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An Analysis of Public School Finance in New Mexico for Three Selected Years of the Decade 1937-38 to 1947-48

William Laurence Ullom

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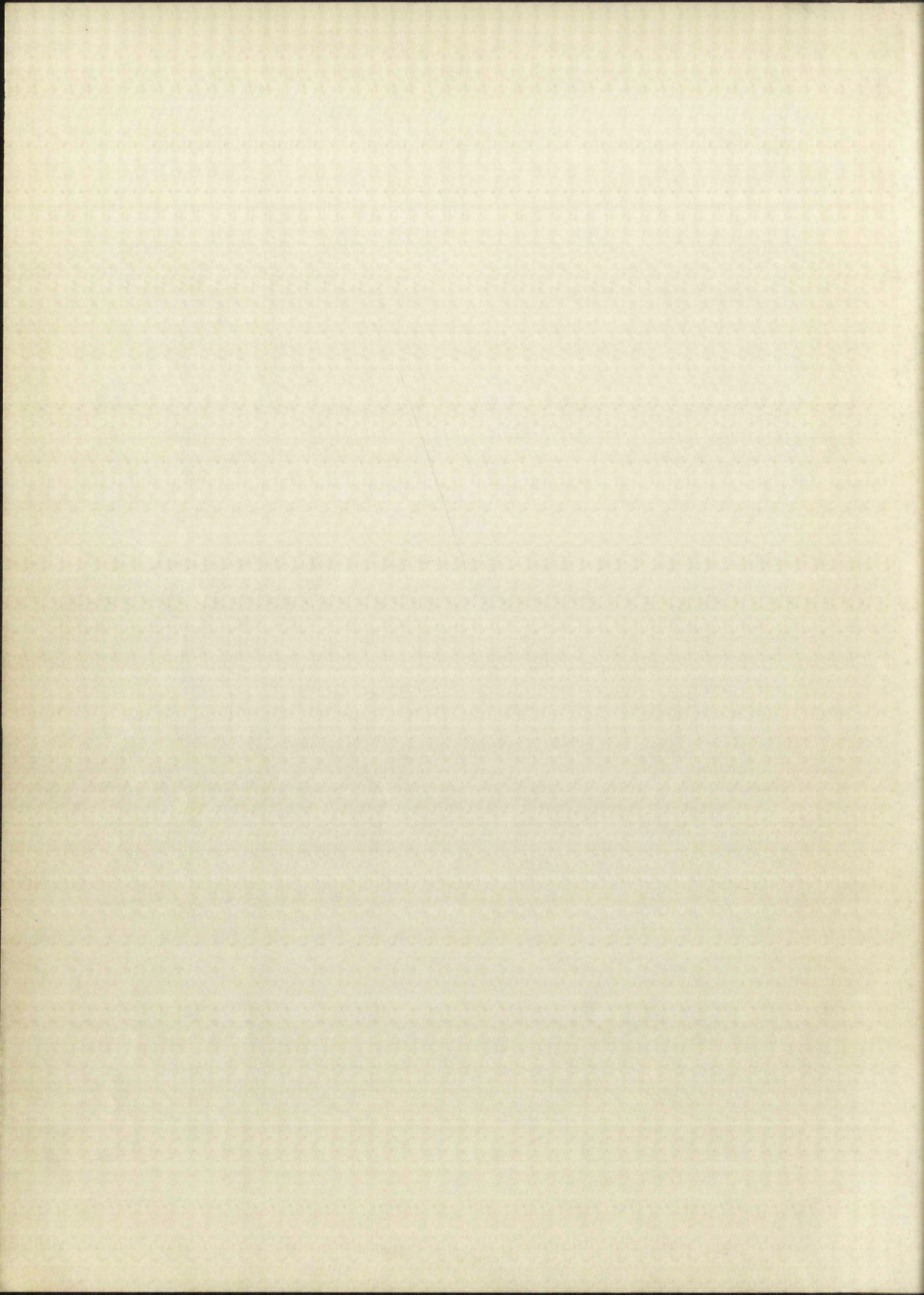
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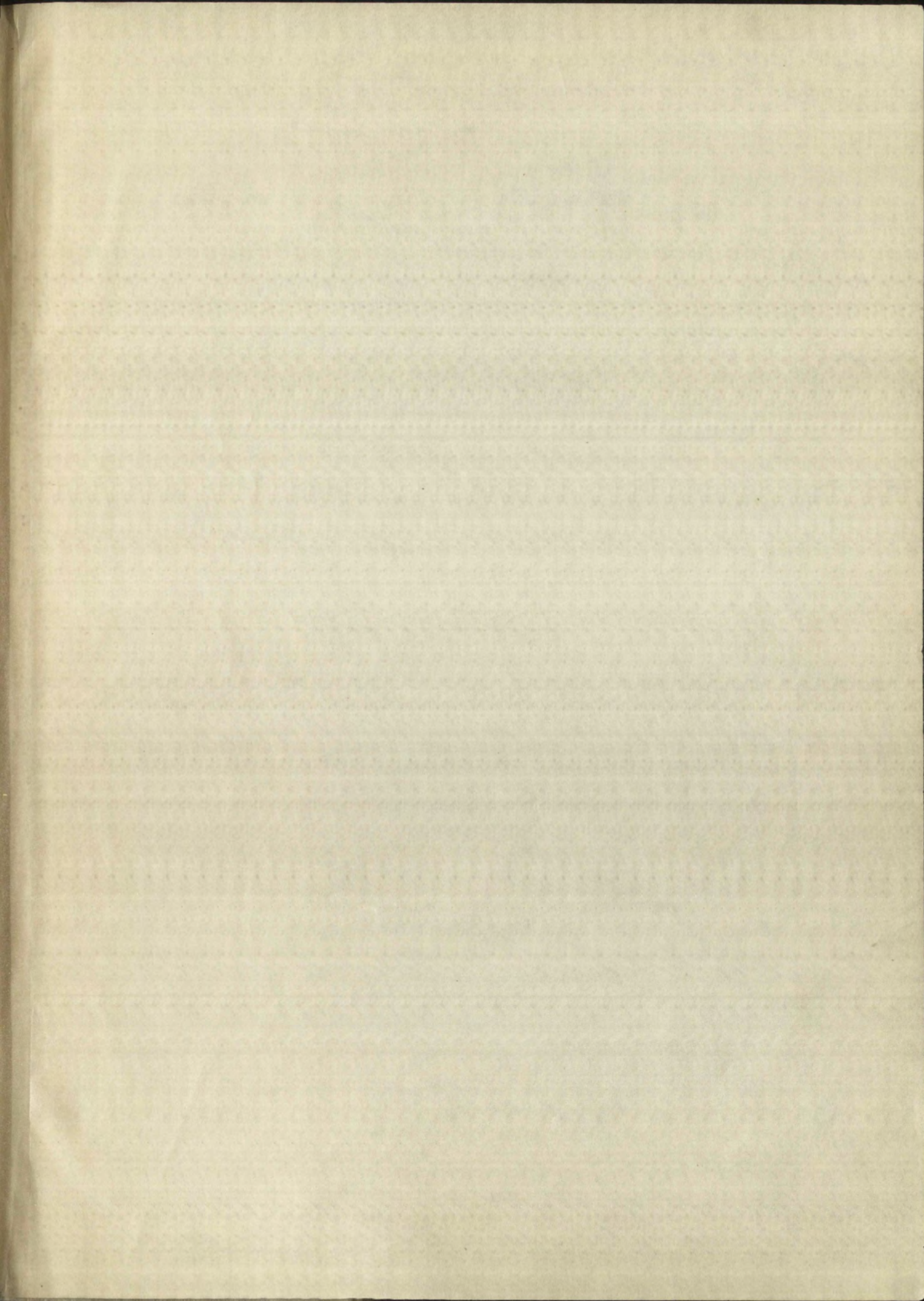
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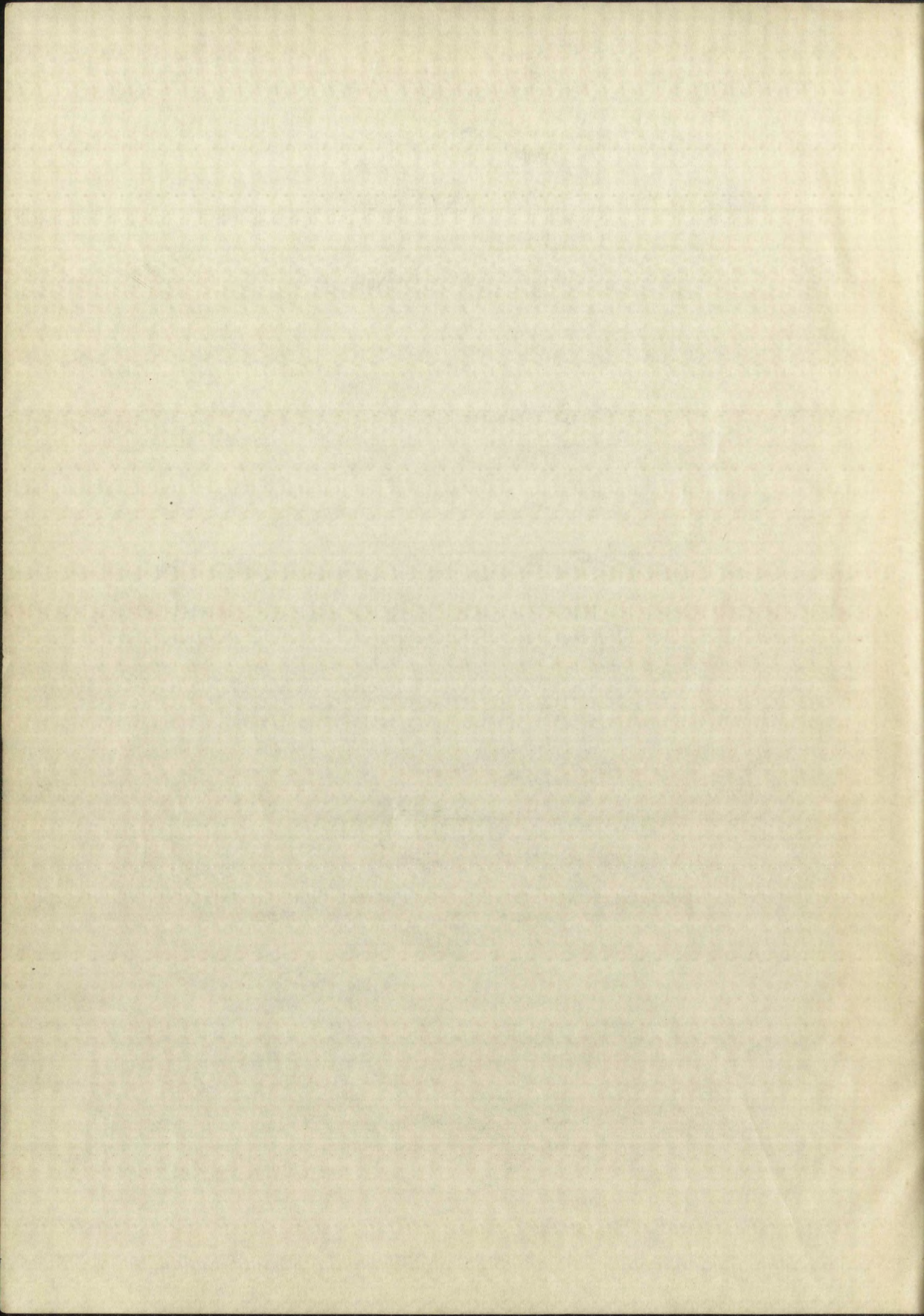
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AN ANALYSIS OF PUBLIC SCHOOL FINANCE IN
NEW MEXICO FOR THREE SELECTED YEARS
OF THE DECADE 1937-38 TO 1947-48



By

William Laurence Ullom

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A Thesis

Submitted in Partial Fulfillment of the
Requirements for the Degree of
Master of Arts in Education

University of New Mexico

1949



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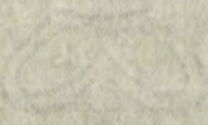
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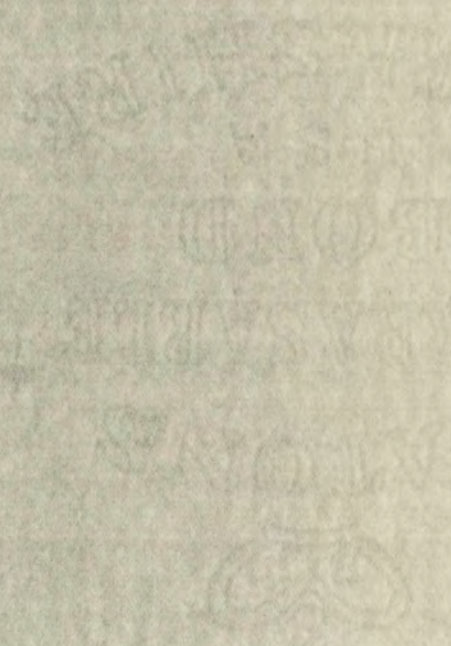
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CHAPTER I

INTRODUCTION

Equalization of educational opportunities for all youth is an objective desired by many laymen and educational leaders. A program of equal educational opportunities can be achieved only through a process whereby the revenue designated for school purposes is distributed in proportion to the educational and financial needs of individual communities. The accomplishments of free public education with existing methods of distributing revenue are noteworthy. Primary to the problem of distribution, however, adequate means of securing revenue for school purposes must be provided. The history of public school support in America has manifested two major concepts of responsibility in regard to school finance.

The first concept which had to be established before public education could become an actuality was that the responsibility for support of education should be a public or civic concern rather than a private matter. Acceptance of this theory came through slow emergence of the belief that education for a democratic society should be supported by means of universal taxation. Consequently, the United States has been the only country in the world to establish a truly public system of education for all youth extending from the elementary school through college and university.

The second concept which had to be accepted was that the financing of education was not only a responsibility of the local community but also an increasing concern of the state. Changing social and economic factors have accelerated the acceptance of increased state financial responsibility for public education. When the population of the nation was more rural than urban in composition, more nearly equal resources for taxation were present in local communities. These changes resulted in the development of communities and cities with greater wealth and resources for the support of public schools. Urban areas were thus able to develop educational programs far superior to those of rural areas. In order to attain more nearly equalized educational opportunities for all youth regardless of residence, the various states have attempted to distribute funds by equalization formulas. At the present time state contributions to local educational systems range from 25 to 90 per cent. The following statement regarding state aid to schools summarizes the situation very well:

The community district is concerned primarily with the preparation of the local educational program and the raising of local revenue as provided by law. The major finance problem is a state responsibility. The community finance problem is thus more immediately concerned with the mechanics of finance including proper budgeting, adequate accounting, and the interpretation of the financial needs of the community.¹

¹Arthur B. Noehlman, School Administration (New York: Houghton Mifflin Company, 1940), p. 474.

the second concept which has to be considered is that the financing of education has not only a responsibility of the local community but also an increasing responsibility of the state. Changing social and economic factors have necessitated the assumption of increased state financial responsibility for public education. Thus the responsibility of the state has been shifted from a position of non-involvement to one of active participation in the development of education. This change resulted in the development of educational and other activities which were previously the responsibility of private individuals or groups. When state funds are used to support of public schools, it is not only the state which develops educational programs but also the local community. In order to obtain state funds for educational purposes, the opportunities for all youth regardless of residence, the various states have attempted to distribute funds by a uniform formula. At the present time state contributions to local educational systems range from 25 to 50 per cent. The following statement regarding state aid to education summarizes the situation very briefly:

The community character is expressed primarily in the promotion of the local educational program and the raising of local revenues as provided by law. The major financial problem is a state responsibility. The community financial problem is the state's responsibility to provide the necessary financial aid to the local educational system. The state's responsibility is to provide the necessary financial aid to the local educational system, and the responsibility of the local community is to provide the necessary financial aid to the state.

New Mexico is a state with a commendable record for support of public education. The amount of money spent for educational purposes in New Mexico was 4.27 per cent of the total income received by the population in 1939-40. The average for all states for the same year was 2.57 per cent. A comparison of these two percentages indicates that the citizens of New Mexico are willing to be taxed more liberally for public education than are citizens of most other states. More recent data concerning expenditures paid from the total income received by the population show that New Mexico paid 3.3 per cent of such income for school purposes in 1946.² This is somewhat lower than the 4.27 per cent expended in 1939-40. However, it is probable that if current data were available for all states, New Mexico would still be near the top in the percentage of income expended on elementary and secondary education.

The amount of revenue supplied by the state government for educational purposes in 1947-48 made up more than 75 per cent of the total school budgets in New Mexico. The many sparsely settled communities in New Mexico, with insufficient resources, have necessitated contribution of a correspondingly larger amount of money for educational purposes by the state.

²John E. Brewton, director, Public Education in New Mexico (Nashville, Tennessee: Division of Surveys and Field Services, George Peabody College for Teachers, 1948), p. 220.

How Mexico is a state with a considerable record for
 support of public education. The amount of money spent for
 educational purposes in Mexico was \$1.50 per cent of the
 total income received by the population in 1938-39. The
 average for all states for the same year was 5.50 per cent.
 A comparison of these two percentages indicates that the
 citizens of Mexico are willing to be taxed more liberally
 for public education than are citizens of most other states.
 Some recent data concerning expenditures paid from the total
 income received by the population, show that Mexico
 paid 5.5 per cent of total income for school purposes in
 1938. This is some 40 per cent less than the 23 per cent ex-
 pended in 1934-35. However, it is probable that if current
 data were available for all states, Mexico would still
 be near the top in the percentage of income expended on el-
 mentary and secondary education.
 The amount of revenue collected by the state govern-
 ment for educational purposes in 1937-38 made up some 10
 per cent of the total school budget in Mexico. The
 many centrally collected contributions in Mexico, which in-
 clude revenues, have necessitated contributions of a cer-
 tain percentage of money for educational purposes
 by the state.

Source: Bureau of Education, United States Department of the Interior, Division of Education, Office of Statistics, 1939, p. 100.

The methods used for distributing revenue to the schools of New Mexico have varied. They have been based on pupil census, classroom units, and pupils in average daily attendance. A report of the New Mexico Educational Survey Board³ now recommends that a classroom unit method of distribution be revived. The 1949 State Legislature adopted a plan of distribution which has no relation to the one proposed by the survey board. A comparative study of the three methods, namely, pupil average daily attendance, the proposed classroom unit plan of the Survey Board, and the newly adopted plan of the State Legislature, should yield information in regard to the method of distribution most desirable for New Mexico.

I. THE PROBLEM

Statement of the problem. The purpose of this study is four-fold: (1) to synthesize previous studies related to the sources of revenue comprising the common school fund of New Mexico; (2) to analyze each component source of revenue of the common school fund for the ten-year period 1938 to 1948 and determine the amount derived from each and the trends revealed; (3) to analyze the distribution of the common school fund revenues for the ten-year period 1938 to 1948 and compute the expenditures for each type of school

³Ibid., p. 245.

The members of the Board of Education have been based on schools of the district have varied. They have been based on their income, classroom units, and results in average daily attendance. A report of the New Mexico Board of Education has recommended that a classroom unit system of distribution be revised. The 1949 State Legislature adopted a plan of distribution which has no relation to the one proposed by the survey board. A comprehensive study of the three methods, namely, equal average daily attendance, the proposed classroom unit plan of the survey board, and the newly adopted plan of the State Legislature, should yield information in regard to the actual distribution of funds available for the schools.

I. THE STUDY

Statement of the problem. The purpose of this study is four-fold: (1) to determine whether the distribution of the amount of revenue constituting the common school fund of New Mexico; (2) to analyze each component source of revenue of the common school fund for the ten-year period 1939 to 1948 and determine the amount derived from each and the trends revealed; (3) to analyze the distribution of the common school fund revenue for the ten-year period 1939 to 1948 and compare the expenditures for each type of school.

service; and (4) to compare by counties the distribution of funds according to the average daily attendance equalization law now utilized, the proposed classroom unit method recommended by the New Mexico School Survey, and the new distribution procedure enacted by the 1949 Legislature.

Delimitation of the problem. This study will be limited to the following procedures: (1) consideration will be given only to the revenue accruing to the public elementary and secondary schools of New Mexico for three selected years of the decade 1938 to 1948; (2) only those sources of revenue which comprise the income of the present equalization and current school funds will be analyzed; (3) the comparison of the average daily attendance method for distribution of school funds, the proposed classroom unit plan, and the new distribution system enacted by the 1949 legislature will be based only on the school year 1947-48; and (4) the counties will be the only local units considered in the analysis and distribution of sources of revenue.

Importance of the problem. This problem is important because there is need to show whether the present plan of equalization is adequate for the financial needs of the schools. Since the latest study made in 1939, considerable agitation has been manifested for reconsideration of the problem. As a result, there is a need for the present study utilizing current data. There is further need to evaluate

...and (2) as shown by a number of illustrations
...according to the average daily level of the
...the proposed classification will be used
...by the New Mexico School Survey, and the new
...procedures enacted by the 1919 Legislature.

Definition of the problem. This study will be limited
to the following procedure: (1) representative schools
given only to the various members of the public education
and secondary schools of the State and their various parts
of the decade 1908 to 1917. (2) only those schools of various
which contain the facts of the present classification
current school terms will be analyzed. (3) the data obtained
the average daily attendance during the last year of
school terms, the proposed classification and the
classification system enacted by the 1919 Legislature will be
based only on the school year 1917-18, and the comparison
will be the only basis considered in the study. The
classification system of 1917.

Importance of the problem. This study is important
because there is need to know whether the present classification
classification is adequate for the present needs of the
schools. Since the present classification is inadequate
classification has been established for the present needs of the
schools. As a result, there is a need for a new
utilizing current data. This is the first step in the study.

and compare the present method of distributing school funds with the proposed classroom unit method recommended by the New Mexico Survey Board. This study is also important because it employs data which are readily available and objective in nature; consequently, more valid generalizations are possible than if the data were subjective.

II. DEFINITIONS OF TERMS USED

The New Mexico school maintenance fund. In this study the term New Mexico school maintenance fund consists of the revenue derived from the state apportionment fund, the state funds credited to counties, and the state public school equalization fund.

The state apportionment fund. The state apportionment fund is made up of the common school fund and the current school fund.

Common school fund. In this study the term common school fund consists of the revenue derived from the income from investment of the permanent or trust fund, income from state lands, Blue Sky Fees, and interest on deposits.

Current school fund. The term current school fund is revenue which is received from property taxes, district court and justice of the peace court fines, traffic and liquor violations, game law violations, private car taxes, and express car taxes.

and compare the present system of taxation with the proposed changes. The present system is based on the principle of equality of sacrifice, while the proposed changes are based on the principle of equality of contribution. The present system is based on the principle of equality of sacrifice, while the proposed changes are based on the principle of equality of contribution.

II. DEFINITIONS

The term "tax" means a compulsory contribution to the revenue of the State, levied on the basis of the ability to pay. The term "tax" means a compulsory contribution to the revenue of the State, levied on the basis of the ability to pay.

The term "taxpayer" means a person or entity who is liable to pay a tax. The term "taxpayer" means a person or entity who is liable to pay a tax.

The term "tax revenue" means the amount of money received by the State from the collection of taxes. The term "tax revenue" means the amount of money received by the State from the collection of taxes.

The term "tax system" means the collection of taxes from taxpayers. The term "tax system" means the collection of taxes from taxpayers.

The state funds credited to counties. The term state funds credited to counties is revenue received from property taxes, inter-county consolidations, motor vehicle license receipts, Indian tuition fees, federal and state vocational reimbursements, forest reserve earnings, merchandise licenses, delinquent taxes, and cash balances for the last school year.

The state public school equalization fund. The state public school equalization fund ultimately receives the entire proceeds of the 2 per cent state sales tax, excluding 5 per cent for the cost of collection. Also, 75 per cent of the proceeds of the state income tax after 10 per cent is deducted for the cost of collection is included. Further included are the state's share from the leases of federally-owned mineral lands after certain deductions are made for the Bureau of Mines and the expenditures incurred in operation of a state free textbook system.

The classroom unit method of equalization. The classroom unit method of equalization is a proposal to reimburse all school districts within the counties on a classroom unit basis rather than on pupil average daily attendance.

Common schools. Public supported elementary and secondary schools in the state of New Mexico are common schools.

III. SOURCES OF THE DATA

Data for this study were secured from: (1) former

studies concerning the sources and distribution of common school funds for previous decades; (2) official records kept in the office of the State Budget Auditor concerning the revenue received and distributed from the state school maintenance budget fund; and (3) the report of the New Mexico Educational Survey Board. Similar data in regard to the maintenance budgets were available in the office of the New Mexico Educational Association. As a slight discrepancy existed between the two sources, however, in order to use a primary official source statistics from the Budget Auditor's office were used.

IV. METHODS OF PROCEDURE

The nature of the data required the use of the normative-survey method of research. In order to discover the different sources of revenue, it was necessary to review the related literature. A survey of the school maintenance fund and the maintenance budgets was necessary for analysis of total sums of money received and expended for school purposes. The present method for distribution of school funds was analyzed in order to ascertain the possible need for a new method of distribution of state aid.

V. ORGANIZATION OF THE REMAINDER OF THE STUDY

Chapter II presents a review of related studies and a compilation of state and federal laws that have been

studies concerning the sources and distribution of common
 school funds for previous years; (3) official records kept
 in the office of the State Budget and Finance Commission the
 revenues received and distributed from the State school tax;
 Finance Budget Fund; and (4) the records of the New Mexico
 Department of Public Safety. Similar data in regard to the
 maintenance budgets were available in the office of the
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 a primary official source statistics from the Budget and Finance
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IV. REVIEW OF LITERATURE

The nature of the data required the use of the
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 need for a new method of distribution of state aid.

V. ORGANIZATION OF THE REPORT OF THE STUDY

Chapter II presents a review of related studies and
 a comparison of state and federal laws that have been

enacted through the years for the establishment and support of the New Mexico common schools. An analysis to show how much of the total annual income of the schools is derived from various sources is set forth in Chapter III. Chapter IV is concerned with an analysis showing how the revenue distributed to the counties of the state was spent for various school services. A comparison of the average daily attendance method of distribution, the classroom unit method, and the new distribution plan enacted by the 1949 Legislature is presented in Chapter V. The final chapter presents the principal conclusions and recommendations drawn from the study.

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CHAPTER II

SURVEY OF RELATED LITERATURE

I. STUDIES CONCERNING SOURCES OF REVENUE

The purpose of this chapter is to present a review and synthesis of studies relating to the sources of revenue comprising the common school fund of New Mexico. An analysis of certain other investigations which sought a justifiable basis for the securement and distribution of adequate revenue for the support of the common schools is presented.

From the beginning of free public education in America, man has tried to devise adequate methods of support. A prominent objective has been an attempt to provide for children within the United States equal opportunity for education regardless of wealth, race, or creed. The evolution of education has progressed from the home to the state, and the latter has delegated it to the community. The problem has been such an important one that many investigations, reports, and books have been written upon the subject. Many of the previous studies have been made on a national level as well as state and local levels.

The state of New Mexico, which at the present time depends so much on state funds for support of public education, has been the subject of many previous studies concerning sources and distribution of school income.

THE STUDY OF THE HISTORY OF REVENUE

I. STUDIES CONCERNING THE HISTORY OF REVENUE

The purpose of this chapter is to present a review and synthesis of studies relating to the sources of revenue concerning the common school fund of New Mexico. An analysis of certain other investigations which sought a justification for the government and distribution of education revenue for the support of the common schools is presented. From the beginning of free public education in America, there has been a desire to develop adequate methods of support. A great deal of attention has been an attempt to provide for children within the United States equal opportunity for education regardless of race, color, or creed. The evolution of education has progressed from the home to the state, and the latter has delegated it to the community. The problem has been such an important one that many investigations, reports, and books have been written upon the subject. Many of the previous studies have been made on a national level as well as state and local levels.

The state of New Mexico, which at the present time depends so much on state funds for support of public education, has been the subject of many previous studies concerning revenue and distribution of school income.

In 1930, Martin¹ made a comparison of the contemporary method of apportionment of funds by pupil census with the proposed systems of the average daily attendance times the number of teachers employed and the aggregate attendance times the number of teachers employed. Martin concluded that aggregate attendance times the number of teachers employed would be a better system for apportionment of state aid. His analysis revealed that such a method of apportionment would tend to increase the efficiency of New Mexico schools and raise the general level of education.

Seyfried² made a study in 1931 of the cost of public education to the citizens of New Mexico. The study compared several Southwestern states as to their ability to support education. An analysis was made of the statutes and laws which comprised the sources and apportionment of revenue. Conclusions drawn showed that the methods used for securing and distributing school funds were antiquated and unsound. Seyfried proposed that New Mexico change from the census method of apportionment of state funds to a classroom unit system. The latter system would guarantee each classroom unit \$1,200 a year.

