was further shown that the very liberal salary schedule provided by the present law would help to provide a more desirable minimum program for more pupils. In Chapter IV, the five previous biennium laws were compared to the same criterion. They, too, were judged unsound on the same grounds as the
present law. The biennium laws of 1927-39, 1939-41, 1941-43, and 1943-45 all provided a larger salary per month for teachers in accredited schools than in unaccredited schools. This is contrary to the minimum program idea. The biennium laws of 1945-47 and 1947-49 make no distinction in base pay per month for teachers. Neither the five previous biennium laws nor the present biennium law have established and supported a suitable minimum program. The present law more nearly accomplishes this than the others. Therefore, it is judged sounder in light of this second criterion.

The third criterion validated in Chapter II for judging the soundness of equalization laws was that the state must provide adequate financial support for an equalization program. In Chapter IV it was shown that the five biennium laws in effect from 1937 to 1947, because of certain limitations relative to qualifying for aid, failed to support all schools in need of aid. Furthermore, it was shown that the laws had failed to provide adequate support for the schools that could qualify. This resulted in a tremendous exodus of teachers from the profession. The present law, because of certain limitations as to schools that can qualify, does not provide adequate support for all schools. Yet, it does provide adequate support for schools under its jurisdiction and is therefore sounder than the five previous biennium laws.
The fourth criterion for judging the soundness of equalization laws is that the state must provide for equitable distribution of funds. It was pointed out in Chapter IV that the five previous biennium laws did not measure up to this criterion. The scholastic limitation of from twenty to five hundred was contained in the biennium laws of 1937-39, 1939-41, 1941-43, and 1943-45. The biennium of 1945-47 raised the maximum scholastic limitation to 1250, and the present law to 1500. The five previous laws also failed to measure up to the requirements of this criterion, because of discrimination between grade school and high school pupils in payment of tuition and transportation. It was further shown that tuition was paid to schools regardless of need. Although the present law still contains some of these evils, it is sounder than the five previous biennium laws inasmuch as the scholastic limitation is higher, transportation payment is the same on all pupils in the same school, and tuition is paid on grade school as well as high school pupils.

That the state shall provide suitable school units is the fifth criterion for judging the soundness of equalization laws. It was pointed out in Chapter IV that the five previous biennium laws had not provided suitable school units for all the pupils of the state. This was due largely to the fact that unaccredited schools with sub-standard teachers, poor facilities, and an eight months term were allowed. It
was also shown in Chapter III that the present law has done very little to improve this situation. In fact, the provision in the present law, not allowing pupils whose grade is taught in his home district to count on the teacher-pupil quota, will probably prevent some pupils from attending a more suitable school unit. However, the increased payment for tuition and transportation, together with the greater number of schools being transferred, will, beyond a doubt, provide more suitable school units for more pupils. The present law, therefore, is sounder than the five previous laws relative to this criterion.

That the state shall provide sound budget practices is the sixth criterion for judging the soundness of equalization laws. The budget practices provided for by the five previous laws and the present law are very much alike. The financial statement required in the biennium laws of 1937-39 and 1939-41 of county superintendents and secretaries of boards in independent districts is not required in the present law. It is the opinion of the writer that this report was not essential since depository reports give the same information. Since the budget practices of both the previous laws and the present law are acceptable to this criterion, there is very little basis for comparison. One thing is in favor of the present law, it provides a budget that more nearly meets the needs of the districts eligible for aid.
The seventh criterion is that the state shall provide proper regulations of standards. In connection with other criteria, some of the standards set up by both the previous laws and the present law were questioned in Chapters III and IV. These will be discussed further in Chapter VI. The regulation of standards is the main duty of the Deputy State Superintendents. The biennium laws of 1937-39, 1939-41, and 1941-43 provided for twenty-four Deputies, while the biennium laws of 1943-45 and 1945-47 provided for twelve. The present law calls for eighteen deputies. The writer, in Chapter IV, questioned the ability of twelve Deputy State Superintendents to check standards in all the equalization schools of Texas. It is the opinion of this study that the biennium laws of 1937-39, 1939-41, and 1941-43 were sounder than the present law, and that the present law is sounder than the biennium laws of 1943-45 and 1945-47, because of the number of Deputy State Superintendents provided by each.

