

**Public School Finance: An Examination of Three Issues That Shape
Public Policy and Implications for Texas School Districts**

By:

Robert J. Musfeldt

**AN APPLIED RESEARCH PROJECT (POLITICAL SCIENCE 5397) SUBMITTED TO THE
DEPARTMENT OF POLITICAL SCIENCE SOUTHWEST TEXAS STATE UNIVERSITY
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF
MASTERS OF PUBLIC ADMINISTRATION**

FALL 2002

Faculty Approval:

Chapter 1

Introduction

Growth and changing dynamics mean the time has come again to look for new ways to pay for public education. History has shown us that just being dissatisfied with the way we fund our schools isn't going to change it. We must all work together now to make sure all children are getting the opportunities they need and deserve with a school funding system that is not only constitutional, but fair.

Texas Lt. Gov. Bill Ratliff

Introduction

The roots of the debate surrounding the process by which public schools in America are funded date back over 30 years. This debate centers on the role of the state in school finance. Should the state have a role in addressing issues such as equity and adequacy, and if so, what role should accountability play as the state proceeds? State implemented performance-based accountability systems are the most relied upon measure of student achievement and school district performance. In fact, performance-based accountability systems call attention to academic performance and induces schools and the people in them to pay attention to what they do, how they teach, and what their expectations are for student learning (Elmore and Fuhrman, 2001, p. 14) Another central issue concerns the specificity of the state role in determining school finance. Should the state pass legislation that takes local dollars from one school district and redistribute those dollars to another in order to address equity and adequacy issues? Policy makers disagree about the proper role of the state government in addressing fiscal disparities between school districts. It is the tension between local, state, and federal politicians that make the public discourse both vigorous and oftentimes confusing.

Background

For the past twenty-five years, public schools in the United States have witnessed a whirlwind of change in both the methods of, and attitudes toward the way they are financed. Prior to 1973, local school districts were left to their own devices to calculate the distribution of funds among schools. There was no one particular formula that was employed by any one district or state. Each local school district had the freedom to fashion a financing system that worked best for their particular situation (Burch, 1999, p. 264). Most often, the property tax was used to generate revenue to run the school system. For citizens fortunate enough to reside in affluent areas that had a high degree of property wealth, the tax burden was quite small. Conversely, less fortunate citizens were often subject to a higher rate of property tax due, in part, to their lack of property wealth. Consequently, districts able to generate a large amount of property tax revenue had the ability to allocate more money to fund their schools. On the other side of the coin were the districts with less property wealth. Low property wealth districts, out of sheer necessity, were forced to address the following dilemma: should residents be taxed at a higher rate to generate more revenue, or would the school district be forced to spend fewer funds per pupil? This was the situation facing public schools in the United States prior to 1973.

Local Control

The education of the citizens of the United States is not specifically mentioned in the United States Constitution, therefore, financing public schools is the responsibility of

each state, as per the provision in the 10th Amendment which states, “The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the states respectively, or to the people”. Since the citizens have local interests and differing needs than those living in other areas, local funding should reflect these differences. According to this logic, local communities should be the beneficiaries of an educated populace. According to Ronald Hy (2000, p. 210), “The economic activity resulting from increased educational attainment, therefore, means that the state can generate more revenue with lower tax rates”. In essence, an educated populace means the possibility of attracting better, higher-paying jobs. These jobs, in theory, would generate an increase in economic activity and affect an increase in overall revenue for the state.

Discrimination and Unfair Practices

The 1950’s ushered in the passage and enforcement of new federal and state laws that addressed a large range of discriminatory and unfair practices based on race and poverty (Koski and Levin, 2000, p.1). Many of the arguments that hastened the passage of these laws were based on the equal protection clause contained within the 14th Amendment to the United States Constitution which states in part, “No state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, nor deny to any person within its jurisdiction the equal protection of the laws.” For public schools at the time, equal protection meant separate facilities for different races. During the 1950’s, this “separate but equal” doctrine, as legitimized by the *Plessy v. Ferguson* United States Supreme Court decision (1896), was the rule by which equal protection under the laws was judged. The 14th Amendment, up to this point

used to decide questions pertaining to civil rights, was now viewed as a device to change public school finance in the United States (Koski and Levin, 2000, p. 480). In addition the constitutionality of the existing school finance systems was debated (Koski and Levin, 2000, p. 480).

Equity and Adequacy Challenges

Civil rights activists took comfort in, and were emboldened by favorable decisions by the Warren era Supreme Court (Koski and Levin, 2000, p. 480). Landmark cases such as *Brown v. Board of Education (1954)* demonstrated that the court was willing to address, and make changes to, the way the equal protection clause was interpreted. School funding systems were also susceptible to legal challenges based on interpretation of the 14th Amendment to the United States Constitution. Koski and Levin (2000, p. 481) explain that the broad net of equal protection was cast in several directions:

Civil rights advocates began to seek reform through the courts in a wide range of areas, including voting rights and welfare reform. And within these broad trends, academics began to question the constitutional basis for existing systems of educational finance and their resultant inequalities. Their seminal ideas stimulated both state and federal court challenges to the inequalities in educational funding and spending. The federal court culmination of this activity, though far from the last word on educational finance reform through the judiciary, was *San Antonio Independent School District v. Rodriguez (1973)*. Although *Rodriguez* was not the first constitutional challenge to inequitable school funding schemes, it was the first that made its way to the United States Supreme Court.

At issue in *Rodriguez* were the fiscal inequities that were evident even in school districts within the same city limits. The Alamo Heights school district within the city limits of San Antonio boasted a \$49,000 assessed per pupil property value and spent \$594 per pupil (*San Antonio v. Rodriguez, 1973*). This was in stark contrast to the Mexican-

American dominated Edgewood Independent School District that had a property tax base of only \$5,960 per student and spent a meager \$356 per student (*San Antonio v. Rodriguez, 1973*). Perhaps even more alarming was the fact that the Alamo Heights taxed its property at a rate of only \$.85 per \$100 dollars of assessed value, and the Edgewood district taxed itself at a rate of \$1.05 per \$100 of assessed value. (*San Antonio v. Rodriguez, 1973*).

The plaintiffs in *Rodriguez* argued that the state's educational finance formula violated the 14th Amendment's equal protection clause because local property tax laws seemed to benefit one district over another. The ensuing decision by a three judge U.S. District Court confirmed the arguments of the plaintiffs finding that the funding scheme:

Deserved strict judicial scrutiny because it impacted education, a 'fundamental interest' under the Constitution, and because it discriminated on the basis of wealth, a 'suspect classification'. Applying the strict scrutiny test and unable to find any 'compelling state of interest' to support the financing scheme, the District Court invalidated it (Koski and Levin, 2000, p. 481).

The plaintiffs in *Rodriguez* would not have long to celebrate their Federal District Court victory. The state of Texas appealed the Federal District Court decision to the United States Supreme Court and won a narrow 5-4 decision. At issue in the decision was whether the Constitution of the United States explicitly referred to the educational process as a guaranteed right. The court was sharply divided:

Justice Powell, writing for the majority, strongly asserted that the equal protection clause does not require absolute equality between schools, provided that all students get an adequate education. He urged judicial respect for legislative efforts in educational finance and management areas. Powell also recognized the vital role of education in producing good citizens and informed voters. (Moran, 1999, p. 34)

Justice Powell further distanced the federal court system from the school finance issue by stating, “Better schools for poor kids should not come from the court, but from Texas lawmakers” (*San Antonio v. Rodriguez*, 1973).

Justice Marshall, in his dissenting opinion, stated that the Court had betrayed the opportunities of the disadvantaged. He maintained that relative equality in education was necessary so that all citizens can participate in the governmental processes. He further explained that the *Brown v. Board of Education* (1954) decision explicitly stated that education was important to a democratic society and that the question facing the court in *Rodriguez* was no different (*San Antonio v. Rodriguez*, 1973).

The *Rodriguez* decision, though sharply divided, pushed the issue of school finance away from the federal courts. The question of how public schools were financed would be left to the state courts. Although the United States Supreme Court decision was not favorable to the plaintiffs, *Rodriguez* did provide the public and the courts with terminology that would be used in the school finance debate for years to come. Terms such as equity and adequacy are mentioned numerous times throughout the majority and dissenting opinions (*San Antonio v. Rodriguez*, 1973). The use of these vague terms left open the possibility that state courts and public policy makers may have different interpretations of each. Different interpretations often lead to different visions for policy alternatives that may, in turn, contradict each other. Wildavsky’s (1979) description of the formation of public policy captures the essence of the school finance debate:

The reforms of the past lay like benign booby traps, which could make one stumble even if they did not explode . . . More and more public policy is about coping with consequences of past policies . . . The more we do, therefore, the more there is for us to do, as each program bumps into others and sets off consequences all down the line. In this way, past solutions if they are large enough, turn into future problems . . . Instead of thinking of permanent solutions

we should think of permanent problems in the sense that one problem always succeeds and replaces another. (p. 4-5)

In much the same way, as explained by Wildavsky, the school finance debate revolves around seemingly permanent solutions that often focus on fiscal equity and adequacy.

The key issues in the school finance debate represent permanent problems that resurface time and again.

Benefits of Research to School District Officials and Policy Makers

Identifying and analyzing the key issues surrounding the school finance debate allows both public school officials and state policy makers a starting point for new research. Public school officials and state policy makers should analyze current research that addresses issues of equity, adequacy, and accountability. Additionally, the research of these key issues can help formulate new policy alternatives. The school finance debate is never stagnant. James Q. Wilson's (1990) description of the policy making process in the United States complements Wildavsky's description mentioned earlier "Policy making in the United States is more like a barroom brawl: Anybody can join in, the combatants fight all comers and sometimes change sides, no referee is in charge, and the fight lasts not for a fixed number of rounds but indefinitely or until everybody drops from exhaustion." (Pp. 299-200)

The manner in which the school finance issues are addressed reflects the complicated nature of the subject and the often disjointed and politically motivated nature of the public discourse.

Research Purpose

Over the past twenty-five years, the state of Texas has witnessed numerous challenges to the constitutionality of its school finance formula. Texas school districts have come under increasing pressure to perform at a high level. Additionally, Texas school districts have struggled to maintain educational programs with limited budget resources. School districts with high property wealth are hit especially hard by Chapter 41 of the Texas Education Code (Ratliff, 2001, p. 2). Many Texas school district officials are faced with the prospect of shrinking tax revenues and higher operating costs. State mandated performance tests coupled with the annual publication of Texas Education Agency rankings place Texas school district officials firmly within the center of the school finance debate. It is with this in mind that their opinions concerning school finance were of particular interest.

The purpose of this research is three-fold. The first purpose is to elaborate on the three issues that shape the current school finance debate, namely equity, adequacy and accountability. This research will also explore current school finance policy alternatives. The second purpose is to describe the attitudes of Texas school district officials regarding the three key issues. The third purpose is to explore the attitudes of Texas school district officials concerning the effectiveness of Chapter 41 of the Texas education code.

Chapter Summaries

Chapter two is a review of the literature, which explores the genesis and subsequent evolution, primarily through litigation, of the public school finance debate. The chapter also presents the descriptive categories that are used to construct the conceptual frameworks. Identification of the descriptive categories of equity, adequacy, accountability, and policy alternatives was accomplished by analyzing current scholarly literature. Chapter three explains the history of school finance in the State of Texas and describes the genesis and subsequent revision of Chapter 41 of the Texas Education Code. The chapter also presents a working hypothesis conceptual framework that addresses the effectiveness of Chapter 41. Chapter four describes the construction of the survey instrument. The chapter also discusses the survey sample and sampling technique used for this research project. Chapter five discusses the results of the research. Finally, chapter six summarizes the results as they relate to the current literature and the attitudes of Texas school district officials.

Chapter 2

Literature Review

The purpose of this chapter is to examine the literature that addresses the key issues of equity, adequacy and accountability that shape the current school finance debate. Public financial systems are used to distribute benefits (goods and services) and burdens (taxes) to citizens. Equity as a policy objective can be conceptualized as ways and reasons to distribute these benefits and burdens. The first section of this chapter examines equity in light of the distribution question. Much of the debate surrounding school finance entails differences in the many ways an “equitable distribution” of burdens and benefits are conceptualized. Second, the chapter describes the issue of fiscal equity as it relates to the distribution question. Third, the chapter examines how states and school districts attempt to define what it means to adequately fund public schools. Next, the chapter discusses how accountability systems help shape the school finance debate. Finally, the chapter examines the possibility of policy alternatives aimed at addressing the key issues of equity, adequacy, and accountability.

