**Board adopts school funding formula**

*Plan seeks to minimize classroom impact of*

*major budget cuts caused by Texas school finance system*

*May 5, 2016* – The HISD Board of Education on Thursday unanimously approved a school funding proposal that aims to minimize the impact of looming budget cuts on classrooms.

HISD must send a projected $165 million in local property tax dollars to the state because the Texas school finance systems considers the district wealthy. Nearly 80 percent of HISD students come from low-income households. The projected deficit was previously $107 million, but rising property values have reduced that amount to $95 million.

            Interim Superintendent Kenneth Huewitt and the Board of Education have pledged to approach the budget cuts in a way that reduces the impact on classroom instruction. To that end, Huewitt so far has identified $78.6 million in central office and districtwide program cuts.

However, because the overwhelming majority of district spending goes to classrooms, the administration proposed an overall reduction of $179 in the amount each school receives per student.

The funding plan approved Thursday also includes a plan to fund HISD’s full-day prekindergarten program entirely through local and state dollars. The Texas school funding formula only funds half the cost of full-day prekindergarten. HISD has historically paid the remaining $21 million cost of full-day prekindergarten with Title I, Part A federal funds. The federal government requires school districts to spend these funds serving low-income students. Under Huewitt’s plan, these federal funds would be redirected to schools based on the percentage of students who come from low-income homes. Schools with the highest student poverty rates would receive as much as $455 in additional funds for each qualifying child.

Even with the already-identified reductions in central office and classroom spending, HISD remains about $15 million short of addressing the full $95 million deficit. A final budget will be brought forward for board consideration in June.

Other items winning board approval Thursday include:

* A request to ask the Texas Education Agency to re-score the state-mandated English I and English II end-of-course exams that received a failing grade in December. Districts across Texas have expressed concerns regarding the accuracy of scoring on these exams that students must pass in order to graduate.
* Acceptance of the Texas Education Agency’s offer of a waiver that allows HISD to forego making up the two instructional days that were lost because of flooding in April. In addition, the board approved paying hourly employees who had been scheduled to work on those missed days.