The eighth criterion is that the state shall provide for effort on the part of the local district. The present law and previous laws were both judged sound when compared with this criterion. Since there are no major changes, no further conclusions are necessary.

The ninth criterion used as a basis for determining the soundness of equalization laws is that the state shall provide for local initiative. Since both the present law and the previous laws were considered sound when compared to this
criterion, and inasmuch as there were no major changes in the laws with reference to this criterion, there is no basis for comparison relative to this criterion.

The tenth criterion for judging the soundness of equalization laws, accepted for this study, is that the state shall provide for uniform assessed valuations. As was pointed out in Chapter IV, the biennium laws of 1937-39, 1939-41, and 1941-43 made no reference to uniform assessed valuations. The biennium law of 1943-45 required that valuations be reported, and the law of 1945-47 prohibited the lowering of valuations except under certain conditions pointed out in Chapter IV. The present law contains the same provisions as the law of 1945-47. Figures were given in Chapter III to prove that the state does not have uniform assessed valuations. Both the previous laws and the present law are unsound in that they have made no provisions for uniform assessed valuations. Recommendations will be made in Chapter VI relative to this criterion of uniform valuations.

The state shall provide for sound safeguarding practices is the eleventh criterion for determining the soundness of equalization laws. The duties of the State Superintendent of Public Instruction, Deputy State Superintendents, County Superintendents, State Auditor, Legislative Accountant, State Board of Education, and Joint Legislative Committee, are all closely related to this criterion. Also the
depository report and penalty provisions provided for in all the laws are closely related. As shown, however, in Chapters III and IV, both the present and the five previous biennium laws have provided sound safeguarding practices.

The twelfth criterion validated for this study is that the state shall distribute funds on a basis of need and ability to pay. In Chapter IV, provisions of the five previous biennium laws related to this criterion were discussed. It was shown that the requirements of this criterion were not met by these laws, because of the scholastic limitations and discriminations relative to grade school and high school pupils in transportation and tuition aid.

Although the present law does not fulfill all the requirements of this criterion, it is sounder than the five previous laws, since it provides the same amount of transportation aid to all pupils in the same school, raises the scholastic limitation to 1500, allows tuition aid for both high school and grade school pupils, and makes more provisions for special cases such as the Alabama Indians of Polk County.

The state shall provide for competitive bids when large sums of money are spent for equipment. The five previous laws contained no provisions related to this criterion. As pointed out in Chapter III, the present law requires that after September 1, 1948, all buses, bus bodies, tires, and tubes purchased by equalization schools shall be purchased under regulations set up by the Board of Control. Although
the present bill does not meet all the requirements of this criterion, it is sounder than the five previous biennium laws.
CHAPTER VI

FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

Introduction

The purpose of this chapter is to present a summary of the findings and conclusions of this study, and to make some specific recommendations which the data indicate would provide a sounder program of equalization of educational opportunity in the State of Texas.

Findings

1. The Joint Legislative Committee and the Legislative Accountant are given authority by the equalization laws to help administer the law.

2. The equalization laws of Texas recognize and support two minimum programs, the accredited school and the unaccredited school. There are inequalities in these two programs relative to length of term, buildings, equipment, teaching supplies, and teacher qualifications.

3. Texas has assumed more responsibility for the state support of schools.

4. Some schools do not receive equalization aid because of certain limitations other than not being able to show a need. Others receive tuition aid regardless of need.
5. Small schools with sub-standard teachers, poor facilities, and eight months of school exist under the provisions of the equalization laws of Texas.

6. The equalization laws have recognized the provision for certain budget practices.

7. Equalization laws of Texas provide for two sets of standards. Regulation of standards is the duty of the Deputy State Superintendents. The equalization laws of 1937-39, 1939-41, and 1941-43 provided for twenty-four deputies. The next two biennium laws provided for twelve deputies. The present law provides for eighteen deputies.

8. Local districts must levy a fifty cents tax on the one hundred dollar valuation for local maintenance.

9. The equalization laws of Texas provide for local initiative except that teachers cannot be paid above the salary schedule.

10. The ratio of assessed valuations to true valuations in Texas varies from twenty-five per cent in some counties to one hundred per cent in other counties.

11. The equalization laws contain provisions for safeguarding practices.

12. Equalization laws, because of certain regulations and limitations, do not consider the need and paying ability of all the districts in the State.