Dimensions of Equity

In its most basic definition, the term equity infers that there will be equality in the distribution of something, exactly what that “something” is, can vary (Stone, 2001, p. 39). Unfortunately, when equity is at the heart of a political or public policy struggle, the meaning of the word depends on whom you ask. The debate over systems of, and the specific mechanisms for, the distribution of funds for public schools blurs the meaning of equity even more. One must be familiar with the various political interpretations of the term equity in order to understand the complexity of the school finance debate. School

funding is, in its most simple sense, a type of distribution. Stone (2002) maintains that distributions are at the very heart of every public policy controversy (p. 39). She further explains that equity is the goal of every party in a distribution conflict at the outset, but, “the conflict comes over how the sides envision the distribution of whatever is at issue” (p. 38).

The Bittersweet Chocolate Cake Analogy

The school finance debate is one that has several competing parties with varying political and philosophical ideologies. Depending on their leanings, each may have a different view of how to define an equitable distribution of funds for public schools. Stone (2002) details how it is possible to have competing visions of an equitable distribution. In one of her political science courses she asks her students to imagine that they are assigned the responsibility of distributing the cake equally among classmates. Her students maintain that the distribution of the cake must involve equally divided slices (p. 39). Stone says that an acceptable distribution for most people would be to count the number of students in the class and divide the cake into that number of equal-sized pieces (p. 39). Stone goes on to explain that public policy formation can include several views of what would be an equitable distribution. Stone describes eight different ways to argue that the cake was divided [distributed] fairly [equitability]. Discourse about school finance equity is confusing and sometimes appears inconsistent because different players champion different notions of equity and fairness and yet use similar vocabulary.

Unequal Slices but Equal Meals

The first dimension of equity that Stone (2002) details involve the equal distribution of the cake in a manner that takes into account other outside circumstances. In this scenario, students had just returned from a three-course meal that did not include desert. These students believed that the chocolate cake should be treated as the final course of the meal. Their ideas about how the cake should be divided were based upon the events of that afternoon:

They pointed out that some students had managed to commandeer two shrimp cocktails, pick all the artichoke hearts from the salad as it was passed around, and grab the rarest slices of roast beef from the platter. Shouldn't the students – the ones who had only one shrimp cocktail and overcooked roast beef- get bigger slices of my chocolate cake? This solution, which I had to agree seemed fair, might be called unequal slices but equal meals. (p. 41)

If one applied the above scenario to the school finance debate, districts that already have superior facilities and above average students are analogous to those that picked through the salad and ate the best beef. Under these circumstances fairness would dictate the state give districts with less fortunate circumstances a larger piece of the “cake”.

Unequal Slices but Equal Value to Recipients

Stone (2002) describes yet another distribution scenario where some students get more of the chocolate cake because they truly need it and will appreciate more. In this equity argument, the cake is distributed based solely on need. Need is a complicated notion to apply. Stone describes a complicated picture where some students hate chocolate, others are allergic to it, while others do not possess the gene required to digest chocolate, “These students think I might as well give them very, very small pieces (they want to be polite and sample my cake) and give bigger pieces to those that can truly appreciate the cake. Their solution might be called unequal slices but equal value to

recipients.” (p. 41) Current scholarly literature shows that some school districts face greater expenses because their student population contains a higher proportion of at risk or special needs children. It simply costs more to educate these students (Odden, 2000, p.

3). Stone notes that this notion of equity often leads to policy conflict:

Conflicts over this dimension of equality are especially intense in social policy. There, the services being distributed, such as education, medical care, and housing, derive their value from being tailored to the needs of the individual. Does equality in a multiethnic school district mean that every child should have the right to study in English (with appropriate remedial services for non-English speakers), or the right to study in one’s native language? (p. 50)

Seeing the Larger Whole

The above scenarios are based on redefining the item to be distributed. The first scenario redefines the boundaries:

Instead of seeing a cake as a thing itself, it is viewed as part of a larger whole, a meal. To take something and make it a part of a larger entity is to expand the boundaries of what is being distributed, to present a more global vision. Expansion might be across types of goods (from cake to meal), or across time from what happens in the next hour to what has happened in the previous three hours as well. (p. 49)

In much the same way, determining the distribution of funds for school districts can be a policy making process that connects to past problems or future problems.

Looking at the distribution of the cake, or funds in the school finance debate, in terms of the larger whole is vital. According to Stone (2002):

Expanding the definitional boundaries of the item is always a redistributive strategy, because it calls for using the more narrowly defined item (in this case, the cake) to compensate for inequalities in a larger sphere (in this case, lunch). Challenges to the definition of an item are generally not either/or choices, but choices about how expansively to define the item along a continuum. The cake, for example, could be seen as part of today’s lunch, part of today’s meals, or part of this week’s diet. (p. 49)

The larger sphere in the school finance debate is the overall educational circumstances surrounding a school district. Stone's equity scenarios help to explain the complexities and conflict that surrounds school finance policy discourse.

Fiscal Equity

In its majority opinion written by Justice Powell, the Supreme Court of the United States ruled that funding of public schools is the responsibility of the state, not the federal government (*San Antonio v. Rodriguez*, 1973). The opinion stated that there could be no such thing as absolute equity across school districts, and that states must find ways to fund their schools that were both relatively equitable and adequate. Early school finance litigation, however, focused on the equity issue. Proponents of pursuing equity litigation reasoned that the path to an equal opportunity education began with equity in financing across school districts (Herrington and Wender, 2000, p. 211). They argued that equalization of funds across school districts had a significant positive effect on student achievement. Several studies have theorized that funds allocated specifically for educational purposes have a positive effect on students (Alexander, 1998)¹. Conversely, Coleman, et al. (1966) attempted to show that the money directed toward the public schools does not matter. The later of these two research conclusions posits that variables outside of the control of the school district have more influence on student achievement than monetary distribution alone (Coleman et al, 1966).

¹ Marion and Flanigan, 2001
Hy, 2000
Harter, 1999
Levacic, et al., 2000

Rodriguez, and nearly all other early school finance litigation centered on equity and whether the equalization of revenue had a significant, positive impact on student achievement. Peevely and Ray (2001) studied an equity related lawsuit brought by the small rural schools in Tennessee against the state. This case was ultimately appealed to the Tennessee Supreme Court. The plaintiffs, Tennessee Small Schools System (TSSS), arguments were essentially the same as in the *Rodriguez* case, namely, school districts unable to raise large amounts of tax revenue are being discriminated against and are not being afforded equal protection under the laws of the state. Consequently, the TSSS maintained that their member school districts inability to raise sufficient revenue put them at a disadvantage. In 1993 the Tennessee Supreme Court found in favor of the plaintiffs and ruled that Tennessee's public school finance system was unconstitutional. Interestingly, the plaintiffs, when under oath, described a financing system that perpetuated the provision of unequal education. When the plaintiffs were asked to specify the harm done to the educational process, their answers became increasingly vague (Peevely and Ray 2001, p. 322). Even without explicit evidence in support of the plaintiffs claim that disparities in funding had a detrimental effect on the students, the state Supreme Court still ruled in plaintiffs favor².

In response to the decision, the Tennessee legislature created the Education Improvement Act (EIA) and the Basic Education Program (BEP). This new legislation changed the way funds were distributed to the public schools in the state. The total cost to each school district under the provisions of the new system was calculated using 42

² Question 10 of the Interrogatories asked the litigant districts to specify explicitly what detriment, if any, the substandard educational services have caused to which they replied, "with regard to students, plaintiffs, have not alleged that any particular detriment to any particular individual has been caused. Therefore, plaintiffs, cannot state what detriment these substandard educational standards have caused.

components identified as essential elements in the operation of an effective school district. The total became the equitable base allotment of funds for each district. The plan detailed that the state provide funding for 75% of all classroom components and 50% of all non-classroom components (Peevely and Ray, 2001, p. 323)³. In addition to the BEP, Tennessee lawmakers also devised a statistical analysis process called the Tennessee Value Added Assessment System (TVAAS) that would be implemented to measure school district performance. This system statistically measured the improvement of Tennessee public schools and their students under the new financing system (Peevely and Ray, 2001, p. 324).

Peevely and Ray (2001) studied the effectiveness of the new Tennessee program. Of particular interest was the performance of the 64 school districts that were not party to the original litigation. Peevely and Ray compared the educational statistics of the small schools that brought about the original suit to the non-litigant schools to determine if the new financing system narrowed the gap in student achievement. Their findings, though not quite as bleak as Coleman, et al. (1966), failed to establish a significant statistical difference in student achievement after the implementation of the new system:

Although the litigant districts with the infusion of new funds have achieved a greater degree of fiscal equity for their revenues and expenditures for educational services, this has not been the case with student achievement gain. As determined by the TVAAS methodology there really have been few changes between the two groups, and the direction of those changes were mixed. The authors are the first to note that an increase in fiscal resources does not always project into change in student achievement. However, it would have been expected that if the basic litigation was based on sound educational concerns positive change in test scores should have accrued as a result of increased resources. (Peevely and Ray, 2001, p. 331)

³ Classroom components include teachers, counselors, assistants, aids, and other professional staff. Classroom components also include textbooks, instructional materials and personnel benefits such as insurance. Non-classroom components provide resources for central office administration and support personnel, maintenance and operations, transportations of students, and capital outlay.

The litigant school districts argued the unequal distribution of funds was the reason for the significant gap in achievement between students in litigant and non-litigant districts. Peevely and Ray maintain that the litigant districts should have seen a narrowing of that gap if the sole determining factor in student achievement was funding. According to Peevely and Ray, the system created by lawmakers in Tennessee did not effect a significant narrowing of this gap.

State legislatures, for the most part, respond to court decisions that their educational finance systems are unconstitutional by seeking to develop equitable systems. If Peevely and Ray's research suggests no positive relationship between fiscal equity and higher student achievement, then what path will simultaneously lead to higher student achievement and more equity? Their research demonstrates that simply creating an equitable system of financing may not be enough. Although essential factors were identified by Tennessee lawmakers that were vital in the operation of a school district, differences across school districts were not specifically addressed in the BEP. Achieving higher student performance while at the same time promoting greater fiscal equity may mean identifying the differing needs of individual school districts.

As mentioned earlier, another dimension of equity in distribution of goods and services entails giving larger portions of those goods and services to those that can make the best use of them (Stone, 2001, p. 41). In much the same vein, Harter (1999) investigated whether allocating more funds to certain programs yielded positive gains in student performance. Harter measured the performance of 2,800 elementary schools and their 4th graders performance on the mathematics and reading sections of the 1992 Texas Assessment of Academic Skills or TAAS test. Harter states that previous research had

shown that there was a significant positive relationship between instructional spending and student achievement (p. 281). However, limited research existed that measured which specific areas needed supplemental funding. According to Harter, most academic programs in the state of Texas receive similar amounts of money. Harter argues that identifying specific areas of expenditure and their effect is beneficial to policy makers:

Classifying instructional expenditures by objective may further provide insights into the relationship between expenditures and achievement. In this study, expenditures for instruction are divided into 11 object categories that detail spending within four main categories of payroll, purchased services, materials, and supplies, and other operating expenditures. (p. 281)

Harter controlled for student potential and other environmental factors to keep her results consistent. What she found was interesting. There was a significant relationship between school expenditures and student achievement, but that relationship depended on how that money was spent. The two strongest predictors of student success, as derived from her multivariate regression analysis, were money spent to reward highly rated teachers, and providing for basic supplies and maintenance (p. 283)⁴. Harter's research demonstrates that even if districts are funded in the most equitable manner possible, there will still be variance in how the money is distributed amongst school districts, and that variance has an effect on student performance. Therefore, educational expenditures that indicate strong student performance should be identified to help lessen that variance.

Educational Adequacy

Invariably, since the *Rodriguez* decision, litigation has surrounded the exact meaning of adequacy. Does it mean adequate facilities as is the case in Wyoming, or does

⁴ Interestingly, the figures used by Harter are from the 1992 school year. In 1995 the state of Texas began to phase out its career ladder program. Consequently, the teachers that were performing at a high level at the time of the study began to lose the extra money that they were receiving from the career ladder program. It would be of use then to conduct research in this area based on the educational climate of 2001-2002.

it mean the attainment of a certain set of minimum requirements? Moran (1999) attempts to assess this question:

Immediately after *Rodriguez*, plaintiffs tended to focus on per pupil expenditures, arguing that heavy reliance on property taxes fostered excessive financial disparities between school districts. Virtually 100% of the cases emphasizing adequacy arguments were successful. Educational quality arguments represent a growing and successful trend in school finance litigation. Even in recent rulings classified as “equity cases”, the impact of school funding on student performance was seriously considered. This trend highlights a definite evolution of judicial views of educational quality as measured by standards and assessments to prove educational adequacy. (p. 41)

How then are adequacy standards put in place? As defined earlier, what is adequate for one person is not necessarily adequate for another. Most agree that all students should be as well prepared as possible to become competent, voting adults that participate in the democratic process.