¹Walter H. Martin, "A Proposed System of Apportionment of School Money from State Funds," (unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1930), 54 pp.

²J. E. Seyfried, Costs and Methods of Financing Public Education in New Mexico, (Santa Fe, New Mexico: New Mexico Education Association, 1932), 87 pp.

method of representation of things by words seems with the proposed system of the average daily attendance since the number of teachers employed and the average attendance times the number of teachers employed. This method is that suggested elsewhere since the number of teachers employed would be a better system for representation of state aid. His analysis revealed that such a method of representation would tend to increase the efficiency of the schools and raise the general level of education. He also made a study in 1931 of the cost of public education in the United States. His study covered several representative states to show which states spent more on education. An analysis was made of the states and found which occupied the average and representation of revenue. Conclusions drawn showed that the states need for securing and distributing school funds were indicated and measured. He also proposed that the states change from the current method of representation of state funds to a classroom fund system. The latter system would guarantee each classroom unit \$1,000 a year.

Walter H. Heister, "A Proposed System of Representation of School Funds from State Funds," Unpublished Master's Thesis, University of New Mexico, Albuquerque, New Mexico, 1930, 24 pp.

W. H. Heister, Costs and Methods of Financing Public Education in New Mexico, (Albuquerque, New Mexico: New Mexico Education Association, 1930), 17 pp.

In 1931, Conlee³ made a study of the New Mexico permanent school fund. Conlee presented the historical background of the accrueement of money to the permanent school fund from public lands. His analysis showed that one of the principal sources of revenue of the current common school fund was money derived from this permanent school fund.

Sweeney⁴ made a ten-year study in 1935 of the sources, annual revenue, and apportionment of the New Mexico current common school fund. From his analysis he based predictions of future trends. Conclusions drawn indicated that before any true equalization could be attained more revenue would have to be provided for education. Further conclusions were that the state current school fund could be increased by better supervision of school lands, prompt investment of school funds, and better administration of the existing laws.

Garcia⁵ made an interesting study of the entire state financial structure of the state-supported elementary and

³Carl S. Conlee, "History, Past Incomes, and Probable Trends of the New Mexico Permanent School Fund," (unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1931), 47 pp.

⁴Raymond P. Sweeney, "Source, Annual Revenue, and Apportionment of New Mexico Current Common School Fund from 1923-24 to 1933-34," (unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1935), 75 pp.

⁵Zebedeo Garcia, "New Mexico State Common School Funds, Sources and Distribution," (unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1939), 109 pp.

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Gortner made a two-year study in 1935 of the sources, annual revenue, and apportionment of the New Mexico permanent school fund. From his analysis he based predictions of future trends. Conclusions drawn indicated that before any true apportionment could be obtained more revenue would have to be provided for education. Further conclusions were that the state permanent school fund could be increased by better supervision of school lands, better investment of school funds, and better administration of the existing lands.

Gortner made an interesting study of the entire state financial structure of the state-subsidized elementary and

Carl E. Gortner, "History, 1900-1930, and the Trends of the New Mexico Permanent School Fund," unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1933, 47 pp.

Carl E. Gortner, "Sources, Annual Revenue, and Apportionment of the New Mexico Permanent School Fund," unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1935, 75 pp.

Carl E. Gortner, "New Mexico State Permanent School Fund," unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1935, 100 pp.

secondary schools of New Mexico in 1939. This study covered the sources and distribution of revenue according to the revised equalization law of 1939. Garcia recommended that a more equitable method for distribution of state school revenue funds should be initiated. The state statutes should be changed in order to take into consideration the financial need as determined by the number of classroom units in each county.

It is interesting to note that the majority of the studies based upon distribution of the current common school funds have recommended that the method be based upon classroom units. These studies are also important because they provide description of the present sources of revenue.

II. ABSTRACT OF EXISTING SCHOOL LAWS LISTED IN THE PREVIOUSLY CITED STUDIES RELATED TO SOURCES OF REVENUE

This abstract of the sources of income comprising the New Mexico common school fund is not intended as a legal dictionary defining the pertinent finance laws. As these statutes have been described many times in former studies, the major reason for enumerating them again is to orient the reader in regard to the sources of revenue comprising present school funds. If further information is desired, the writer refers the reader to the related studies discussed in the first part of this chapter.

The following are the present sources of revenue

comprising the New Mexico current common school funds.

1. Cash balances. This source of income accrues from having unexpended funds at the end of the school fiscal year. When such an event occurs, the surplus is held in readiness to make up any deficit in the budget for the next fiscal year. Chapter 75 of the Sessions Laws of New Mexico for 1947 records an act which modified the handling of such monies:

. . . whenever a municipal school district has a balance remaining in its maintenance fund at the end of any fiscal year which balance is not required to be used in making the budget for the next succeeding fiscal year, the governing authority may, by resolution, direct the County Treasurer of the county in which such district is located to transfer from time to time all or any part of such surplus or reserve funds applicable to maintenance or direct charge budgets, or any other surplus funds of such district, to the building fund of such district, and such Building fund may be drawn upon and expended for building purposes in the same manner as other funds of such district are drawn upon, provided however, that no such funds shall be transferred by the County Treasurer to said building fund until such transfer shall have been authorized by the State Comptroller and approved by the Education Budget Auditor and the School Budget Commission.⁶

This act has aided several school districts in the construction of new school buildings and is applicable to all New Mexico school districts.

2. State apportionment fund. The state apportionment fund consists of money received from investment of the permanent school fund. Major receipts are derived from the

⁶M. A. Romero, editor, Laws of the State of New Mexico, (Santa Fe, New Mexico: the Rydal Press, 1947), p. 112.

comparing the new basis with the old basis of the
 1. State Government Fund. This fund of income is
 having increased since the end of the fiscal year
 when such an event occurred, the surplus is held in readiness
 to make up any deficit in the budget for the next fiscal year.
 Chapter 10 of the constitution of New Mexico for 1907
 reads as follows which defines the handling of such funds:

... whenever a surplus of the State Fund is
 realized, the same shall be deposited in the State Fund
 of any fiscal year which balance is not carried over
 to the next fiscal year. The balance of the State Fund
 shall be used in making the budget for the next fiscal year.
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 same shall be deposited in the State Fund of any fiscal year
 which balance is not carried over to the next fiscal year.
 The balance of the State Fund shall be used in making the
 budget for the next fiscal year.

This act has added several school districts in the northern
 part of New Mexico and is applicable to all the
 Mexican school districts.

2. State Government Fund. The state government
 fund consists of money received from investment of the
 various school funds. The receipts are derived from the

rentals and leases of state public school lands, the interest on deposits of school money, and the proceeds from the sale of property of people who at death do not leave any will or have any heirs. The income from this fund is apportioned to the counties according to the number of school-age children in each.

3. Merchandise license fees. This source of revenue consists of 30 per cent of all money collected for dealers' licenses for businesses which have gross annual sales exceeding \$400,000.00. This revenue must be spent for schools in the same county in which the licenses are issued.

4. Forest reserves. The United States Government pays 25 per cent of the gross earnings from forest reserve areas to the state in which forest reserves are located. The fees are to be used for the maintenance of schools and for building roads. New Mexico disburses one-half of this fund for school purposes. Further, such income has to be spent in the counties in which forest areas are located.

5. Motor vehicle licenses. The state allocates 25 per cent of the net income derived from motor vehicle registrations to be used for school purposes within the same counties where such money is collected.

6. Equalization fund. ✓ This source of revenue is collected from a 2 per cent tax on the proceeds of business (sales) and from income taxes. ^{and Mer. Leasing} The distribution of the income is based upon a computed formula for pupils in average daily attendance. This law was adopted by the state legislature

rentals and license of state public school lands, and interest on deposits of school money, and the proceeds from the sale of property of schools and of lands do not leave any moneys or have

any other. The income from this fund is appropriated to the

counties according to the number of school-age children in each.

2. Generalized License Fund. This source of revenue

consists of 50 per cent of all money collected for licenses

licenses for businesses which have gross annual sales ex-

ceeding \$500,000.00. This revenue must be spent for schools

in the same county in which the license was issued.

3. Forest Property. The United States Government pays

25 per cent of the gross receipts from taxes levied upon

to the State in which forest property is located. The fees

are to be used for the maintenance of schools and for build-

ing roads. The United States Government one-half of this fund for

school purposes. Further, such income as is derived in

the counties in which forest lands are located.

4. Motor Vehicle License. The entire amount 50

per cent of the net income derived from motor vehicle regis-

trations is to be used for school purposes within the same

counties where such money is collected.

5. Amusement Fund. This source of revenue is col-

lected from a 2 per cent tax on the receipts of persons

(actors) and from income taxes. The distribution of the in-

come is based upon a computed average for each of the years

daily attendances. This law was enacted by the State Legislature

in an attempt to acquire equalization in the distribution of common school funds.

7. Property tax. Each board of county commissioners is authorized by law to levy a one-half mill tax on all taxable property in each county. However, the one-half mill levy is not the only form of property tax which may be used for public school support. Other taxes may be levied on a county-wide basis and at the same time not be included in the current common school fund.

8. Indian tuition. The Indian children who attend state common schools and whose parents have not been granted citizenship are wards of the Federal Government. Consequently, Congress appropriates funds to pay tuition for the education of Indian children who attend the state common schools. The money is distributed to the schools on the basis of the Indian population enrolled in each school.

9. Miscellaneous. Only once in the past twelve years has this source of income contributed to the common school fund. The records show that Lea County received \$38,000.00 from this source in 1937. Since there is not any definite law concerning this source, it is impossible to give any specific data pertaining to the source of income.

10. Interest on deposits. This source of revenue is interest derived from investment of the permanent school fund. The principal of the school fund cannot be spent for

in an attempt to secure additional information in the following manner:

Common school funds.

7. Property tax. Each county of common school funds

is authorized by law to levy a one-half mill tax on all land

and property in each county. However, the one-half mill

levy is not the only form of property tax which may be used

for public school purposes. Other taxes may be levied on a

county-wide basis and at the same time not be included in

the common school fund.

8. Indian tuition. The Indian children who attend

state common schools and whose parents have not been granted

citizenship are exempted from the payment of tuition.

9. Donations. Appropriations made to pay tuition for the

education of Indian children who attend the state common schools.

The money is distributed to the schools on the basis of the

Indian population enrolled in each school.

10. Alcoholism. Only once in the past twelve years

has this source of income contributed to the common school

fund. The records show that the county received \$25,000.00

from this source in 1927. Since then it has not received

any concerning this source, it is impossible to give any

specific data pertaining to the source of income.

11. Interest on deposits. This source of revenue is

interest derived from investments of the common school

fund. The principal of the school fund cannot be used for

school purposes, but must be invested in safe, interest-bearing securities. Only the interest from such investments may be used for the common school fund.

11. Inter-county consolidation. Whenever districts are consolidated within two or more counties, the county in which the consolidated school is located receives the funds that would otherwise go to the counties in which the districts were originally located.

12. Credit for delinquent taxes. The law in regard to delinquent taxes reads as follows:

The state treasurer shall, upon receipt of remittance of collected delinquent taxes from the several county treasurers, apply the same, except such part thereof as is required by law to be credited to the tax commission fund, and such part thereof as belongs to the interest and sinking funds to the reduction and payment of any deficits, accumulated or other in the appropriations account, and for this purpose the state treasurer is hereby authorized to carry forward into one account all deficits existing in any appropriations account for any and all years. Whenever no deficit exists in such account, such taxes shall be credited to the retirement of any casual certificates of indebtedness issued for the purpose of paying any deficits in such account and whenever neither deficits nor certificates of indebtedness exist, such taxes shall be credited to the general appropriations account except as otherwise provided for by law.

SUMMARY

Related studies on the topic of school finance are numerous throughout the nation. However, since states vary

²New Mexico Statutes Annotated, 1929 Compilation.
(Session Laws 829, Special Session, Chapter 6, 1).

in their respective methods of supporting common schools, only studies related to problems in New Mexico were included in this chapter. It is interesting to note that three out of the five studies concerning New Mexico school finance have recommended apportionment of funds based on some system of classroom units.

The sources of revenue comprising the New Mexico common school fund are numerous and might appear to provide a sound financial basis for free public education in New Mexico. The present system of distribution of funds is based on the average daily attendance of pupils in public schools, except that the state apportionment fund is distributed according to the census enumeration of school-age children.

in their respective subjects of geography, history, science, and literature. The studies related to agriculture in New Mexico were included in this chapter. It is interesting to note that three out of the five studies concerning New Mexico school finances have recommended appointment of funds based on some system of classroom units.

The concept of revenue generating the New Mexico non-school fund was proposed and might appear to provide a sound financial basis for free public education in New Mexico. The present system of distribution of funds is based on the average daily attendance of pupils in public schools, except that the state government fund is distributed according to the average attendance of school-age children.

CHAPTER III

ANALYSIS OF NEW MEXICO CURRENT COMMON SCHOOL REVENUES

Chapter III presents an analysis of the sources of revenue from the years 1937-38 to 1947-48, or a decade since the period studied by Sweeney.¹ The school years 1937-38, 1942-43, and 1947-48 have been chosen as representative for this decade. For these three specific years the analysis shows the increases, decreases, averages, trends, and total amounts of money comprising the current common school fund for the following sources: (1) cash balances; (2) cash credit; (3) state apportionment; (4) merchandise licenses; (5) forest reserves; (6) motor vehicle; (7) equalization fund; (8) property tax; (9) Indian tuition; (10) miscellaneous; (11) interest on deposits; (12) inter-county consolidation; (13) credit for delinquent taxes.

I. ANALYSIS OF SOURCES

Cash balances. The sums shown in the cash balance columns in Table I reveal that the cash balances of the several counties have in general shown considerable gain. In 1942-43 the average increase over the year 1937-38 was 36.4 per cent. For the year 1947-48, the per cent of increase over 1937-38 was 897.3 per cent. The tendency has

¹R. P. Sweeney, "Sources, Annual Revenue, and Apportionment of New Mexico Current Common School Fund from 1923-24 to 1933-34," (unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1935), 75 pp.

CHAPTER III

ANALYSIS OF THE DATA OF THE SURVEY

CHAPTER III presents an analysis of the data of

revenue from the years 1937-38 to 1941-42, and a comparison of

the period studied by the author. The period 1937-38 to

1941-42, and 1937-38 to 1941-42 have been chosen as they

show the increase in the revenue from the period

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TABLE I

TOTAL CASH BALANCE RESERVES BY COUNTIES IN NEW MEXICO
FOR THE YEARS 1937-38, 1942-43, AND 1947-48

County	1937-38	1942-43	1947-48
Bernalillo	\$70 868	\$164 280	\$1 965 498
Catron	5 894	12 824	104 801
Chaves	100 940	55 699	646 900
Colfax	70 367	96 596	228 096
Curry	29 874	40 815	352 976
De Baca	22 935	12 703	96 278
Dona Ana	73 007	73 091	389 626
Eddy	25 540	57 750	371 954
Grant	61 462	61 199	707 493
Guadalupe	13 510	20 239	140 163
Harding	12 994	13 385	32 050
Hidalgo	13 361	10 176	92 216
Lea	-8 633	61 825	372 893
Lincoln	30 145	15 453	92 766
Luna	29 583	29 596	212 398
McKinley	36 043	42 637	191 284
Mora	27 554	20 278	91 034
Otero	33 165	30 099	154 603
Quay	19 567	33 707	118 569
Rio Arriba	7 317	50 745	345 148
Roosevelt	93 756	24 587	250 077
Sandoval	5 763	22 481	147 679
San Juan	19 833	15 072	142 973
San Miguel	35 786	41 429	261 124
Santa Fe	13 382	60 559	516 693
Sierra	10 454	19 625	130 510
Socorro	14 711	23 190	92 634
Taos	-53 455	21 870	206 205
Torrance	35 380	27 563	147 561
Union	33 247	61 671	338 196
Valencia	23 320	44 625	317 591
Total	\$927 470	\$1 265 771	\$9 254 988

been to build up cash balance. If this trend continues, it will not be long before all counties will be more financially stable. From the increases in these cash balances one might conclude that the amount of revenue received has far exceeded the amount needed for minimum support of the common schools. The greatest increase accumulated in the latter five years of the decade. In the first five years under investigation most of the revenue received by the public schools was needed to meet operating costs of the period. In 1942-43, only seven counties had to dip into their cash balance reserves in order to meet their budget requirements. Although cash balances had consistently increased, all thirty-one counties had to use cash credits in 1947-48. This would indicate that once again the annual revenue received was not sufficient for the demands of the present budgets. One may conjecture that inflated operation costs in an era of general economic inflation has been a deciding factor for increased school costs. The cash balance sums presented in Table I for each county reveal that greatest increases occurred between the years 1942-43 and 1947-48.

Figure 1 presents in graphic form the percentage of increase and decrease of cash balances by time intervals for each county. The year 1937-38 is used as the base year upon which the percentages were computed, and the years 1942-43 and 1947-48 are presented for comparative purposes. The reader will note that Lea and Taos counties had a negative

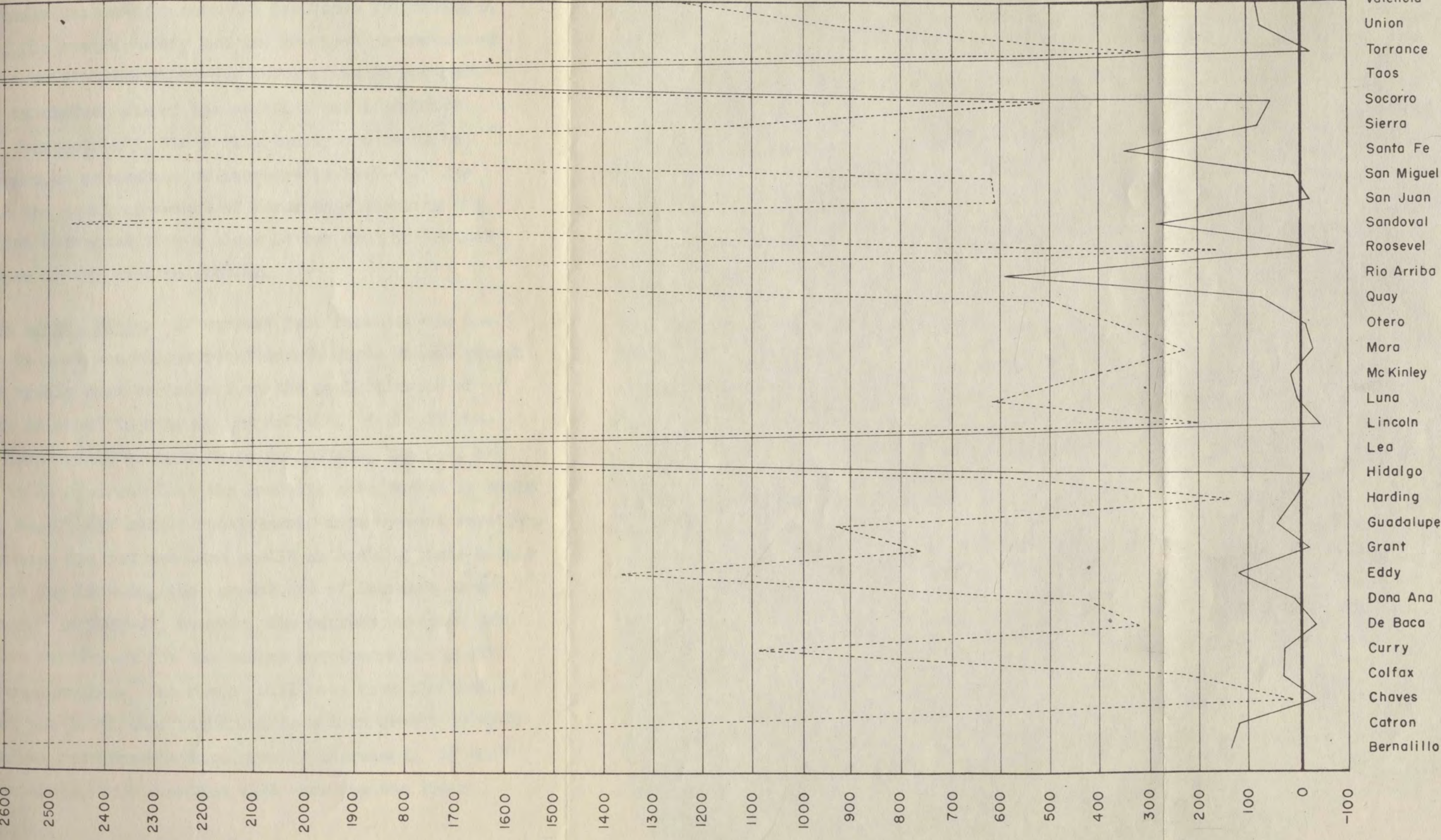
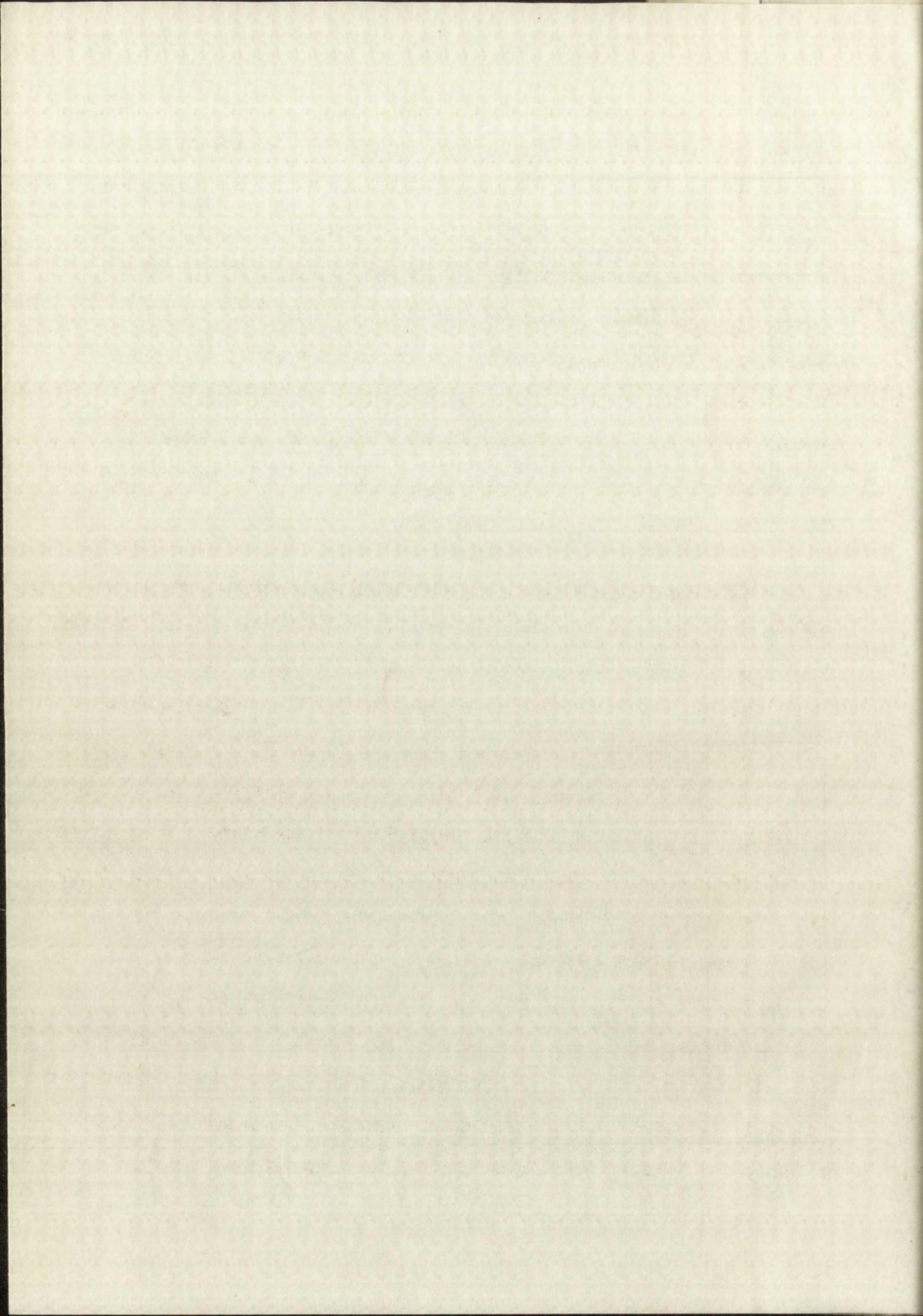


FIGURE I
 PERCENTAGES FOR COUNTY CASH BALANCE RESERVES DURING THE YEARS
 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38 *

*The following counties had negative cash balances in 1937-38 and a percentage of increase and decrease could not be computed for them.

COUNTY	1937-38	1942-43	1947-48
Lea	- 8 633	61 825	372 893
Taos	-53 455	21 870	206 205

Solid 1942-43
 Dash 1947-48



balance in 1937-38; consequently, infinitive percentage is the only result that can be recorded for these two counties. In 1942-43, Rio Arriba County had the greatest percentage of increase, whereas Roosevelt County had a minus 76 per cent decrease. In 1947-48 all of the counties had a positive increase. Interestingly, Rio Arriba County continued to have the greatest percentage of increase in 1947-48. The county with the smallest amount of percentage increase was Chaves, which increased from a minus 33 per cent in 1942-43 to a positive 13 per cent in 1947-48.

Cash credit taken. If current year receipts are insufficient to meet the budget requirements for a fiscal school year, cash credit must be drawn from the cash balances of each county in order to make up the deficit. Table II presents the cash credit accounts used in 1937-38, 1942-43, and 1947-48. It is apparent that the counties have varied in their ability to meet their budget requirements from current receipts. As ten counties did not use cash credit in meeting their budget requirements for 1937-38, the percentages of increase were not computed. In 1942-43, however, the current revenues for schools were sufficient for the budget requirements for all except seven counties. The reader will note from the 1947-48 column that the total sums withdrawn from cash credit to meet current budget requirements have greatly increased. If such a trend continues, most counties will soon deplete their

TABLE II

TOTAL SUMS AND PERCENTAGES OF MONEY USED FROM CASH CREDIT
IN 1937-38, 1942-43, AND 1947-48 FOR NEW MEXICO COUNTIES

County	1937-38	Per Cent	1942-43	Per Cent	1947-48	Per Cent
Bernalillo	\$15 439	2.1			\$462 228	19.0
Catron					11 222	7.7
Chaves	34 409	10.1			180 536	20.3
Colfax			\$7 227	1.7	175 778	24.4
Curry	6 296	2.2			162 506	20.4
De Baca	8 221	10.1			53 158	28.6
Dona Ana	35 615	9.0			241 877	22.8
Eddy	13 269	5.4	8 480	2.7	238 655	20.4
Grant					187 463	23.3
Guadalupe	1 242	.9			74 185	22.6
Harding					31 984	20.7
Hidalgo	2 220	2.3			49 645	24.2
Lea			14 059	3.4	202 972	21.4
Lincoln	8 723	4.6			91 727	25.4
Luna	1 508	1.5			69 694	22.2
McKinley	1 373	.8	8 336	4.0	78 659	21.7
Mora	9 079	7.9			88 462	26.4
Otero	3 930	2.3	916	.5	112 389	27.4
Quay					117 164	22.1
Rio Arriba					160 269	22.3
Roosevelt	57 076	19.4			167 497	26.9
Sandoval	1 140	1.3			99 866	30.3
San Juan	3 257	2.4			96 118	26.7
San Miguel	18 166	5.8	51 128	7.2	180 974	22.6
Santa Fe	8 728	3.1			219 901	23.7
Sierra	4 161	5.0			51 773	21.9
Socorro					92 590	25.0
Taos					160 144	26.2
Torrance	119	.1			120 079	26.9
Union			20 952	7.1	187 626	35.1
Valencia	4 636	1.9			202 998	24.7
Total	\$1 396 960	20.4	\$111 098	1.4	\$4 390 189	23.3

TABLE 11
TOTAL BOND AND PERCENTAGE OF COUNTY BOND IN 1937-38, 1938-39, AND 1939-40

County	1937-38	1938-39	1939-40
Bernillo	\$15,489	2.1	
Brewer			
Chavez	\$4,400	10.1	
Colfax			
Curry	\$3,300	2.8	
De Baca	\$3,301	10.1	
Dona Ana	\$5,618	8.9	
Elddy	\$10,300	4.4	
Grant			
Graham	\$1,600	0	
Harding			
Hidalgo	\$2,800	8.3	
Lee			
Lincoln	\$3,700	4.8	
Luna	\$1,500	1.8	
Mekins	\$1,375	1.8	
Mora	\$9,975	7.9	
Otero	\$3,300	3.3	
Quay			
Rio Arriba			
Sandoval	\$5,475	18.4	
Sandoval	\$1,500	1.3	
San Juan	\$3,300	3.4	
San Miguel	\$18,100	8.8	
Santa Fe	\$8,700	2.1	
Shera	\$4,101	8.0	
Socorro			
Taos			
Torrance	\$110	1.1	
Union			
Valencia	\$4,600	1.2	
Total	\$1,338,000	20.4	

existing cash balances. The percentages of cash credit withdrawn to meet budget requirements for 1947-48 readily support the previous statement. In 1937-38 the counties as a unit used only 2.1 per cent of cash credit to meet their budget requirements. This percentage declined to 1.4 in 1942-43. A probable indication of the results of economic inflation is reflected, however, in the year 1947-48, when 23.3 per cent of the money for the school budget requirements was withdrawn from cash credit or reserves. One may well conclude that either school budgets will have to be reduced to balance current revenues, or current revenues will have to be increased to balance budget requirements. If expenditures and revenues manifest the same trend for the 1948-49 school year, many of the counties will have depleted their cash balances by the year 1949-50.

