

Do School Districts Need More Money?*

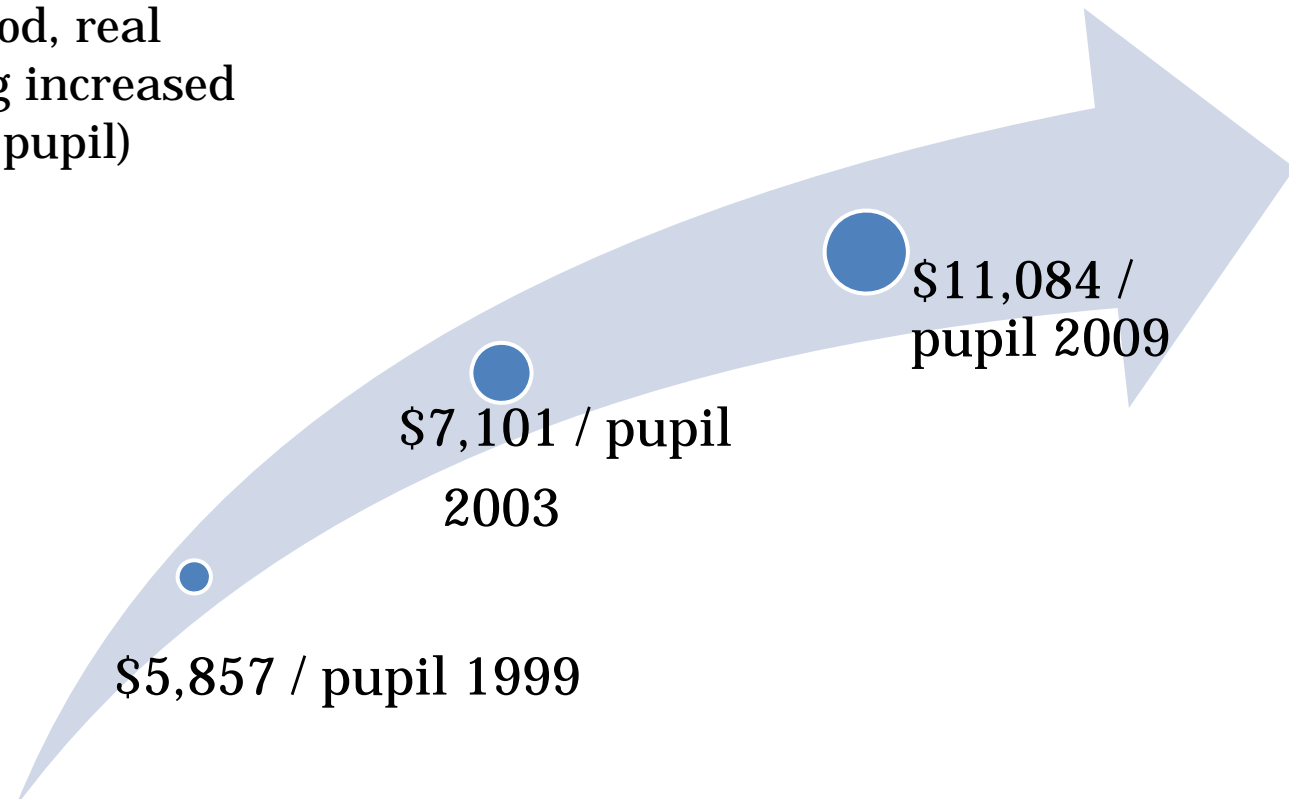
*** To be successful educating students**

**By Tim Dunn
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Texas Public Policy Foundation**



Current Reality

(Inflation 29% during
this period, real
spending increased
47% per pupil)



