

EXAMPLE OF ONE OF THE RESEARCH PROJECTS COMPLETED IN NOVEMBER 1992

## Lower administrative costs recommended for schools

Associated Press

AUSTIN — A new study recommends reducing school districts' administrative costs by an estimated \$269 million a year statewide in four years, to an average 20 percent of the amount spent on instruction.

However, the committee that adopted the study Tuesday said the 20 percent target should be adjusted for individual school districts based on size and the number of bilingual students.

The Educational Economic Policy Center Committee said that statewide, administration cost about 23 percent of what instruction cost in 1990-91 but ranged from a high of 133 percent to a low of 11 percent in individual districts.

"While a single statewide ratio of 20 percent administration to instruction would certainly be simpler to implement, the flat ratio measure would penalize small districts and districts with larger bilingual student populations

■ Amendment sought. 1A

more heavily," said the study.

The study found that those factors were beyond districts' control. It was overseen by Stephen Becker of the Lyndon B. Johnson School of Public Affairs at the University of Texas at Austin.

The committee, appointed by the governor, lieutenant governor and House speaker, voted to forward the study to state policymakers with a strong endorsement.

Mr. Becker emphasized that the money saved in administration could be shifted to instruction, putting "more money in the classroom, less money in the administrative offices."

Louann Hodnett of the Texas Association of School Administrators said that if some school districts have excessive administration expenditures, money should be redirected. But she said, "I think overall, districts are doing one heck of a job."

Dallas morning news  
November 15, 1992  
34 A

# UT study aims to reform school costs

**David Lippeatt**  
Daily Texan Staff

UT public policy students entered the fray over statewide public school financing with the release Tuesday of a study outlining reforms that by 1997 could reduce Texas school administrative costs by \$270 million annually.

The state-funded study, prepared by a team of graduate students in the Lyndon B. Johnson School of Public Affairs, made recommendations that would, if adopted, "produce more money in the classroom" by shifting administrative savings to instructional needs.

The recommendations will be forwarded to the Texas Legislature.

Stephen Becker, a public affairs doctoral candidate and chief author of the study, said the savings would be achieved if

statewide administrative costs were reduced from the current district average of 23.2 percent of instructional costs to an average of 20 percent of instructional costs over a four-year period.

According to the study, the resulting savings would not return to Texas' general fund but would "benefit Texas pupils by concentrating scarce resources on instruction."

Members of the Texas Educational Economic Policy Center Committee — a state committee charged with promoting Texas educational reform — commissioned the study last spring and praised its conclusions Tuesday.

"The public and Legislature are concerned about these costs and want us to do something," said committee chairman and Houston businessman Charles Miller. "That's why the Legislature told us to commission this study."

"I think the study will go a long way toward answering these concerns," Miller added.

Becker contrasted his study's approach with that of a recent state auditor's report, which recommended flat administrative cost limits on all Texas school districts.

Becker found that, in 1990-91, per-pupil administrative costs for the 1,053 school districts in Texas ranged from a high of \$14,861 to a low of \$277.

"We looked at variables which could explain the differences in these costs between districts," he said.

The study shows that districts with smaller enrollments and those with a high percentage of bilingual students generally have higher administrative costs than other districts. The report's recommended cost limits take these differences into account, avoiding penalizing schools with unavoidable administrative costs Becker said.

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