13. Buying through the State Board of Control under competitive bids is required by the biennium law of 1947-49.
For the first time buses, bus bodies, tires, and tubes must be purchased in this manner after September 1, 1948.

Conclusions

1. The provisions of the equalization laws delegating certain administrative powers to the Joint Legislative Committee and the Legislative Accountant are unsound. They are unsound because they violate the principle of division of power provided by the Constitution of Texas, which provides that the legislative branch shall make the laws, the executive enforce the laws, and the judicial interpret the laws.

2. The policy of recognizing and supporting two minimum programs with inequalities in length of terms, buildings, equipment, teaching supplies, and teacher qualifications is unsound.

3. The five biennium laws from 1937 to 1947 did not provide adequate support for any of the schools. The present law provides adequate support for schools eligible for aid.

4. The state should provide adequate support for all schools maintaining a suitable minimum program that can show a need for aid.

5. The equalization laws of Texas are not providing suitable school units for all of the children of the state.
6. Suitable provisions are made by the equalization laws of Texas for sound budget practices.

7. An adequate number of deputies should be provided to check properly standards being maintained by the schools of Texas.

8. Local districts are contributing their fair share in support of education.

9. The provisions for local initiative contained in the equalization laws are sound. The limitation on teachers salaries also is sound for equalization schools.

10. The ratio of assessed valuations to true valuations should be uniform throughout the state.

11. Safeguarding practices required by the equalization laws of Texas are sound except duties performed by the Legislative Accountant, and the Joint Legislative Committee.

12. Sound equalization laws should consider the need and ability of all districts that have enough scholastics for suitable minimum program.

13. Buying through the State Board of Control under competitive bids is sound and should result in savings to the schools of Texas.

Recommendations

1. The power of administering the equalization laws should be returned to the State Department of Education and the State Board of Education. The task of auditing
applications for aid and depository reports should be made by State Auditors appointed by the Governor and responsible to him.

2. The state should adopt and support a suitable minimum program with uniform length of term, uniform teacher qualifications, uniform teacher salaries, and uniform allowances per teacher in figuring the equalization budget.

3. The state should continue the support of education as provided by the present law in order that all schools might be able to maintain an adequate minimum program and show a need for aid.

4. The state should remove the maximum scholastic limitation on districts, allowing all schools in need of equalization aid to receive it. Tuition aid should be abolished.

5. Laws should be enacted to give the State Department of Education power to re-group and create suitable school units on a state-wide basis after a careful and extensive survey of the schools of Texas has been made by a committee of experts.

6. The budget practices are sound and should remain the same. However, a State Auditor rather than the Legislative Accountant should audit the budget.
7. The state should adopt the standards of accredited schools as a minimum program and employ an adequate number of deputy state superintendents to check the standards being maintained by the schools.

8. The minimum local tax rate for maintenance should remain at not over fifty cents on the one hundred dollar valuation.

9. In equalization schools, teacher salaries should be uniform. However, schools should be encouraged to go above the minimum program and provide the best schools possible.

10. Laws should be enacted to create a State Equalization Tax Board empowered to equalize assessed valuations on a state-wide basis if the property tax is to be continued.

11. The requirements of the equalization laws relative to the safeguarding fund should remain. However, the duties of the Legislative Accountant should be given to the State Auditor, and the administrative duties of the Joint Legislative Committee should be returned to the State Board of Education.

12. All public schools able to meet the requirements of a suitable minimum program, and having the required tax rate should be eligible to apply for salary aid. If the equalization budget indicates a need, it should be granted. Transportation aid should be paid on a basis of need by districts rather than by counties.
13. Buying of buses, bus bodies, tires, and tubes through the State Board of Control should be continued. Other items involving large sums of money spent by the Texas Schools should be added to the list.
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In Accredited Elementary Schools add $6.00 per teacher for principal, not to exceed $54.00.

- Number of Teachers
  - 6-7  8-11  12-19  20-29  30. Plus
  - High School Principal (for 9 teachers plus, 10 mo).  9.00  15.00  20.00  25.00
  - Superintendents (12 months)  30.00  40.00  55.00  70.00  80.00

Elementary or Junior High Principal $2.50 for each teacher under supervision if in separate building or devotes fifty per cent of time to supervision and school employ 9 or more teachers, but not to exceed $50.00.
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**Special Encyclopedia**