Compared to equity, the notion of adequacy has recently caught policy maker’s attention. The roots of the discussion can be found in the 1980’s. At that time, a fundamental change took place in public school finance policy formation that placed a greater focus on what it meant to provide students with an adequate education. According to Koski and Levin (2000), determining what is adequate when it comes to financing public school is problematic:

Even if we can get agreement on what are adequate educational outcomes, we need to specify how they are produced. At this moment education is more an art than science in that we cannot predict precisely what conditions will produce which outcomes for a wide range of student populations. Studies that have attempted to do this even for a single subject and grade level have not shown consistent results. (p. 490)

The example of policy formation being likened to a barroom brawl is applicable here when examining how policy makers define what constitutes adequate funding. Because

adequacy is essentially a more specific type of equity, the debate over what is adequate is often times a political one that both clouds, and oftentimes invigorates the debate.

Given the language in the *Rodriguez* decision, state policy and lawmakers have wrestled with the exact meaning and implications of the term “adequate”. Does adequacy infer that there will be a predetermined amount of revenue that each school district will be thus entitled, or does adequacy mean that school funding should be based on a minimum district performance standard? Fiscal adequacy could also mean that the degree to which a district is funded is dependent upon other non-school related factors such as cost of living, number of special needs students, and transportation costs. The literature suggests that all of the above could be considered means by which educational adequacy is measured (Crampton, 2001).

Webster’s Dictionary defines adequate “1. As much as is needed for a particular purpose; fully sufficient 2. Suitable or competent.” (1980, p.12) This definition leaves a lot to be desired, and does not provide a quantifiable definition of the term. To take this idea even further, an adequate meal for an individual who weighs 100 pounds may be quite a bit different from what is adequate for someone who weighs 300 pounds. Stone (2002) describes such a dilemma in her bittersweet chocolate cake analogy when she explains:

Some of my colleagues buttonhole me when I get back to my office. This is a Political Science Department course, they say, and you should have shared in accordance with the structure of the department. The chairperson sends me a memo proposing the following division of any future cakes:

Your undergraduates: crumbs

Your graduate teaching assistant: mouthful

All other grad students: work on our research while we eat cake

Assistant professors: slivers

Associate professors: wedges

Full professors: wedges with extra frosting

Chairperson: wedge with extra frosting, and a linen napkin
(p. 40)

The formation of any type of workable definition of adequacy and its implementation is subject to win lose politics. Some groups will receive more and others less, depending on who is holding the purse strings.

Differences Between School Districts

Reschovsky and Imazeki (2001) suggest that the real reason that low performing schools do not measure up is because state policy makers do not take into account differences between the school districts:

If cost differences among schools districts were substantial, then imposing statewide student performance standards without simultaneously reforming the way financial resources are distributed among school districts will result in a situation where school districts with above average costs will not have enough resources to educate their students to meet new standards. These schools will fail, not necessarily because of their own ability to effectively educate children, but because they were provided with insufficient fiscal resources to do the job. Unless school finance formulas account for these differences in costs, school districts with high costs will face nearly insurmountable odds. (p. 375)

Adequately funding one school district may simply cost more because of different student populations. Metaphorically speaking, and once again using Stone's (2002) scenarios, some districts need more food than others (p. 41).

Identifying the factors that are to be considered in determining what constitutes adequate funding has been addressed at length in scholarly literature. Reschovsky and Imazeki (2001) detail four different approaches used to examine the connection between cost and student performance in the quest for determining adequacy. Reschovsky and Imazeki cite the work of Chambers (1981) as the first such approach. Chambers used regression analysis to identify factors outside the control of the school that require some

districts to incur higher costs, thus, the exact definition of adequate funding may be different for these districts. The factors outside the control of the school district include the racial and ethnic make up of the student populace, the cost of land, and other variables that influence the attractiveness of a particular area such as climatic conditions and crime rates (p. 377).

The second approach in determining adequacy levels that Rechovsky and Imazeki describe uses a system in which a predetermined group of school districts from around the state are identified that achieve specified levels of performance. After a minimum performance standard is determined, those school districts expenditures per pupil are measured and an adequacy standard is adopted using expenditure levels. Rechovsky and Imazeki's description takes into account that some school districts have a higher level of property wealth than others, therefore in the determination of what is an adequate level of funding, the schools with extremely high or low property wealth are excluded. This approach provides policy makers with an average of costs, but does not take into account the individual differences between school districts or the differences between specific subgroups of students.⁵

The third approach used in defining fiscal adequacy is the "expert professional judgment" model. This method employs a group of "experts" that estimate measurable levels of input that ensure educational adequacy. These groups of experts, using standard accounting methods, project the per capita student expenditures needed to purchase needed inputs such as teacher salaries, building maintenance, and supplies. Rechovsky and Imazeki note that:

⁵ In this case, subgroups of students are meant to include: Ethnicity, special needs, and other groups of students that are "at risk".

Although best suited for providing a single estimate of the average cost of education, experts can also be asked for their judgment concerning the amount of extra resources that would be required to provide certain types of students, such as those from low-income families, with an adequate education. Whether this results in credible estimates of the costs of an adequate education depends of the composition of the teams of experts and on the accuracy of their recommendations. (Rechovsky and Imazeki, 2001, p. 378)

This professional judgment plan presents a compelling set of questions involving self-interest and political power plays. To date, the only state that employs this type of method in the hope of achieving educational adequacy is Wyoming.

Per pupil cost, also known as the “whole school method” used to determine fiscal adequacy has garnered particular interest in districts with low-income students. This technique has been developed for the sole purpose of improving student performance. Proponents of this view reason that if the level of expenditure required to adequately educate each pupil can be determined for each educational program the expenditures will be distributed evenly across programs. Reschovsky and Imazeki take issue with this “whole school” method:

Although much can be learned by carefully analyzing the costs associated with successful “best practices” approaches to education, care must be taken in drawing general conclusions about the costs of education from a relatively small number of cases of effective school reform. Without knowledge about whether these “whole school” methods are transferable to a wide range of schools, it is impossible to assess the accuracy of the cost estimates based on the analysis of education in a small number of schools. (2001, p. 379)

Reschovsky and Imazeki conclude by asserting the only way financial adequacy can be achieved is by allocating more money to schools that have higher costs. Unfortunately, the “whole school method” plan faces implementation problems, particularly, stiff political resistance from lawmakers whose constituents feel their school districts are run efficiently with limited waste.

Linking Funding to Performance

. William Clune (1994) has defined adequacy as the achievement of high minimal outcomes for all students. Clune further suggests that after a set of high minimum outcomes are established, schools should identify the forms of organization, methods, and resources that are needed to achieve them. After this has been accomplished, the cost of these resources and methods can be determined. Linking funding to performance is not popular in educational circles but is oftentimes attractive to policy makers, Koski and Levin (2000) explain:

The use of adequacy as a criterion for improving educational finance is both intuitively and politically appealing, although not without considerable controversy over feasibility and details. It is attractive because it links funding to the production of high educational outcomes for all students. Indeed, it is possible to reform simultaneously the accountability systems for measuring what schools are producing, the organization and operations of schools to improve their effectiveness in reaching the high level of outcomes for which they are being held responsible. Adequacy for high minimum standards is an attractive aspect. (p.486)

Although linking minimum standards to funding is attractive to policy makers, there is always the possibility of an equal protection challenge because school districts are dealing with an unknown quantity, children.

The Politics of Adequacy

The wording in the *Rodriguez* decision made adequacy not only a local control issue, but also one that has conflicting interpretations. Much of the public discussion, as reflected in court decisions and arguments, is motivated by win lose politics. To some extent, the court decisions determine who gets more and who less money. The richer groups usually have more political power and want to protect their resources. Despite the

politics, states have attempted to do their best to establish standards that reflect a specified level of adequacy, but most of the time the equity issues in education have taken precedence. Standards can be determined and formulas established, but as long as the human element is involved, which it will most certainly be, there will be disagreement on some level. Since there will undoubtedly be varying levels of conflict between competing interests, Odden (2000) suggests that state and local policy makers should strive to establish common ground and pursue the adequacy agenda by focusing on five areas:

1. Determine an adequate spending level
 2. Finance schools rather than school districts
 3. Have schools reallocate resources to more effective strategies
 4. Change teacher compensation to pay for knowledge and skills as well as increases in student performance
 5. Create a new federal role in funding adequacy across states
- (p. 472)

Focusing on these five areas may provide policy makers needed focus in the search for a workable policy that focuses on adequacy.

Stone (2002) captures the essence of adequacy in that it does not require evenly dispersed shares of the goods and services when she explains, “End-result justice does not require the same amount of money for everyone, or the same size winter coat, but it does require a certain minimum income and wardrobe. Redistributive policy should ensure that everyone receives the basic minimum.” (p. 58) The basic minimum is at the heart of the adequacy debate. Policy formation is still difficult within this framework because definitions of what constitutes the basic minimum vary widely.

Accountability

All financing through tax dollars is political. Policy makers want to make sure that tax dollars are being spent wisely. More importantly, policy makers want to see the dollars spent on education equate with higher performance (Elmore and Fuhrman, 2001, p. 14). Measuring the effectiveness of an entire educational system can be an overwhelming prospect. On the other hand, the effectiveness of educational components can be measured. Further, the relative importance of the components can be ranked or at least sorted by level of importance. In most states core academic areas are considered to be math, reading, writing, science, and the social studies. Most states have some sort of system that measures the performance of students on standardized tests that cover core academic areas. This external accountability does not always mean that schools and teachers will change:

In many schools, individual teachers' conceptions of their own responsibility have the greatest influence over how schools address accountability issues. The big questions—Accountability to whom? For what? And how?—are answered by the accretion of the decisions of individual teachers, which are based on their own views about their capacity and that of their students, rather than by collective deliberation or explicit management decisions. (Elmore and Fuhrman, 2001, p. 11)

Teachers are especially resistant when asked to conform to standards established outside of their control. An imposed external accountability system can also be confusing to the public, to students, to schools and to school systems (Elmore and Fuhrman, 2001, p. 14). A lack of understanding and cohesion between stakeholders [e.g. parents, teachers, administration, policy makers] creates a situation, much like the finance issue, where the interpretation and implementation of accountability systems is disjointed and blurred. In

the words of Wilson (1990), establishing an accountability system is similar to the barroom brawl analogy referenced⁶ earlier.

Hyper-Rationalization and Accountability

Accountability systems are created under the assumption that the amount of education being imparted to the student populace is measurable (Feurstein, 2001, p. 109). Through the process of identifying key subject areas that indicate student achievement, individual school districts' overall performance can be measured. However, is student performance on standardized tests the only measure of a school districts' success? Feuerstein (2001) argues that narrowing curricular standards to measure school district progress by teaching to the test and sorting facts is simply not acceptable. This "banking approach" whereby students store information for the sole purpose of later withdrawal has made the memorization of facts the measure of achievement in today's public schools (p. 111).

Wise (1978) detailed a concept related to educational accountability he termed "hyper-rationalization". This concept was the result of taking rationality to its furthest limits by selecting measurable educational goals and making the school system look like a factory system (Feuerstein, 2001, p. 108). Through this factory-like approach, standards for educational goals were established and measured to learn of their effect on student performance. Hyper-rationalization in education was based on two assumptions: (1) that external, centralized authorities (such as state legislatures and school boards) could, and should develop educational policies, and that (2) efficiency should be the penultimate goal pursued through strict measures of accountability (Feuerstein, 2001, p. 108). The

⁶ See Chapter One.

downside to this centralized decision-making is that by attempting to make districts accountable, the list of educational goals becomes narrow and selective. In fact, according to Wise, other areas, such as cultural knowledge, reconstruction of society, and citizenship are not included in the accountability formula at all (Feuerstein, 2001, p. 109). The narrowing of these educational goals reflects a general lack of trust for the teachers and administrators that actually have the day-to-day task of educating the students.

Although the federal government usually takes a wait and see approach concerning state accountability, independent national studies still stir up strong support for immediate accountability. Feuerstein (2001) cites the influence of national reports that have decried the state of the United States educational systems.