The reader will recall from Table II that for the years 1937-38 and 1942-43 withdrawals from cash balance accounts were very slight. In 1947-48, however, schools were very dependent upon their cash balances in each county, as evidenced by a previous statement that 23.3 per cent of their operating budgets were withdrawn from cash balances.

The percentages of increase and decrease in total amounts withdrawn from cash credit based on the initial year 1937-38 was minus 53.4 per cent in 1942-43, and a positive 1,738 per cent in 1947-48.

State apportionment fund. The state apportionment

existing cash balances. The percentage of cash balance
drawn to meet budget requirements for the fiscal year
the previous statement, in 1947-48, the percentage was 2.1
used only 2.1 per cent of cash balance to meet their budget
requirements. This percentage declined to 1.7 in 1948-49.
A probable indication of the results of economic conditions
is reflected, however, in the year 1947-48, when 2.1 per
cent of the money for the school budget was withdrawn for
withdrawal from cash credits or reserves. This was 2.1 per
cent of the money for the school budget. This figure is not
balance current revenues, or current reserves, and it is
be increased to balance budget requirements. It is
and revenue credits and revenue credits in the year 1947-48
year, many of the counties all have cash balances
balances by the year 1948-49.
The number will recall from Table 11 that the year
1937-38 and 1947-48 withdrawal from cash balance accounts
were very slight. In 1947-48, however, schools were very
pendent upon their cash balance in cash counts, as indicated
by a previous statement that 2.1 per cent of their operating
budgets were withdrawn from cash balances.
The percentages of income and decrease in total
amount withdrawn from cash credits and cash balance
1937-38 was minus 3.4 per cent in 1947-48, and a positive
1.7 per cent in 1948-49.

fund, as shown in Table III, has increased in total amount for each of the three years under study, but the fund has shown a considerable decrease in proportion to each year's total budget. Using 1937-38 as the base year, the total income from the apportionment fund was 8.4 per cent greater in 1942-43, and 61.1 per cent greater in 1947-48. At the same time the state apportionment fund decreased in proportion to the total of each year's budget from 20.4 per cent in 1937-38, to 15.7 per cent in 1942-43, and finally to 12.9 per cent in 1947-48.

Figure 2 indicates that in 1942-43 thirteen counties had a relatively slight decrease in percentage of revenue received from the state apportionment fund; whereas in 1947-48, only three counties had decreases below the base year of 1937-38. Increases were relatively steady for most counties in 1942-43, with more pronounced increases accruing in 1947-48. It is evident that the state apportionment fund has increased more slowly as a basic source of revenue than have certain other sources.

Property tax. Property tax revenue has also shown a marked decrease in proportion to the total annual budgets for each year under study. Table IV shows that property tax in 1937-38 made up 19.5 per cent of the total state budget. However, in 1942-43 this type of revenue had decreased to 16 per cent of the total state budget and in 1947-48 had declined

fund, as shown in Table III, has increased in each year of the three years under study, but the rate of increase has been considerable in 1937-38 as the base year, the total increase in the expenditures had an 8.4 per cent increase in 1937-38 and 31.1 per cent increase in 1938-39. The rate of increase in the expenditures had decreased in 1936-37 as the base year, at each year's budget from 1934-35 to 1937-38, the per cent in 1934-35 was 3.54-45, and rising to 1937-38 per cent in 1937-38.

Figure 2 indicates that in 1936-37 the expenditures had a relatively slight decrease in percentage of increase received from the state government, but in 1937-38, only three counties had decreased expenditures, and in 1938-39, increased expenditures were reported by 1937-38. In 1937-38, which was increased and decreased in 1937-38. It is evident that the expenditures in 1937-38 decreased more slowly as a result of the state government, certain other counties.

PERCENTAGE INCREASE - The percentage increase in expenditures in proportion to the total amount received for each year under study, as shown in Table IV, for 1937-38 was 31.1 per cent, and for 1938-39 was 31.1 per cent. However, in 1936-37 the rate of increase was 8.4 per cent, and the total amount received was 1.1 per cent of the total amount received in 1936-37.

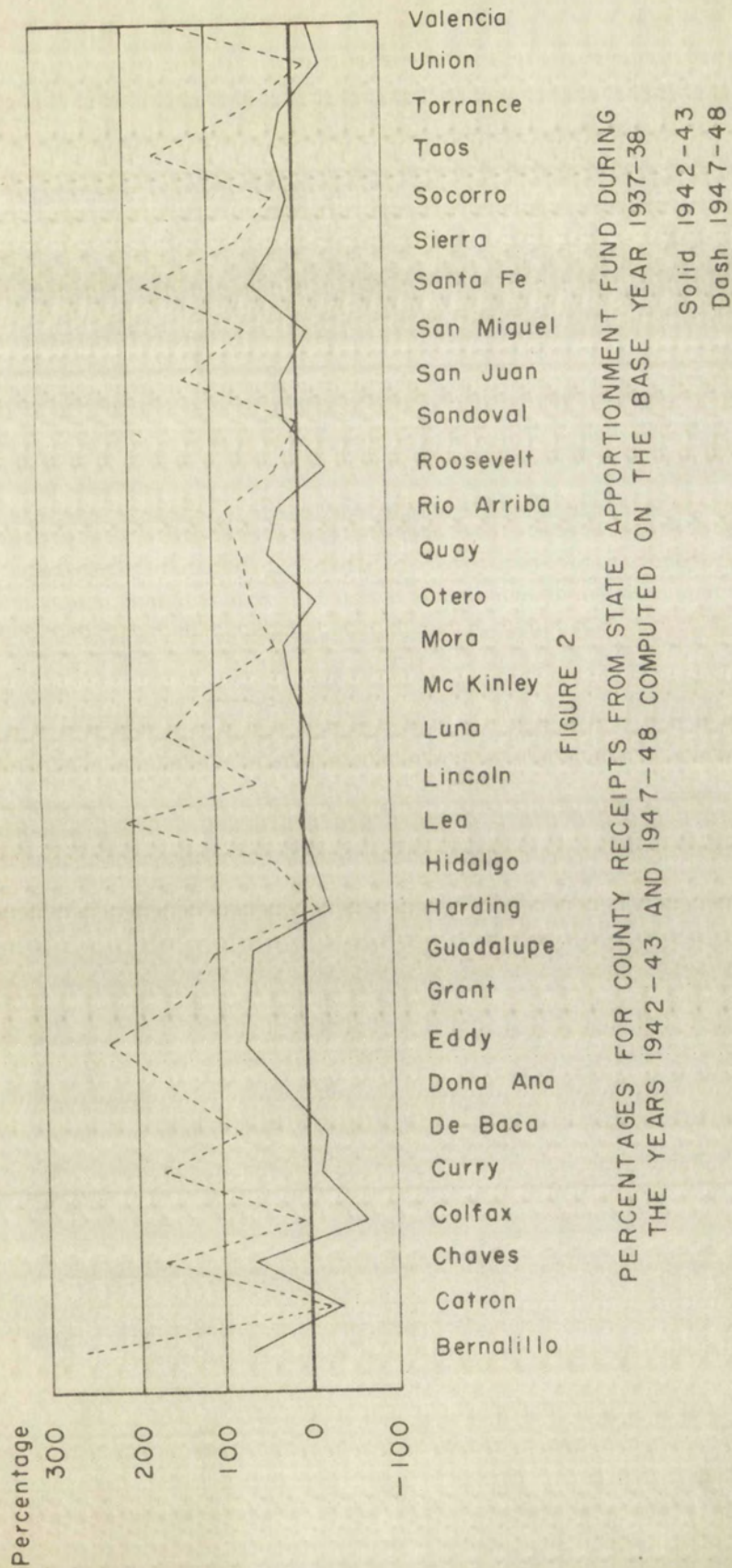
TABLE III

TOTAL SUMS BY COUNTIES AND THE PERCENTAGES OF THE TOTAL BUDGETS RECEIVED FROM THE STATE APPORTIONMENT FUND FOR THE YEARS 1937-38, 1942-43, AND 1947-48

County	1937-38	Per Cent	1942-43	Per Cent	1947-48	Per Cent
Bernalillo	\$181 961	25.1	\$246 457	22.2	\$16 497	16.6
Catron	15 564	24.3	12 869	13.8	13 551	9.4
Chaves	60 902	18.2	79 716	21.0	111 236	12.5
Colfax	67 851	14.1	47 274	11.7	70 178	9.7
Curry	47 299	16.7	43 718	12.5	86 463	10.5
De Baca	10 441	12.9	9 590	10.7	13 933	8.5
Dona Ana	74 648	20.1	87 333	18.2	131 376	12.4
Eddy	55 500	22.7	72 911	18.6	128 966	11.2
Grant	55 289	15.3	71 790	17.1	95 309	11.8
Guadalupe	22 183	16.6	28 432	15.3	33 465	10.3
Harding	15 682	14.0	12 941	12.6	13 903	8.8
Hidalgo	13 594	13.6	12 479	11.2	16 402	8.0
Lea	38 381	10.3	38 927	9.4	78 805	8.3
Lincoln	25 767	13.8	25 667	14.5	32 230	9.0
Luna	17 077	15.7	16 426	10.8	30 173	9.6
McKinley	31 626	17.2	33 397	16.0	48 044	13.3
Mora	33 022	28.5	36 440	18.4	39 373	11.7
Otero	30 907	19.1	27 848	15.2	39 285	9.6
Quay	40 612	15.1	32 708	11.7	53 438	10.1
Rio Arriba	65 062	35.2	73 332	18.2	93 325	13.0
Roosevelt	52 498	16.3	42 186	12.2	69 360	8.7
Sandoval	28 413	34.6	30 241	16.9	28 556	8.7
San Juan	24 237	20.4	25 965	15.0	40 372	11.2
San Miguel	81 859	26.1	77 927	11.4	105 259	13.2
Santa Fe	84 268	30.4	106 113	21.8	159 256	17.1
Sierra	17 905	22.5	20 126	17.3	23 794	10.0
Socorro	35 244	18.7	36 512	18.8	40 490	10.9
Taos	40 781	30.3	46 051	16.1	73 102	12.0
Torrance	30 476	15.6	32 122	14.2	40 181	9.0
Union	44 264	15.3	36 985	12.6	43 003	8.0
Valencia	53 648	21.7	49 454	13.8	91 224	12.5
Total	\$1 396 960	20.4	\$1 513 637	15.7	\$2 250 539	12.9

NOTES ON THE CENSUS OF 1900
 SHOWING THE RESULTS OF THE
 CENSUS TAKEN IN 1900

County	1900	1910	1920	1930	1940	1950	1960	1970	1980	1990	2000	Total
Adams	1,234	1,345	1,456	1,567	1,678	1,789	1,890	1,901	2,012	2,123	2,234	15,000
Albany	2,345	2,456	2,567	2,678	2,789	2,890	2,901	3,012	3,123	3,234	3,345	25,000
Albany	3,456	3,567	3,678	3,789	3,890	3,901	4,012	4,123	4,234	4,345	4,456	35,000
Albany	4,567	4,678	4,789	4,890	4,901	5,012	5,123	5,234	5,345	5,456	5,567	45,000
Albany	5,678	5,789	5,890	5,901	6,012	6,123	6,234	6,345	6,456	6,567	6,678	55,000
Albany	6,789	6,890	6,901	7,012	7,123	7,234	7,345	7,456	7,567	7,678	7,789	65,000
Albany	7,890	7,901	8,012	8,123	8,234	8,345	8,456	8,567	8,678	8,789	8,890	75,000
Albany	8,901	9,012	9,123	9,234	9,345	9,456	9,567	9,678	9,789	9,890	9,901	85,000
Albany	9,901	10,012	10,123	10,234	10,345	10,456	10,567	10,678	10,789	10,890	10,901	95,000
Albany	10,901	11,012	11,123	11,234	11,345	11,456	11,567	11,678	11,789	11,890	11,901	105,000
Albany	11,901	12,012	12,123	12,234	12,345	12,456	12,567	12,678	12,789	12,890	12,901	115,000
Albany	12,901	13,012	13,123	13,234	13,345	13,456	13,567	13,678	13,789	13,890	13,901	125,000
Albany	13,901	14,012	14,123	14,234	14,345	14,456	14,567	14,678	14,789	14,890	14,901	135,000
Albany	14,901	15,012	15,123	15,234	15,345	15,456	15,567	15,678	15,789	15,890	15,901	145,000
Albany	15,901	16,012	16,123	16,234	16,345	16,456	16,567	16,678	16,789	16,890	16,901	155,000
Albany	16,901	17,012	17,123	17,234	17,345	17,456	17,567	17,678	17,789	17,890	17,901	165,000
Albany	17,901	18,012	18,123	18,234	18,345	18,456	18,567	18,678	18,789	18,890	18,901	175,000
Albany	18,901	19,012	19,123	19,234	19,345	19,456	19,567	19,678	19,789	19,890	19,901	185,000
Albany	19,901	20,012	20,123	20,234	20,345	20,456	20,567	20,678	20,789	20,890	20,901	195,000
Albany	20,901	21,012	21,123	21,234	21,345	21,456	21,567	21,678	21,789	21,890	21,901	205,000
Albany	21,901	22,012	22,123	22,234	22,345	22,456	22,567	22,678	22,789	22,890	22,901	215,000
Albany	22,901	23,012	23,123	23,234	23,345	23,456	23,567	23,678	23,789	23,890	23,901	225,000
Albany	23,901	24,012	24,123	24,234	24,345	24,456	24,567	24,678	24,789	24,890	24,901	235,000
Albany	24,901	25,012	25,123	25,234	25,345	25,456	25,567	25,678	25,789	25,890	25,901	245,000
Albany	25,901	26,012	26,123	26,234	26,345	26,456	26,567	26,678	26,789	26,890	26,901	255,000
Albany	26,901	27,012	27,123	27,234	27,345	27,456	27,567	27,678	27,789	27,890	27,901	265,000
Albany	27,901	28,012	28,123	28,234	28,345	28,456	28,567	28,678	28,789	28,890	28,901	275,000
Albany	28,901	29,012	29,123	29,234	29,345	29,456	29,567	29,678	29,789	29,890	29,901	285,000
Albany	29,901	30,012	30,123	30,234	30,345	30,456	30,567	30,678	30,789	30,890	30,901	295,000
Albany	30,901	31,012	31,123	31,234	31,345	31,456	31,567	31,678	31,789	31,890	31,901	305,000
Albany	31,901	32,012	32,123	32,234	32,345	32,456	32,567	32,678	32,789	32,890	32,901	315,000
Albany	32,901	33,012	33,123	33,234	33,345	33,456	33,567	33,678	33,789	33,890	33,901	325,000
Albany	33,901	34,012	34,123	34,234	34,345	34,456	34,567	34,678	34,789	34,890	34,901	335,000
Albany	34,901	35,012	35,123	35,234	35,345	35,456	35,567	35,678	35,789	35,890	35,901	345,000
Albany	35,901	36,012	36,123	36,234	36,345	36,456	36,567	36,678	36,789	36,890	36,901	355,000
Albany	36,901	37,012	37,123	37,234	37,345	37,456	37,567	37,678	37,789	37,890	37,901	365,000
Albany	37,901	38,012	38,123	38,234	38,345	38,456	38,567	38,678	38,789	38,890	38,901	375,000
Albany	38,901	39,012	39,123	39,234	39,345	39,456	39,567	39,678	39,789	39,890	39,901	385,000
Albany	39,901	40,012	40,123	40,234	40,345	40,456	40,567	40,678	40,789	40,890	40,901	395,000
Albany	40,901	41,012	41,123	41,234	41,345	41,456	41,567	41,678	41,789	41,890	41,901	405,000
Albany	41,901	42,012	42,123	42,234	42,345	42,456	42,567	42,678	42,789	42,890	42,901	415,000
Albany	42,901	43,012	43,123	43,234	43,345	43,456	43,567	43,678	43,789	43,890	43,901	425,000
Albany	43,901	44,012	44,123	44,234	44,345	44,456	44,567	44,678	44,789	44,890	44,901	435,000
Albany	44,901	45,012	45,123	45,234	45,345	45,456	45,567	45,678	45,789	45,890	45,901	445,000
Albany	45,901	46,012	46,123	46,234	46,345	46,456	46,567	46,678	46,789	46,890	46,901	455,000
Albany	46,901	47,012	47,123	47,234	47,345	47,456	47,567	47,678	47,789	47,890	47,901	465,000
Albany	47,901	48,012	48,123	48,234	48,345	48,456	48,567	48,678	48,789	48,890	48,901	475,000
Albany	48,901	49,012	49,123	49,234	49,345	49,456	49,567	49,678	49,789	49,890	49,901	485,000
Albany	49,901	50,012	50,123	50,234	50,345	50,456	50,567	50,678	50,789	50,890	50,901	495,000
Albany	50,901	51,012	51,123	51,234	51,345	51,456	51,567	51,678	51,789	51,890	51,901	505,000
Albany	51,901	52,012	52,123	52,234	52,345	52,456	52,567	52,678	52,789	52,890	52,901	515,000
Albany	52,901	53,012	53,123	53,234	53,345	53,456	53,567	53,678	53,789	53,890	53,901	525,000
Albany	53,901	54,012	54,123	54,234	54,345	54,456	54,567	54,678	54,789	54,890	54,901	535,000
Albany	54,901	55,012	55,123	55,234	55,345	55,456	55,567	55,678	55,789	55,890	55,901	545,000
Albany	55,901	56,012	56,123	56,234	56,345	56,456	56,567	56,678	56,789	56,890	56,901	555,000
Albany	56,901	57,012	57,123	57,234	57,345	57,456	57,567	57,678	57,789	57,890	57,901	565,000
Albany	57,901	58,012	58,123	58,234	58,345	58,456	58,567	58,678	58,789	58,890	58,901	575,000
Albany	58,901	59,012	59,123	59,234	59,345	59,456	59,567	59,678	59,789	59,890	59,901	585,000
Albany	59,901	60,012	60,123	60,234	60,345	60,456	60,567	60,678	60,789	60,890	60,901	595,000
Albany	60,901	61,012	61,123	61,234	61,345	61,456	61,567	61,678	61,789	61,890	61,901	605,000
Albany	61,901	62,012	62,123	62,234	62,345	62,456	62,567	62,678	62,789	62,890	62,901	615,000
Albany	62,901	63,012	63,123	63,234	63,345	63,456	63,567	63,678	63,789	63,890	63,901	625,000
Albany	63,901	64,012	64,123	64,234	64,345	64,456	64,567	64,678	64,789	64,890	64,901	635,000
Albany	64,901	65,012	65,123	65,234	65,345	65,456	65,567	65,678	65,789	65,890	65,901	645,000
Albany	65,901	66,012	66,123	66,234	66,345	66,456	66,567	66,678	66,789	66,890	66,901	655,000
Albany	66,901	67,012	67,123	67,234	67,345	67,456	67,567	67,678	67,789	67,890	67,901	665,000
Albany	67,901	68,012	68,123	68,234	68,345	68,456	68,567	68,678	68,789	68,890	68,901	675,000
Albany	68,901	69,012	69,123	69,234	69,345	69,456	69,567	69,678	69,789	69,890	69,901	685,000
Albany	69,901	70,012	70,123	70,234	70,345	70,456	70,567	70,678	70,789	70,890	70,901	695,000
Albany	70,901	71,012	71,123	71,234	71,345	71,456	71,567	71,678	71,789	71,890	71,901	705,000
Albany	71,901	72,012	72,123	72,234	72,345	72,456	72,567	72,678	72,789	72,890	72,901	715,000
Albany	72,901	73,012	73,123	73,234	73,345	73,456	73,567	73,678	73,789	73,890	73,901	725,000
Albany	73,901	74,012	74,123	74,234	74,345	74,456	74,567	74,678	74,789	74,890	74,901	735,000
Albany	74,901	75,012	75,123	75,234	75,345	75,456	75,567	75,678	75,789	75,890	75,901	745,000
Albany	75,901	76,012	76,123	76,234	76,345	76,456	76,567	76,678	76,789	76,890	76,901	755,000
Albany	76,901	77,012	77,123	77,234	77,345	77,456	77,567	77,678	77,789	77,890	77,901	765,000
Albany	77,901	78,012	78,123	78,234	78,345	78,456	78,567	78,678	78,789	78,890	78,901	775,000
Albany	78,901	79,012	79,123	79,234	79,345	79,456	79,567	79,678	79,789	79,890	79,901	785,000
Albany	79,901	80,012	80,123	80,234	80,345	80,456	80,567	80,678	80,789	80,890	80,901	795,000
Albany	80,901	81,012	81,123	81,234	81,345	81,456	81,567	81,678	81,789	81,890	81,901	805,000
Albany	81,901	82,012	82,123	82,234	82,345	82,456	82,567	82,678	82,789	82,890	82,901	815,000
Albany	82,901	83,012	83,123	83,234	83,345	83,456	83,567	83,678	83,789	83,890	83,901	825,000
Albany	83,901	84,012	84,123	84,234	84,345	84,456	84,567	84,678	84,789	84,890	84,901	835,000
Albany	84,901</											



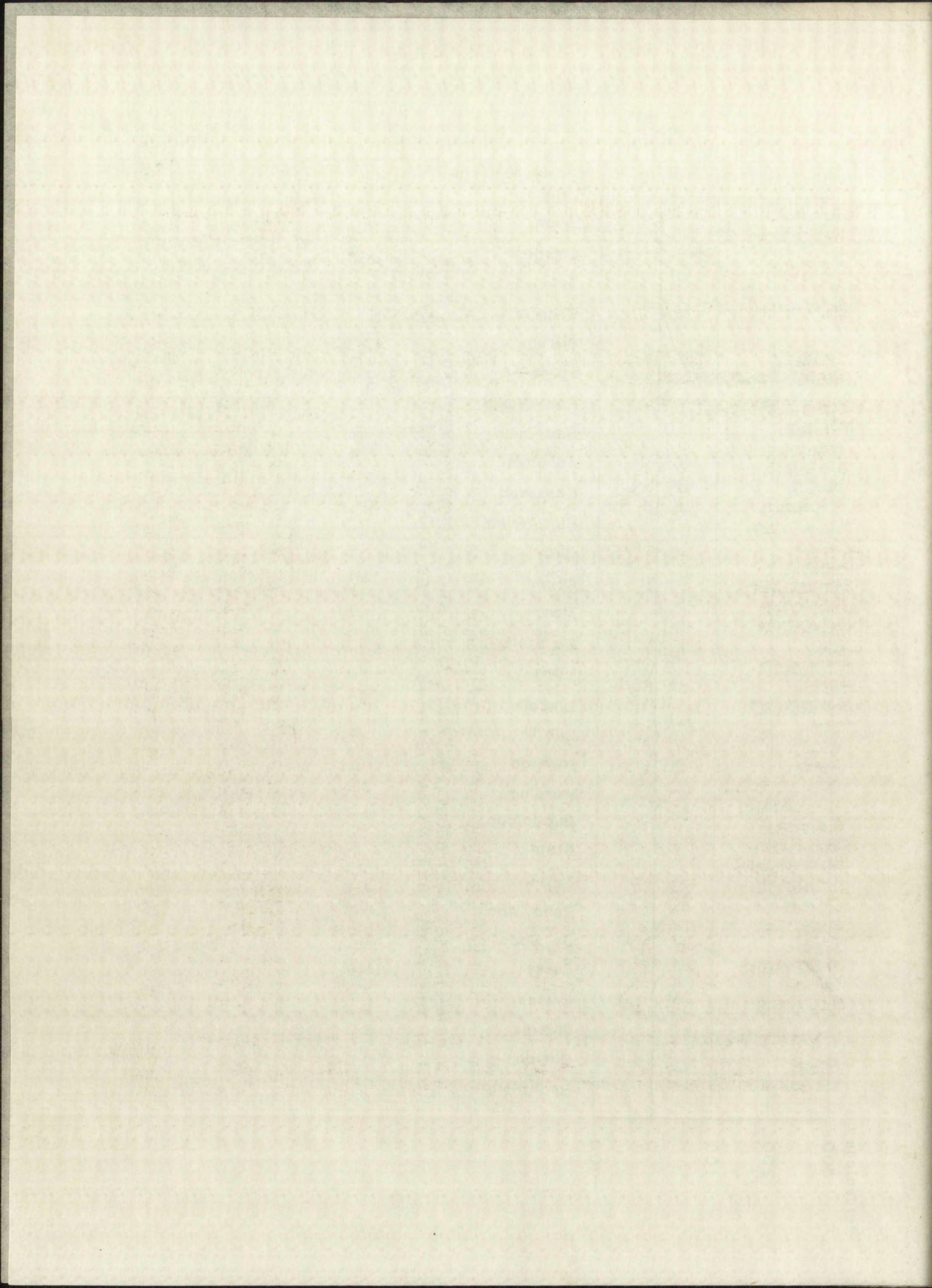


TABLE IV

TOTAL SUMS BY COUNTIES AND PERCENTAGES OF THE TOTAL BUDGETS
RECEIVED FROM THE PROPERTY TAX SOURCE OF REVENUE DURING THE
THE YEARS 1937-38, 1942-43, AND 1947-48

County	1937-38	Per Cent	1942-43	Per Cent	1947-48	Per Cent
Bernalillo	\$115 198	15.9	\$145 920	13.9	\$197 541	7.3
Catron	9 460	14.3	9 500	9.2	12 893	9.0
Chaves	50 000	15.4	70 600	9.6	95 436	10.7
Colfax	77 000	17.3	73 600	17.6	87 769	12.2
Curry	41 991	14.1	42 900	12.3	68 116	8.7
De Baca	23 000	28.5	24 700	27.7	31 602	17.0
Dona Ana	76 000	20.4	88 950	18.6	111 378	10.0
Eddy	72 609	29.7	114 350	29.2	193 429	16.0
Grant	51 000	14.0	103 898	22.2	116 871	14.5
Guadalupe	30 202	22.4	30 700	16.0	36 970	11.3
Harding	12 904	11.1	14 300	14.8	15 649	15.1
Hidalgo	27 926	27.9	30 300	27.4	36 310	17.7
Lea	121 984	31.1	129 700	31.5	193 368	20.3
Lincoln	27 819	14.8	32 972	17.7	41 531	11.4
Luna	36 308	33.4	40 829	29.4	52 509	16.8
McKinley	48 909	26.5	51 869	24.9	57 391	15.9
Mora	19 000	16.5	18 890	9.0	20 012	6.0
Otero	29 274	18.2	31 022	17.1	37 501	9.2
Quay	43 161	16.1	44 859	16.4	53 932	10.1
Rio Arriba	20 246	11.2	20 312	5.4	23 563	3.3
Roosevelt	34 077	11.4	40 356	11.7	53 215	7.6
Sandoval	20 000	24.0	18 441	8.4	21 005	6.3
San Juan	18 595	15.6	18 733	10.0	25 552	7.0
San Miguel	70 180	22.4	64 726	9.3	70 105	8.8
Santa Fe	61 128	22.4	68 094	13.0	80 660	8.7
Sierra	18 000	22.2	19 431	16.5	30 413	12.9
Socorro	32 000	16.6	29 720	15.3	34 349	9.9
Taos	20 702	14.4	20 508	7.1	23 875	3.9
Torrance	31 000	15.9	31 427	13.0	37 850	8.5
Union	40 000	14.8	39 857	13.7	41 809	8.0
Valencia	55 240	22.0	54 100	15.2	64 317	8.1
Total	\$1 334 913	19.5	\$1 525 566	16.0	\$1 966 921	10.4

further to a percentage of only 10.4. But the reader should note that although the percentages for 1942-43 and 1947-48 compared to 1937-38 indicate that property tax is decreasing in proportion to each year's total state budget, such tax actually increased for each year under study. In 1942-43 the amount increased 14.3 per cent over the 1937-38 base year, and increased further to 47.5 per cent in 1947-48.

