

February 17, 2010

The Honorable Florence Shapiro
Chairwoman, Senate Committee on Education
Texas Senate
Capitol Building, Room 1E.3
Austin, Texas, 78701

Dear Chairwoman Shapiro:

House Bill 3, 81st Legislature, Regular Session, requires our office to “identify school districts and campuses that use resource allocation practices that contribute to high academic achievement and cost effective operations.” Among other provisions, the bill requires us to evaluate and integrate academic accountability and financial data, and to rank districts and campuses based on the results of that evaluation. It also asks us to identify areas for campus and district improvement. We intend to meet the requirements of this legislation using the best data available to us and employing methodologies that help ensure we put all districts and campuses on a level playing field.

Education Data

Before final passage of HB 3, my staff began conducting background research, including an assessment of data sources we could use to perform the study required by the legislation. While completing our due diligence, we determined the best course of action would be to partner with researchers at some of the state’s higher education institutions.

The Legislature created state Education Research Centers (ERCs) precisely for the kinds of projects mandated by HB 3. The state’s ERCs provide access to the student-level data that will allow us to create better measures of student performance than would be possible with publicly available data from the Texas Education Agency (TEA). Partnering with an ERC allows us to build indicators of student performance that measure student growth from year to year, giving us the ability to more accurately assess the amount of progress being made by students at a given campus or district.

Among the state’s three existing ERCs, the University of Texas-Dallas Texas Schools Project was best positioned to help us meet the requirements of HB 3. After approval of our project in September by the Joint Advisory Board that must approve all ERC projects, we began working with UT-Dallas.

Expert Consultants

In addition to providing us with the data we need to build the best measures of student performance, UT-Dallas is also able to provide us expert assistance in building those measures.

In addition to UT-Dallas, we have also contracted with Dr. Lori Taylor of Texas A&M University, who will provide us with expertise on variations in costs faced by school districts across the state and in building models to measure campus and district efficiency. Dr. Harrison Keller of UT-Austin is helping us understand major policy issues we need to consider as we craft our methodologies and draft our report.

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We are calling this collaborative effort the Financial Allocation Study for Texas, or FAST. As we work with our experts and key stakeholders, FAST is using cutting-edge research that integrates academic performance measures with financial data to identify school districts and campuses that combine high academic achievement and cost-effective operations.

Stakeholder Input

In addition to our consultants, we have been working closely with education stakeholders and other experts. I have been meeting with an advisory group of superintendents formed to provide input and guidance for this study. These superintendents come from across the state, representing the variety of districts in Texas. We have asked them for their ideas regarding how this study can be done fairly and practically. We have also asked them to canvass their peers for suggestions, and they have been sharing that information with us.

The list of superintendents is enclosed as Attachment A. That list, along with detailed information regarding this project, can be found on a Web site we have created to track our progress. The FAST Web site can be found at www.window.state.tx.us/education/fast. I encourage you to check this Web site periodically, as it is updated regularly.

The Superintendent Advisory Committee has held three meetings thus far — in September, November and January. We will meet again as needed to update the superintendents on our progress and to gather additional input and feedback from the group.

In between the meetings of the full superintendents' group, we met with smaller work groups, each one a subset of superintendents and sometimes other district staff. These smaller working groups were each asked to discuss one of four topic areas important to our task.

The first group looked at major cost drivers in school districts — those costs that are often outside the control of school districts and campuses. A second work group discussed indicators of student performance that we should examine for this study.

The third working group discussed different ways districts and campuses could be grouped for comparison, and the final work group provided us with input on the characteristics we should look for when identifying best practices.

Summaries of these work group discussions are located on our FAST Web site, and I encourage you to look at them. We gained a lot of valuable insight from these discussions.



We are also seeking input from other stakeholders. We have met with staff from the Texas Association of School Administrators, whose members I addressed last week at their Midwinter Conference; the Texas Association of School Boards (TASB); the Texas Association of School Business Officials; TEA; the Legislative Budget Board; the Dell Foundation and others to gather information useful to the success of this project.

TASB is helping us create a panel of school board members from around the state to provide further advice and input. We are also studying similar efforts in other states. We will continue to engage these groups as we move forward.

