COMAL ISD

IDEA:
Student Performance GROWTH

Problem

Public Education is **not financially motivated** by the State to **efficiently achieve academic growth.** In addition, school districts with fast enrollment growth are not funded at a level needed to pay for the **additional operating expenses created by new students**.

History

The concept of adjusting education funding for variations in cost began in a 1984 special session, with the creation of the Price Differential Index. The State Board of Education (SBOE) was directed to create a replacement for this temporary index and undertook this in 1987, but the study was moved to the Legislative Education Board (LEB) and the Legislative Budget Board (LBB) in 1989. The Foundation School Fund Budget Committee adopted rules based on research by LEB and LBB in 1991.

The current Cost of Education Index (CEI) attempts to adjust for varying economic conditions across the state, based mainly on the size of the district, the teacher salaries of neighboring districts, and the percentage of low-income students in the district in 1989-1990. **The index has not been updated since that time.**

Recommendation

The Texas Education Agency states that the CEI cost the State $2.7B. The CEI is outdated and is no longer an accurate reflection of the cost various between districts. **Our recommendation is to eliminate the CEI and shift that funding to those school districts who embrace accountability and demonstrate academic progress, as well as to fast growth school districts.**

Pros

- Financial incentive for academic growth
- Financial incentive for operational efficiency
- Increased funding for fast growth districts

Challenges

- Will take a considerable “mind-shift”
- Probable challenge to get wide spread support
- Does not address all school finance issues

This idea is presented as a concept and not to fill in all the blanks for exactly how the funding will work.