

PREREQUISITES NEEDED FOR THE SURVIVAL OF MID-SIZE & RURAL TEXAS SCHOOLS

The “*Prerequisites Needed for the Survival of Mid-Size & Rural Texas Schools*” is intended as a supplement to the work of the *Coalition to INVEST IN TEXAS SCHOOLS*. Superintendents signed on in support of this document also stand solidly behind the *Coalition’s, “Core Principles of School Finance.”* The prerequisites listed below are in addition to that work and are necessary to ensure the survival of rural school districts in the State of Texas. We believe the “*Prerequisites Needed for the Survival of Rural Texas Schools*” states principles that are key to the very survival of rural communities, most of which support the agricultural, and oil and gas industries critical to the economy of Texas.

I. NO LOSERS

- A. Net Revenue
 - 1. Current Net Revenue must be a minimum starting point
 - 2. Current Net Revenue should increase to support increased inflation, salaries, utilities and insurance.
- B. Declining Values Payments funded to 96%
- C. Declining Enrollment Payments fully funded to 98%
- D. Inflation Costs Adjustment

II. SYSTEM MUST CONTINUE TO ALLOW FOR DIVERSITY

- A. School Finance is a complex issue that demands a certain amount of complexity within the Funding System
- B. School Funding System must include
 - 1. WADA-all monies must flow through an equalized system
 - 2. School Size Adjustments
 - a. Small
 - b. Mid Size
 - 3. Sparsity Adjustment--Rural communities
 - 4. Weighted Funding for Special Needs Students--Special Education; At Risk; ESL/LEP/Bilingual; CATE; G/T; etc.

III. FUND EDUCATION SERVICE CENTERS

- A. Rural districts rely on Service Centers to provide services not available at local level
- B. Restore funding lost to Service Centers—provides expertise at an efficient cost for school districts
- C. Accountability Ratings categorized by Regions shows a very strong correlation between student performance and small school size represented by rural school districts.

IV. CATEGORICAL FUNDS

- A. Allow flexibility to spend categorical funds where needed
 - 1. Keep current flexibility of State Compensatory Funds
 - 2. Allow math, reading expenditures to be determined by local board
- B. Use of special funds for core subjects should be a product of local control.

V. NON-INSTRUCTIONAL VS. INSTRUCTIONAL COSTS

- A. Definitions of Instructional Costs should be adjusted; (a few examples listed)
 - 1. Shared Services such as Special Education Coops
 - 2. Allowances for size of school districts
 - 3. Normal Maintenance and Repair of buildings
 - 4. Transportation costs

VI. POSSIBLE SOLUTIONS

- A. Distribution system must be equitable, fair and fully funded for excellence, not limited to adequacy
- B. Develop equitable taxing solutions
- C. Retain local control, statewide property tax eliminates local control