Outside Review

Our staff and consultants are working with three technical advisory teams, comprised of experts in measures of academic performance, school finance and efficiency models and education policy. They will help us develop measures and methodologies that meet the most rigorous standards. One team has been established to assist us in developing measures of academic progress, another to assist us in financial and efficiency models and a third to provide general guidance as well as methodological and policy expertise. A list of the members of our three technical advisory teams can be found in Attachment B.

When we have developed those methodologies, we will then submit them for another round of review by outside experts. One set of peer reviewers will look at academic measures and the other will review our financial and efficiency measures. The list of peer reviewers has not yet been finalized, but it will comprise nationally recognized experts in measures of academic and financial performance.

Best Practices

Final data for the 2008-09 school year will not be available until April. When those data are available and our methodologies have been fully vetted, we will run our models and examine the preliminary results. We hope to identify some school districts and campuses that show consistently high performance across a number of indicators.

We will then reach out to those districts to see what practices they employ to achieve strong academic results in a cost-effective manner. We will then make any such practices available for other districts to examine and replicate where practicable.

Multiple Lenses

One thing has become clear thus far from conversations with all the project participants I have mentioned: no single measure can capture what is important on school campuses or in districts. In meeting requirements of HB 3, school districts and campuses will be compared in a manner that is as fair as possible. Campuses and districts in Texas exhibit many diverse characteristics, and the measures we are developing will take these differences into account.

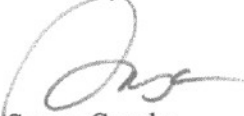


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We expect to release our report in the fall, in advance of the next legislative session. We will also provide an interactive Web tool that will allow users to group districts and campuses in a variety of ways and to compare them across multiple performance indicators. The Web site takes a bit more time to develop, but it also will be ready before the Legislature convenes in January 2011.

I look forward to working with this committee as we move forward and appreciate any thoughts you have as we develop our report and Web tool.

Sincerely,



Susan Combs

cc: Members, Senate Committee on Education



Attachment A: Superintendent Advisory Committee

Superintendent	School District
Dr. David Anthony	Cypress-Fairbanks
Mr. Frank Belcher	Canadian
Mr. Keith Bryant	Bullard
Dr. Gene Buinger	Hurst-Euless-Bedford
Dr. Jesus Chavez	Round Rock
Dr. John Folks	Northside
Dr. Michael Feinberg	KIPP Houston (Charter)
Ms. Cynthia Garcia	Driscoll
Dr. Lorenzo Garcia	El Paso
Dr. Karen Garza	Lubbock
Dr. Roland Hernandez	Waco
Dr. Michael Hinojosa	Dallas
Dr. Daniel King	Pharr-San Juan-Alamo
Dr. Duncan Klusmann	Spring Branch
Dr. Richard Middleton	North East
Dr. Sylvester Perez	Midland
Dr. Carrol Thomas	Beaumont



Attachment B: Technical Advisory Teams

Academic Performance Team

Lead: CPA and UT-Dallas

Gloria Zyskowski, Ph.D., Texas Education Agency

Chrys Dougherty, Ph.D., National Center for Educational Achievement

Jim Van Overschelde, Ph.D., Texas Education Agency

Victor Willson, Ph.D., Texas A&M University

Dash Weerasinghe, Ph.D., Plano Independent School District

Jon Lorence, Ph.D., University of Houston

Lori Taylor, Ph.D., Texas A&M University

Financial Performance Team

Lead: CPA and Lori Taylor

Timothy Gronberg, Ph.D., Texas A&M University

Lisa Dawn-Fisher, Ph.D., Texas Education Agency

Anthony Rolle, Ph.D., Texas A&M University

Kathy Hays, Ph.D., Southern Methodist University

Jim Dyer, Ph.D., McCombs School of Business, University of Texas at Austin

Tom Canby, Texas Association of School Business Officials

Jim Parsons, Education Research Center (ERC) at the University of Texas at Dallas

General Policy Team

Lead: CPA and Harrison Keller

Eric Hanushek, Ph.D., Stanford

Pedro Reyes, Ph.D., Education Research Center (ERC) at the University of Texas at Austin

Hersh Waxman, Ph.D., Education Research Center (ERC) at Texas A&M University

Anthony Rolle, Ph.D., Texas A&M University

Marguerite Roza, Ph.D., University of Washington

Lori Fey, Michael & Susan Dell Foundation