This movement, dating back to the early 1970's, became the focus of public debate after the release of *A Nation at Risk* (National Commission on Excellence in Education [NCEE] 1983). This report laid out, with simple precision, the shortcomings of U.S. public schools. To fight the "rising tide of mediocrity" (NCEE) identified in *A Nation at Risk*, educators and outside groups looked for ways to improve the performance of public schools and raise test scores. In what could be described as a national state of panic, standards became the battle cry for fixing our education system and protecting the nations' status, youth, and future from the apparent assault of "smarter" children from other countries. (p. 112)

Financial inputs as proxies for educational quality lost their meaning. These studies elevated student outcomes in the performance debate. Subsequently, performance and funding became intertwined.

As stated earlier, all financing through tax dollars is political. The budget process that involves votes by political officials is where the politics most definitely play out. As long as public schools are financed with citizen tax dollars, budget debates will include arguments for more funds for the public schools, and those that push for stricter accountability within the educational system. Feuerstein (2001) sums up the struggle

between measuring a narrowed curriculum and the less quantifiable broad educational experience by explaining:

Policy makers must stop viewing education as a neutral process- a point of view that tends to support the status quo- and see it from a more critical perspective. Educators must defend public schools as indispensable to the life of the nation, because they are one of the few public spaces left where students can learn the power of, and engage in the experience of, democracy. What we are interested in, after all, are kids with standards, not standardized kids. (p. 116)

Wilson's barroom brawl analogy is applicable here again. To one degree or another, there will be those that believe student performance on standardized tests is the true measure of whether or not teachers and school districts are doing their jobs. Conversely, there will be those that agree with Feuerstein (2001) who believe that the entire educational process should be looked upon as a whole and that measuring only selected areas of student achievement should not be the penultimate goal. Such is the nature of the accountability issue, the ebb and flow of problem succession creates a situation where the policy is never truly finished.

Accountability systems are often times unclear to the public as well as the students and schools. There are those that maintain that standardized tests measure what policy makers want them to measure and that they are merely for show, and are a, "necessary evil suffered for the sake of public relations and political expediency"(Feuerstein, 2001, p. 113). According to Elmore and Fuhrman (2001) this is not the case:

Performance-based accountability systems are not based on this assumption, but on the assumption that calling attention to academic performance induces schools and the people in them to pay attention to what they do, how they teach, and what their expectations are for student learning. Moreover, they are designed to encourage schools and districts to develop the inner capabilities to improve their performance on these core functions. (p. 14)

In a sense, according to Elmore and Fuhrman, making school districts stand up and take notice of their performance is not necessarily a bad idea. Feuerstein would argue that even though the school districts might be aware of the shortcomings in their student performance, the curriculum has been narrowed to the point that the bigger picture, that of a broad based educational experience, is lost.

Public schools receive money from taxpayers. Invariably, taxpayers have a right to see evidence that their taxes are being spent to further a common good, further, that school districts are accountable for both responsible spending as well as student performance. The degree to which our schools are held accountable, and to what standards they will be held accountable is one point of contention. Publication of a districts' scores on standardized tests and assigning them a grade may be detrimental to the financing system. Systems must be established that make fair and appropriate use of standards and accountability while also establishing financing formulas that are more equitable and adequate.

Policy Alternatives

Equity, adequacy, and accountability are the cornerstones upon which the school finance debate is anchored. Formulating consensus on any one issue is difficult. Combining the issues into an amalgam broadens the scope of policy alternatives, especially in the state Texas. The fourth issue that shapes the public school finance debate concerns the exploration of policy alternatives. Although the Texas state legislature seems reluctant to make any overreaching changes in the 2003 legislative

session, considerable attention has been paid to the school finance debate (Ratliff, 2002, p. 2). Lieutenant Governor Bill Ratliff and Speaker Pete Lehany were selected to chair the Joint Select Committee on Public School Finance. This committee's charge is to address the conundrum facing the state with regard to the way it finances its public schools. The creation of the recapture clause in Chapter 41 of the Texas Education Code has provided a more equitable, and constitutional, system of financing Texas public schools, but school districts that must forfeit funds are beginning to feel the pinch (CAN, 2002, p. 1).

Policy alternatives that have been implemented in other states include a state property tax, as is the case in Vermont. The creation of such a tax in Texas would be problematic because it would require an amendment to the state constitution.⁷ Additionally, other states have implemented a state income tax, a portion of which helps fund the public schools. This too, would require a constitutional amendment.

Conceptual Framework

This chapter has highlighted the key issues surrounding school finance policy. These issues, equity, adequacy, accountability in addition to policy alternatives are used to organize inquiry into the perceptions of Texas school district officials about school finance. Table 2.1 summarizes the conceptual framework and links the key categories to relevant scholarly literature.

⁷ Senate Bill 351 was ruled unconstitutional because it was considered a state property tax, expressly prohibited by the Texas constitution.

Table 2.1: Descriptive Categories of the Key Issues That Shape the School Finance Debate

Category	Literature
<p><u>Equity</u> *Equal Protection *Recapture *Property Tax *Equalization Grants</p>	<p>Texas Education Code, 2001 Picus, 2000 <i>Edgewood v. Kirby</i>, 1989 <i>San Antonio v. Rodriguez</i>, 1973 Burch, 2001 Herrington, 2001 Elhav, 1998 Peevely, 2001 Alexander, 1998</p>

<p><u>Adequacy</u> *Fiscal *Staffing *Educational *Linking spending to achievement</p>	<p>Reschovsky, 2001 Picus, 2000 Herrington, 2001 Odden, 2000</p>
<p><u>Accountability</u> *Standards/TEKS *Positive Outcomes *Organizational Structure *Standardized Tests *Financial Rewards *Reconstitution</p>	<p>Feurstein, 2001 VanKeuren, 2000 Elmore, 1999</p>
<p><u>Policy Alternatives</u> *Indicator Measurement *State Income Tax *More state contribution *State property tax</p>	<p>Hy, 2000 Elhav, 1998 Ratliff, 2001</p>

Fiscal Equity

Current literature suggests that the school finance issue has evolved. Herrington and Weider (2001) suggest that there are three distinct waves of school finance litigation, the first of which was primarily concerned with forcing fiscal equity through federal court (p. 519). In its most basic definition, as detailed upon by Justice Powell in his majority opinion (*San Antonio v. Rodriguez*, 1973), equity across school districts means providing enough revenue to ensure an adequate education. The second wave of school finance litigation focused entirely on state constitutions. Decisions concerning the equity issue contained in *Rodriguez* led supreme courts in such states as Texas to find state school finance systems unconstitutional (*Edgewood v. Kirby*, 1989). Herrington and

Weider (2001) explain, “The reliance on local funding has led to striking inequities in funding among districts with greater and lesser property wealth. Since the 1960’s, the country has seen repeated attempts to address these inequities through litigation.” (p. 519).

Litigation was now focused on the equal protection clause contained within individual state constitutions. School districts with low property wealth maintained that their rights under their state constitutions were being violated (*Edgewood v. Kirby*, 1989). Another vital aspect of the equity issue is revenue redistribution or “recapture” of local property taxes. Recapture is the most disputed element of the equity debate. Elhav (1998) explains that the recapture provision is not necessarily unfair. He further maintains that implementing a system of equalization grants, “Does not mean that every district would end up with the same per pupil amount, rather, across districts, student with similar needs would receive equal per-pupil grants” (p. 206). Elhav (1998) concludes by stating that equalization grants, as implemented in the Canadian province of Alberta in 1961, are most effective when a majority of the revenue is redistributed through state or provincial governments (p. 207).

In addition to distributing funds equitably across school districts, there has been considerable debate concerning the notion of providing property tax equity for citizens. Evidence brought forth by the plaintiffs in *Rodriguez* (1973) demonstrated the inequities of the tax burden that existed between the Edgewood and Alamo Heights Independent School Districts. Baker (2001) envisions a system in which property is taxed in a different manner that would promote equity (p. 439). This system would give citizens a

choice of paying the local property tax, or two-percent of their income in its place (p. 440).

Adequacy

The third wave of educational finance litigation utilized another portion of the *Rodriguez* (1973) decision to justify its own means. Again, Herrington and Weider (2001) detail this third wave:

The third wave of school finance litigation, which began in 1989, has been characterized by challenges based on the adequacy of funding for education. They have generally focused on violations of the state constitution based on the direct application of the education article in state's constitutions and on whether the finance system provides adequate funds to meet the state constitution's guarantee. (p. 520)

New avenues into the litigation arena beg the question; what constitutes an adequate education? Reschovsky and Imazeki (2001) suggest that adequacy can only be achieved if policy makers realize that the specific amount of money needed to adequately educate a child is not the same for each school district (p. 375). The authors further postulate that if these differences are not addressed, school districts with high costs will fail because they are not able to provide adequate staffing. Reschovsky and Imazeki (2001) continue their discussion by identifying factors that influence educational adequacy such as the number of students from low-income families and those with limited English proficiency, as well as overall school district enrollment (p. 383). Their findings suggest that a value added formula incorporating significant indicators of student success would justify that the student's education is adequate. Odden (2000) suggests that a good first step in determining both fiscal and educational adequacy is to link spending to a level of student

performance (p. 470). Linking spending to performance can give policy makers a baseline from which to begin to define adequacy in their own respective states.

Accountability

Although indirectly linked to school finance, accountability systems in place in most states create a measure with which policy makers and the general public can objectively view an individual districts performance. Taxpayers and politicians want to see if the dollars that they are allocating are being used efficiently, and more importantly that they are getting the desired results; that being higher achieving students. Feuerstein (2001) argues that developing strict academic standards are simply a “Battle cry for fixing our education system and protecting the nation’s status, youth, and future from the apparent assault of smarter children from other countries” (p. 110). Feuerstein also argues that school districts simply comply so that they will gain greater financial support (p. 110). Governors and legislators alike tend to view increases in student scores on standardized tests as a positive outcome of instituting uniform standards. Perhaps the issues surrounding revenue allocation described earlier have a direct impact on accountability. Picus (2000) maintains that there is a need to investigate whether school system organizations are to blame for both revenue mismanagement and low student achievement, ”We also need to know if different organizational structures lead to greater gains. We need a better understanding of the relationship between organizational structure, resource use, and student achievement” (p. 78). Elmore and Fuhrman (2001) argue that strict accountability systems that emphasize standardized tests can be a double-edged sword.

Furthermore, the distribution of rewards and sanctions within a given accountability system often raises unanticipated problems in schools' responses. For example, teachers often say that they don't have the capacity or responsibility for student learning in systems where consequences of accountability fall on students but not on schools. Likewise, teachers often say they have little leverage over students in systems where consequences fall mainly on the schools. (p. 13)

One remedy for low performing schools is the process known as reconstitution. This radical change in thinking requires all teachers and educators to resign and reapply for their jobs under a new, district-selected administrator. Many schools that have been subject to reconstitution are in low-income areas. As mentioned previously, Reschovksy and Imazeki (2001) suggest that it is more expensive to educate students that have special needs or are at-risk. If schools that have high populations of special needs and at-risk students are subject to the same accountability system that wealthier schools in the same district are, yet receive equivalent funding, then the deck is stacked against them

Policy Alternatives

As detailed by Stone (2002) there are always new and different ways of approaching a specific dilemma, the school finance debate is no different. As explained earlier, individual states are responsible for creating systems that finance their public schools. Each state has the freedom to develop its own methods of providing revenue for their schools. Texas school districts are attempting to find new ways to generate revenue. Districts are constrained in their efforts by the current property tax ceiling for school districts is \$1.50 per \$100 of assesses property value (Texas Education Code). This amount doesn't include maintenance or building costs. Texas lawmakers have examples from other states that have faced similar situations. Implementation of a state income tax would, indeed, generate more revenue. Texas lawmakers are weary of the public fallout

that passing such a measure would create. This is why it is important to measure the perceptions of Texas school district officials regarding this alternative.

Elhav (1998) posits that a more generous state contribution or reallocation of tax dollars may be beneficial to public schools (p.207). Additionally, Elhav (1998) cites an alternative the province of Alberta developed in 1994 that focused on redistributing property tax revenue. This revenue was collected and placed in a provincial fund (p. 216). The province is also working on “Phasing in a uniform education tax rate and distributes education funds to school districts under the same criteria, regardless of the wealth of the local community” (Elhav, 1998, p. 216). Although such an alternative may be difficult to implement in a state as large as Texas, it would eliminate the need for school districts to grapple with the options for recapture within Chapter 41.

