

Can leaders improve the Texas school finance system?

The Texas Commission on Public School Finance conducted its first meeting of the interim with a brief update of the school finance legal framework, a report on the student population from Lloyd Potter, Texas State Demographer, and a discussion of educational outcomes and correlation to funding from Commissioner Mike Morath, Texas Education Agency.

It was apparent from the opening remarks from members of the Commission, not all members have the same approach to the work charged to the Commission. Certainly, the Texas House members made it clear that the work of the Commission needs to focus on funding formulas to achieve adequacy and equity in the system, and House Public Education Chairman Dan Huberty made the point to the Senate members of the Commission, more specifically Senator Paul Bettencourt, there can be no property tax relief without reforming the school finance system.

Justice Greg Enoch presented the legal framework of school finance to the Commission and attempted to make the case that funding and outcomes do not always correlate. He stressed student outcomes, STAAR results or graduation rates sometimes are higher in cases where less money per student is spent. Enoch suggested all TEA needs to do is to study the differences in why some districts with less money are able to achieve higher outcomes, and share the findings with districts demonstrating lower outcomes with higher levels of funding. This simplistic approach seems to indicate how serious the Commission is taking its charge of studying and recommending changes to the school finance system.

The Commission also heard a presentation from the state demographer, who indicated Texas is growing at a very rapid pace. Population growth has grown more than 12% in the last seven years, and it is mostly growth within the state. For more information on population changes in the state, see Potter's power point [here](#).

Morath delivered the most extensive presentation to the Commission, which centered on student outcomes. The materials for Morath's presentation can be found [here](#).

According to Morath, student outcomes in Texas, compared to other states, are higher than most. Texas is performing well based on student test scores. Morath gave much credit to the educators across the state for the performance of Texas students on high stakes testing. However, Morath, through his data analysis, attempts to make the case that there is no correlation between student outcomes and the amount of money spent on a student. Morath claims there are other factors that contribute to outcomes, other than money, thus his conclusion is the correlation with funding isn't supported by the data.

The ultimate question is, what is driving the costs versus the outcomes. There doesn't appear to be answers in district budgets based analysis, because of the

variations across district budgets. However, Morath suggest there are essential items being funded that do drive outcomes, teachers being the single most important factor in the classroom. It is also the largest cost to school districts.

The final two presentations were made by Raymund Paredes, commissioner of the Texas Higher Education Coordinating Board, and Andres Alcantar, chair of the Texas Workforce Commission. Paredes' presentation would seem to undercut Morath's conclusion that Texas is excelling in student outcomes by pointing out that however well the students are performing on Texas' standardized tests, and however many are receiving high school diplomas, Texas students are very often not prepared to continue on to post-secondary education. Paredes' presentation can be found [here](#).

The next meeting of the Commission is scheduled for February 22, 2018.