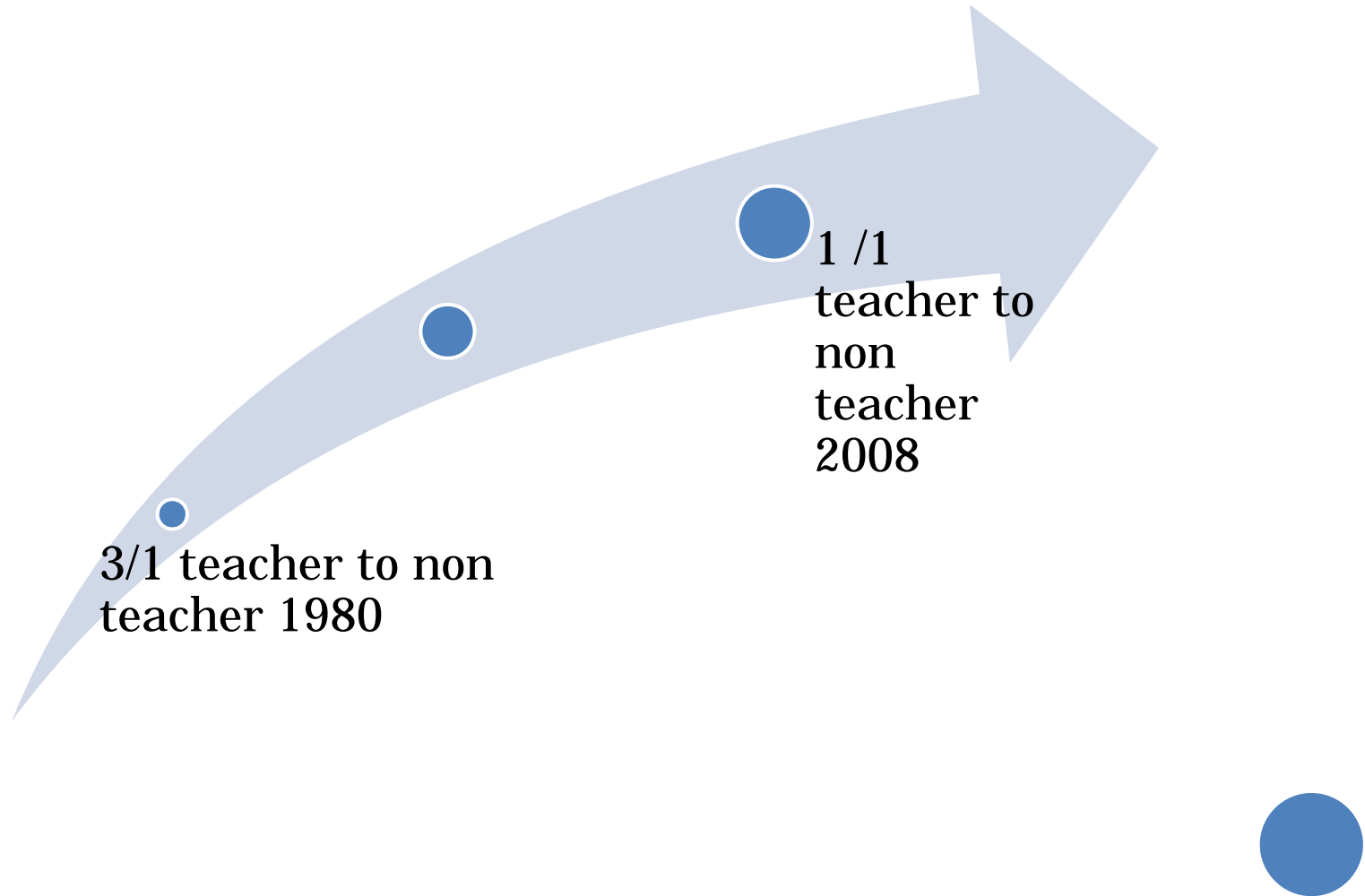
\$5,857 / pupil 1999

\$7,101 / pupil
2003

\$11,084 /
pupil 2009



Current Reality



CURRENT REALITY

A new poll from the University of Texas' Government Department and the Texas Politics project

- Result: 49 percent said "not very good" or "terrible,"
- Here's how the poll question is worded and the responses:
 - Would you say that the quality of K-12 public school education in Texas is:

4%	Excellent
42%	Good
38%	Not very good
11%	Terrible
5%	Don't know/Refused/NA

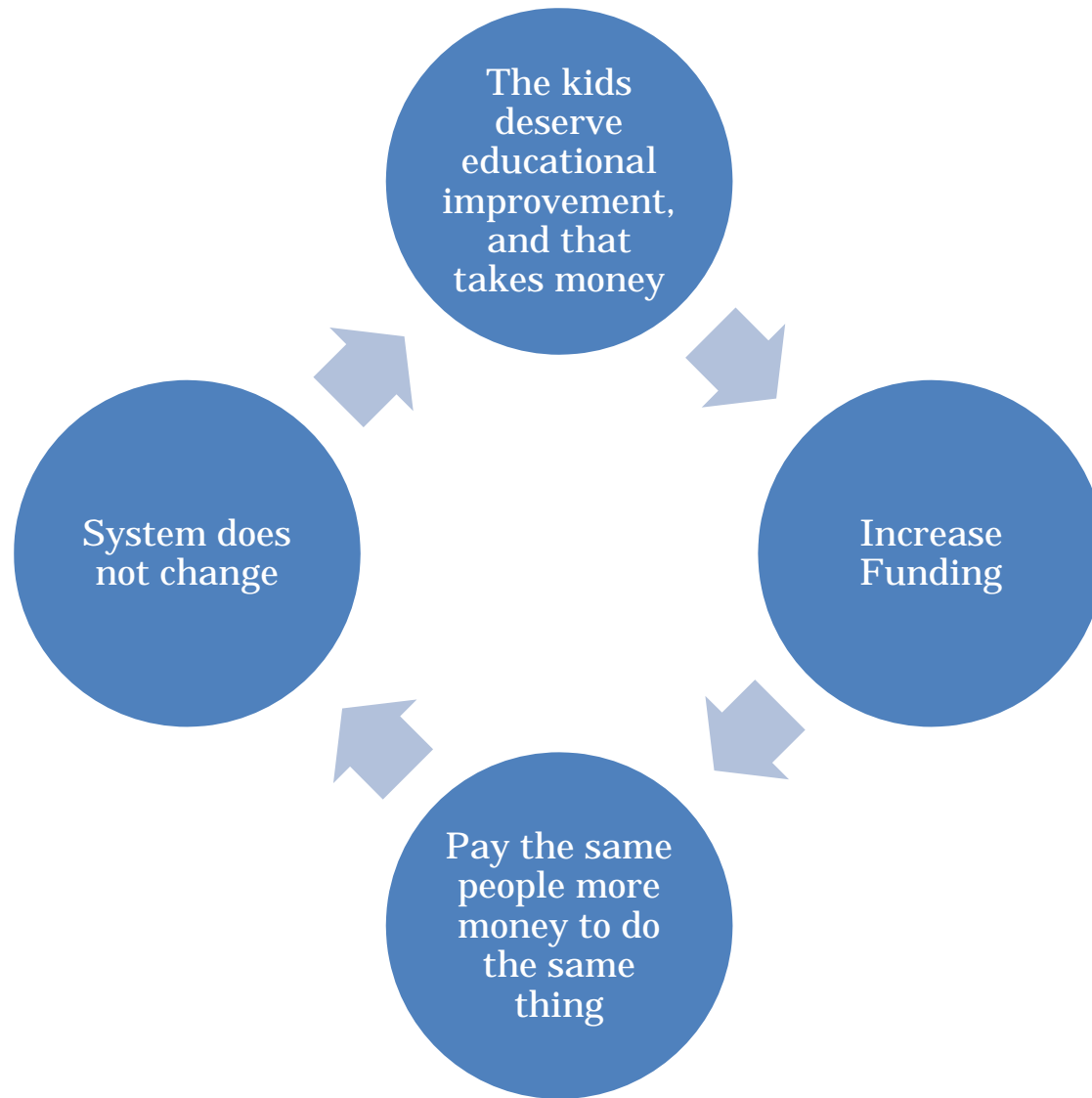


Current Reality

- Each ISD is virtually a sovereign nation
- Student funding is roughly \$11,000 per student, +/- \$250,000 per classroom
- Median teacher salary is +/- \$47,000
- ISD's have few limitations from the state
- Collective bargaining is illegal
- ISD's can charter all they want, even the entire district



EDUCATION POLICY FOR THE LAST 30 YEARS



Do School Districts Need More Money?

Perhaps:

But

Not to keep doing the same thing, the same way,
with the same people



What Actually Makes Schools Excel?

- Great Principals who control the budget
- Excellent teachers
- Parents with expectations of achievement
- Consequences to students



What I Think We Can Do That Best Serves Taxpayers and the Kids

- Empowered and capable Principals control budget and hiring
- Parents can choose any public school
- Principals compete for students and are rewarded for student achievement



I Believe

- Innovation and competition is the answer
- We owe it to the kids to make public education excellent
- ISD's should set up markets
- If status quo continues, radical legislative reform will be the result



How it Can Happen

- Focus on the kids
- Partner with business and concerned parents
- Create a market instead of a bureaucracy