Figure 3 presents in graphic form these percentages of increase and decrease for property taxes in each county for the years 1942-43 and 1947-48 computed on the base year 1937-38. It is apparent that Eddy and Grant counties are the only ones that have had any significant increase. None of the counties manifested a marked decrease. The conclusion can be drawn that the property tax supply of income should remain a stable source.

Equalization fund. For each of the three years considered in this investigation, equalization fund contributed more than 50 per cent of the annual budgets. In 1937-38 the equalization fund contributed 55.5 per cent of the total budget. The increases in percentages of revenue from the equalization fund over the base year 1937-38 were 48.2 per cent in 1942-43, and 164.7 per cent in 1947-48. Of all the revenue sources, the equalization fund has manifested the greatest percentage of increase. Since the principal source of this fund is the 2 per cent sales tax, the increased revenue can

Further to a percentage of only 10.4. But the results should note that although the percentages for 1948-49 and 1949-50 compared to 1937-38 indicate that property tax is decreasing in proportion to each year's total state budget, such tax actually increased for each year under study. In 1948-49 the amount increased 14.5 per cent over the 1937-38 base year, and increased further to 47.5 per cent in 1949-50.

Figure 3 presents in graphic form these percentages of increase and decrease for property taxes in each county for the years 1937-38 and 1947-48 compared on the base year 1937-38. It is apparent that many and large counties are the only ones that have had any significant increases. Some of the counties manifested a marked decrease. The conclusion can be drawn that the property tax supply of income should remain a stable source of revenue.

Equalization Fund. For each of the three years analyzed in this investigation, equalization fund contributed more than 50 per cent of the annual budgets. In 1937-38 the equalization fund contributed 56.5 per cent of the total budget. The increases in percentages of revenue from the equalization fund over the base year 1937-38 were 48.2 per cent in 1947-48, and 104.7 per cent in 1949-50. Of all the revenue sources, the equalization fund has manifested the greatest percentage of increase. Since the principal source of this fund is the 2 per cent sales tax, the increased revenue was

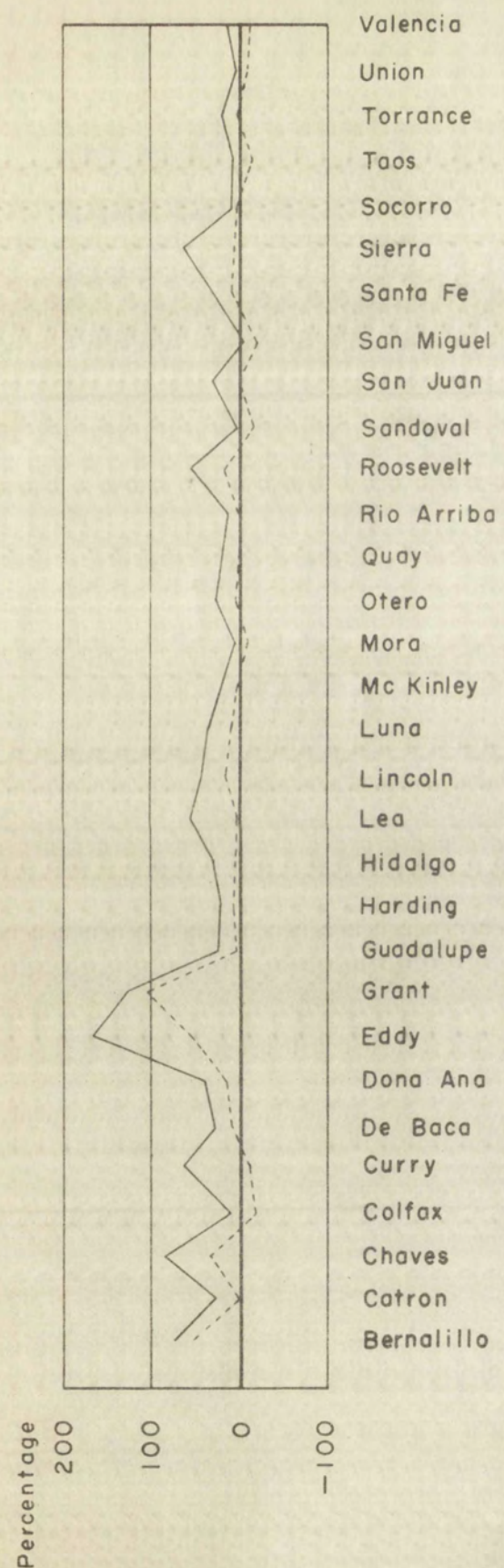
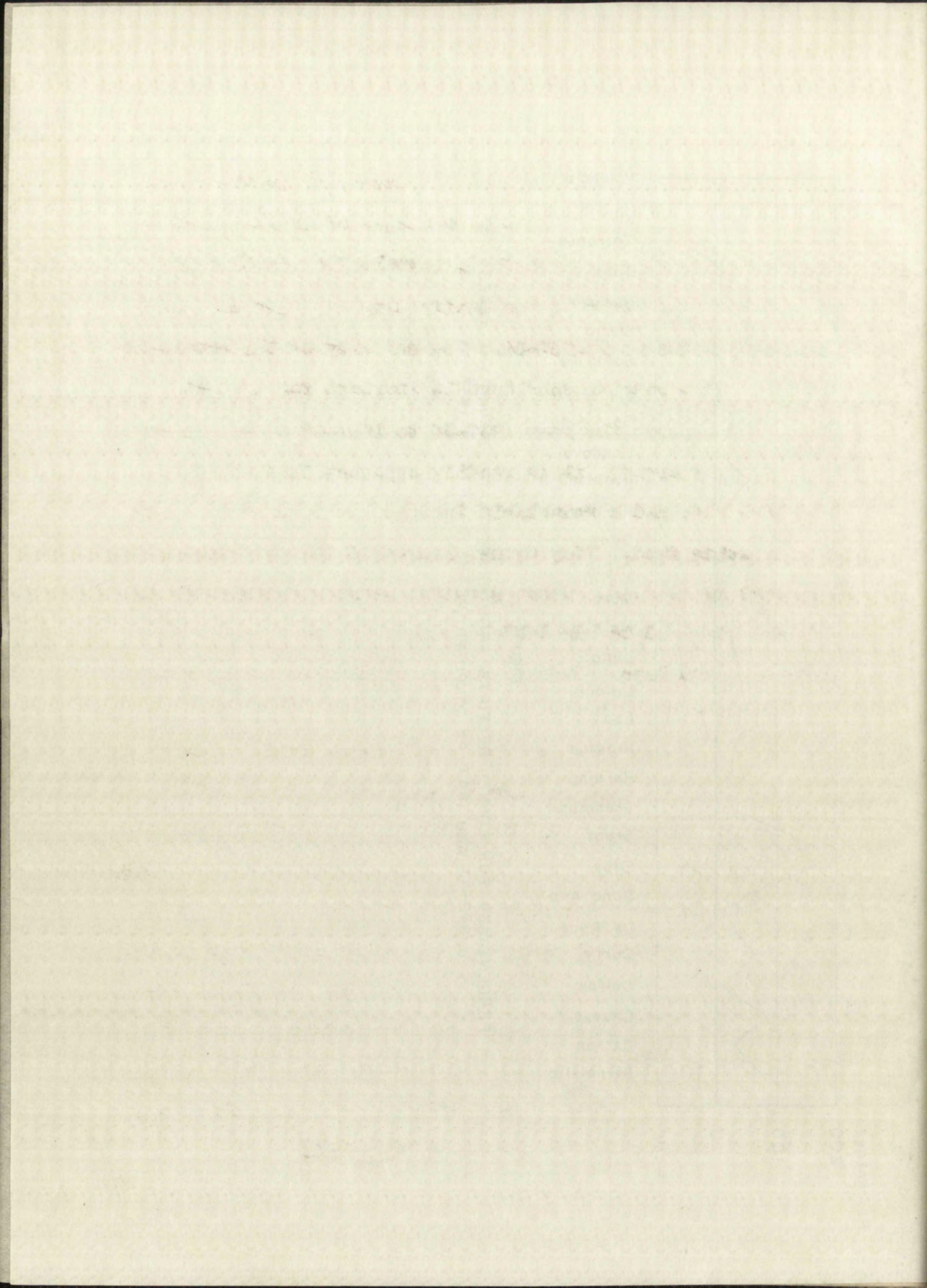


FIGURE 3

PERCENTAGES FOR COUNTY RECEIPTS FROM PROPERTY TAX DURING THE YEARS
1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38



be ascribed to a greater degree of prosperity in the state.

Figure 4, showing the percentages of increase and decrease in the equalization fund, reveals that in 1942-43 there were only two counties manifesting negative decreases compared to the year 1937-38. The majority of the remaining counties show some to considerable increase for 1942-43. When one compares the year 1937-38 to 1947-48 as to the percentage of increase, it is readily apparent that all the counties have had a remarkable increase in revenue from the equalization fund. Eddy County increased the most with 685.3 per cent in 1947-48. Other counties manifesting greater increases compared to the 1937-38 base year, were Rio Arriba, Sandoval, and Taos. Each of these counties had an increase of 450 per cent or better.

Total revenues from the equalization fund and the percentages such revenues are to each county total annual budgets for the years 1937-38, 1942-43, and 1947-48 are presented in Table V.

An obvious conclusion is that the equalization fund has been the principal source of financial support of public education in New Mexico in the past decade. As stated previously, this source of revenue has had such a remarkable increase because of our inflated economy. Increased sales and higher prices of goods and services have been the two principal factors in the growth of this fund.

be ascribed to a general factor of inflation in the series.

Figure 4, showing the percentage of income tax...

shown in the accompanying table, reveals that in 1954-55

there were only two countries which showed a significant

change in the year 1954-55. The majority of the countries

continued to show some but insignificant changes in 1954-55.

When one compares the year 1954-55 with 1953-54, the

percentage of income tax is slightly higher than in 1953-54.

Countries have had a remarkable increase in income tax from the

specialization fund. This country has increased its share with 1954-55

per cent in 1954-55. Other countries which have increased their

taxes compared to the 1953-54 year are: (Table 4)

Sweden, and Norway. These two countries have increased their

of 450 per cent of total.

Total revenue from the special fund is shown in Table 5.

percentage of total revenue has been about 100 per cent.

budgets for the years 1954-55, 1955-56, and 1956-57 are

shown in Table 6.

As obvious conclusion is that the specialization fund

has been the principal source of financial support for

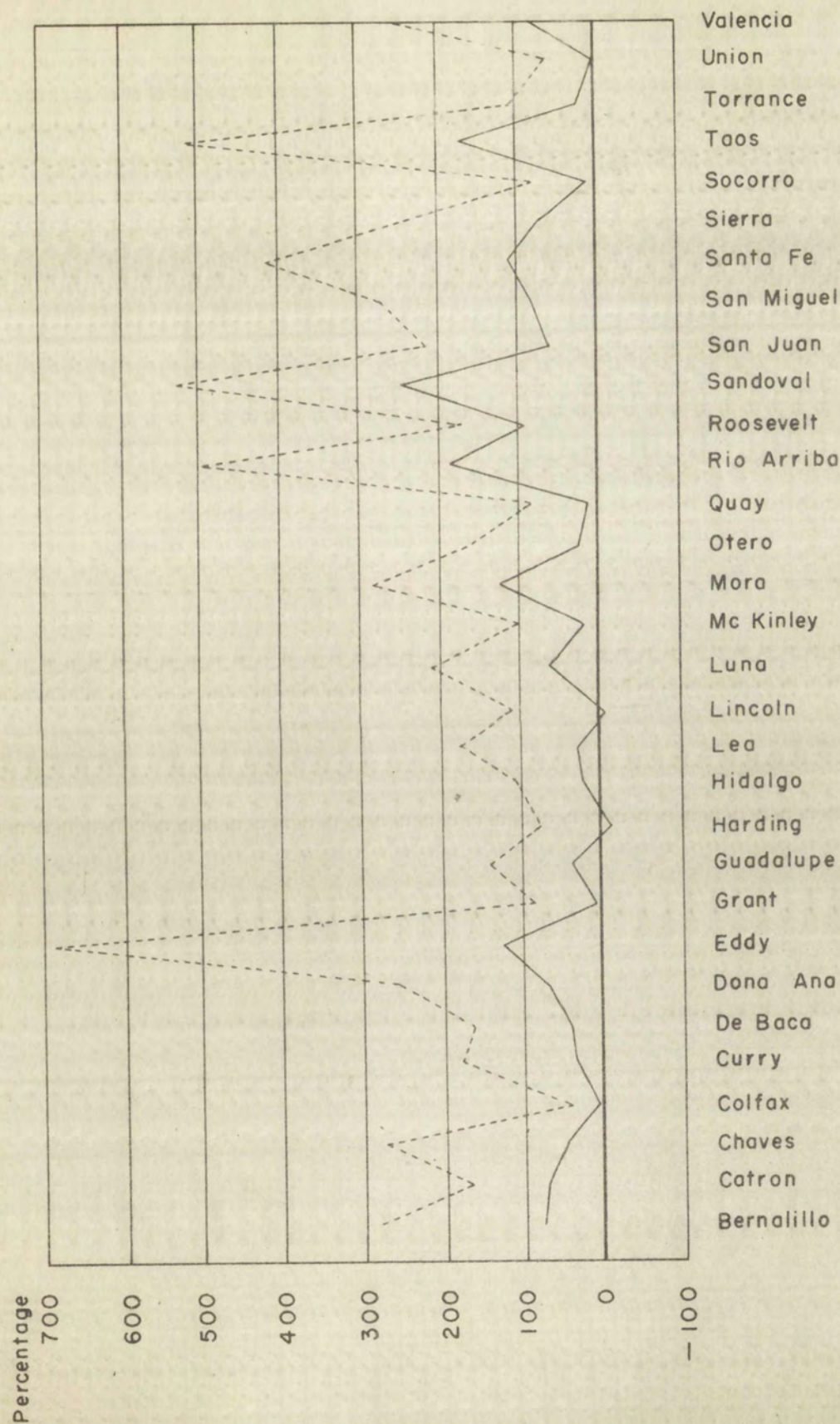
education in New Zealand in the past several years.

Table 7, showing the revenue from the special fund, reveals

increase because of an increase in the number of students

and higher rates of tuition and boarding fees from the

special fund in the year 1954-55.



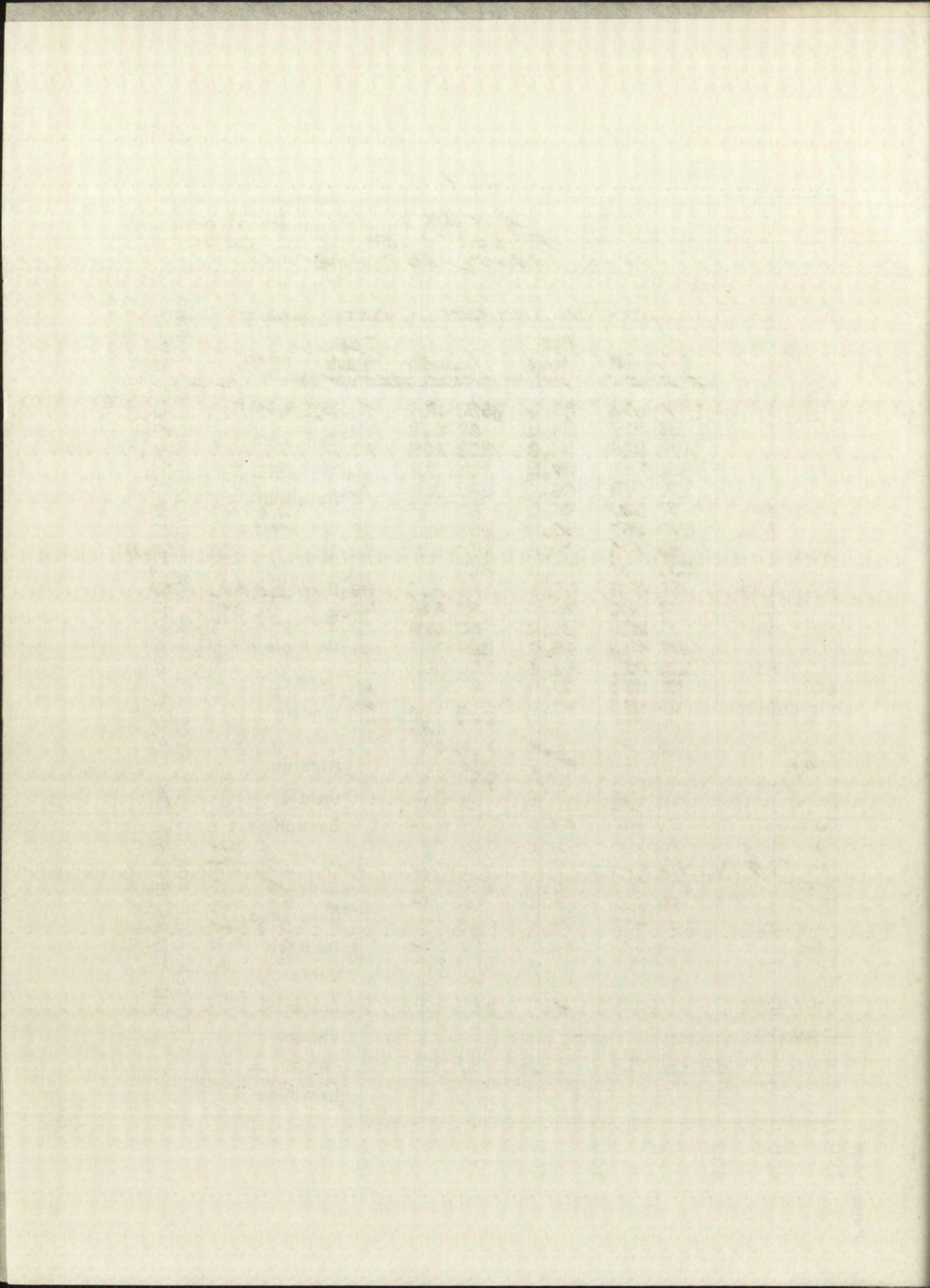


TABLE V

TOTAL SUMS BY COUNTIES AND PERCENTAGES OF TOTAL BUDGETS
RECEIVED FROM THE EQUALIZATION FUND FOR THE YEARS
1937-38, 1942-43, AND 1947-48

County	1937-38	Per Cent	1942-43	Per Cent	1947-48	Per Cent
Bernalillo	\$380 454	52.5	\$663 318	62.5	\$1 484 886	52.7
Catron	33 537	52.4	57 942	70.1	90 218	57.1
Chaves	174 218	53.8	258 929	68.5	565 218	54.3
Colfax	274 151	67.2	283 312	68.1	423 501	53.2
Curry	179 078	64.4	247 029	74.2	552 686	58.6
De Baca	37 320	46.2	52 944	60.6	101 730	45.4
Dona Ana	179 367	49.2	302 082	62.5	657 249	53.5
Eddy	83 754	34.3	188 312	48.1	656 584	50.8
Grant	234 430	69.2	242 151	59.3	467 353	49.2
Guadalupe	79 823	59.1	113 683	68.2	198 779	55.6
Harding	72 984	74.2	69 549	72.0	91 037	55.1
Hidalgo	54 225	54.2	63 919	60.7	116 403	48.9
Lea	179 405	46.7	223 353	54.3	504 246	48.9
Lincoln	119 091	63.4	116 093	65.5	209 082	52.2
Luna	51 690	47.6	81 523	58.4	180 221	50.6
McKinley	98 563	53.5	112 722	54.0	203 400	48.0
Mora	53 232	46.0	117 295	73.0	218 979	55.4
Otero	93 992	58.2	118 462	65.4	242 570	52.7
Quay	173 221	67.7	184 042	71.3	343 652	57.1
Rio Arriba	82 689	45.0	232 974	76.1	492 022	60.0
Roosevelt	155 402	51.3	228 993	75.3	447 790	56.2
Sandoval	31 664	38.0	108 787	73.1	206 105	53.8
San Juan	70 955	59.4	110 585	74.2	231 697	54.5
San Miguel	122 624	42.1	277 047	71.0	501 529	54.7
Santa Fe	107 499	38.9	228 749	64.2	540 003	49.5
Sierra	40 589	47.3	68 865	64.3	136 741	53.9
Socorro	117 443	62.7	126 130	64.0	233 723	52.0
Taos	65 094	50.9	176 474	76.0	409 469	57.2
Torrance	130 779	67.4	155 016	72.1	286 044	55.0
Union	187 196	69.2	192 628	66.0	306 109	48.5
Valencia	135 330	53.2	238 910	70.5	494 994	54.2
Total	\$3 805 799	55.5	\$5 641 817	65.7	\$10 074 449	53.4

TOTAL SUMS BY COUNTRY
RECEIVED FROM THE AMERICAN PEOPLE
1937-38, 1938-39, 1939-40

Country		1937-38	1938-39	1939-40	Total
Albania		100.00	100.00	100.00	300.00
Algeria		100.00	100.00	100.00	300.00
Argentina		100.00	100.00	100.00	300.00
Australia		100.00	100.00	100.00	300.00
Austria		100.00	100.00	100.00	300.00
Bahamas		100.00	100.00	100.00	300.00
Bahrain		100.00	100.00	100.00	300.00
Banar		100.00	100.00	100.00	300.00
Barbados		100.00	100.00	100.00	300.00
Belgium		100.00	100.00	100.00	300.00
Belize		100.00	100.00	100.00	300.00
Bermuda		100.00	100.00	100.00	300.00
Bhutan		100.00	100.00	100.00	300.00
Bolivia		100.00	100.00	100.00	300.00
Bosnia		100.00	100.00	100.00	300.00
Botswana		100.00	100.00	100.00	300.00
Brazil		100.00	100.00	100.00	300.00
British India		100.00	100.00	100.00	300.00
Bulgaria		100.00	100.00	100.00	300.00
Burkina Faso		100.00	100.00	100.00	300.00
Burundi		100.00	100.00	100.00	300.00
Cambodia		100.00	100.00	100.00	300.00
Cameroon		100.00	100.00	100.00	300.00
Canada		100.00	100.00	100.00	300.00
Cape Verde		100.00	100.00	100.00	300.00
Cayman Islands		100.00	100.00	100.00	300.00
Cen		100.00	100.00	100.00	300.00
Chad		100.00	100.00	100.00	300.00
Chile		100.00	100.00	100.00	300.00
China		100.00	100.00	100.00	300.00
Colombia		100.00	100.00	100.00	300.00
Comoros		100.00	100.00	100.00	300.00
Congo		100.00	100.00	100.00	300.00
Costa Rica		100.00	100.00	100.00	300.00
Cote d'Ivoire		100.00	100.00	100.00	300.00
Croatia		100.00	100.00	100.00	300.00
Cuba		100.00	100.00	100.00	300.00
Cyprus		100.00	100.00	100.00	300.00
Czechoslovakia		100.00	100.00	100.00	300.00
Dominican Republic		100.00	100.00	100.00	300.00
Dominica		100.00	100.00	100.00	300.00
DRC		100.00	100.00	100.00	300.00
Ecuador		100.00	100.00	100.00	300.00
Egypt		100.00	100.00	100.00	300.00
El Salvador		100.00	100.00	100.00	300.00
Equatorial Guinea		100.00	100.00	100.00	300.00
Eritrea		100.00	100.00	100.00	300.00
Estonia		100.00	100.00	100.00	300.00
Ethiopia		100.00	100.00	100.00	300.00
Fiji		100.00	100.00	100.00	300.00
Finland		100.00	100.00	100.00	300.00
France		100.00	100.00	100.00	300.00
Gabon		100.00	100.00	100.00	300.00
Gambia		100.00	100.00	100.00	300.00
Germany		100.00	100.00	100.00	300.00
Ghana		100.00	100.00	100.00	300.00
Greece		100.00	100.00	100.00	300.00
Guatemala		100.00	100.00	100.00	300.00
Guinea		100.00	100.00	100.00	300.00
Guinea-Bissau		100.00	100.00	100.00	300.00
Haiti		100.00	100.00	100.00	300.00
Honduras		100.00	100.00	100.00	300.00
Hungary		100.00	100.00	100.00	300.00
Iceland		100.00	100.00	100.00	300.00
India		100.00	100.00	100.00	300.00
Indonesia		100.00	100.00	100.00	300.00
Iran		100.00	100.00	100.00	300.00
Ireland		100.00	100.00	100.00	300.00
Israel		100.00	100.00	100.00	300.00
Italy		100.00	100.00	100.00	300.00
Jamaica		100.00	100.00	100.00	300.00
Japan		100.00	100.00	100.00	300.00
Jordan		100.00	100.00	100.00	300.00
Kazakhstan		100.00	100.00	100.00	300.00
Kenya		100.00	100.00	100.00	300.00
Korea		100.00	100.00	100.00	300.00
Kuwait		100.00	100.00	100.00	300.00
Laos		100.00	100.00	100.00	300.00
Latvia		100.00	100.00	100.00	300.00
Lebanon		100.00	100.00	100.00	300.00
Lesotho		100.00	100.00	100.00	300.00
Liberia		100.00	100.00	100.00	300.00
Lithuania		100.00	100.00	100.00	300.00
Luxembourg		100.00	100.00	100.00	300.00
Madagascar		100.00	100.00	100.00	300.00
Mali		100.00	100.00	100.00	300.00
Malta		100.00	100.00	100.00	300.00
Mauritania		100.00	100.00	100.00	300.00
Mauritius		100.00	100.00	100.00	300.00
Mexico		100.00	100.00	100.00	300.00
Moldova		100.00	100.00	100.00	300.00
Mongolia		100.00	100.00	100.00	300.00
Montenegro		100.00	100.00	100.00	300.00
Morocco		100.00	100.00	100.00	300.00
Mozambique		100.00	100.00	100.00	300.00
Nicaragua		100.00	100.00	100.00	300.00
Niger		100.00	100.00	100.00	300.00
Nigeria		100.00	100.00	100.00	300.00
North Macedonia		100.00	100.00	100.00	300.00
Oman		100.00	100.00	100.00	300.00
Pakistan		100.00	100.00	100.00	300.00
Panama		100.00	100.00	100.00	300.00
Papua New Guinea		100.00	100.00	100.00	300.00
Paraguay		100.00	100.00	100.00	300.00
Peru		100.00	100.00	100.00	300.00
Philippines		100.00	100.00	100.00	300.00
Poland		100.00	100.00	100.00	300.00
Portugal		100.00	100.00	100.00	300.00
Romania		100.00	100.00	100.00	300.00
Russia		100.00	100.00	100.00	300.00
Rwanda		100.00	100.00	100.00	300.00
Saudi Arabia		100.00	100.00	100.00	300.00
Senegal		100.00	100.00	100.00	300.00
Serbia		100.00	100.00	100.00	300.00
Seychelles		100.00	100.00	100.00	300.00
Sierra Leone		100.00	100.00	100.00	300.00
Slovakia		100.00	100.00	100.00	300.00
Slovenia		100.00	100.00	100.00	300.00
Somalia		100.00	100.00	100.00	300.00
South Africa		100.00	100.00	100.00	300.00
South Korea		100.00	100.00	100.00	300.00
Spain		100.00	100.00	100.00	300.00
Sri Lanka		100.00	100.00	100.00	300.00
St. Kitts and Nevis		100.00	100.00	100.00	300.00
St. Lucia		100.00	100.00	100.00	300.00
St. Vincent and the Grenadines		100.00	100.00	100.00	300.00
Sweden		100.00	100.00	100.00	300.00
Switzerland		100.00	100.00	100.00	300.00
Taiwan		100.00	100.00	100.00	300.00
Tanzania		100.00	100.00	100.00	300.00
Togo		100.00	100.00	100.00	300.00
Tonga		100.00	100.00	100.00	300.00
Trinidad and Tobago		100.00	100.00	100.00	300.00
Tunisia		100.00	100.00	100.00	300.00
Turkey		100.00	100.00	100.00	300.00
Turkmenistan		100.00	100.00	100.00	300.00
Uganda		100.00	100.00	100.00	300.00
Ukraine		100.00	100.00	100.00	300.00
United Kingdom		100.00	100.00	100.00	300.00
United States		100.00	100.00	100.00	300.00
Uruguay		100.00	100.00	100.00	300.00
Uzbekistan		100.00	100.00	100.00	300.00
Venezuela		100.00	100.00	100.00	300.00
Vietnam		100.00	100.00	100.00	300.00
Yemen		100.00	100.00	100.00	300.00
Zambia		100.00	100.00	100.00	300.00
Zimbabwe		100.00	100.00	100.00	300.00
Total		100.00	100.00	100.00	300.00

Minor sources of supply. The sources of supply reviewed in Chapter II would indicate that the common school fund has many reliable sources of revenue. However, as shown in Table VI, revenue from combined merchandise license fees, forest reserves, motor vehicle fees, inter-county consolidation, delinquent taxes, and the miscellaneous classification contributed only 2.5 per cent of the total budgets for all counties in 1937-38. Further, in 1942-43 and 1947-48, these sources of revenue contributed only 1.2 and 1.0 per cent respectively. No revenue was forthcoming from Indian tuition during the period of study. Figures 5, 6, and 7 present the percentages of increase and decrease of revenue compared to the base year 1937-38, for each county from forest reserve, motor vehicle, and merchandise license fees. However, since the total amount of revenue received from all of these sources has been shown to be so little in proportion to major sources, comment is withheld. The writer can only conclude that such minor sources of revenue have only slight effect upon the financial operation and maintenance of New Mexico schools. As to trends, it seems apparent that such sources of revenue will continue to remain relatively insignificant.