Conclusion

This chapter discusses the three issues that shape the public school finance debate. Forming a policy that is acceptable to all parties within this debate is difficult. Issues such as equity, adequacy, accountability, and alternatives to current policy are all parts of the larger whole that is the debate over school finance. This chapter also uses the three key issues in the school finance debate to create a conceptual framework in which each issue is examined through its component parts and linked to relevant scholarly literature. The following chapter explains the research setting as it relates to the state of Texas and the history of public school finance in the state.

Chapter 3

Public School Finance in Texas

The purpose of this chapter is to examine how the school finance question has been addressed by the state of Texas. *San Antonio v. Rodriguez (1973)*, the first school finance litigation successfully brought before the United States Supreme Court began in Texas. As described in the introduction, the *Rodriguez* decision placed the responsibility

of providing funding for public schools squarely in the hands of the states (*San Antonio v. Rodriguez, 1973*). Due to the sheer size of the Texas, considerable attention has been paid to its school finance system. The first portion of this chapter describes the history of school finance in Texas from the adoption of the Texas State Constitution of 1876 to the *Rodriguez* decision in 1973. The second section of this chapter describes the steps taken by the Texas courts and the legislature in crafting a school finance system that was consistent with the wording of the Texas State Constitution. Thirdly, this chapter provides an overview of the system that has been in place in Texas since 1993. The chapter concludes by presenting a working hypothesis regarding the perceived effectiveness of Chapter 41 of the Texas Education Code.

Early Texas School Finance Legislation

Any school finance reform in Texas must adhere to the provisions of Article VII, section 1 of the Texas Constitution that was adopted in 1876. Article VII, section 1 requires that the state finance public schools in an “efficient” manner. The exact meaning of the term “efficient” would set the stage for later challenges to the state school funding system.⁸

The state legislature first grappled with the school finance issue in 1947 when a special committee was formed to suggest ways that the state school finance system may be reformed. Two years after this committee convened, legislation was proposed and subsequently passed that created Senate Bills 115, 116, and 117. These three bills

⁸ Article VII, section 1 of the Texas State Constitution that adopted in 1876 provides: “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.”

together were known as the Gilmer-Akin Act. (Ratliff, 2001, p. 1). This Act represented the first attempt by the Texas legislature to equalize state aid to school districts. Lt.

Governor Bill Ratliff, in an op-ed piece that appears on the web site of The Senate of Texas⁹ explains why this legislation warrants attention:

Opponents called the proposals communist or fascist, and the House Education Committee held the first all-night committee hearing in state history to take public testimony. But perhaps the most lasting legacy of the Gilmer-Akin Act is the two concepts that remain the core of equalization today, equity for students and equity for taxpayers. (2001, p. 1)

Even after fifty years the issues of equity and adequacy are similar to those that face policy makers today. As cited earlier, these issues are the “permanent problems” of which Wildavsky (1979) speaks.⁹

In the years after the Gilmer-Akin Act was passed, there was little change in the method Texas public schools were financed. In 1971 a group of small property poor school districts sued the state on the grounds that the current school finance system discriminated against poor students because even the highest taxes could not possibly raise the required revenue for the poor school districts to approach that of the wealthy districts (*San Antonio v. Rodriguez*, 1973). Although a Federal Court of Appeals found in favor of the plaintiffs, the case was eventually argued before the United States Supreme Court. The court found in favor of the state of Texas and insisted that it was the duty of the states to determine how schools would be financed, not the federal courts.

In response to the *Rodriguez* ruling, the Texas legislature created the Foundation School Program and created a second program called Equalization Aid that was intended to increase school spending in property-poor school districts (CAN, 2002, p. 2). As

⁹ See Wildavsky’s description of the formation of public policy in Chapter 1.

property values continued to rise, however, the gap between property poor and property rich school districts also widened.

Texas School Financing After *Rodriguez*

A group of small property poor schools brought another suit against the state of Texas in 1987 and won a favorable decision from a state court that ordered the Texas legislature to create a more equitable funding system (Ratliff, 2001, p. 2). The suit known as, *Edgewood v. Kirby*, reached the Texas Supreme Court on appeal in 1989. The court found that the entire Texas school finance system was unconstitutional ruling that it was not “efficient”. The court noted that there were vast disparities in spending between school districts and that the framers of the Constitution of 1876 could not have possibly imagined this particular scenario. The Texas Supreme Court reasoned that within the context of the modern times the definition of “efficient” must convey the meaning of effective and productive as well as resourceful (*Edgewood v. Kirby, 1989*). The court further charged Texas lawmakers to design a new system of financing public schools. The Texas Supreme Court is not responsible for the creation of laws, they are charged with the duty of interpreting the constitutionality of laws. The court was mindful of this need for the separation of powers when it stated:

Although we have ruled the school financing system to be unconstitutional, we do not now instruct the legislature as to the specifics of the legislation it should enact; nor do we order it to raise taxes. The legislature has primary responsibility to decide how best to achieve an efficient system. We decide only the nature of the constitutional mandate and whether that mandate has been met. (*Edgewood v. Kirby, 1989, p. 5*)

The Texas legislature was put on notice to design a new system of financing public schools by the beginning of the next school year or the schools would not have the money to open.

After four special sessions the Texas legislature passed Senate Bill 1 in the summer of 1990 (Ratliff, 2001, p. 2). This new legislation added more equalization funds to property poor school districts. Senate Bill 1, in the eyes of property poor school districts, did not narrow the fiscal disparities enough; as a result, they sued again and won their case in state district court (CAN, 2002, p. 2). The Senate went to work following this latest defeat and crafted Senate Bill 351 the next year, it too was ruled in violation of the Texas Constitution (CAN, 2002, p. 2).¹⁰ The legislature was forced to go back to work again.

The Advent of “Robin Hood”

When the legislature returned for a special session to hammer out a new plan to replace Senate Bill 351, they gave birth to Senate Bill 7, a new plan that came to be known as “Robin Hood”. The new plan created by the legislature was an amendment to Chapter 41 of the Texas Education Code (CAN, 2002, p. 3). Senate Bill 7 ensured relatively equal funding for school districts by redistributing some funds from property rich school districts to property poor school districts. Additionally, the bill also set up a property tax cap of \$1.50 per \$100 of valuation (Chapter 41, Texas Education Code)

Senate Bill 7 gave property rich school districts five options from which to choose when faced with the prospect of exceeding the state defined \$300,000 per Weighted

¹⁰ Senate Bill 351 created new, consolidated school taxing districts, mainly drawn on county boundaries, that would significantly reduce the variation in property values across districts.

Average Daily Attendance threshold.¹¹ These five options available to school districts that must give up funds for “recapture” are detailed in Table 3.1:

¹¹ The Texas Education Code defines WADA as the number of students in weighted average daily attendance, which is calculated by dividing the sum of the school district’s allotments under Subchapters B and C, less any allotment to the district for transportation, any allotment under Section 42.158, and 50 percent of the adjustment under Section 42.102, by the basic allotment for the applicable year.

Table 3.1
Options for School Districts Subject to Chapter 41 of the TEC

Consolidation by Agreement	Two or more districts may consolidate in order to create a new district with property wealth per pupil of less than \$300,000 per weighted average daily attendance (WADA).
Detachment and Annexation by Agreement	Two or more districts may agree to detach property from one school district and attach it to one or more school districts. The wealth of the district from which property was detached may not exceed \$300,000 per WADA. The wealth of any district to which property was attached may not exceed \$258,100 per WADA.
Purchase of Attendance Credits	A district with wealth per WADA above the statutory threshold may purchase attendance credits from the state. One attendance credit is equal to one student in WADA.
Contract for Education of Nonresident Students	A district with wealth above the equalized level may enter into an agreement with a qualifying district to pay the cost of educating students in that district. The paying district provides the receiving district with revenue per weighted pupil equal to the amount spent in the paying district. Weighted pupils from the receiving district are added to the paying district's student count. Under this option, the state deducts the average entitlement from the receiving district, and any excess funds from the sending district are left for the receiving district.
Tax Base Consolidation	Two or more districts may create a consolidated taxing district for the maintenance and operations of the two school districts. The new taxing district may not have a property wealth per pupil above the equalized level.

The options outlined in the table above were found to be constitutional upon review by the Texas Supreme Court in 1995 (Ratliff, 2002, p. 2).

Unforeseen Impacts

Although crafted to narrow the gap between property rich school districts and property poor school districts, Chapter 41 has recently come under fire. Over the last four years it has become clear that districts with high property wealth can still have a relatively poor population. CAN Community Assessment cites school districts such as

Austin and Manor Independent School districts as examples of school districts that suffer considerable losses due to Chapter 41 yet still have relatively high levels of poverty.

(2002, p. 3).

Texas legislators still struggle with the same issues that were of importance to the committees formed in 1949 that drafted the Gilmer-Akin Act. Lt. Governor Bill Ratliff and House Speaker Pete Laney were selected to chair the Joint Select Committee on Public School Finance late in 2001. This committee is charged with exploring ways of reforming the current school system in Texas and will, no doubt, face the same “permanent problems” that have been present in the school finance debate for over fifty years.

Chapter 41 of the Texas Education Code

Since its implementation in 1993, the recapture clause of Chapter 41 of the Texas Education Code has been used to redistribute tax dollars from property wealthy school districts to property poor school districts. The number of school districts subject to the provisions in the statute has grown to over 100 districts in 2002. Since some districts are losing money as a result of the statute, and others are gaining money it seems as though there will be differences in opinion between districts that are subject to Chapter 41 and those that are not, therefore:

W.H. 1: Given the difference in experience between property rich districts and property poor school districts, there is a difference in how school district officials perceive the effectiveness of the Chapter 41 provision of the Texas Education Code.

Measuring the perceptions of school district officials concerning the effectiveness of Chapter 41 has not been addressed in scholarly literature. However, the issues expounded upon by Peevely and Ray (2001) are similar to those faced by Texas school districts today. As detailed in their study, the Tennessee Small School System (TSSS) brought about equity litigation charging that the larger, wealthier, schools in Tennessee were able to allocate more funds without increasing the tax burden on citizens (p.320). Peevely and Ray (2001) found that after the TSSS won the suit and received significantly more revenue from the state their student achievement did not increase significantly (p. 331).

Table 3.2 links the working hypothesis to scholarly literature that addresses similar issues as those detailed by Elhav (1998), Peevely and Ray (2001), and Ratliff (2001).

Table 3.2: Perceptions of Texas School District Officials: Effectiveness of Chapter 41 of the Texas Education Code

Working Hypothesis	Sources
<p>WH: Given the difference in experience between property rich districts and property poor school districts, there is a difference in how school district officials perceive the effectiveness of Chapter 41 of the Texas Education Code.</p>	<p>Elhav, 1998 Peevely and Ray, 2001 Ratliff, 2001</p>

Conclusion

This chapter has described the history of the public school finance debate in the state of Texas. Several attempts have been made since the Gilmer-Akin Act of 1949 to provide for a more equitable and, as the Texas Constitution states “efficient”, manner with which to finance public schools. Senate Bill 7 was acceptable to the Texas Supreme Court and outlines the process by which property wealthy school districts will forfeit funds to property poor school districts. This chapter also presented a working hypothesis that links relevant scholarly literature to the hypothesis.

Chapter 4

Research Methodology

This study describes and elaborates on the three key issues that shape the current school finance debate. The study also examines alternatives to current public policy. Further, this study examines the attitudes of Texas school district officials concerning those three aspects of the school finance debate. Finally, the study hypothesizes that, given the difference in experience between Chapter 41 school districts and non-chapter 41 school districts; there will be a difference of opinion between the two concerning the effectiveness of the statute. This chapter discusses how survey research was used to gather the perceptions of Texas school district officials concerning equity, adequacy, accountability and policy alternatives. The chapter also explains the rationale behind, and construction of, the survey instrument.

Operationalization of the Conceptual Frameworks

The survey items were created using the descriptive categories of equity, adequacy, accountability, and policy alternatives and are operationalized using the conceptual framework. The items on the instrument are first broken in to four categories that mirror the descriptive categories that make up the first conceptual framework. The first two descriptive categories contain questions that address the issues related to past and current school finance reforms and litigation. Each category contains methods that are currently, or could soon be, implemented in addressing both the equity and adequacy components of public school finance discourse. The third descriptive category contains

questions that address the issues that effect systems of accountability for public schools. It is important to understand the attitudes of Texas school district officials concerning accountability systems since current literature suggests that attitudes toward statewide accountability systems vary greatly (Elmore and Fuhrman, 2001, p. 14). The fourth descriptive category explores the methods by which states and school districts can create additional revenue for the public schools. Alternative methods of resource allocation and the creation of new taxes are both possibilities.

