



Texas Association of School Boards

P.O. Box 400 • Austin, Texas 78767-0400 • 512.467.0222
12007 Research Blvd. • Austin, Texas 78759-2439 • www.tasb.org

Serving Texas Schools Since 1949

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Dear Chair Shapiro,

Thank you for giving me this opportunity to discuss some mandate relief and spending flexibility our districts definitely need, particularly in such challenging economic times. I am going to discuss four concepts that would provide school boards and administrators with greater discretion in allocating our existing funds:

Replace newspaper notice requirements with more cost-effective alternatives.

We request that the legislature eliminate the *requirement* that districts publish newspaper notice of the public hearings on: the district's annual financial management report, the district's annual performance report, and the hearing to discuss the district's budget and tax rate.

- The Comptroller has estimated in her 2010 Financial Allocation Study for Texas that it cost school districts \$4 million annually to comply with the newspaper notice requirements in the Education Code, assuming that each district posts three notices each year.
- The purpose of requiring that newspaper notice was to ensure that the community was aware of these three important school board meetings. In today's world, where more people get their information from the Internet, and parents are used to checking their district's website, **we would suggest that a more effective and less costly strategy for achieving the same goal would be to require districts to (1) post the hearing notice on the district's website, along with any required documents and summaries; (2) make a copy of the same hearing notice and required documents available for public inspection at the district's central administration, and at each campus in the district, and (3) send an email to the media announcing the hearing.**
- School districts would still have the OPTION of publishing newspaper notice in these circumstances.

Limit the Joint Elections Mandate

We request that the legislature amend the joint elections provisions to clarify that districts must share the cost of only the county polling places that school district voters use to vote in district elections.

- In 2006, the legislature mandated that school districts hold elections jointly with a city located in the district's boundaries or else with the county or state. City elections are typically held in May; county and statewide elections are held in November.
- Under Texas Election Code, school districts that must hold joint elections with a county, must share the costs of the polling places in overlapping territory.
- The legislature intended for districts to *share the costs* only of the polling places that school district voters use. But, unfortunately, that has not been the universal interpretation of the law.

- In many cases, districts have had to share the cost of county polling places that would not otherwise be used in school district elections. Consequently, some school districts have seen their election costs triple and even quadruple since 2006.
- School districts should have to share the costs of only those *shared* polling places in joint elections.

Allow districts to implement cost-saving strategies other staff lay-offs

We request that the legislature repeal Texas Education Code §21.402(d) to give boards the option of reducing salaries rather than laying-off staff in order to cut personnel costs.

- In light of lower local tax revenue and likely cuts in state funding, districts, are looking at ways to reduce operating costs.
- Personnel costs make up 80-90 percent of a district’s operating budget. In Richardson, personnel costs make up 89 percent of our district’s operating budget.
- Therefore, the most significant cost-saving strategies necessarily involve reducing personnel costs.
- Under Texas Education Code §21.402(d), districts cannot reduce employee salaries below the 2010-11 levels.
- As long as this law is in place, the only option districts have for significantly reducing personnel costs is to lay staff off. Staff layoffs are bad for students, bad for the community and bad for the economy.
- Repealing this provision is necessary before districts can legally consider implementing salary reductions and temporary furloughs as options for reducing costs while saving jobs.

Provide spending flexibilities for districts and campuses that have exceeded the state’s academic standards

We request that the legislature create a state “Ed Flex” (i.e., “Tex Ed Flex”) program for districts that qualify for the excellence exemptions

- The federal Ed-Flex program allows states with strong accountability safeguards to apply to the U.S. Secretary of Education for a waiver from spending restrictions that accompany certain federal education programs. If the state is granted the Ed Flex waiver, school districts within the state then can apply to the state commissioner for Ed Flex waivers related to federal program funds.
- State law already provides a vehicle for a Tex Ed Flex program. Just as the Ed Flex waivers are available to states with strong accountability systems, the “excellence exemptions” statute, Texas Education Code §39.232, provides that a campus or district that is rated “exemplary” under the state accountability system is exempt from many laws and rules applicable to other campuses and districts. Currently, however, these “excellence exemptions” only provide relief from *academic* laws and rules.
- We request that the “excellence exemptions” are expanded to simulate a state Ed Flex program, in the following ways:
 - Currently the excellence exemptions are only available to campuses and districts that receive an exemplary rating; **we suggest extending the excellence exemptions to apply to “recognized” districts and campuses, as well**—this would extend the excellence exemptions to all districts and campuses *that have exceeded state standards*.

- Just as the Ed Flex program allows states to provide spending flexibility to high performing districts, we suggest extending the “excellence exemptions” to provide spending flexibilities, as well:
 - (1) The 2010 Comprehensive Annual Report on Texas Public Schools, chapter 9, p. 148, suggests that the Texas Education Agency (TEA) used Ed-Flex authority to continue three statewide administrative waivers to all local education agencies (i.e., school districts and charter schools). These waivers reduced administrative paperwork for the federal programs covered by the Ed Flex, without the need for individual application. **Likewise, the excellence exemptions could be expanded to provide eligible districts and campuses statewide administrative waivers for certain administrative regulations associated with special program funds.**
 - (2) Additionally, Ed Flex offers statewide programmatic waivers which extend spending flexibility over Title I funds. **Likewise, the excellence exemptions could be expanded to provide eligible districts and campuses greater spending flexibility with regard to compensatory education funds.**
 - (3) School districts may apply to TEA for an Ed-Flex waiver to roll forward unused Title I funds from one year to the next, under certain circumstances. **Likewise, the excellence exemptions could be expanded to provide eligible districts and campuses the ability to apply to TEA for a one-year waiver to roll-forward unused state grant funds beyond the life of the grant, if the district provides TEA with a plan showing that the grant funds would to be used in a manner consistent with the intended purpose of the grant.**
 - (4) Finally, under Ed Flex, districts can apply for individual programmatic waivers, based on their specific program needs. **Likewise, the excellence exemptions could be expanded to allow eligible districts and campuses to apply to the commissioner of education for a waiver of a specific programmatic regulation identified in the district’s waiver application.** This would provide districts with customizable flexibility, but makes the commissioner the gatekeeper to ensure that granting the requested waiver would not adversely affect the district’s students.
- Last session, Senator Shapiro often talked about providing carrots as incentives to higher achievement. We believe that including meaningful spending flexibilities in the excellence exemptions would indeed be carrots.

Thank you for requesting and considering our ideas about how the legislature could give districts and schools greater spending flexibility during these extraordinary times. We implore you also to please remain vigilant this session for bills that would impose costly *new* mandates on schools and districts – mandates that will divert time or resources from our core mission – educating students.

While school boards and superintendents would definitely appreciate relief from state mandates and additional spending flexibility, neither will adequately compensate for the deep funding cuts that HB 1 and SB I have proposed. The quality of education our children receive is seriously at stake. We will certainly do our best to continue to prepare students to meet state standards, but with significantly less state funding, the vast majority of districts will not be able to provide our students the same level of academic support and services that have raised test scores and decreased the achievement gap across the state. Our students deserve better, and so does Texas. Education truly must be your priority as you develop the state's budget.

TASB will gladly meet with you to provide additional information at any time.

Sincerely,

Karen Ellis
Board of Trustees, Richardson ISD
Board of Directors, Texas Association of School Boards