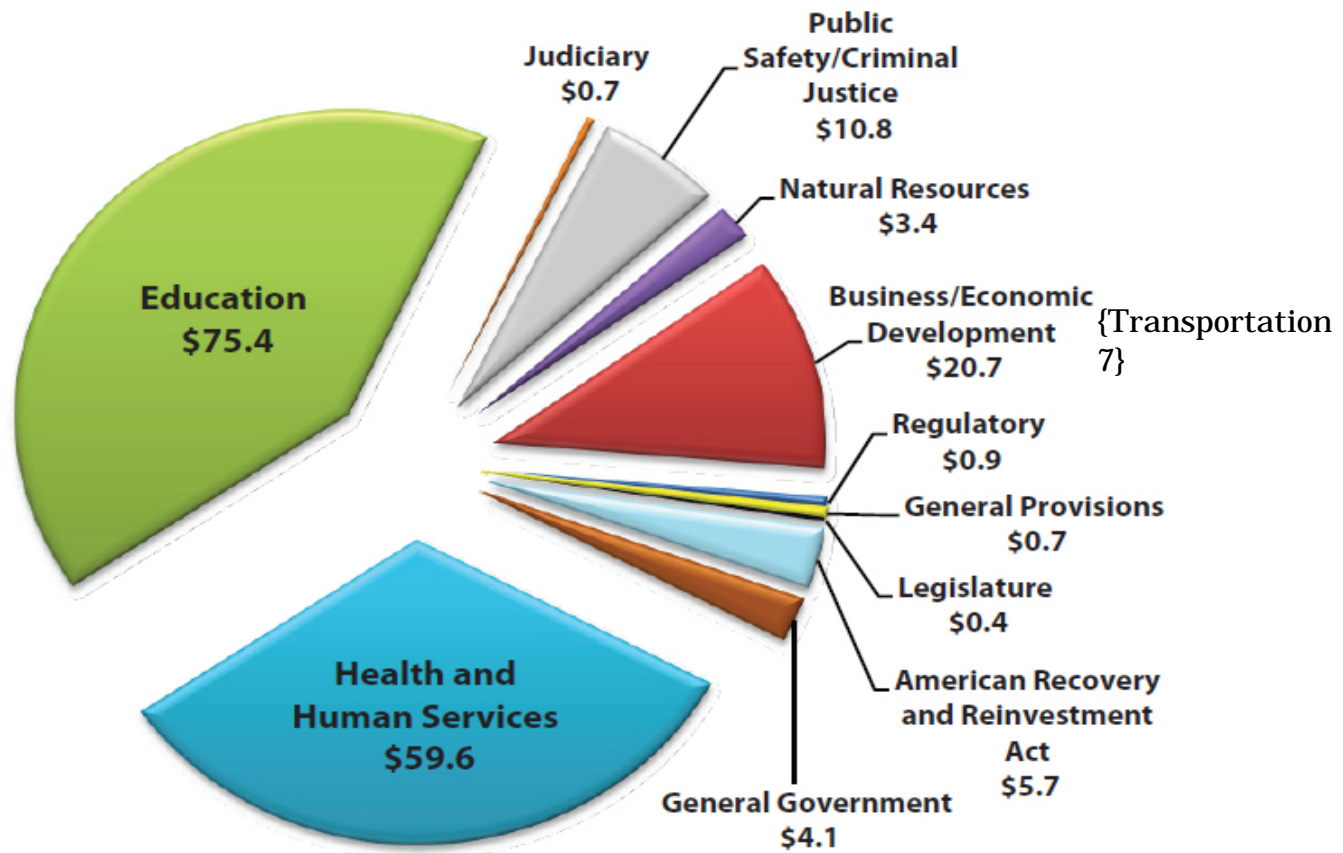


By The Way

- All broad based taxes are born disproportionately by low income earners



2010-11 Texas Budget (in billions)



Average percent of income paid to tax...

Income Decile	Sales/Use Tax	Franchise Tax	Gasoline Tax	Motor Vehicle Sales/Use Tax
1-Lowest income	9.2	1.5	1.8	1.4
2	4.1	0.6	0.8	0.7
3	3.2	0.4	0.6	0.6
4	2.9	0.4	0.6	0.5
5	2.7	0.3	0.5	0.5
6	2.5	0.3	0.4	0.5
7	2.3	0.3	0.4	0.5
8	2.1	0.2	0.4	0.4
9	2	0.2	0.3	0.4
10-Highest Income	1.4	0.2	0.2	0.3



Average percent of income paid to tax...

Income Decile Sales/ Use Tax

Franchise Tax

**1-Lowest
income**

9.2

1.5

**10-Highest
Income**

1.4

0.2

**Lowest /
Highest**

6.6 X

7.5 X



What I Think Citizens Want

- Focus on the Students
- Every student should have the option to attend a good school without having to purchase an expensive house
- Innovation – do something different
- Accountability – we all have friends who are teachers and hear stories about bad teachers that are protected
- Put the money into the classroom
- Pay great teachers a lot of money