SUMMARY

An analysis of the present derivation of school

Minor sources of revenue. The sources of revenue are-

viewed in Chapter II would indicate that the common school fund has many reliable sources of revenue. However, as shown in Table VI, revenue from combined non-schooling sources, forest reserves, motor vehicle fees, inter-county contribution, delinquent taxes, and the miscellaneous district contribution contributed only 2.8 per cent of the total budget for all counties in 1937-38. Further, in 1941-42 and 1942-43, these sources of revenue contributed only 1.2 and 1.0 per cent respectively. No revenue was forthcoming from Indian tuition during the period of study. Figures 5, 6, and 7 present the percentages of increases and decreases of revenue contributed to the base year 1937-38, for each county from forest reserve, motor vehicle, and merchandise license fees. However, since the total amount of revenue received from all of these sources has been shown to be so little in proportion to major sources, comment is withheld. The writer can only conclude that such minor sources of revenue have only slight effect upon the financial operation and maintenance of our Mexico schools. As to trends, it seems apparent that such sources of revenue will continue to remain relatively insignificant.

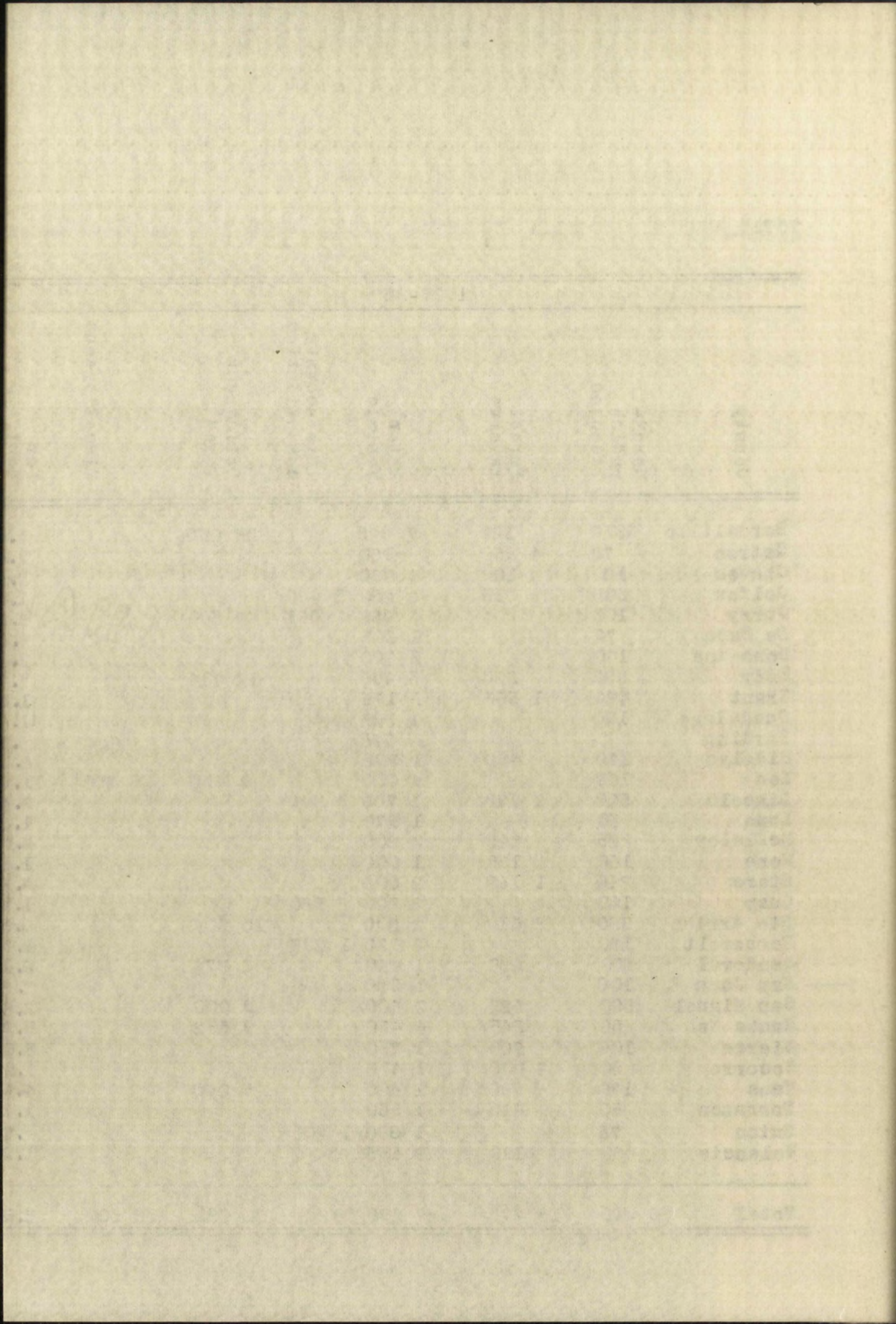
SUMMARY

An analysis of the present taxation of schools

TABLE VI

TOTAL SUMS BY COUNTIES AND PERCENTAGES OF THE TOTAL BUDGETS RECEIVED FROM MINOR SOURCES OF SUPPLY FOR THE YEARS 1937-38, 1942-43, AND 1947-48

1937-38								1942-43								1947-48							
County	Merch- andise licenses	Forest reserve	Motor vehicle	Inter-county consolidation	Delinquent taxes	Miscellaneous	Per cent	Merch- andise licenses	Forest reserve	Motor vehicle	Inter-county consolidation	Per cent	Merch- andise licenses	Forest reserve	Motor vehicle	Per cent							
Bernalillo	\$350	\$125	\$7 825		\$23 000		5.4	\$470	\$222	\$7 722		.7	\$470	\$231	\$14 710	4.4							
Catron	75	4 950	920				9.0	100	6 513	610		6.9	100	22 772	1 196	16.8							
Chaves	120	100	4 060				2.9	85	98	4 169		1.1	85	182	7 586	2.2							
Colfax	500	15	4 220	1 660			1.4	380	14	2 312		.7	380	32	3 417	1.5							
Curry	100		3 750	581	3 300		2.6	60		3 144		1.0	60		6 159	1.3							
De Baca	75		1 600				2.3	35		853		1.0	35		1 013	.4							
Dona Ana	100		5 300				2.3	1 200		3 325		1.9	1 200		5 374	1.3							
Eddy	350	350	5 490		12 714		7.9	325	329	5 452		1.4	325	512	10 452	1.6							
Grant	420	1 550	3 175				1.5	550	1 616	4 052		1.4	550	3 521	4 815	1.2							
Guadalupe	100		1 395				1.0	90		990		.5	80		1 286	.2							
Harding			675				.6	35		345		.6	35		448	.3							
Hidalgo	140	400	1 390				2.0	70	472	1 206		.7	70	691	1 514	1.2							
Lea	100		9 000		9 420	35 500	11.9	65		5 475		1.4	65		9 981	1.1							
Lincoln	500	1 190	1 700	3 000			3.4	550	1 077	1 373	3 000	2.3	550	2 001	1 800	2.0							
Luna	50		1 970				1.8	30		1 337		1.4	30		2 395	.3							
McKinley	325	245	3 200				2.0	450	313	1 573		1.1	450	540	2 802	1.1							
Mora	160	135	1 000				1.1	135	260	642		.5	135	721	1 030	.5							
Otero	210	1 145	2 000				2.2	300	1 116	1 499		1.8	300	2 133	2 132	1.1							
Quay	100		2 300	580			1.1	150		1 725		.6	150		2 850	.6							
Rio Arriba	350	2 610	2 290		10 000		3.6		3 061	1 604		1.4		7 203	3 213	4.4							
Roosevelt	120		2 720	1 237			1.4	150		2 267		.8	150		3 935	.6							
Sandoval	200	630	1 440		2 374		2.1	35	952	1 173		1.6	35	2 342	1 209	.9							
San Juan	100		1 520				2.2	150		991		.8	150		1 690	.6							
San Miguel	500	625	3 600		9 000		3.6	700	373	2 251		.9	700	2 350	2 703	.7							
Santa Fe	50	345	4 450		9 532		5.2	250	554	3 267		1.0	250	1 427	5 324	1.0							
Sierra	100	700	1 750				3.0	190	713	1 065		1.9	190	1 504	1 496	1.3							
Socorro	80	2 000	1 415				4.0		2 523	1 110		1.9		3 133	1 593	2.2							
Taos	170	760	1 600		5 000		4.4	300	800	940		.8	300	1 665	2 006	.7							
Torrance	50	610	1 560				1.1	15	637	1 020		.7	15	1 007	1 991	.6							
Union	75		1 800	1 200			.7	200		1 615		.6	200		2 229	.4							
Valencia	450	190	2 455				1.2	250	244	1 673		.5	250	437	3 139	.5							
Total	\$6 020	\$18 775	\$37 590	\$3308	\$34 250	\$35 500	2.5	\$7 310	\$22 447	\$67 357	\$3 000	1.2	\$14 613	\$47 361	\$111 539	1.0							



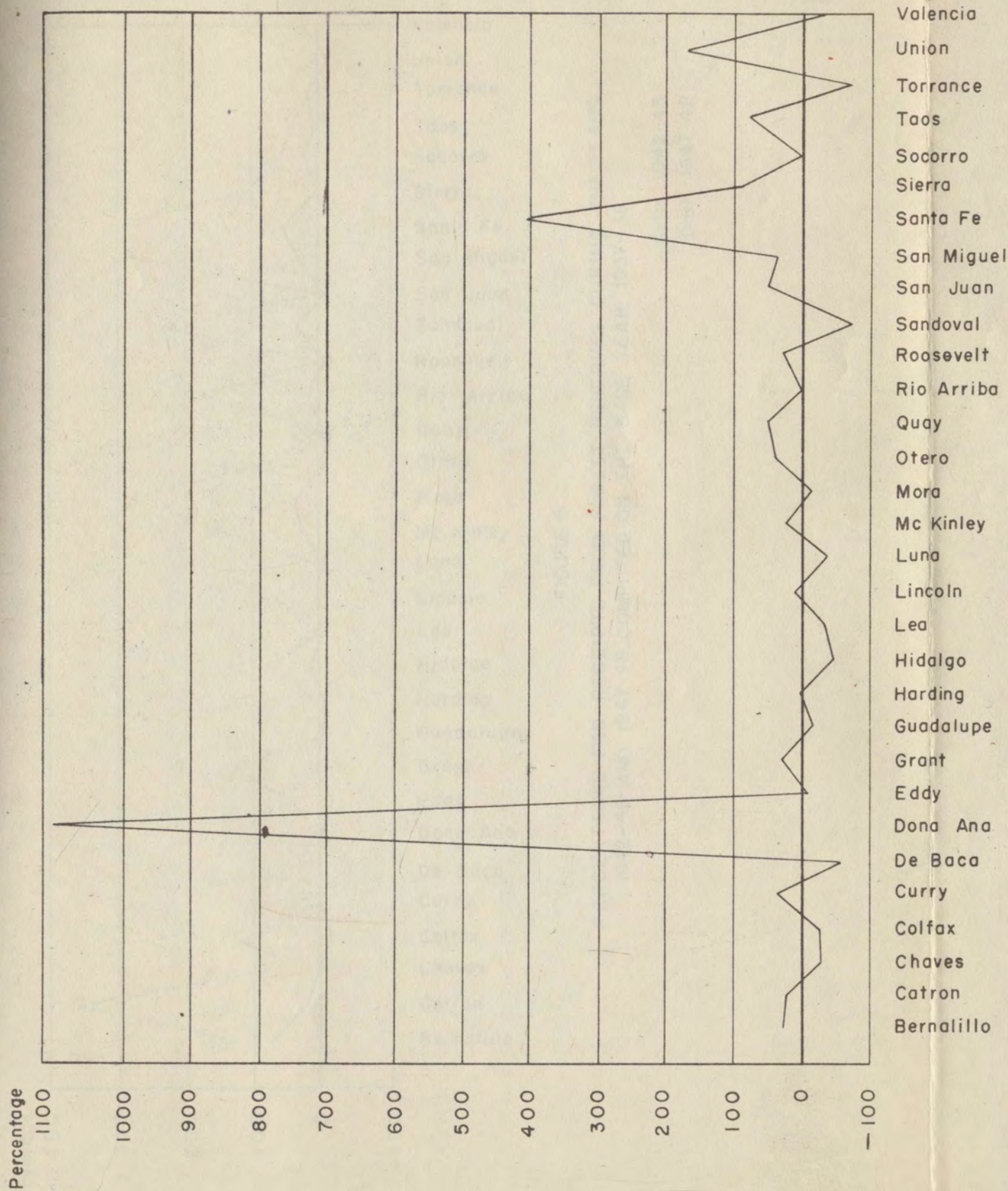
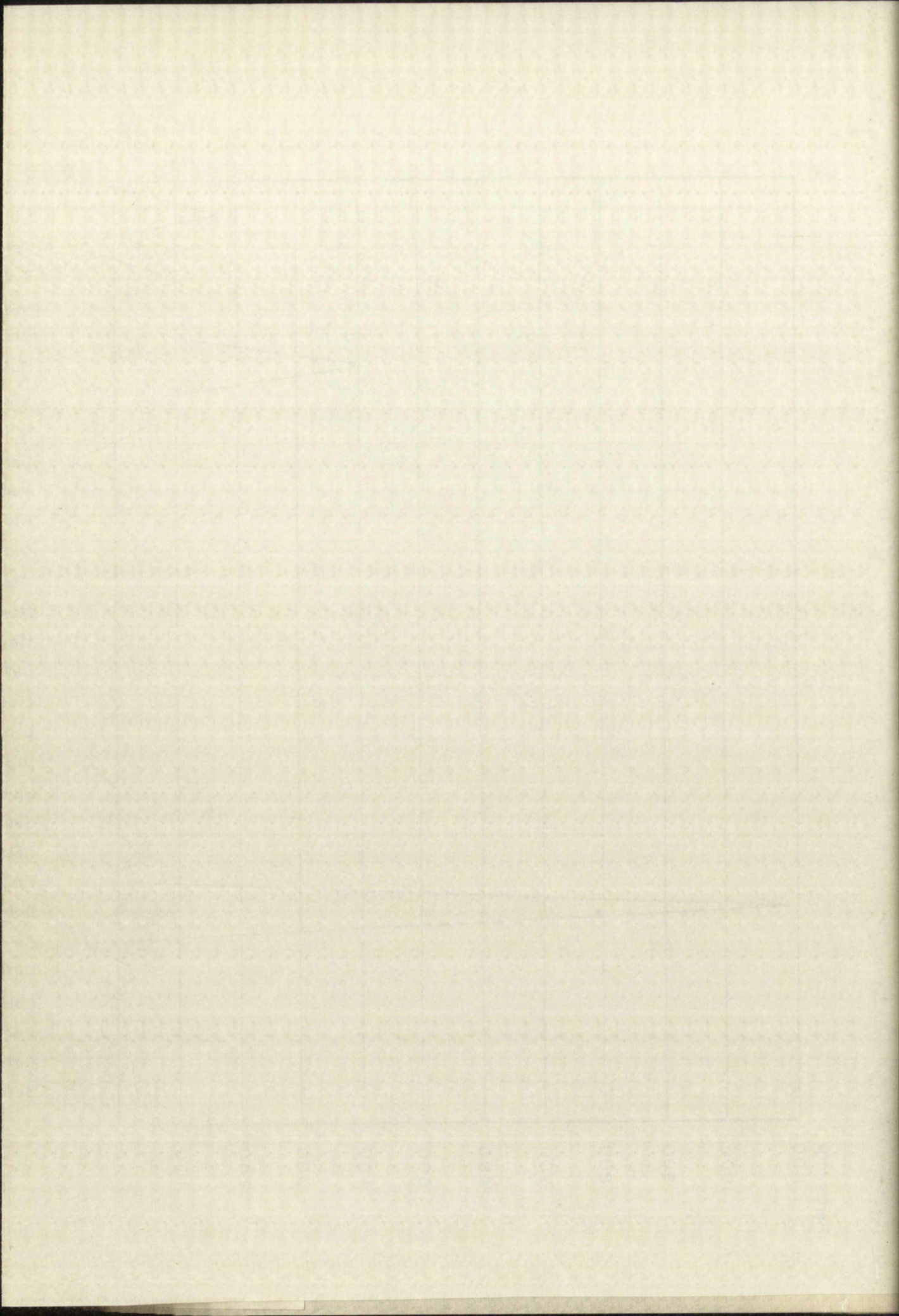


FIGURE 5

PERCENTAGES FOR COUNTY RECEIPTS FROM MERCHANDISE LICENSE FEES DURING
THE YEARS 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38

Solid 1942-43 and 1947-48



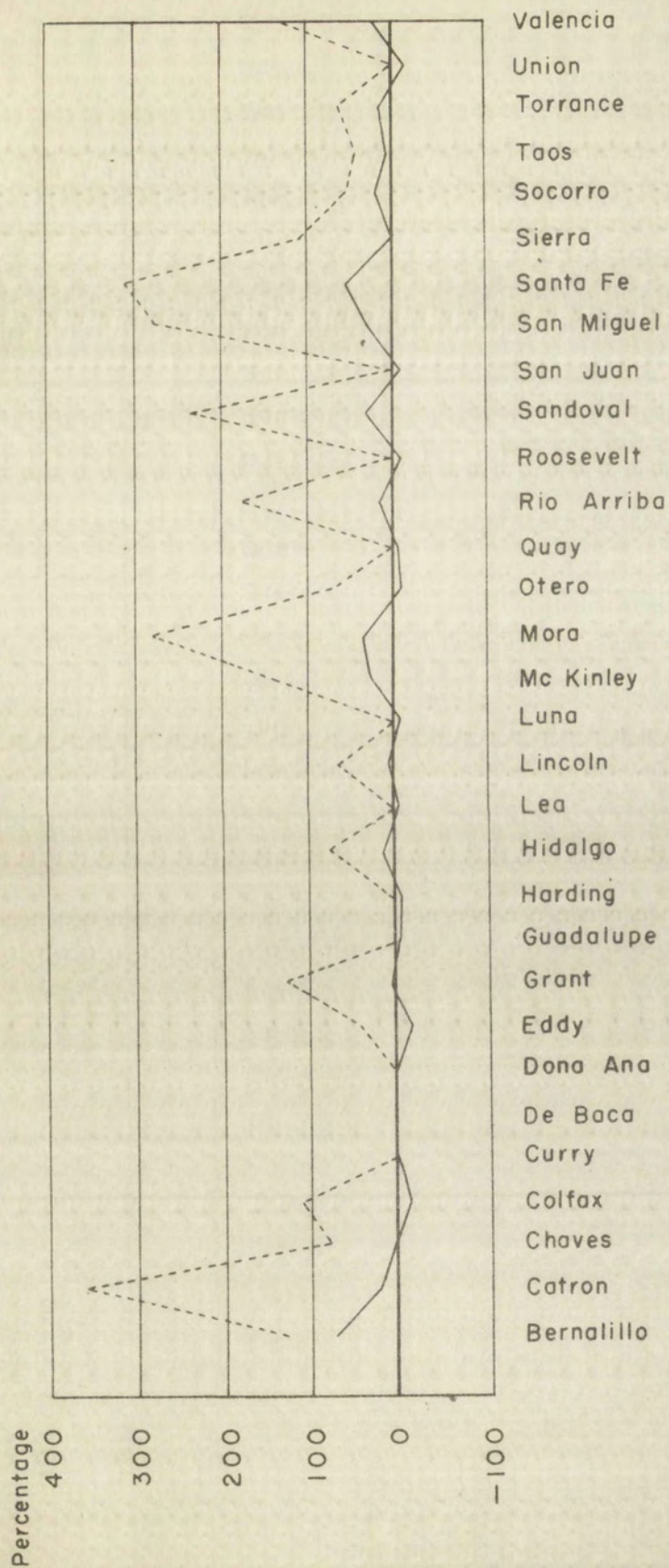
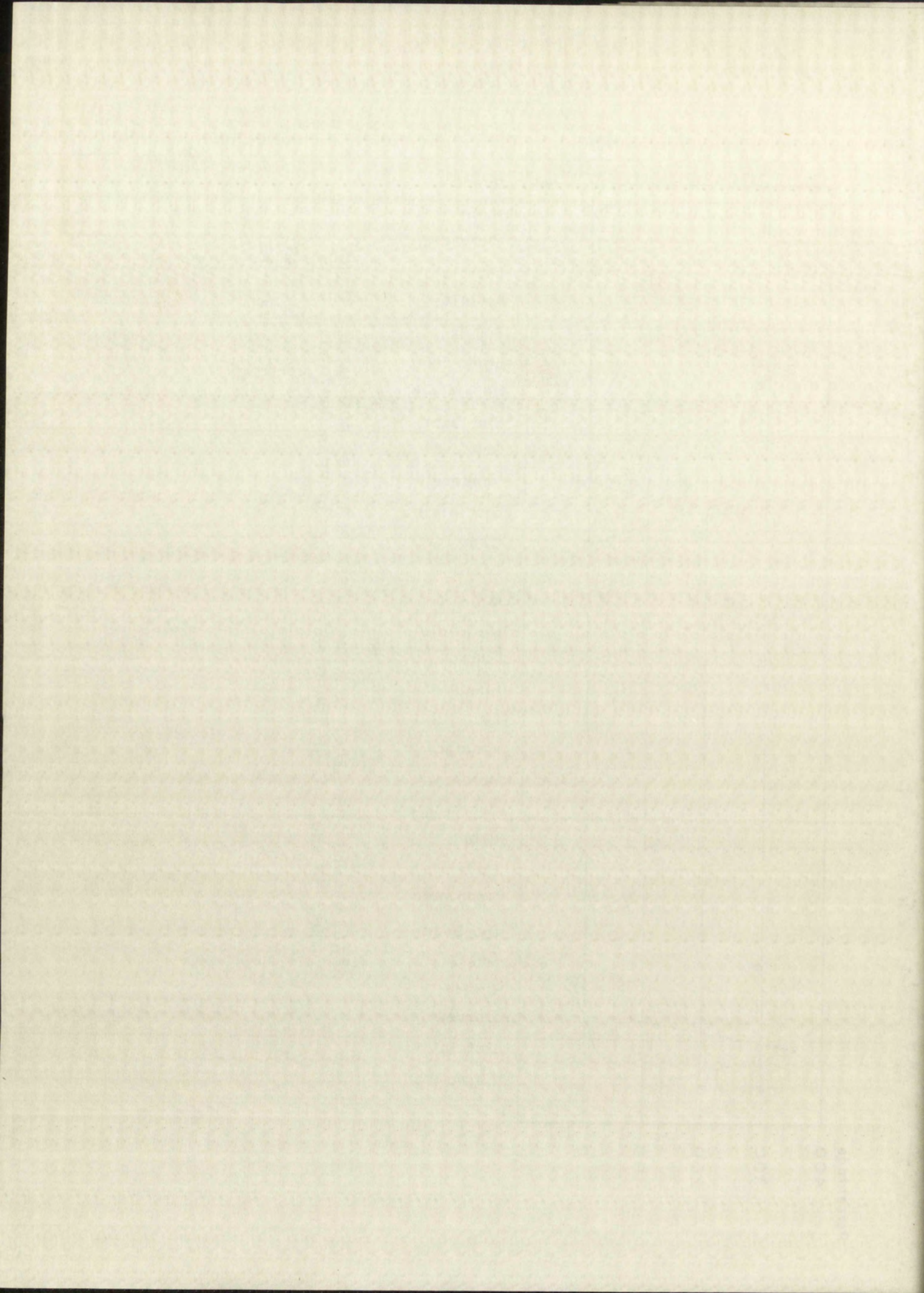


FIGURE 6

PERCENTAGES FOR RECEIPTS FROM FOREST RESERVES DURING THE YEARS
1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38



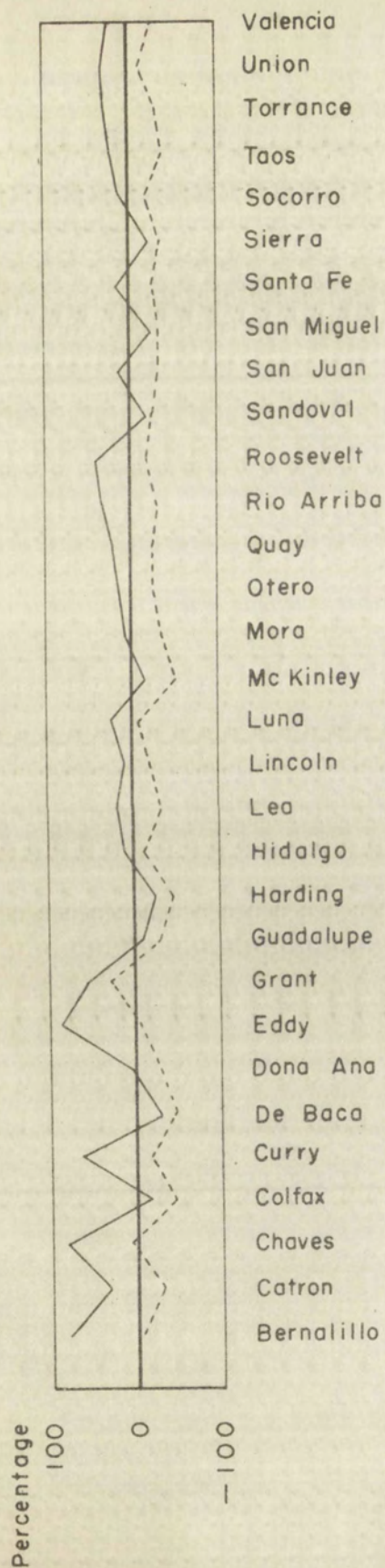
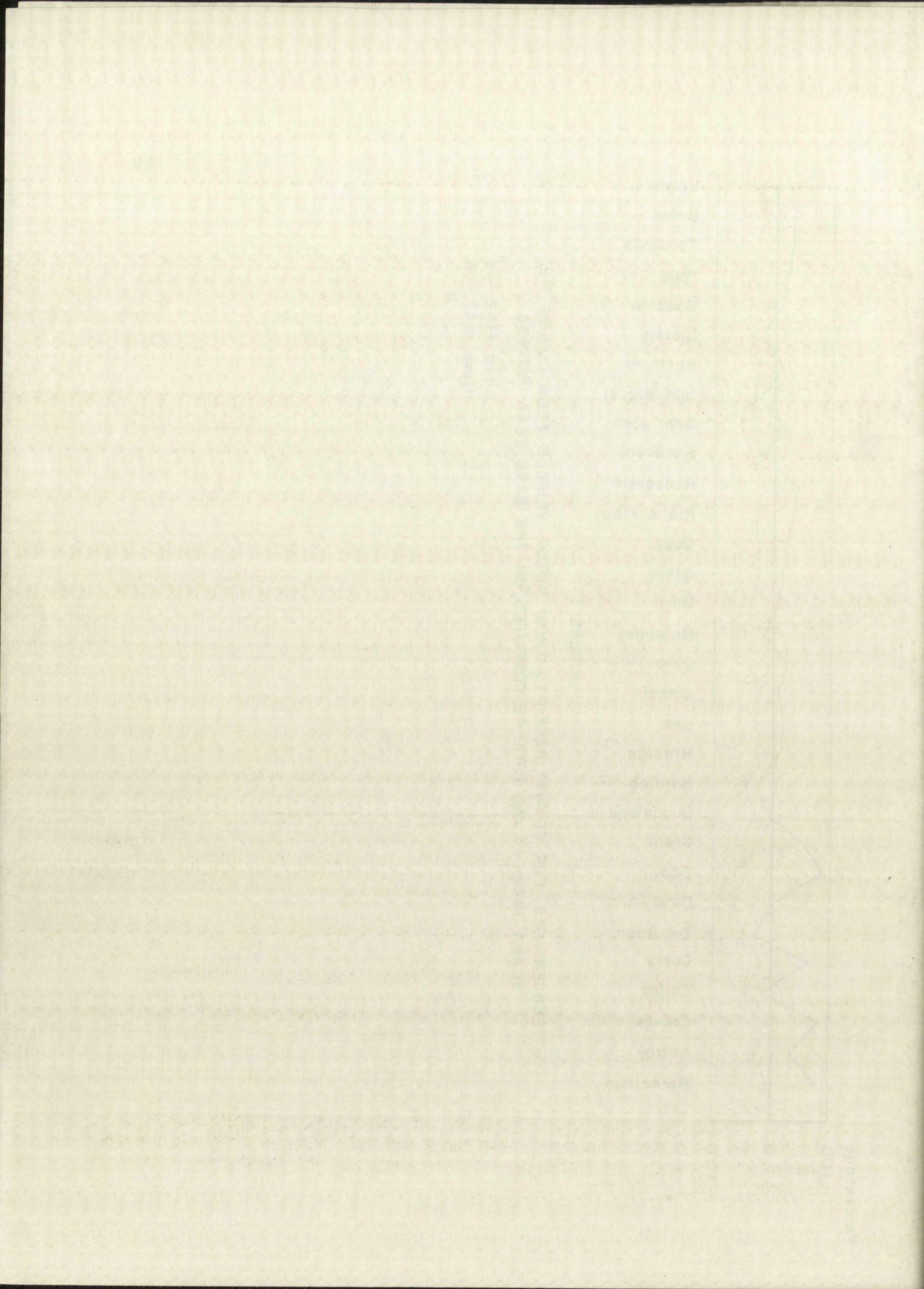


FIGURE 7

PERCENTAGES FOR COUNTY RECEIPTS FROM MOTOR VEHICLE FEES DURING THE
YEARS 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38

Solid 1942-43
Dash 1947-48



revenues clearly indicates that the public schools of New Mexico are dependent upon three major sources. Combined revenues from the property tax, equalization, and state apportionment funds made up 95.4, 97.4, and 76.7 per cent respectively of the total school budgets in 1937-38, 1942-43, and 1947-48. In the latter year, it was shown that 23.3 per cent of the county budgets for 1947-48 was received from using cash credit. Thus, if cash credit used is added to the revenue received from funds of property tax, equalization, and state apportionment, it is apparent that the minor sources of revenue contributed only 1 per cent of the county budgets for 1947-48.