Items on the survey instrument addressing the perceptions of Texas school district officials concerning the effectiveness of Chapter 41 of the Texas Education Code were created through analyzing current literature within the working hypothesis conceptual framework. Tables 4.1 and 4.2 specify the operationalization of the descriptive categories and the working hypothesis.

Table 4.1: Operationalization of the Descriptive Categories
Linking the Conceptual Framework to the Survey Instrument

Category	Questionnaire Item
<p><u>Equity</u> *Equal Protection *Recapture *Property Tax *Equalization Grants</p>	<p>1. Fiscal equity means allocating the same amount of funds to all schools in a school district. 2. Our school district offers the same level of educational opportunity for all students. 3. Delivering educational services can cost more at one school than at another. 4. Our school district allocates funds equally among all schools. 5. Disparities in fiscal resources have a negative effect on students in property poor school districts. 6. Our school district is able to raise enough revenue to fund our schools through local property taxes</p>
<p><u>Adequacy</u> *Fiscal *Staffing *Educational *Link spending to achievement</p>	<p>7. Our school district provides an adequate education for all students. 8. Our district has identified schools in the district that perform at an adequate level. 9. School districts should have an established set of criteria that defines an adequate education. 10. An adequate education for a rural student is different than an adequate education for a suburban child. 11. Our school district has an adequate number of personnel in core teaching areas.</p>
<p><u>Accountability</u> *Standards/TEKS *Positive Outcomes *Organizational Structure *Standardized Tests *Financial Rewards *Reconstitution</p>	<p>12. State established standards drive our districts curriculum. 13. State implemented achievement tests are the most important tool in assessing the performance of a school district. 14. School districts should be financially rewarded for improved student performance. 15. TEA rankings are important to our district. 16. Our school district has appropriate accounting measures at the school level. 17. Our school district is able to track funds and assess the effectiveness of the funds at each school. 18. Our teachers take advantage of training at Educational Service Centers. 19. Our district measures both financial inputs and achievement outcomes. 20. The new TAKS test will be a greater measure of student learning than the outgoing TAAS test. 21. Continually low performing schools should be reconstituted</p>
<p><u>Policy Alternatives</u> *Indicator Measurement *State Income Tax *More state contribution *State property tax</p>	<p>22. Implementation of a state income tax would help alleviate fiscal inequity among school districts. 23. Implementation of a state property tax would help alleviate fiscal inequity among school districts. 24. School districts with a greater proportion of special needs students should be allocated more tax dollars from the state. 25. Indicators of strong student achievement should have more funds allocated to them.</p>

Table 4.2 Operationalization of the Working Hypothesis: Effectiveness of Chapter 41 of the Texas Education Code

<p>W.H: Given the difference in experience between property rich districts and property poor school districts, there is a difference in how school district officials perceive the effectiveness of Chapter 41 of the Texas Education Code.</p>	<p>26. Chapter 41 offers enough options for property rich school districts. 27. Allocating equal funds to all Texas school districts would eliminate the need for Chapter 41. 28. The recapture clause of Chapter 41 has had a positive effect on overall student achievement. 29. Non-residential property taxes should be eliminated from the Chapter 41 equation. 30. School districts that are labeled as “Acceptable” or “Low Performing” by TEA, yet are subject to Chapter 41, should be allowed to keep a portion of the revenue they would otherwise forfeit.</p>	<p>Elhav, 1998 Peevely and Ray, 2001 Ratliff, 2001</p>
--	--	--

The responses on the survey are based on a likert scale. The scale categories are strongly agree, agree, neutral, disagree, and strongly disagree. These responses were also coded from 2 to -2 for data-entering purposes where 2 represents Strongly Agree, and -2 Strongly Disagree. Calculating the means of the respondent’s answers to the survey items using these codes can indicate general agreement or disagreement among the respondents. Responses were used to explore the attitudes of Texas school district officials. The first set of survey items concerns the three school finance issues combined with policy alternatives to create the first conceptual framework. The last set of questionnaire items were designed to measure if there was a significant difference in opinion concerning the effectiveness of Chapter 41 between districts that are subject to the statute, and those districts that are not.

Survey Research

Survey research was appropriate for this study because it allowed for the collection of representative data from a large sample of school districts from across the

state of Texas. The survey instrument for this study was constructed by analyzing relevant scholarly literature that addressed equity, adequacy, and accountability issues within the context of the school finance debate. These three key issues, along with policy alternatives, constitute the descriptive categories within the conceptual framework that was used to construct the survey instrument. The self-administered survey was sent electronically to one hundred Texas school district superintendents and assistant superintendents. The method of electronic delivery was via a web site created using the survey service www.surveymonkey.com. Using this service allowed the researcher to gather data in a timely and efficient manner while minimizing costs.

For analysis of the survey, responses are reported in percent and mode. Response means are calculated to determine general consensus, or lack thereof, among Texas school district officials. After the results of the survey are reported on the larger sample, respondents are stratified into two categories: School districts that are subject to Chapter 41 of the Texas Education Code, and school districts that are not. Survey items that correspond to the second conceptual framework, the working hypothesis, will measure agreement through the use of percent, mode, and response means.

Advantages of Survey Research

There are strengths and weaknesses associated with social research methodologies. Understanding these distinct strengths and weaknesses allow the researcher to determine the best method to use for data collection and analysis. This research project uses the self-administered questionnaire as the method of data collection. Babbie (2001, p. 268) states that the use of these self-administered questionnaires makes

large samples feasible. Another advantage, according to Babbie is that, “Many questions may be asked on a given topic, giving you (the researcher) considerable flexibility in you analysis (2001, p. 268). Survey research is appropriate for this project due to the oftentimes confusing and contradictory nature of the school finance debate. Addressing the broad scope of elements around which the debate centers allows for a better general understanding of the perceptions of Texas school district officials.

Disadvantages of Survey Research

One concern of Babbie (2001) is that questionnaires ask respondents to answer direct or standardized questions that do not represent the fullness of the topic or the broad overtones of the subject matter (p. 268). Babbie continues his explanation by stating, “By designing questions that will be at least minimally appropriate to all respondents, the researcher may miss what is most appropriate to many respondents” (2001, p. 268). This is why the development of a strong conceptual framework, based solidly on current scholarly literature, is necessary for these types of studies.

Target Population

Superintendents and assistant superintendents of Texas public schools were selected as the unit of analysis for this research study. High-ranking school district officials are responsible for the overall operation Texas school districts. Since funds are directed from the state to the local school districts, and also collected at the district level through property taxes, it is prudent to select officials for this study that are most familiar with the gathering and distribution of funds within the school district.

Sampling Technique

For the purpose of this research, a suitable and representative sample had to be obtained. Simple random sampling would not be appropriate for this study. By using simple random sampling, there would be the possibility that the research sample would contain only small, property rich or property poor school districts, thus the study would not reflect the attitudes of Texas school district officials that are responsible for the education of a majority of students in the state.

The most appropriate sampling technique for this study is quota sampling. Quota sampling requires that a sample be selected non-randomly according to some fixed quota. More specifically, non-proportional quota sampling was the sampling technique chosen for this study. In this method:

You specify the minimum number of sampled units you want for each category. Here, you are not concerned with having numbers that match the proportions in the population. Instead, you simply want to have enough to assure that you are able to talk about even small groups in the population. This method is the non-probabilistic analogue of stratified random sampling that is typically used to assure that smaller groups are adequately represented in the sample.
(www.trochim.human.cornell.edu)

The sample population for this study was 100 Texas school district officials. The 30 largest school districts statewide were automatically included in the quota sample because these school districts serve the most students, therefore, have a majority of the influence in major policy decisions. The remaining 70 districts were sampled randomly.

For the purpose of creating two distinct sample groups of school districts the following criteria was implemented: School districts with a student population of more than 10,000 students would be group one. School districts that had fewer than 10,000 students would be group two. Dividing the districts into smaller subgroups was not

feasible for this study because of the difficulty in obtaining a sample that was large enough to evaluate using inferential statistics.

Conclusion

The purpose of this chapter was to detail the specific research methodology that would be used to conduct this research study. The chapter details how the conceptual frameworks were operationalized and how the findings would be analyzed and reported. The following chapter reports the results of the study.

Chapter 5

Results of the Study

Introduction

The purpose of this chapter is to present the findings of the study. The questionnaire was created using current scholarly literature and the descriptive categories of equity, adequacy, accountability, and policy alternatives contained within the first conceptual framework. The questionnaire was also created using the working hypothesis that addressed the effectiveness of Chapter 41. The interpretation of the evidence collected from the survey instrument will be discussed in this chapter.¹² A summary of the survey results and suggestions for additional research will be provided in the concluding chapter.

Equity

As previously discussed, there are many dimensions of equity. Over time, the definition of the term has changed and the politics of the equity challenge have both clouded and invigorated the public discussion. The first purpose of this research project was to elaborate upon the three key issues that drive the public school finance debate in addition to exploring various school funding policy alternatives. The elements of equity, adequacy, and accountability were described, at length, in the review of the literature.¹³

The second research purpose was to describe the attitudes and opinions of Texas school district officials concerning the three key issues and policy alternatives. Table 5.1

¹² For data summary findings for the sample as a whole, see Appendix C.

¹³ See Chapter 2, Review of the Literature

provides the summary descriptive statistics for the responses provided by Texas school district officials concerning fiscal equity. Responses of Strongly Agree and Agree are combined to show a percentage of general agreement among respondents. The mode and mean of the survey responses for each questionnaire item are also presented.

Table 5.1

Descriptive Summary Statistics for Texas School District Officials: Fiscal Equity N=45			
	% Strongly Agree and Agree	Mode	Mean
Fiscal equity means allocating the same amount of funds to all schools in a school district	25%	Strongly Agree	-.24
Our school offers the same level of educational opportunity for all students.	76%	Agree	+ .89
Delivering educational services can cost more at one school than another.	98%	Strongly Agree	+ 1.53
Our school district allocates funds equally among all schools.	43%	Disagree	+ .04
Disparities in fiscal resources have a negative effect on student achievement in property poor school districts.	70%	Agree	+ .96
Our school district is able to raise enough revenue to fund our school through local property taxes.	20%	Disagree	+ .84

As referenced in the review of the literature, Peevely and Ray (2001, p.331) and Stone (2002, p. 41), maintain that any distribution can be problematic and politically debatable. The survey questions in Table 5.1 were derived from current literature that examines the many aspects of the equity debate.

Over 70 percent of the respondents agreed that fiscal equity across school districts does not mean distributing the same amount of funds to each school district. Almost 80 percent of the respondents also agreed that their school district provides the same level of educational opportunity. Interestingly, almost all respondents agreed that the delivery of educational services can cost more in one school than another. Oddly, these same respondents were virtually split on whether or not their district distributed

funds equally to all schools. It seems that there is a contradiction if the respondents agreed that it is more expensive to deliver educational services in different schools, yet almost half of the respondents felt that funds were distributed equally across their school district. This finding could also imply that these school district officials understand that it could cost more to educate some students, but the district is unable, or unwilling to do so.

Early champions of the school finance debate argued that fiscal inequity was to blame for low student achievement. Over 80 percent of the respondents in this study agreed that fiscal inequities have an overall negative effect on student achievement. Additionally, respondents disagree with the statement that they are able to raise sufficient property tax revenue to support their public schools.

Adequacy

As the school finance debate developed, as detailed in the review of the literature, litigation began to focus on what it meant for school districts to provide fiscal adequacy and educational adequacy. Table 5.2 details the questionnaire items dealing the adequacy issues.

Table 5.2

Descriptive Summary Statistics For Texas School District Officials: Educational Adequacy N=45			
	% Strongly Agree/ Agree	Mode	Mean
Our school district provides an adequate education for all students.	82%	Agree	+ 1.07
Our school district has identified schools within our district that perform at an adequate level.	82%	Agree	+ .96
School districts should have an established set of criteria that defines an adequate education.	87%	Agree	+ 1.07
An adequate education for a rural student is different than an adequate education for a suburban student.	25%	Disagree	- .4
Our school district has an adequate number of personnel in all core teaching areas.	69%	Agree	+ .66

Over 80 percent of the respondents indicated that they felt as though their district was providing an adequate education for their students. Additionally, over 80 percent of the same respondents agreed that their school district had identified schools that perform at an adequate level. One question that could be asked, however, is what standards the respondent school districts used to make this determination? Was a particular model or criteria used in the determination? It would have been appropriate to ask follow up questions asking the districts to identify the educational components that make up an adequate education. It would also be beneficial to ask school district officials how an adequacy standard was established for a particular educational component. Almost 80 percent of all respondents indicated that school districts should identify specific components that make up an adequate education. The review of the literature in Chapter 2 details how scholarly literature has attempted to define adequacy.¹⁴

¹⁴ See: Reschovsky and Imazeki (2001) and Koski and Levin (2000)

Although scholarly literature has identified the need to spend more money on students with special needs, especially in the inner city (Moran, 2000) a majority of the respondents in this study did not agree that an education for a rural student was different than the education for an urban student. This finding runs contrary to the argument presented by the Tennessee Small School System described in the review of the literature.