Of the three major sources of school revenue, the equalization fund contributed more than 50 per cent of the total budgets for each year.

It is evident at the present time that public school revenues vary directly with business conditions. Business recession, with decreasing sales tax collections, would proportionally reduce the common school fund.

One result of this study varies with the results found by Conlee² in 1931. He found that the principal source of revenue of the common school fund was revenue derived from the permanent school fund.

²Carl S. Conlee, "History, Past Incomes, and Probable Trends of the New Mexico Permanent School Fund," (unpublished Master's thesis, University of New Mexico, Albuquerque, New Mexico, 1931), 47 pp.

revenue of the State of Mexico is dependent upon three principal sources: the sale of land, the sale of bonds, and the sale of property. The sale of land is the most important source of revenue, and the sale of bonds is the second most important. The sale of property is the least important source of revenue. The revenue from the sale of land is the most important source of revenue, and the revenue from the sale of bonds is the second most important. The revenue from the sale of property is the least important source of revenue.

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CHAPTER IV

EXPENDITURES FOR SCHOOL SERVICES

The educational process in each county in the State of New Mexico is influenced by the disbursement of public school monies. The analysis in this chapter of (1) teachers' salaries, (2) janitors' wages, (3) transportation, (4) administration, (5) janitors' supplies, (6) office supplies, (7) library supplies, (8) fuel, (9) water, (10) lights, (11) emergencies, (12) public health, (13) and miscellaneous expenditures indicates the trends and total cash disbursements for school services in each county for the school years 1937-38, 1942-43, and 1947-48. National averages of expenditures for school services are compared to expenditures for the State of New Mexico.

Moehlman,¹ in his discussion of school finance, presents the Hamtramck, Michigan, budget of 1930-31 as a model form for budgetary procedures. The Hamtramck school district was considered exemplary at this time for procedures relating to administrative policies. On the basis of 1930-31 budget requirements, Hamtramck derived the following apportionments of school funds. (1) 69.6 per cent of the budget was expended for instruction; (2) 13.9 per cent was expended for cleaning, heating, and lighting the school plant;

¹Arthur B. Moehlman, School Administration (New York: The Macmillan Company, 1947), p. 384.

EXHIBITS FOR SCHOOL SERVICES

The educational process in each county in the State of New Mexico is influenced by the distribution of public school services. The analysis in this chapter of (1) personnel, (2) materials, (3) transportation, (4) office supplies, (5) janitors' supplies, (6) office supplies, (7) library supplies, (8) food, (9) water, (10) lighting, (11) transportation, (12) public health, (13) and miscellaneous expenditures as indicated the trends and total costs for school services in each county for the school years 1935-36, 1936-37, and 1937-38. National averages of expenditures for school services are compared to expenditures for the State of New Mexico.

Section I in the discussion of school funds, presents the historical, statistical, budget of 1935-36 as a basis for budgetary procedure. The historical school funds were conducted separately at this time for comparison relating to administrative policies. On the basis of 1935-36 budget requirements, Montezuma derived the following percentages of school funds: (1) 65.8 per cent of the total was expended for instruction; (2) 15.8 per cent was expended for cleaning, heating, and lighting the school plant;

(3) 6.1 per cent was expended for general control. The latter included the expenses of the board of education, offices of the superintendent, school census, school elections, legal service, child accounting, personnel, finance, informational service, and supplies. (4) 4.5 per cent was expended for libraries, recreation, transportation of children, pupil lunches, and tuition; (5) 3.3 per cent was expended for repairs and maintenance of the school plant; (6) 2.0 per cent was expended for medical, dental, and nursing service as well as for enforcement of the compulsory attendance laws; (7) .3 per cent was spent for compensation and insurance.

Only slightly different percentages are listed by Reeder,² who analyzed statistics from the most recent bulletin available at the time of publication of his book. This bulletin is titled, "Statistics of State Systems," published by the United States Office of Education. Although the bulletin is normally published every two years, because of interruptions due to recent war conditions, no bulletin has been issued since the one cited by Reeder.

The statistics presented by Reeder and the percentages from the 1930-31 Hantramck budget cited by Moehlman, are so relatively equal that either may be quoted almost interchangeably. However, the classifications of expenditures

²Ward G. Reeder, Public School Administration (New York: The Macmillan Company, 1947), p. 384.

used in the Hamtramck budget correspond more closely with the classification system used in New Mexico than do those quoted by Reeder. As a result, statistics cited by Moehlman from the Hamtramck budget are used by the writer as standards or criteria for comparison with New Mexico's school expenditures.

The percentages of increase for all county maintenance budgets in 1942-43 and 1947-48 were respectively 23.3 and 174.8 per cent greater than the base year 1937-38. Two major reasons given by Reeder³ for increased school expenditures are the decreased purchasing power of the dollar and increased school enrollments. The Consumers' Price Index⁴ shows in 1937-38 that \$1.00 purchased one dollar's worth of merchandise as based on the value of the dollar in 1913. However, in 1947-48, prices had increased to the point where \$1.67 was required to purchase one dollar's worth of merchandise. Increased enrollments are another factor to be considered in relation to higher school costs. A comparison of the average daily attendance records for 1937-38, 1942-43, and 1947-48 presented in the latter part of this chapter will show the effect of this factor.

³Ibid., pp. 358-59.

⁴Morris H. Hansen, compiler, Statistical Abstract of the United States (Washington, D. C.: United States Government Printing Office, 1948), p. 302.

used in the Hawthorne studies... the classification system... quoted by Huxley... from the Hawthorne studies... side of evidence for... published.

The percentage of... these budgets in 1942-43 and 1943-44 were... and 1944-45 per cent... major reasons given by... factors are the... increased... shown in 1942-43... comparable as... However, in 1944-45... \$1.67 was required to purchase one... and... increased enrollment... shown in relation to... the average daily attendance... and 1943-44 presented in the... show the effect of this factor.

THE UNITED STATES GOVERNMENT
BUREAU OF EDUCATION
WASHINGTON, D. C.
1945

Before the cost of various services are analyzed, the writer wishes to clarify the term maintenance budget as used in New Mexico schools. The term maintenance budget corresponds to the term current school budget used by many other state school systems. The analysis in this chapter of school services is concerned with the total current school budget.

I. COSTS OF VARIOUS SERVICES

Teachers' salaries. The major portion of the maintenance budget of any school should be spent for teachers' salaries. In New Mexico, for the three yearly periods under investigation, the average expenditure for teachers' salaries was 69.3 per cent of the total budget. State percentages for 1937-38, 1942-43, and 1947-48 were 68.7, 67.1 and 73.1 respectively. The 69.3 per cent average for New Mexico compares favorably to the 69.8 per cent listed for the Hantramok budget.

Table VII presents the percentages of total county maintenance budgets used for teachers' salaries. Bernalillo County used 77.3 per cent of the budget in 1947-48 for teachers' salaries. This percentage is greater than any manifest for any other county. In 1947-48 Union County utilized only 45.1 per cent, the lowest percentage for the years computed. A difference of 32.2 per cent exists between the expenditures of these two counties for instructional purposes.

TABLE VII

EXPENDITURES AND PERCENTAGES OF TOTAL BUDGETS BY NEW MEXICO
COUNTIES FOR TEACHERS' SALARIES DURING THE SCHOOL YEARS
1937-38, 1942-43, AND 1947-48

County	1937-38			Per cent	1942-43			Per cent	1947-48			Per cent
Bernalillo	\$562	560	77.7		\$773	485	73.1		\$1 825	657	77.3	
Catron	45	010	73.1		48	270	63.6		86	840	67.2	
Chaves	228	210	70.5		288	466	76.2		673	730	76.1	
Cofax	280	210	70.8		266	388	64.3		492	762	66.4	
Curry	186	389	67.2		205	755	64.4		560	441	71.6	
De Baca	43	680	53.2		39	970	46.4		117	570	63.3	
Dona Ana	270	261	72.8		346	178	71.8		844	542	79.8	
Eddy	161	213	66.6		251	699	64.5		806	468	76.2	
Grant	233	416	65.9		285	484	73.1		604	140	75.1	
Guadalupe	83	566	62.9		97	638	60.6		219	016	66.9	
Harding	46	907	48.9		45	791	47.4		87	835	62.2	
Hidalgo	65	566	65.6		70	410	68.1		147	222	72.7	
Lea	226	369	61.5		285	630	69.4		661	494	69.7	
Lincoln	109	262	95.3		107	347	61.6		249	590	70.1	
Luna	69	502	63.9		89	171	63.0		231	126	73.7	
McKinley	133	353	74.3		155	110	74.1		279	073	77.1	
Mora	86	478	76.7		97	940	62.3		239	060	71.2	
Otero	113	518	71.3		121	013	66.2		356	990	69.0	
Quay	151	499	60.2		147	686	57.1		356	990	69.0	
Rio Arriba	137	582	76.7		207	785	69.2		551	514	76.6	
Roosevelt	144	850	54.9		179	290	59.9		496	701	71.2	
Sandoval	62	355	73.9		101	097	74.5		251	880	76.3	
San Juan	60	687	67.9		89	724	69.2		272	620	75.6	
San Miguel	245	278	78.9		263	383	70.2		593	538	74.3	
Santa Fe	203	850	73.9		256	670	71.4		706	901	76.5	
Sierra	62	391	74.9		69	683	67.1		181	838	76.8	
Socorro	122	010	68.9		125	517	66.8		274	874	74.2	
Taos	88	909	71.7		149	567	69.9		453	194	74.2	
Torrance	110	251	56.5		123	025	57.2		283	540	63.6	
Union	147	785	58.6		144	073	49.4		240	360	45.1	
Valencia	160	545	71.8		227	612	68.2		583	907	73.8	
Total	\$4 673	678	68.2		\$5 669	835	67.1		\$13 789	483	73.1	

Figure 8 presents the percentages of increase and decrease of teachers' salaries in each county for 1942-43 and 1947-48 computed on the base year 1937-38. In 1942-43 Colfax, De Baca, Harding, Lincoln, Quay, and Union counties had slight decreases of less than a minus 10 per cent. Eddy, Rio Arriba, Sandoval, and Taos counties had percentage increases of 50 per cent or more. A comparison of average expenditures for the years 1942-43 and 1947-48 reveals that the percentage increased from 21.3 per cent in 1942-43 to 196.9 per cent in 1947-48. Eddy and Taos counties, with increases of 445 and 410 per cent, represent the most significant increases for 1947-48. Counties registering the lowest percentages of increase were Colfax with a 78 per cent increase and Harding with 94 per cent.

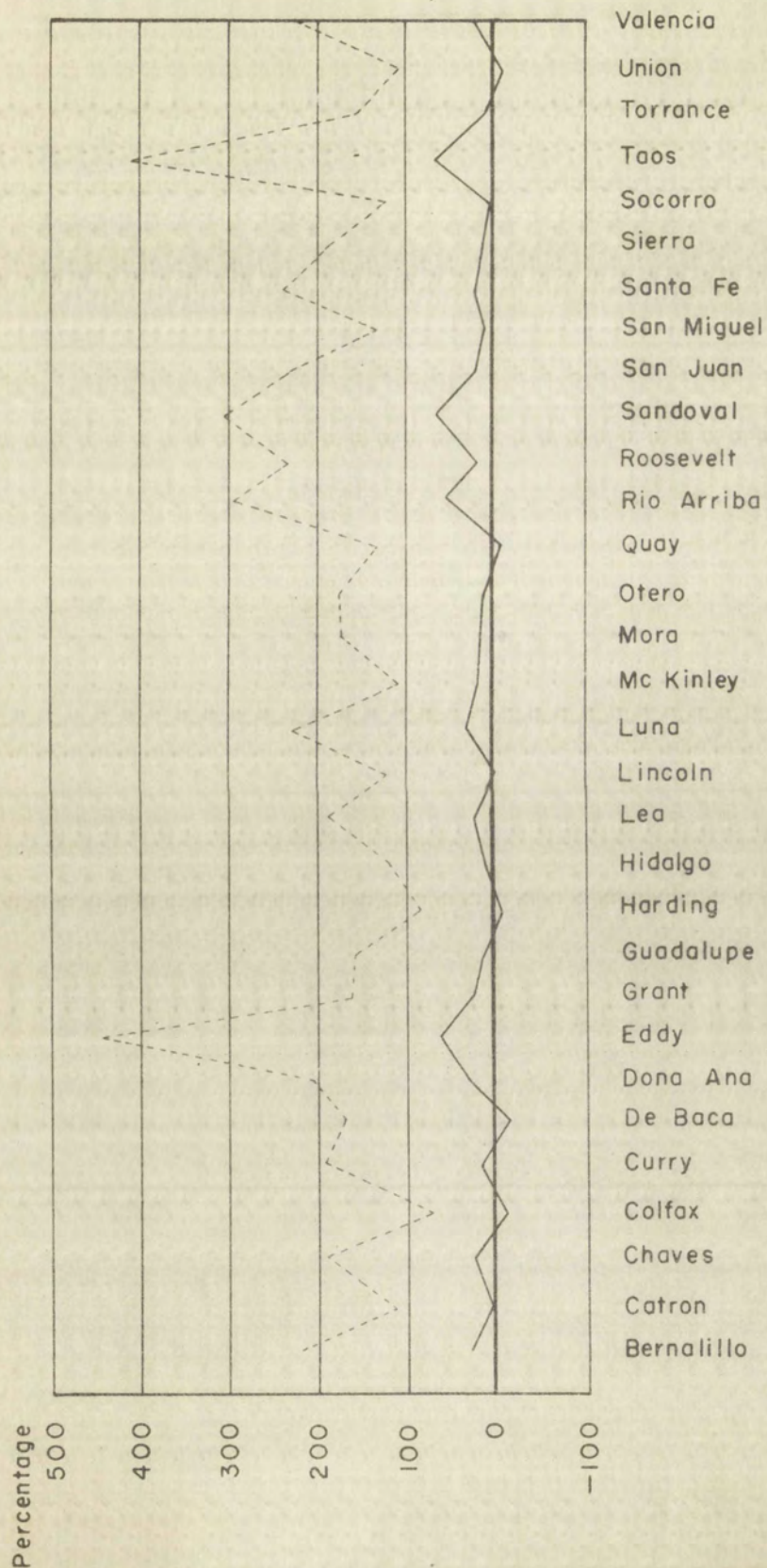
Janitors' wages. The wages of school janitors should be high enough to attract a person with satisfactory qualifications. Frequently in the past this responsible position has been given to incompetent people. The janitor's position should be professionalized and wages paid in agreement with responsibility. The increases in percentages paid for janitors' wages in New Mexico counties, as shown in Table VIII, indicate that New Mexico is approaching this goal. In 1942-43, janitors' salaries increased 36.2 per cent over 1937-38. The decade 1937-38 through 1947-48 ended with an increase of 221.5 per cent. However, if the values of the 1942-43 and

Table 3 presents the percentage of increase and de-

crease of teachers' salaries in each county for 1942-43 and 1947-48 computed on the base year 1937-38. In 1942-43, De Soto, Harding, Lincoln, Gray, and Union counties had higher percentage increases than a minus 10 per cent. De Soto, Lincoln, and Union counties had percentage increases of 20 per cent or more. A comparison of average expenditures for the years 1942-43 and 1947-48 reveals that the percentage increase from 31.5 per cent in 1942-43 to 100.0 per cent in 1947-48, Elly and Yone counties, with increases of 4.5 and 4.0 per cent, represent the most significant increases for 1947-48. Counties registering the largest percentage of increase were Colfax with a 75 per cent increase and Harding with 64 per cent.

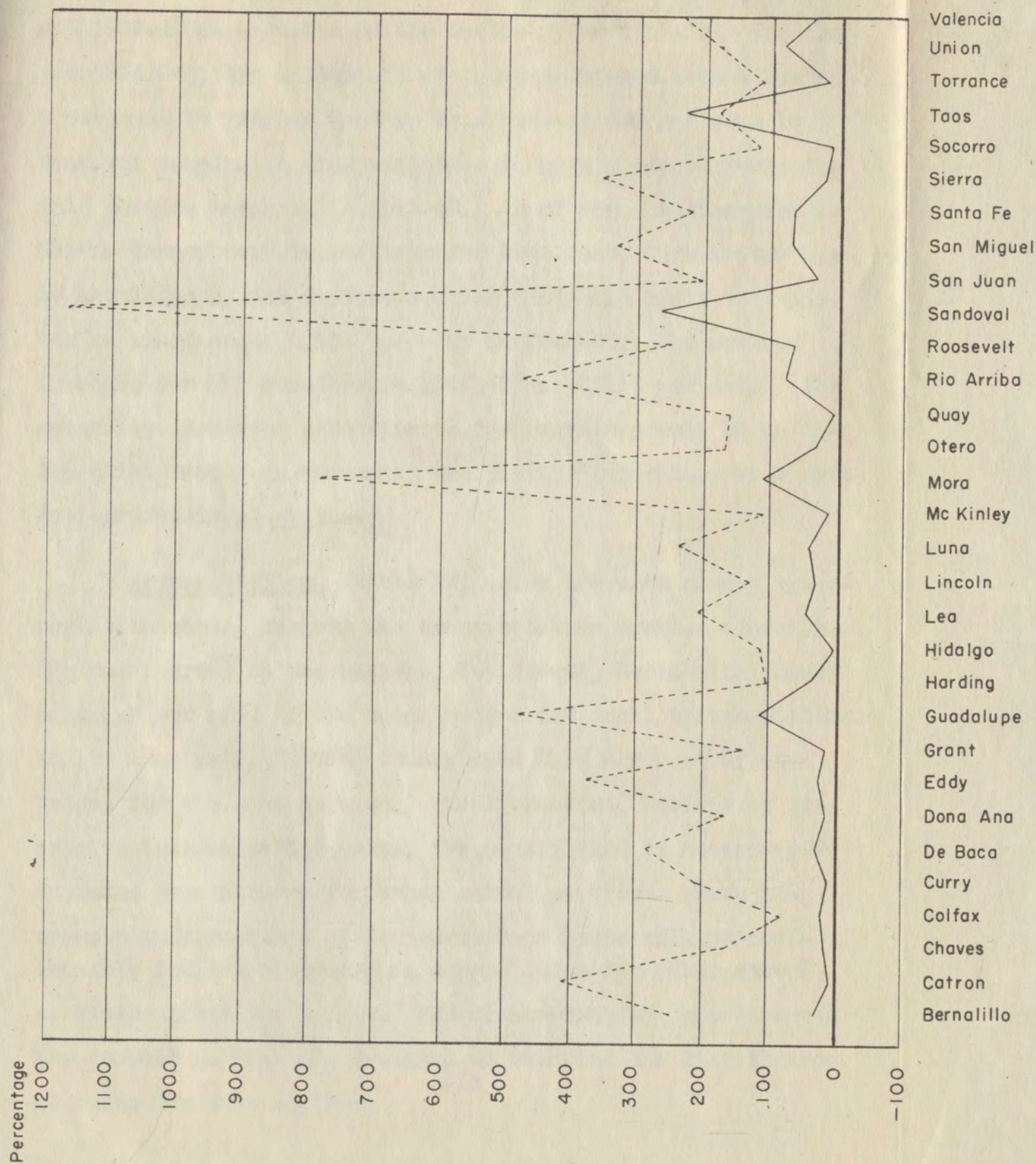
Teachers' Salaries. The wages of school teachers should

be high enough to attract a person with satisfactory qualifications. Responsibility in the past this responsibility position has been given to incompetent people. The teacher's position should be professionalized and wages paid in agreement with responsibility. The increases in percentages paid for teachers' wages in the various counties, as shown in Table VIII, indicate that the wages is approaching this goal. In 1942-43, teachers' salaries increased 36.2 per cent over 1937-38. The decade 1937-38 through 1947-48 ended with an increase of 321.5 per cent. However, if the values of the 1942-43 and



1947-48 dollars are adjusted to the value of the 1937-38 dollar the increase in percentage of wages would be 14.3 in 1942-43 and 92.6 in 1947-48. Janitors' salaries comprised 3.4 per cent in 1942-43, and 4.5 per cent in 1947-48. Such steady increase in percentage of the total budget for janitors' salaries is further evidence that New Mexico schools can expect to attract more competent men. However, a comparison of these percentages with percentages for other comparable classifications listed by Moehlman for the Hamtramck budget, presents a different conclusion. Cleaning, heating, and lighting the school plant required 13.9 per cent of the annual budget. Janitors' wages, janitors' supplies, and fuel, lights, and water would be comparable classifications in the New Mexico maintenance budget. The average sum expended for such items during the decade studied in New Mexico schools was 7.9 per cent of the budget. The 6.0 per cent difference would seem to indicate that the schools of New Mexico are sub-standard in regard to janitors' wages and supplies. Due to New Mexico's comparatively mild winters and many days of sunshine, the cost of lighting and heating the school plant may be assumed to be one factor in the computed difference. However, such difference probably does not account for the entire 6.0 per cent.

Figure 9 presents a comparison of the percentages of increase of janitors' salaries for the years 1942-43 and



and 1947-48 as computed on the initial year 1937-38. For the year 1942-43, the percentage of increase ranged from a low of 8 per cent in Hidalgo County, to a high of 257 per cent in Sandoval County. A wide variation in county expenditures for this service occurred in 1947-48. An 87 per cent increase in Colfax County was the smallest for that year. The writer has no knowledge of the factors causing Sandoval County to register an increase to 1,162 per cent in 1947-48. The average increase for all counties in 1947-48 was 221.5 per cent. The generally increased expenditures for wages may well be an influential factor in advancing the janitor's position to a more semi-professional status.

Transportation. Table IX, which presents county transportation costs, depicts the transportation problem confronting rural areas in New Mexico. In 1942-43, Bernalillo County paid 1.7 per cent of its total budget for pupil transportation. In the same year, Harding County used 31.4 per cent of its budget for the same service. Rural counties, because of excessive transportation costs, frequently find it necessary to decrease expenditures for other school services. Such increases in percentage of transportation costs will proportionately reflect decreases in expenditures for other school services within the budget. The transportation apportionment law enacted in 1941 was designed to equalize the distribution of funds for this service.

TABLE IX

EXPENDITURES AND PERCENTAGES OF TOTAL BUDGETS BY NEW MEXICO
COUNTIES FOR TRANSPORTATION COSTS DURING THE SCHOOL YEARS
1937-38, 1942-43, AND 1947-48

County	1937-38	Per cent	1942-43	Per cent	1947-48	Per cent
Bernalillo	\$21 011	2.9	\$18 536	1.7	\$51 402	2.2
Catron	5 445	8.8	14 475	19.0	21 709	18.6
Chaves	39 215	12.1	34 201	9.0	72 444	8.2
Colfax	45 949	11.6	62 570	16.1	75 997	10.6
Curry	43 564	13.3	45 203	13.8	107 554	13.3
De Baca	22 970	21.4	23 426	27.0	31 855	17.1
Dona Ana	19 909	5.4	26 998	6.1	57 530	5.7
Eddy	28 741	11.8	46 907	12.0	82 415	7.1
Grant	42 078	12.7	40 363	10.4	65 163	8.1
Guadalupe	24 734	18.4	32 226	19.9	41 021	12.5
Harding	27 270	27.9	30 342	31.4	32 604	23.1
Hidalgo	15 260	15.4	12 141	12.2	16 191	7.9
Lea	59 978	16.3	55 228	13.4	134 540	14.2
Lincoln	39 198	20.9	33 782	19.1	46 205	12.9
Luna	14 544	13.4	20 216	14.5	36 068	11.5
McKinley	8 775	4.6	11 855	5.6	11 005	3.2
Mora	8 685	7.5	28 921	18.5	43 153	12.8
Otero	15 730	9.6	19 138	10.6	34 641	8.5
Quay	52 368	20.8	58 248	22.5	68 240	16.6
Rio Arriba	3 590	2.2	25 448	8.4	52 595	7.3
Roosevelt	68 342	25.9	68 235	22.8	123 960	18.7
Sandoval	6 551	7.7	16 686	12.2	27 469	8.3
San Juan	15 688	13.3	16 900	11.8	27 487	7.6
San Miguel	10 522	5.9	41 540	11.1	61 844	7.7
Santa Fe	15 911	5.9	23 395	6.5	46 534	5.0
Sierra	4 489	5.4	9 560	9.2	17 729	7.5
Socorro	19 738	11.4	26 061	13.4	33 808	9.1
Taos	4 995	3.9	19 900	9.4	40 025	6.6
Torrance	45 585	23.3	52 041	24.2	78 213	17.6
Union	46 531	18.1	69 790	23.8	97 550	18.2
Valencia	24 802	9.9	39 375	11.8	68 300	8.6
Total	\$ 805 868	11.8	\$1,025 707	12.1	\$1 726 001	9.2

Not later than August 15, of each year, the governing authority of each school administrative unit maintaining one or more bus routes shall certify to the state transportation director, the number of routes operated by such unit during the coming school year, the number of miles to be traveled by such routes and who it is anticipated will use the same, the number of miles to be traveled daily by each of such students over each type of road on the bus routes, said statement to be made on forms supplied by the state transportation director.

The state transportation director shall check all statements received, and if found to be supported by the records shall approve the same, or if not properly supported shall require additional information and proof, to the end that the amounts approved for each administrative unit shall include the total amount to which such unit is entitled, compiled as herein provided.⁵

The data in the table indicate the above law has failed to produce such equal distribution in many counties. Transportation costs for De Baca County in 1942-43 were 27 per cent of the maintenance budget. In this same county, teachers' and janitors' salaries were 15 and .9 per cent respectively below the average of all counties for the same year. One may conclude that higher transportation expenditures were responsible in part. Many other counties manifested the same condition.

As shown by Figure 10, which portrays graphically the percentages of increase and decrease of transportation costs for 1942-43 and 1947-48, the average increase for 1942-43 over 1937-38 was 19.2 per cent. Mora, Rio Arriba, Sandoval, and Taos counties recorded increases of 240 per cent or better. Seven counties recorded percentages of less than a minus 20 per cent. The average increase for transportation

⁵New Mexico Session Laws, 1941, Chapter 125, Section 3.

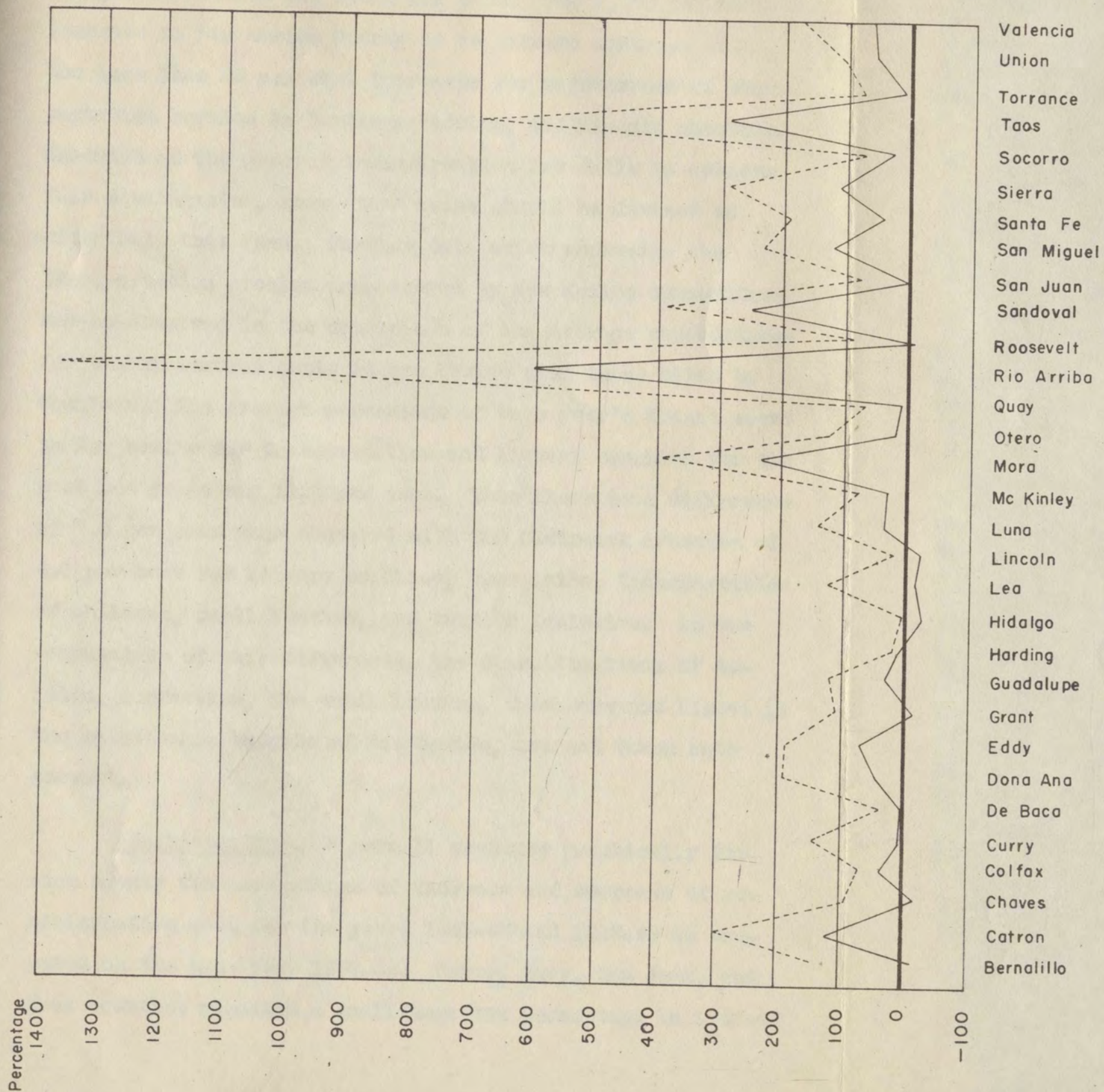
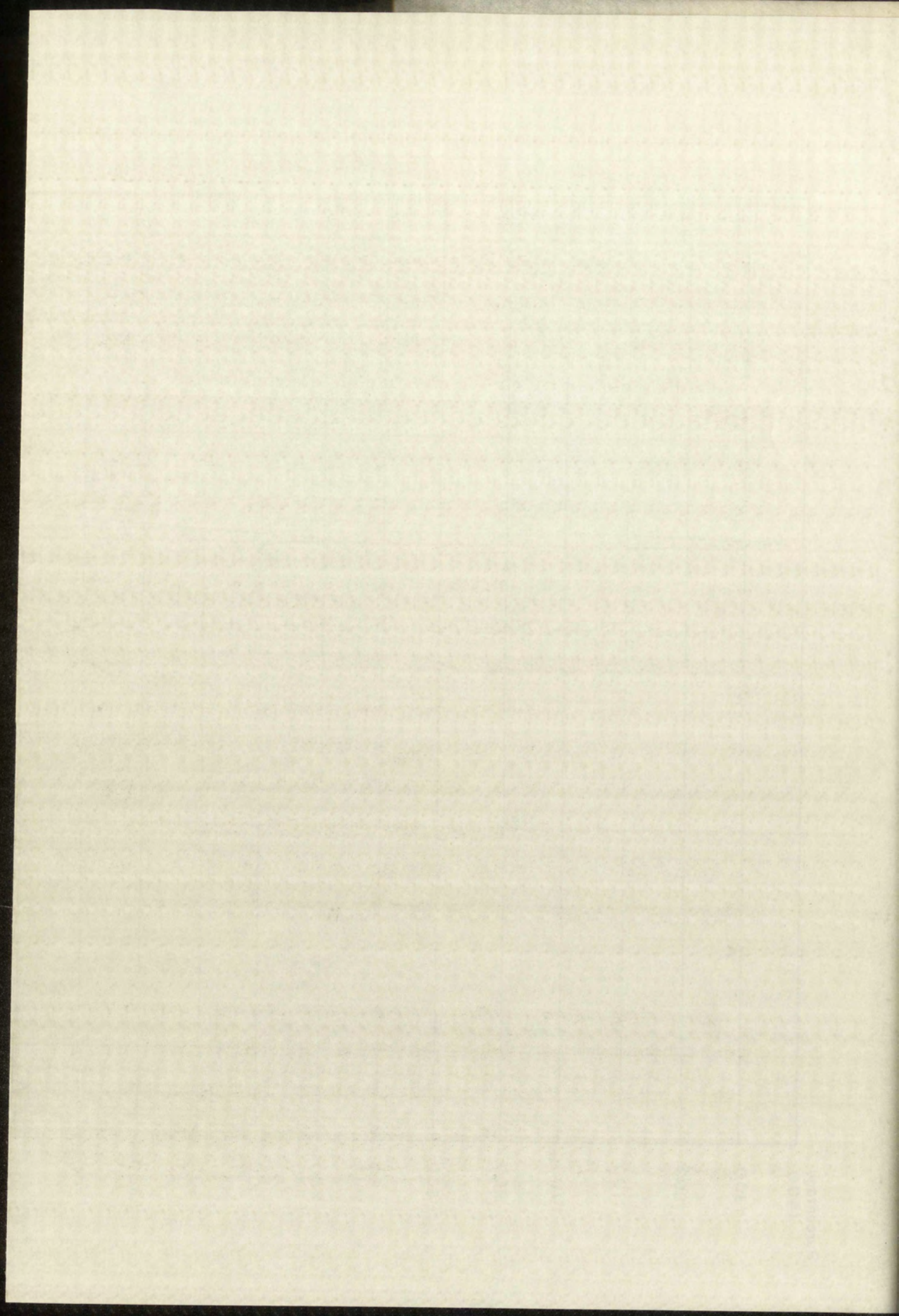


FIGURE 10

PERCENTAGES OF EXPENDITURES FOR TRANSPORTATION COSTS DURING THE YEARS 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38

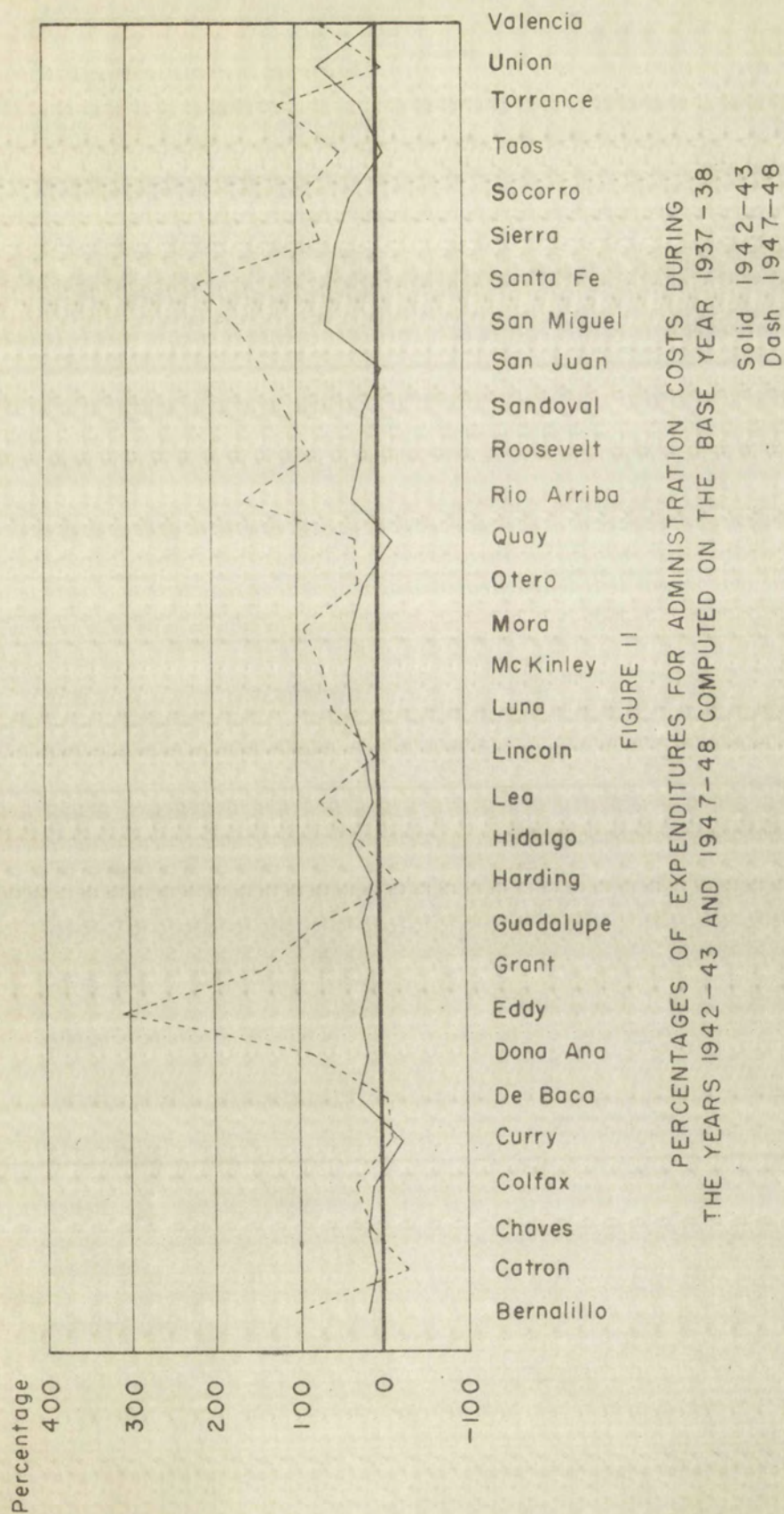


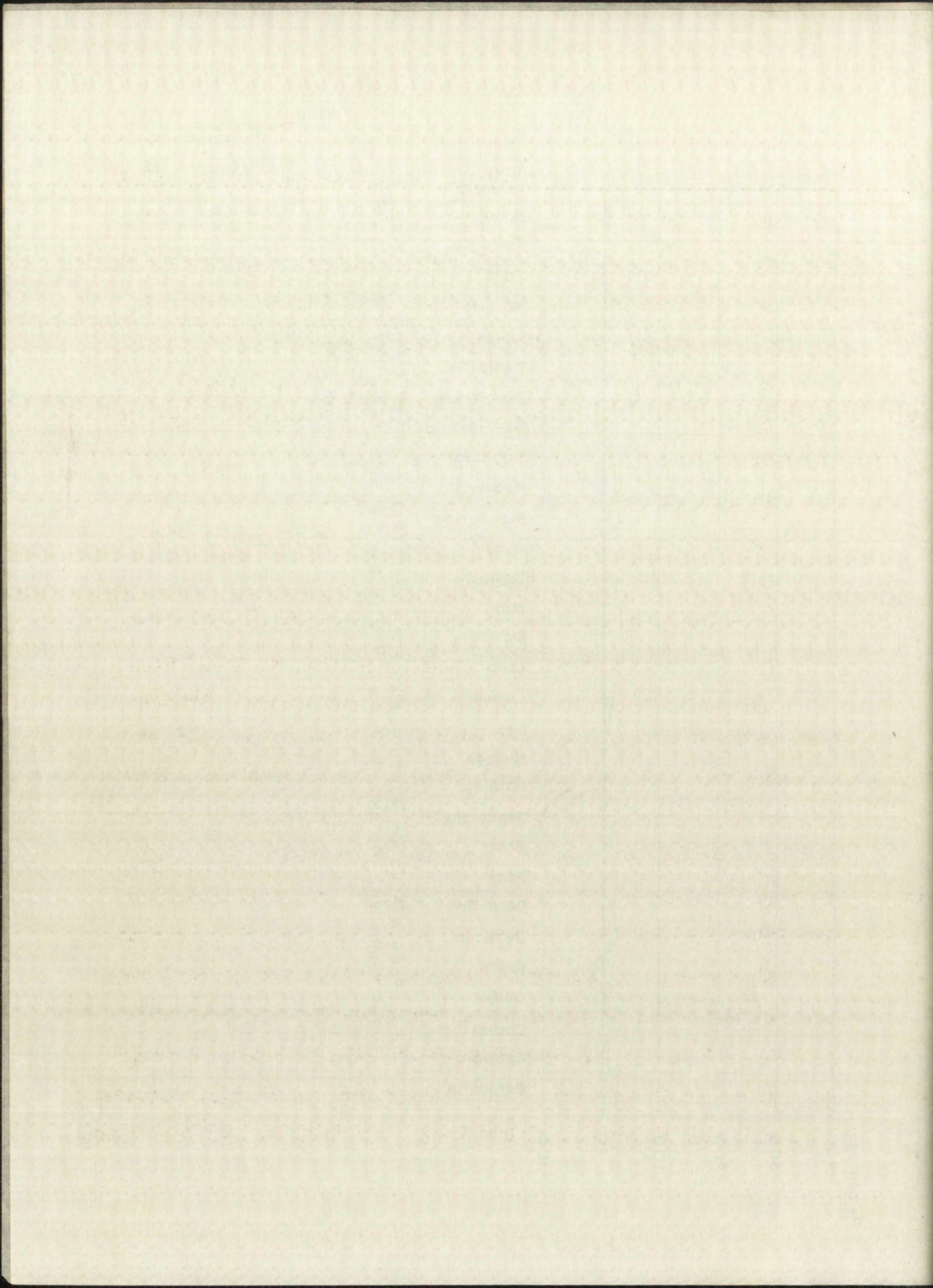
charges in 1947-48 was 113.8 per cent. The 1,360 per cent increase in Rio Arriba County is in extreme contrast with the less than 20 per cent increases for maintenance of transportation service in Harding, Hidalgo, and Lincoln counties. Inasmuch as the present transportation law fails to achieve fair equalization, some other means should be devised to distribute this fund. Further data which emphasize the transportation problem encountered by New Mexico communities may be observed in the comparison of the average expenditures for transportation costs in New Mexico with those cited by Moehlman. The average percentage of each year's budget spent in New Mexico for transportation and library supplies for the past ten years was 11.5 per cent. Thus there is a difference of 7.0 per cent when compared with the Hamtramck averages of 4.5 per cent for library supplies, recreation, transportation of children, pupil lunches, and tuition inclusive. In the computation of this difference, the classifications of tuition, recreation, and pupil lunches, which are not listed in the maintenance budgets of New Mexico, are not taken into account.

Administration. Figure 11 presents graphically for each county the percentages of increase and decrease of administration cost for the years 1942-43 and 1947-48 as computed on the base year 1937-38. Curry, Quay, San Juan, and Taos counties reported a small negative percentage in 1942-43

charges in 1947-48 was 13.5 percent. The 1948-49 year
increase in the British pound is 10 percent compared with
the less than 50 percent increase for the previous year.
operation service in British, American, and British
Inasmuch as the present transportation law does not allow
fair equalization, some other means must be devised to
discontinue this fund. It is not clear whether the
transportation problem encountered by the British is
may be observed in the operation of the average transportation
for transportation costs in the United States is
mechanism. The average cost of a single passenger
in New Mexico for transportation is 1.5 percent of the
past ten years was 1.5 percent. The average cost of
of 7.0 percent and only 1.5 percent in the United States
4.5 percent for 1947-48, compared with 1.5 percent
of children, adult, and child. Inasmuch as the
operation of this mechanism, the transportation of the
tion, restoration, and adult income, which are listed in
the maintenance budget of the United States, and not in the
account.

Administration. There is no separate department for
each country the government of the United States and
administration cost for the year 1947-48 and 1948-49
puted on the basis of 1947-48. During the year 1947-48
two countries reported a small positive surplus in 1947-48





compared to the base year 1937-38. Counties showing negative percentages for 1947-48 were Catron, Gurry, De Baca, Harding, and Union. Four counties which increased their administrative costs over 50 per cent in 1942-43 were San Miguel, Santa Fe, Sierra, and Union. This increase may be compared with the data for 1947-48, at which time eight counties increased administrative costs more than 110 per cent. Eddy and Santa Fe counties recorded the greatest increase of expenditures, with 306 and 210 per cent respectively. The average increases above the base year for all counties in 1942-43 and 1947-48 were 19.2 and 75.6 respectively.

However, an analysis of the data in Table X indicates that the percentage spent for administrative services is decreasing in proportion to each year's total annual budget. This service utilized 4.6 per cent of the budget in 1937-38 as compared to 4.1 in 1942-43. This represents only a slight decline when contrasted with the more marked decrease to 2.2 per cent of the total budget expended in 1947-48. When the average percentage for these expenditures is compared to the Hamtramck average the decrease in percentage is not so marked. The 6.1 per cent of the total budget required for general control in Hamtramck included the expenses of the board of education, offices of the superintendent, school census, school elections, legal service, child accounting, personnel, finance, informational service, and supplies. The budgets for New Mexico

TABLE X

EXPENDITURES AND PERCENTAGES OF TOTAL BUDGETS BY NEW MEXICO
COUNTIES FOR ADMINISTRATION COSTS DURING THE SCHOOL YEARS
1937-38, 1942-43, AND 1947-48

County	1937-38	Per cent	1942-43	Per cent	1947-48	Per cent
Bernalillo	\$26 328	.8	\$31 970	3.0	\$54 060	2.3
Catron	4 756	.7	4 970	6.5	3 083	2.2
Chaves	12 228	.8	14 721	3.9	14 380	1.6
Colfax	15 119	.8	16 681	4.1	19 529	2.8
Curry	17 061	6.3	12 952	3.8	14 064	1.8
De Baca	3 659	4.4	4 721	15.4	3 611	1.9
Dona Ana	12 195	3.3	14 576	3.0	22 557	2.1
Eddy	10 490	4.3	13 350	3.4	42 181	3.6
Grant	10 215	3.1	11 557	2.9	24 987	3.1
Guadalupe	6 845	5.1	8 535	5.3	12 560	3.8
Harding	5 498	5.7	5 895	6.2	4 140	2.9
Hidalgo	4 445	4.4	6 072	5.9	5 600	2.7
Lea	23 106	6.3	24 456	5.8	40 111	4.2
Lincoln	9 330	4.8	10 241	5.8	9 833	2.7
Luna	3 877	3.6	6 230	3.7	6 070	1.9
McKinley	7 635	4.1	10 473	5.0	12 880	3.5
Mora	5 948	5.1	8 895	5.7	11 515	3.4
Otero	6 785	4.1	7 862	4.3	8 034	1.9
Quay	10 485	4.2	8 775	3.2	14 075	2.6
Rio Arriba	7 184	3.9	9 375	3.1	18 870	2.7
Roosevelt	8 804	3.4	10 592	3.7	16 044	2.3
Sandoval	5 180	6.4	6 264	4.5	11 075	3.3
San Juan	5 249	4.4	5 158	3.6	6 351	1.7
San Miguel	10 561	3.4	17 331	4.6	28 485	3.5
Santa Fe	9 280	3.9	14 629	4.1	29 055	3.3
Sierra	3 955	4.8	5 983	5.5	6 460	2.7
Socorro	7 285	4.1	10 046	5.1	14 365	3.9
Taos	11 835	9.5	11 085	5.2	17 755	2.9
Torrance	7 325	3.8	8 708	4.0	16 126	3.6
Union	10 721	4.3	18 480	6.3	10 190	1.9
Valencia	12 050	4.9	12 799	3.8	20 040	2.5
Total	\$259 394	4.8	\$352 382	4.1	\$518 086	2.8

schools classify all these services under the two headings of administration and office supplies. In the past decade, New Mexico schools have spent an average of 5 per cent of their total annual budgets for these services. The difference of 1.1 per cent between the two averages indicates New Mexico's expenditures for general control compare favorably with those cited by Hoehlman.

Supplies. Since the expenditures for the various school services listed under supplies were so small, these expenditures were combined and the percentage calculated for the group as a unit. The combined sums and the percentages of the total county budgets for such expenditures are revealed in Table XI. The percentage expended for supplies in relation to the total annual budgets shows a steady decrease for the three years under investigation. Supplies cost the counties 6.5 per cent of their total budgets in 1937-38 as compared to 6.0 per cent in 1942-43. In 1947-48 the percentage declined more rapidly, since supplies accounted for 4.1 per cent of the total budgets for the year. However, a comparison of expenditures for supplies for each of the years computed in this study reveals a different result. The money expended for school supplies increased to 14.5 per cent in 1942-43 and to 70.8 per cent in 1947-48 as based on the initial year 1937-38. Since the Hantramok budget classifies supplies under other general headings, a comparison with the

TABLE XI

EXPENDITURES AND PERCENTAGES OF TOTAL BUDGETS BY NEW MEXICO COUNTIES
FOR SUPPLIES DURING THE SCHOOL YEARS 1937-38, 1942-43, AND 1947-48

County	1937-38					1942-43					1947-48				
	Janitor supplies	School supplies	Library supplies	Fuel water lights	Per Cent	Janitor supplies	School supplies	Library supplies	Fuel water lights	Per Cent	Janitor supplies	School supplies	Library supplies	Fuel water lights	Per Cent
Bernalillo	\$3 400	\$12 562	\$3 000	\$17 285	5.0	\$6 000	\$13 768	\$13 768	\$25 500	5.3	\$12 950	\$30 000	\$14 160	\$38 525	4.1
Catron	250	527	100	1 325	3.6	235	600	600	1 575	3.9	425	1 900	300	2 760	3.2
Chaves	2 440	5 775	4 450	10 870	7.3	2 225	3 295	3 295	11 500	5.4	3 905	6 975	6 140	14 925	3.6
Colfax	2 350	5 500	4 025	12 700	6.2	2 465	3 490	3 490	15 400	5.5	3 660	6 375	2 930	17 400	4.2
Curry	2 257	4 657	2 557	9 225	7.7	1 345	2 590	2 590	11 725	5.5	2 785	7 680	3 365	14 775	3.4
De Baca	390	1 075	875	2 808	6.3	350	1 010	1 010	2 335	5.4	500	2 150	700	5 365	4.7
Dona Ana	3 130	4 525	4 588	10 160	6.0	2 997	5 295	5 295	12 326	5.4	5 770	12 765	4 625	14 645	3.5
Eddy	2 960	5 690	3 625	7 880	8.3	3 057	3 750	3 750	11 180	5.6	5 995	9 821	6 185	18 233	3.4
Grant	1 750	6 100	3 750	10 900	6.8	1 868	4 755	4 755	12 650	6.2	3 353	7 476	3 104	14 850	3.5
Guadalupe	775	1 790	1 645	5 380	7.3	850	1 860	1 860	7 750	7.6	1 475	3 175	1 700	11 200	5.4
Harding	475	965	950	3 505	6.3	440	900	900	3 370	5.3	600	1 275	628	4 350	4.9
Hidalgo	675	2 935	1 075	3 615	8.3	625	1 095	1 095	3 935	6.5	850	2 075	650	4 100	3.6
Lea	3 824	8 210	4 827	13 880	8.4	1 930	3 275	3 275	12 750	5.2	2 705	9 660	4 218	16 650	3.5
Lincoln	985	2 175	2 810	7 735	7.3	1 132	1 605	1 605	7 358	6.6	2 250	3 210	1 538	1 050	4.8
Luna	480	3 325	1 600	3 700	8.4	580	2 623	2 623	3 770	6.5	650	4 178	800	5 400	3.6
McKinley	1 450	4 700	1 400	6 600	7.6	1 222	2 220	2 220	7 800	6.3	1 779	2 799	1 729	8 640	4.2
Mora	425	1 200	850	3 566	5.2	650	1 800	1 800	4 400	5.5	850	2 975	1 250	7 000	3.6
Otero	925	2 450	1 450	4 900	5.4	900	2 400	2 400	6 175	6.5	1 700	4 435	1 734	8 375	3.9
Quay	1 200	2 100	1 190	6 950	4.5	1 350	1 825	1 825	7 620	4.9	2 054	3 600	3 225	10 800	3.7
Rio Arriba	220	2 552	695	7 264	6.9	800	5 000	5 000	8 980	6.6	3 000	7 803	4 500	14 797	4.2
Roosevelt	1 500	3 275	3 050	6 150	5.4	1 310	2 570	2 570	6 565	4.5	2 335	5 490	3 600	11 355	3.3
Sandoval	600	1 800	1 000	2 935	7.9	400	1 500	1 500	3 750	5.2	600	3 600	2 000	6 575	3.9
San Juan	695	1 600	1 150	4 420	6.7	975	1 640	1 640	6 300	7.3	1 713	3 121	1 846	6 970	3.9
San Miguel	1 774	3 654	1 760	9 523	5.4	3 080	5 630	5 630	13 800	7.5	4 050	8 293	4 505	18 300	4.4
Santa Fe	2 250	3 750	5 100	13 700	8.9	1 900	5 100	5 100	17 100	8.2	4 500	5 600	3 438	26 500	4.3
Sierra	600	1 100	725	2 700	6.2	737	1 246	1 246	3 133	6.1	1 125	2 685	775	5 225	4.1
Socorro	1 560	2 375	1 700	7 710	7.5	1 200	2 228	2 228	10 114	8.1	1 300	5 055	1 050	12 223	5.3
Teos	840	1 475	675	6 430	7.7	1 480	2 000	2 000	9 170	7.3	4 442	7 855	2 527	18 840	5.5
Torrance	866	2 188	1 097	7 831	6.2	944	2 335	2 335	6 870	5.7	2 165	3 607	1 540	10 846	6.0
Union	1 825	4 565	2 615	8 480	6.9	1 535	1 600	1 600	14 100	6.4	1 640	3 510	2 350	18 065	4.8
Valencia	1 950	3 500	2 251	8 300	6.7	1 600	3 835	3 835	11 200	6.2	3 087	9 170	3 660	19 750	4.5
Total	\$44 821	\$108 095	\$65 585	\$228 427	6.5	\$46 242	\$92 840	\$92 840	\$280 201	6.0	\$84 713	\$188 313	\$90 772	\$397 389	4.1

percentages for such expenditures in New Mexico is impossible.

Figure 12 reveals the percentages of increase and decrease for janitor supplies on a county basis for the years 1942-43 and 1947-48 as computed on the base year 1937-38. For the first half of the decade under study, sixteen counties decreased expenditures for janitors' supplies ranging from zero to minus 74 per cent. Counties with increased expenditures were San Miguel, 158 per cent, Bernalillo, 78 per cent, Mora, 54 per cent, Rio Arriba, 62 per cent, and Taos, 74 per cent. The percentages of expenditures made for these supplies from 1942-43 to 1947-48 indicate that all counties except Socorro and Union registered increases. The latter two counties reported percentages of minus 11 and minus 8 respectively. The 1,262 per cent increase recorded by Rio Arriba County was the most pronounced.

A comparison of the percentages of expenditures for office supplies in 1942-43 and 1947-48 is shown in Figure 13. In 1942-43, eighteen counties registered decreases for this item. Rio Arriba, Mora, and San Miguel counties reported increases of 92, 49, and 68 per cent respectively. In 1947-48, a majority of the counties increased budget expenditures for office supplies. Hidalgo and Union counties were the only two counties that reported negative percentages over the initial year 1937-38. These counties registered a minus 26 and minus 18 per cent respectively. The county with the highest

percentage for each year is shown in the table below.

Figure 12 shows the percentage of persons in the

group for each year, based on a sample of 100 persons.

1953-54 and 1954-55 are compared with the year 1952-53.

For the first half of the decade, the percentage of persons

decreased significantly for each year, except for 1953-54.

Also to note is the fact that the percentage of persons

in the group was 100 percent in 1952-53, 1953-54, and 1954-55.

Now, at the end of the decade, the percentage of persons

in the group is 100 percent, and the percentage of persons

in the group is 100 percent, and the percentage of persons

in the group is 100 percent, and the percentage of persons

in the group is 100 percent, and the percentage of persons

in the group is 100 percent, and the percentage of persons

in the group is 100 percent.

A comparison of the percentage of persons in the

group in 1952-53 and 1953-54 is shown in the table below.