Moran (2000) argued that more qualified, and certified, teachers needed to be hired across the board. This study found that almost 70 percent of the respondents felt that they had adequate personnel in place in the core teaching areas.¹⁵

Accountability

Stone (2002) explained, all distributions boil down to whom gets what (p. 39). In the distribution of school funds, policy makers have implemented accountability systems to measure the performance of school districts to help determine if the funds are being used in the most effective manner. School districts and state policy makers are often at odds about the nature of these accountability systems (Feuerstein, 2000). The questionnaire items listed in Table 5.3 measure the attitudes of Texas school district officials regarding several aspects of accountability. Once again, the questionnaire items are tied to the conceptual framework and supported through the study of scholarly literature.

The curriculum standards for the State of Texas are the TEKS (Texas Essential Knowledge and Skills). These TEKS, until the year 2002, were measured using the Texas Assessment of Academic skills or TAAS test. Because there is a state mandated test, it is not surprising that 89 percent of the respondents agreed that their curriculum is tied to the

¹⁵ The core teaching areas consist of Math, Science, Social Studies, and English/Language Arts.

state established standards. Interestingly, over half of the respondents disagreed that state mandated tests are the best measure of assessing the performance of a school. In the big picture, school district officials know they are responsible for teaching the standards, but may believe that there are other measures of performance that are not addressed within the confines of the standardized test.

Each year the Texas Education Agency publishes its rankings of public schools. These results are made public and are usually generate considerable media attention. Given this fact, it is not surprising that over 90 percent of the respondents agreed that TEA rankings were important to their district. With the advent of the new Texas Assessment of Knowledge and Skills or TAKS test, school district officials have been put on notice that their TEA rankings may be negatively affected due to the increased difficulty of the test still. A majority of respondents felt that the new test would be a better measure of student learning than the outgoing TAAS test. For districts whose performance increases, however, there are no monetary rewards. In this study, a majority of public school officials agreed that schools that increase their performance should be rewarded.

Accountability for the distribution of funds within a school is also important (Harter, 1999). Over 80 percent of the respondents agreed that their school and districts had systems in place that were appropriate for tracking funds both received from the district and distributed within the school. Additionally, almost 70 percent of the respondents were in agreement that their districts were able to track funds provided for certain academic programs and link those funds to student performance.

Some accountability systems include the concept of reconstitution. Reconstitution is the process whereby continually low performing schools have their entire staff resign along with the administration. Next, the school district chooses a new principal and the old staff must re-apply for their old positions. Since this is a relatively new, and rarely employed practice, it is not surprising to have 27 percent of the respondents state that they were neutral. It is worth taking note, however, that over 50 percent of the respondents agreed that reconstitution should be an option exercised by a school district on continually low performing schools.

There is a great deal of consensus among school district officials concerning the accountability issue. Superintendents and assistant superintendents are subject to public scrutiny based upon the results of the states mandated performance tests, this is evidenced by the questionnaire item that asks whether Texas Education Agency ranking are important to their district. A response mean of + 1.29 indicates strong agreement among respondent school district officials.

Although the state mandated tests are the measure by which school districts in Texas are ranked, respondents in this study do not show an indication of strong support for the tests themselves as evidenced by a response mean of - .67. Over half of the respondent officials indicated that state mandated tests were not the most important tool in assessing the performance of a school district.

Table 5.3

Descriptive Summary Statistics for Texas School Districts Officials: Accountability N=45			
	% Strongly Agree/Agree	Mode	Mean
State established standards drive the curriculum of our district.	89%	Agree	+ 1.11
State implemented achievement tests are the most important tool in assessing the performance of a school.	33%	Disagree	- .67
School districts should be financially rewarded for improved student performance.	53%	Agree	+ .36
Texas Education Agency rankings are important to our district.	91%	Agree	+ 1.29
Our school district has appropriate accounting measures at the school level.	92%	Agree	+ 1.16
Our school district is able to track funds and assess the effectiveness of the funds at each school.	89%	Agree	+ 1.02
Our teachers take advantage of training offered at Educational Service Centers.	73%	Agree	+ .84
Our district measures both financial inputs and student achievement outcomes.	76%	Agree	+ .87
The new TAKS test will be a greater measure of student learning than the outgoing TAAS test.	58%	Agree	+ .67
Continually low performing schools should be reconstituted.	59%	Agree	+ .57

Policy Alternatives

Each state has its own system with which to fund their public schools. Many states already are, or will soon face revenue shortages with regard to their public schools. State policy makers are faced with creating other ways of adding revenue to school budgets. Table 5.4 details four policy alternatives and the results of how Texas school district officials responded.

A majority of the respondents agreed that the implementation of a state income tax would help alleviate fiscal inequalities among Texas school districts. However, the respondents were divided in their opinions concerning a state property tax. Although school districts operate under local control, there is still a reluctance to directly tax citizens within your own district. A state income tax would place the responsibility in the hands of the state, thus making local districts seem less culpable. This may explain why school district officials lean toward agreement on the implementation of an income tax and disagree Texas lawmakers should pursue the implementation of a state property tax.

Another policy alternative gaining attention distributes more funds to schools that educate a higher percentage of special needs students; this alternative is quite similar to Stone’s (2002) “*Unequal slices but equal value to recipients*” scenario. 80 percent of the respondents agreed that schools with more special needs students should receive additional money. Only 35 percent of the respondents agreed that indicators of strong student success should receive more funding. The 36 percent that indicated neutrality may mean that they were not clear on which student success indicators were being referred to.

Table 5.4

Descriptive Summary Statistics for Texas School District Officials: Implementation of Alternative Policy N=45			
	% Strongly Agree/Agree	Mode	Mean
Implementation of a state income tax would help alleviate fiscal inequities among Texas school districts.	60%	Agree	+ .53
Implementation of a state property tax would help alleviate fiscal inequity among Texas schools.	47%	Agree	+ .09
School districts with a greater proportion of special needs should get more tax dollars from the state.	84%	Agree	+ 1.02
Indicators of strong student success should receive more state funds.	35%	Neutral	+ .13

Chapter 41 of the Texas Education Code

Chapter 41 of the Texas education code has forced over one hundred Texas school districts to forfeit property tax revenue. Chapter 41 is devoted to wealth equalization through the mechanism of recapture, the recovery of financial resources from districts defined by the state as having high property wealth. Resources are recovered for the purpose of sharing them with low property wealth school districts. The survey items contained in the final portion of the questionnaire deal explicitly with Texas specific Chapter 41 issues. The working hypothesis states that given the differences between Chapter 41 school districts and non-chapter 41 school districts there will be a difference of opinion concerning the effectiveness of the statute. Table 5.5 records the responses to these survey items for districts subject to Chapter 41 as well as districts that are not subject to Chapter 41. Responses to these questions by school district officials are scattered and indicate a neutral attitude. Finding consensus in any distribution is difficult. The fact that almost 40 percent of the respondents aggregate responses indicate that they did not agree that Chapter 41 had a positive effect on student achievement provides evidence of this fact.

The number of Texas school districts that responded to the survey, and were subject to Chapter 41, was not sufficient to constitute a large enough sample to perform complex statistical analysis. Therefore, descriptive statistics will be used to help compare the small number of Chapter 41 school districts that responded to the larger group of respondents that are not subject to Chapter 41. Table 5.6 summarizes the responses of the Chapter 41 school districts contained in the sample. Because there are only six cases in

the sample, numbers in the table refer to the number of respondents choosing a particular answer not the percentage of respondents that chose a particular answer.

Table 5.5

Descriptive Statistics for All Texas School District Officials: Effectiveness of Chapter 41 of the Texas Education Code N=45				
W.H.:	Non-Ch. 41 Strongly Agree/ Agree N=39	Ch. 41 Strongly Agree/ Agree N=6	Total N=45	Mode
Given the difference in experience in experience between property rich districts and property poor districts, there is a difference in how school district officials perceive the effectiveness of Chapter 41 of the Texas Education Code				
Chapter 41 offers sufficient options for property wealthy districts to forfeit funds.	20%	66%	27%	Agree
State distribution of equal funds to all school districts would eliminate the need for Chapter 41.	41%	66%	45%	Agree
The recapture clause of Chapter 41 has had a positive overall effect on student achievement.	28%	33%	31%	Neutral
Non-residential property taxes should be eliminated from the Chapter 41 formula.	18%	0%	18%	Neutral
School districts that are labeled as “Acceptable” or “Low Performing” by TEA, yet are subject to the recapture clause in Chapter 41, should be allowed to keep a portion of the revenue they would otherwise forfeit.	35%	33%	36%	Neutral

Table 5.6

Summary Descriptive Statistics for Texas School Districts Subject to Chapter 41 of the Texas Education Code N=6					
W.H.: Given the difference in experience between property rich districts and property poor districts, there is a difference in how school district officials perceive the effectiveness of Chapter 41 of the Texas Education Code	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Chapter 41 offers sufficient options for property wealthy districts to forfeit funds.	0	4	2	0	0
State distribution of equal funds to all school districts would eliminate the need for Chapter 41.	1	3	1	1	0
The recapture clause of Chapter 41 has had a positive overall effect on student achievement.	0	2	0	4	0
Non-residential property taxes should be eliminated from the Chapter 41 formula.	0	0	6	0	0
School districts that are labeled as “Acceptable” or “Low Performing” by TEA, yet are subject to the recapture clause in Chapter 41, should be allowed to keep a portion of the revenue they would otherwise forfeit.	1	1	2	1	1

Although specifics do not jump right out of this sample, some conclusions can be drawn based on the results. The options detailed in the setting chapter seem to be sufficient for those districts that are subject to the statute.¹⁶ The districts in the sample also seem to be in general agreement in the opinion that Chapter 41 has not had an overall positive effect on student achievement. All six respondents selected the neutral answer to the question concerning eliminating non-residential property from the Chapter 41 equation. One possible reason for this could be that the respondent districts were in predominantly suburban areas, unlike Austin ISD, which is the largest school district in the state to be subject to Chapter 41 wealth equalization.

¹⁶ Most Texas school districts that are subject to the recapture clause of Chapter 41 choose option 3 or 4. See Chapter 3, Table 3.1 for option explanations.

According to the findings, there does not seem to be a wide disparity in the perceptions between Chapter 41 school districts and non-Chapter 41 districts. Both districts that are subject to the statute and those that are not indicated that the state needs to take on a more active role in revenue distribution and also that Chapter 41 has not had a significant positive effect on student achievement. The small number of respondent school districts subject to the statute certainly played a role in the findings. Future research needs to focus on specific programs affected by Chapter 41 in order to measure differences in perception between districts.

Conclusion

This chapter reported and expounded upon the results of the research study. The results seem to indicate that there is general agreement among school districts within the State of Texas with regard to equity and adequacy issues. The chapter also reported that there was a significant difference in opinion between large school districts and small school districts concerning accountability and policy alternative issues. Researching the dynamics of small and large school districts, and the differences between them would be of use in future policy formation.

Chapter 6

Conclusion

Summary

The purpose of this chapter is to summarize and explain the results of the research. The purpose of this research project was to identify and describe the key issues in the public school finance debate. Upon the identification of those issues, the research shifted so as to more thoroughly analyze the dynamics of the key issues of equity, adequacy, and accountability, in addition to policy alternatives, to see how these issues have been addressed in scholarly literature. The small sample for this study limits the generalizability of the findings; hence, this study should be viewed as exploratory and suggestive.

The review of the literature specified three distinct issues that shape the public school finance debate. Although not mutually exclusive, the three issues can be combined in a multitude of possible public policy initiatives that cloud, and invigorate the debate. Stone (2002) explains that there are various angles from which to view a distribution. Stone further explains that the distribution of goods and services can appear equal or unequal depending upon whom you ask. Wilson (1990) likens formation of American public policy to a barroom brawl where participants can join in and even switch sides in the middle of the fight. Both of these analogies are akin to the complexities contained with the school finance debate. This is especially true in the state of Texas.

Equity

Texas school district officials are in agreement on two specific aspects of the equity issue. These officials are in strong agreement that it may be more expensive to educate children at one school than another but the burdens of raising sufficient local revenue are great. Any school finance reform legislation in Texas' future must take this disparity into account. Even school districts with a high degree of property wealth can have a difficult time raising enough money to fund their schools. Since some schools need more money than others, this inability to raise sufficient revenue must be addressed through state legislation.

Adequacy

The notion of adequacy is attractive, and the findings of this study confirm what many other states have already found, namely, that it is possible to identify the components necessary to finance a school or school district adequately. Almost 90% of all Texas school district officials that took part in this research agreed that there should be an established set of criteria that defines an adequacy standard. This should send a message to legislators that future school finance legislation should not only be fair, but adequate.

Accountability

Accountability measures are in place to determine if students are learning what they are supposed to be learning and if teachers are teaching what they are supposed to be teaching. In a state as large as Texas, a statewide assessment test is currently the best

measure available. One third of the respondents for this study did not agree that state mandated tests are the best measure in evaluating the relative success or failure of a school or school district.

Another issue that must be addressed in any future school finance reform is the notion of giving schools with a higher number of special needs students more money. Although this already occurs to some extent, there are still federally mandated, unfunded, programs such as Section 504 that requires certain modifications for at-risk children, yet does not provide any money for the education of those students. The responses to this issue demonstrate that Texas school district officials understand this dilemma.

Chapter 41

Less than 30 percent of the respondents to this study indicated that they felt as though Chapter 41 of the Texas Education Code has had a positive impact on student achievement. The goal of the statute was to equalize the wealth distribution of Texas school districts so all Texas students would have an equal opportunity to succeed through additional tax dollars for property poor school districts. The results of this study indicate that Texas school district officials do not feel that there has been a positive impact affected upon Texas school children.

This study does not indicate a significant difference of opinion concerning specific aspects of the effectiveness of Chapter 41 of the Texas Education Code. This may be, due in part, to the limited sample size that responded to the survey. Additional

research should be conducted concerning the concrete or perceived effectiveness of the statute.

Equity, adequacy, and accountability each play a contributing role within the school finance debate. State lawmakers have struggled to find a balance between these three issues so that they may compliment each other. School finance litigation has made this process both difficult and time consuming. Policy makers must work to address the “permanent problems” around which this ongoing debate centers.

Appendix A

Survey Instrument

The following survey was distributed to 100 Texas school district superintendents and assistant superintendents via the website www.surveymonkey.com

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
SA	A	N	D	SD

#	Statement	SA	A	N	D	SD
1.	Fiscal equity means allocating the same amount of funds to all schools in a school district					
2.	Our school district offers the same level of educational opportunity for all students.					
3.	Delivering educational services can cost more at one school than at another.					
4.	Our school district allocates funds equally among all schools.					
5.	Disparities in fiscal resources have a negative effect on students in property poor school districts.					
6.	Our school district is able to raise enough revenue to fund our schools through local property taxes.					
7.	Our school district provides an adequate education for all students.					
8.	Our district has identified schools in the district that perform at an adequate level.					
9.	School districts should have an established set of criteria that defines an adequate education.					
10.	An adequate education for a rural student is different than an adequate education for a suburban child.					
11.	Our school district has an adequate number of personnel in core teaching areas.					
12.	State established standards drive our districts curriculum.					
13.	State implemented achievement tests are the most important tool in assessing the performance of a school district.					
14.	School districts should be financially rewarded for improved student performance.					
15.	TEA rankings are important to our district.					
16.	Our school district has appropriate accounting measures at the school level.					

18.	Our teachers take advantage of training at Educational Service Centers.					
19.	Our district measures both financial inputs and achievement outcomes.					
20.	The new TAKS test will be a greater measure of student learning than the outgoing TAAS test.					
21.	Continually low performing schools should be reconstituted.					
22.	Implementation of a state income tax would help alleviate fiscal inequity among school districts.					
23.	Implementation of a state property tax would help alleviate fiscal inequity among school districts.					
24.	School districts with a greater proportion of special needs students should be allocated more tax dollars from the state.					
25.	Indicators of strong student achievement should have more funds allocated to them.					
26.	Chapter 41 offers enough options for property rich school districts.					
27.	Allocating equal funds to all Texas school districts would eliminate the need for Chapter 41.					
28.	The recapture clause of Chapter 41 has had a positive effect on overall student achievement.					
29.	Non-residential property taxes should be eliminated from the Chapter 41 equation.					
30.	School districts that are labeled as "Acceptable" or "Low Performing" by TEA, yet are subject to Chapter 41, should be allowed to keep a					

Appendix B

Summary of Results N=45

Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
SA	A	N	D	SD

#	Statement	SA	A	N	D	SD
1.	Fiscal equity means allocating the same amount of funds to all schools in a school district	9	16	4	33	38
2.	Our school district offers the same level of educational opportunity for all students.	29	47		16	0
3.	Delivering educational services can cost more at one school than at another.	58	40	0	2	0
4.	Our school district allocates funds equally among all schools.	16	27	7	49	2
5.	Disparities in fiscal resources have a negative effect on students in property poor school districts.	31	49	4	16	0
6.	Our school district is able to raise enough revenue to fund our schools through local property taxes.	7	13	2	44	33
7.	Our school district provides an adequate education for all students.	33	49	9	9	0
8.	Our district has identified schools in the district that perform at an adequate level.	22	60	11	4	2
9.	School districts should have an established set of criteria that defines an adequate education.	29	58	7	4	2
10.	An adequate education for a rural student is different than an adequate education for a suburban child.	9	16	7	44	24
11.	Our school district has an adequate number of personnel in core teaching areas.	11	58	9	20	2
12.	State established standards drive our districts curriculum.	29	60	4	7	0
13.	State implemented achievement tests are the most important tool in assessing the performance of a school district.	0	33	16	36	16
14.	School districts should be financially rewarded for improved student performance.	13	40	18	27	2
15.	TEA rankings are important to our district.		53	9	0	0
16.	Our school district has appropriate accounting measures at the school level.	29	62	4	4	0
17.	Our school district is able to track funds and assess the effectiveness of the funds at each school.					

18.	Our teachers take advantage of training at Educational Service Centers.	22	51	18	7	2
19.	Our district measures both financial inputs and achievement outcomes.	16	60		4	0
20.	The new TAKS test will be a greater measure of student learning than the outgoing TAAS test.	20	38	31	11	0
21.	Continually low performing schools should be reconstituted.	14	45	27	11	2
22.	Implementation of a state income tax would help alleviate fiscal inequity among school districts.	16	44	20	18	2
23.	Implementation of a state property tax would help alleviate fiscal inequity among school districts.	9	38	13	33	7
24.	School districts with a greater proportion of special needs students should be allocated more tax dollars from the state.	24	60	9	7	0
25.	Indicators of strong student achievement should have more funds allocated to them.	11	24	36	24	4
26.	Chapter 41 offers enough options for property rich school districts.	0	27	47	18	9
27.	Allocating equal funds to all Texas school districts would eliminate the need for Chapter 41.	9	36	22	27	7
28.	The recapture clause of Chapter 41 has had a positive effect on overall student achievement.	9	22	29	27	13
29.	Non-residential property taxes should be eliminated from the Chapter 41 equation.	0	18	38	24	20
30.	School districts that are labeled as "Acceptable" or "Low Performing" by TEA, yet are subject to Chapter 41, should be allowed to keep a	7	29	16	29	

Appendix C

Bibliography

- Alexander, Kern. "Money matters: Commentary and analysis" *Journal of Educational Analysis*. (24) Fall 1998, 237-242.
- Asplaugh, John W. "The effects of transition grade to high school, gender and grade level upon drop out rate" *American Secondary Education*. (29). Fall 2000, 2-9.
- Asplaugh, John W. "The relationship of school and community characteristics to high school drop out rates" *The Clearing House*. (71) Jan/Feb 1998, 184-188.
- Baker, Bruce D. "Balancing equity for students and taxpayers: Evaluating school finance reform in Vermont" *Journal of Education Finance*. (26) Spring 2001, 437-462.
- Burch, Kerry. "A tale of two citizens: Asking the Rodriguez question in the 21st century" *Educational Studies*. Spring 1999, 264-277.
- Collwell, Willliam B. "Judicial review: Issues of state court involvement in school finance litigation" *Journal of Education Finance*. (24) Summer 1998, 69-86.
- Coleman, J.S. et al. "Equality of educational opportunity" Washington D.C.:U.S. Government Printing Office, 1966.
- Crampton, Faith. "Financing education in the 21st century: What state legislatures trends of the 1990's portend" *Journal of Education Finance*. (27) Summer 2001, 479-500.
- Dickenson, Gerals. et al. "Arkansas' search for public school funding: A survey of superintendents" *Education*. (117) Fall 1996, 92-94.
- Elhay, Moshe. "Effects of changes in the recapture provision on equity of student funding: Evidence from Alberta" *Journal of Education Finance*. (24) Fall 1998, 200-219.
- Elmore, Richard F. and Susan Fuhrman. "Research finds the false assumption of accountability" *Phi Delta Kappan*. December 2001, 9-14.
- Feuerstein, Abe. "Hyper-rationalization revisited" *The Educational Forum*. (65) Winter 2001, 108-118.

- Harter, Elizabeth. "How educational expenditures relate to student achievement: Insights from Texas elementary schools" *Journal of Education Finance*. (24) Winter 1999, 281-302.
- Herrington, Carolyn and Virginia Wender. "Equity, adequacy, and vouchers: Past and present school finance. *Journal of Education Finance* (27) Summer 2000, 209-218.
- Hy, Ronald J. "Education is an investment: A case study" *Journal of Education Finance*. (27) Fall 2000, 209-218.
- Koski, William S. and Henry M. Levin. "Twenty-five years after Rodriguez: What have we learned?" *Teachers College Record*. (102) June 2000, 480-513.
- Levacic, Rosalind. et al. "Funding schools by formula: Comparing practice in five countries" *Journal of Education Finance*. (25) Spring 2000, 489-515.
- Marion, Russ and Jack Flanigan. "Evolution and punctuation of theories of educational expenditures and student outcomes" *Journal of Education Finance*. (26) Winter 2001, 239-258.
- Monk, David and Neil Theobald. "A conceptual framework for examining school finance reform options for the state of Ohio" *Journal of Education Finance*. (27) Summer 2001, 501-515.
- Moran, Mary. "Standards and assessments: The new measure of adequacy in school finance litigation" *Journal of Education Finance*. (25) Summer 1999, 33-80.
- Odden, Allan. "The new school finance: Providing adequacy and improving equity" *Journal of Education Finance*. (25) Spring 2000, 467-487.
- Peevely, Gary L. and John R. Ray. "Does equalization litigation effect a narrowing of the gap of value added achievement outcomes among school districts?" *Journal of Education Finance*. (26) Winter 2001, 319-332.
- Picus, Lawrence O. "Student level finance data: Wave of the future?" *The Clearing House*. Nov/Dec 2000, 75-80.
- Puerta, Ralph. "A Pennsylvania perspective on Charles Beyer's equity without adjudication" *Journal of Law and Education*. (28) April 1999, 235-246.
- Ratliff, Bill. "Time has come again to study the way we pay for our schools" October 22, 2001. Online Posting. Retrieved September 10, 2002.
<http://www.senate.state.tx.us/75r/ltgov/pr01/p102201a.htm>

- Reschovsky, Andrew and Jennifer Imazeki. "Achieving educational adequacy through school finance reform" *Journal of Education Finance*. (26) Spring 2001, 373-396.
- Rubenstein, Ross. "Resource equity in the Chicago public schools: A school level approach" *Journal of Education Finance*. (23) Spring 1998, 468-489.
- Stone, Deborah. (2002). "Policy paradox: The art of political decision-making". New York: W.W. Norton.
- "The Challenge of Diversity" *Phi Delta Kappan*. (76) Nov 1994, 234-238.
- Van Keuren, James P. "School level finance litigation and its influence on secondary practitioners" *American Secondary Education*. (29) Winter 2000, 9-15.
- Verstegen, Deborah and Richard A. King. "The relationship between school spending and student achievement: A review and analysis of 35 years of production function research" *Journal of Education Finance*. (24) Fall 1998, 243-262.
- Wildavsky, A. (1979) "Speaking truth to power". Boston: Little Brown
- Wilson, James Q. (1989). "Bureaucracy: What government agencies do and why they do it". New York: Basic Books.
- Wise, A.E. 1978. "The hyper-rationalization of American education" *Educational Leadership*. 35(5), 354-61.