In 1952-53, 100 percent of the persons in the group were

in the group, and in 1953-54, 100 percent of the persons

in the group were in the group, and in 1954-55, 100 percent

of the persons in the group were in the group, and in 1955-56,

100 percent of the persons in the group were in the group.

Two hundred percent of the persons in the group were in the

group in 1952-53, 1953-54, 1954-55, and 1955-56.

Since 10 percent of the persons in the group were in the

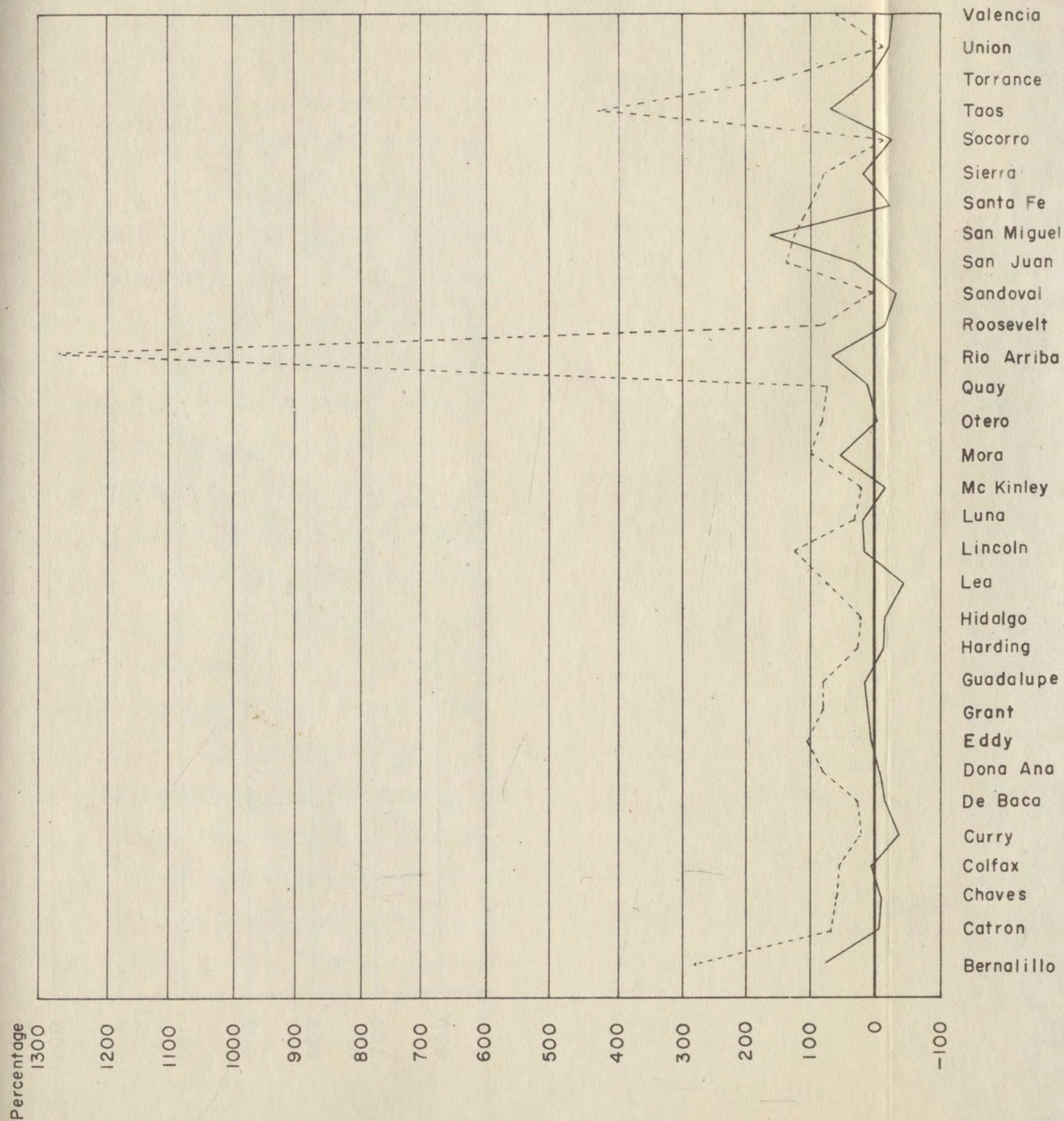


FIGURE 12

PERCENTAGES OF EXPENDITURES FOR JANITORS' SUPPLIES DURING
THE YEARS 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38

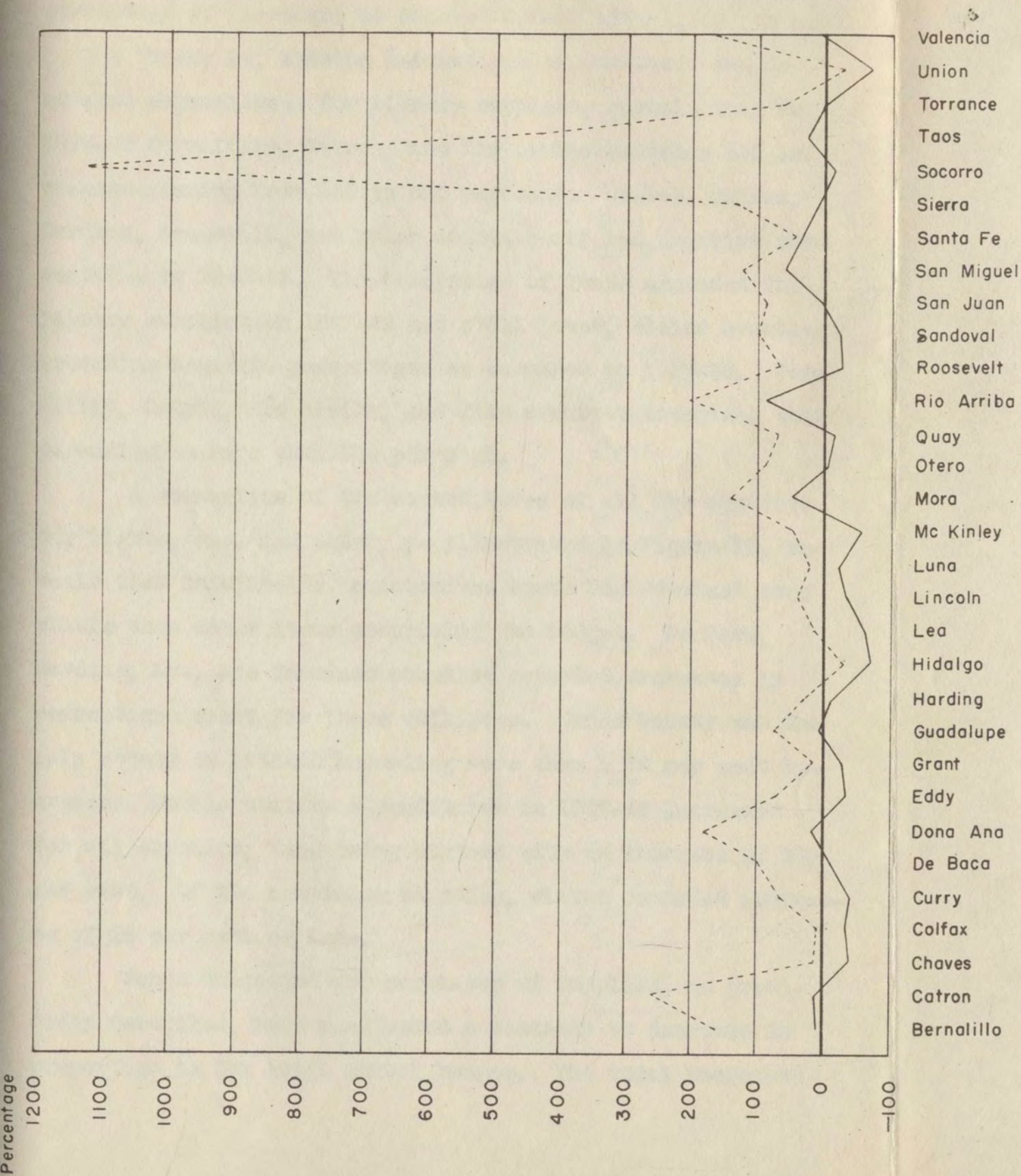
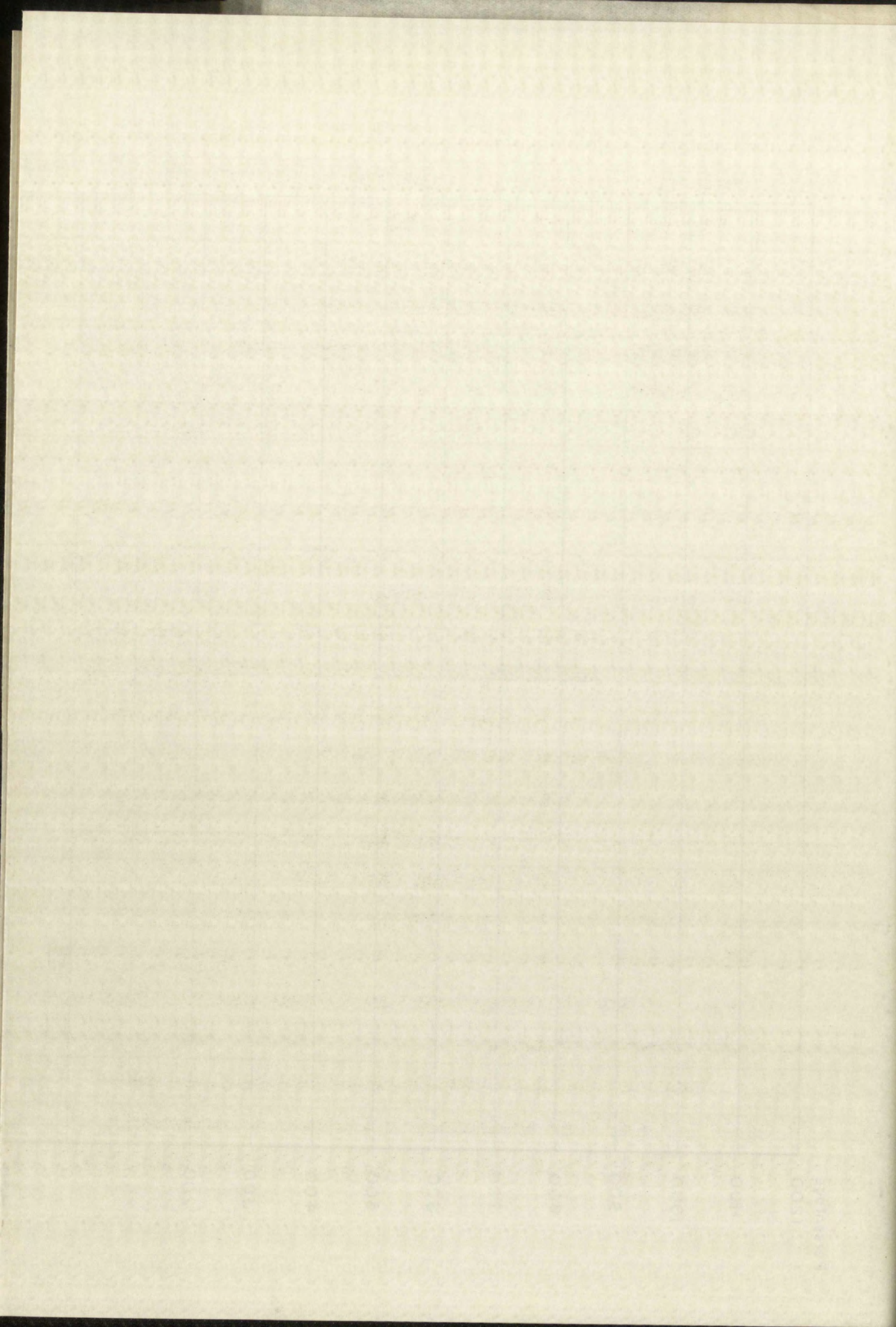


FIGURE 13

PERCENTAGES OF EXPENDITURES FOR OFFICE SUPPLIES DURING THE YEARS 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38

Solid 1942-43
Dash 1947-48

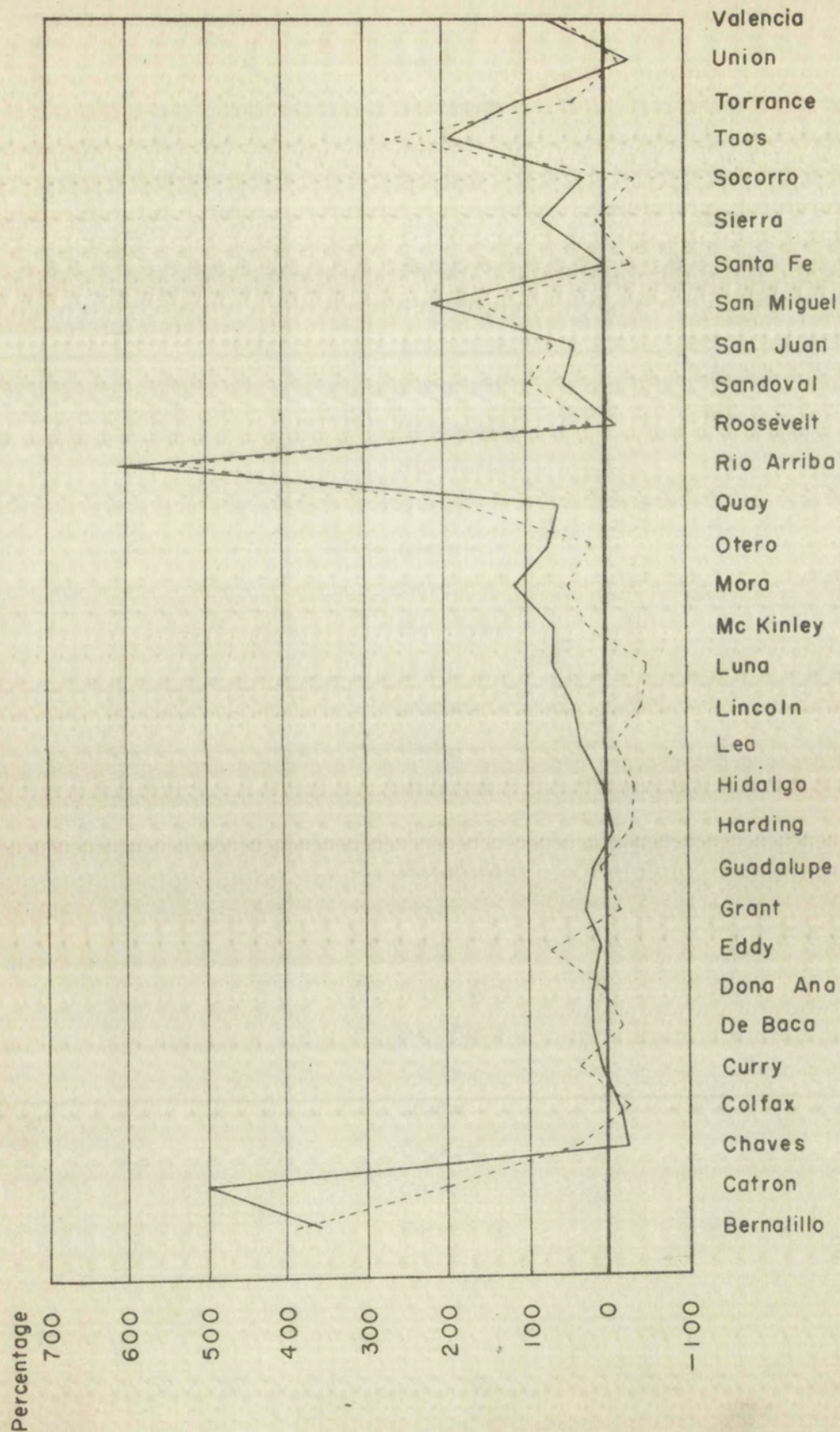


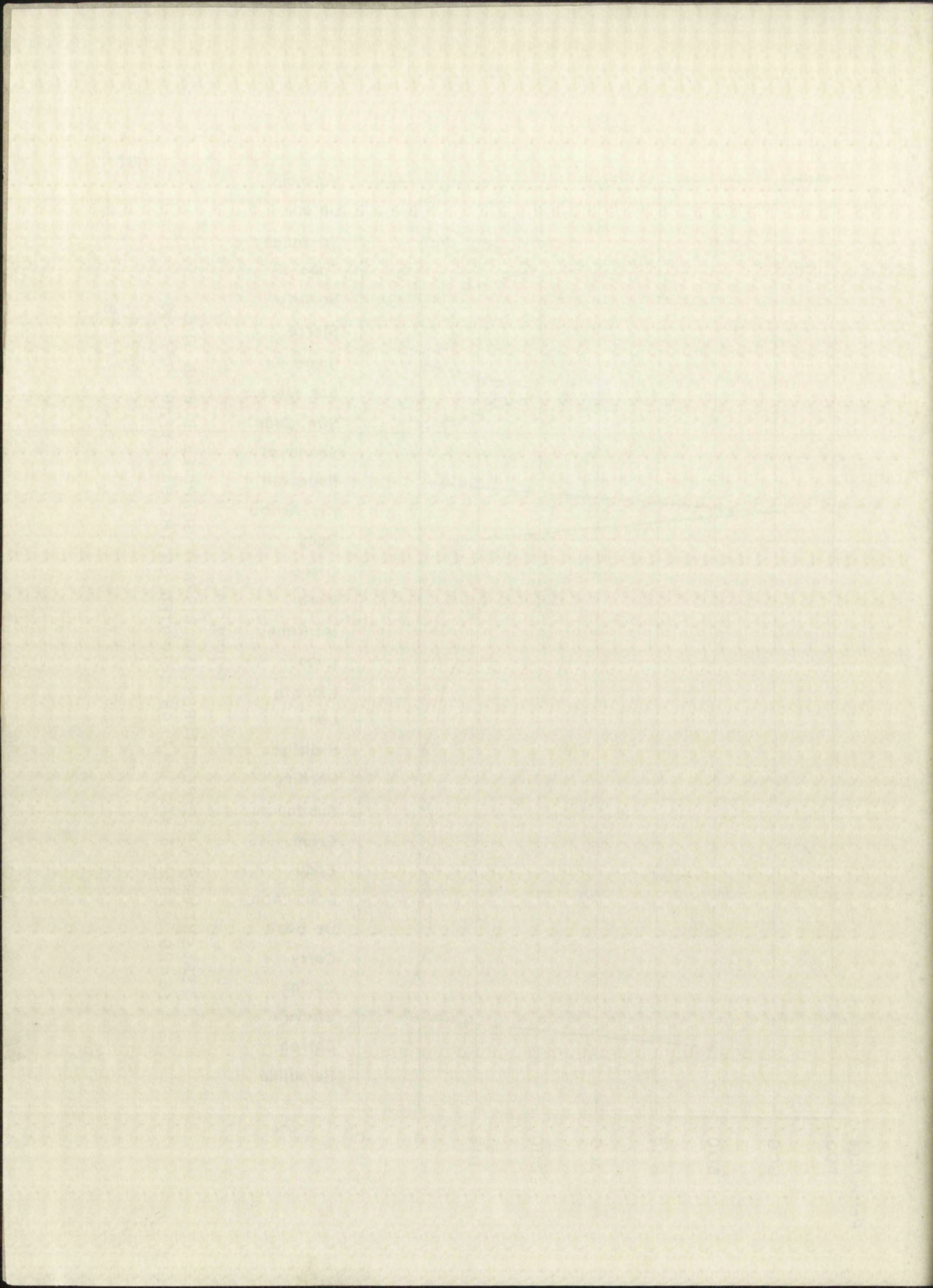
percentage of increase was Socorro County with 1,140 per cent.

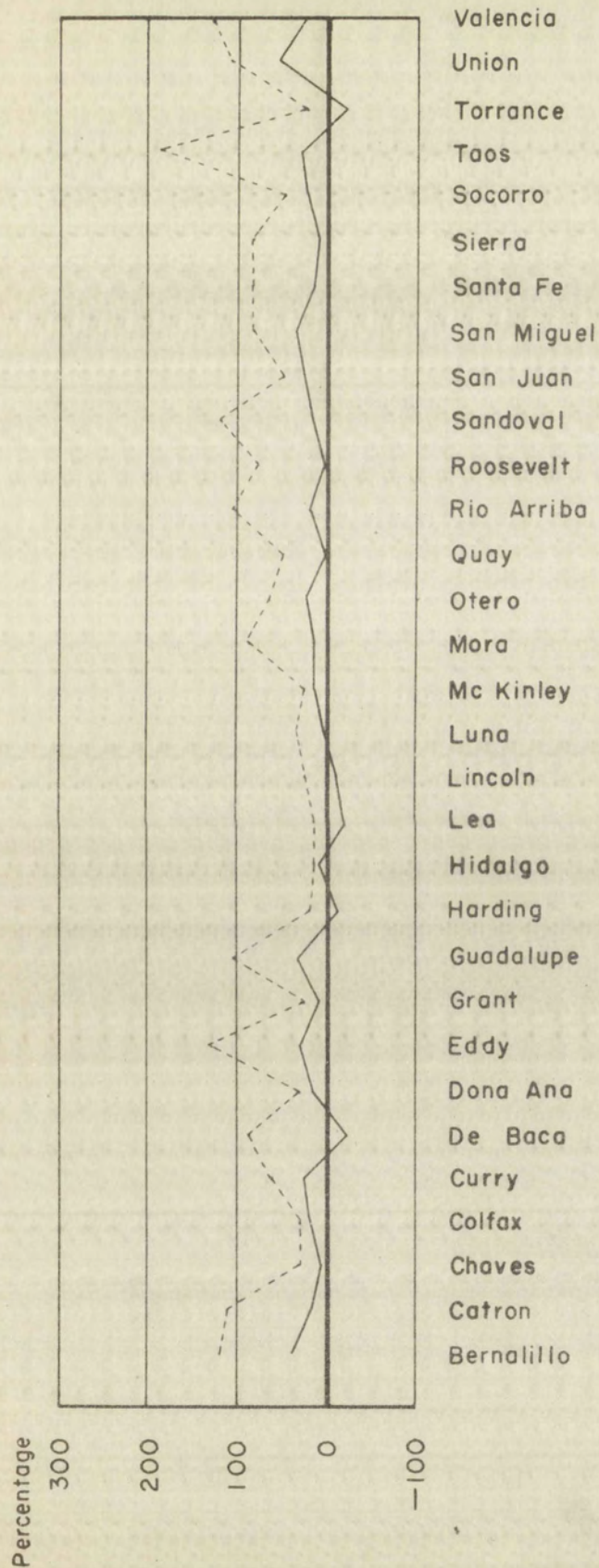
Figure 14, showing percentages of increased and decreased expenditures for library supplies, reveals that in 1942-43 Bernalillo, Catron, and Rio Arriba counties had increases ranging from 255 to 605 per cent. Chaves, Colfax, Harding, Roosevelt, and Union counties all had negative percentages in 1942-43. The percentage of funds expended for library supplies in 1947-48 was still lower, eleven counties recording negative percentages as compared to 1937-38. Bernalillo, Catron, Rio Arriba, and Taos counties increased their expenditures more than 200 per cent.

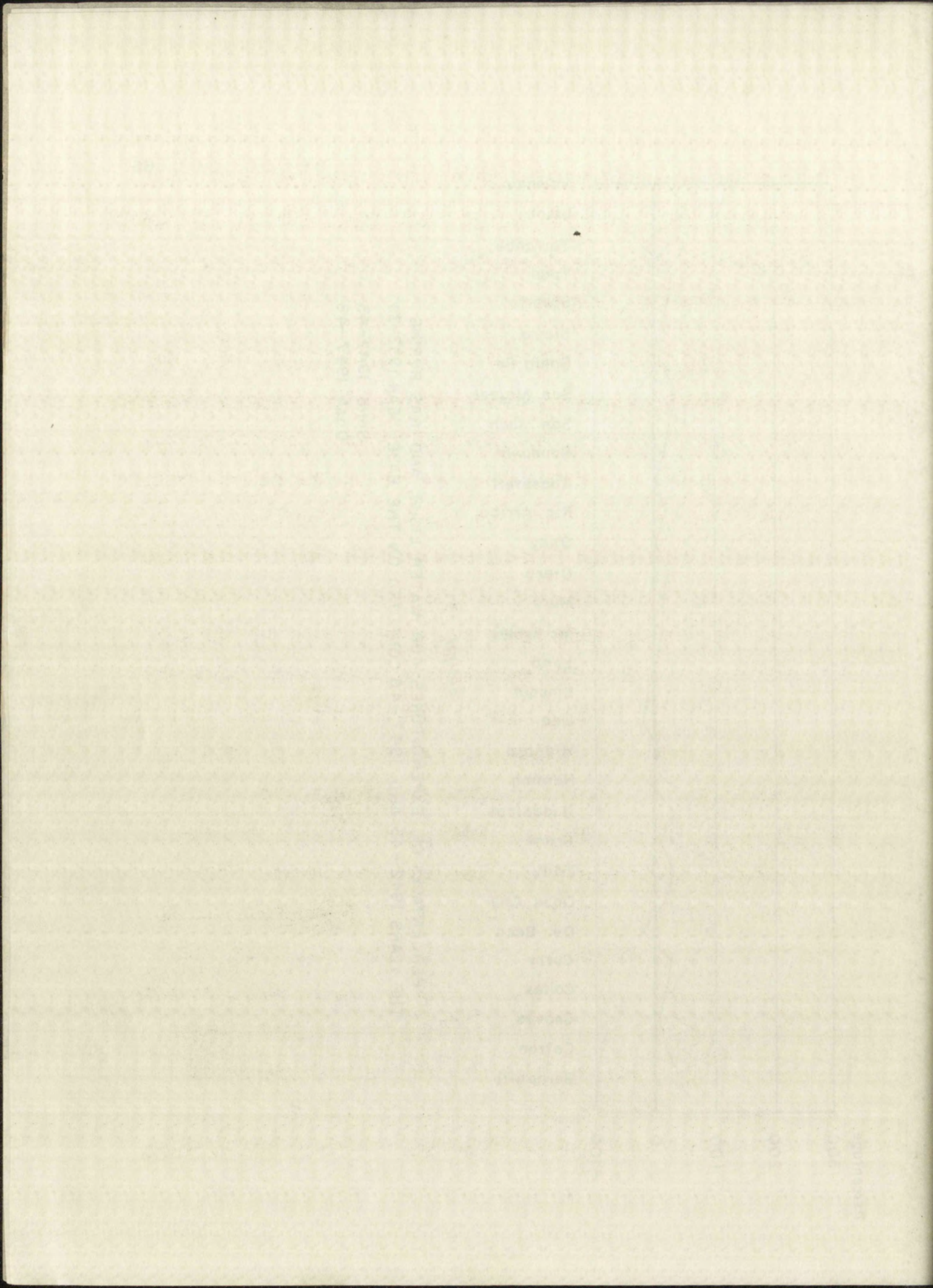
A comparison of the expenditures of all the counties for lights, gas, and water, as illustrated in Figure 15, reveals that this item of maintenance costs has remained more stable than other items comprising the budget. De Baca, Harding, Lea, and Torrance counties reported decreases in percentages spent for these utilities. Union County was the only county in 1942-43 recording more than a 50 per cent increase. Public utility expenditures in 1947-48 increased for all counties, Taos being highest with an increase of 109 per cent. Of the remaining counties, eleven recorded increases of 50 per cent or less.

Funds delegated for purchases of supplies, as previously described, have manifested a tendency to decrease in proportion to the total annual budget. The total increases









of 14.5 per cent in 1942-43 and 70.8 per cent in 1947-48 as compared to the base year 1937-38 show that such expenditures have increased least in comparison to other items in the school maintenance budget.

Miscellaneous. The school services listed under the general classification of miscellaneous are emergency, public health, group insurance, and miscellaneous. The latter two items appear for the first time, so far as the periods under consideration are concerned, in the budget for the year 1947-48. As a result, only percentages of increase and decrease for emergency and public health are presented in Figures 16 and 17. Figure 16, which portrays graphically the percentages of budget outlay for emergency expenditures, shows that Grant, Guadalupe, Harding, and Lincoln counties were able to decrease their budget allotments for this fund in 1942-43. Such decreases ranged from a minus 45 per cent to a minus 87 per cent. Curry, De Baca, Eddy, and Valencia counties all recorded increases of 330 per cent or better. Only a comparatively small fluctuation of percentages occurred in the remaining counties. In 1947-48, Dona Ana, Quay, Roosevelt, and Socorro counties were able to reduce their percentage of expenditure for this item below the 1937-38 level. Chaves, Curry, Hidalgo, and Santa Fe counties increased their budgets more than 600 per cent in 1947-48.

A fairly constant relationship exists in the percent-

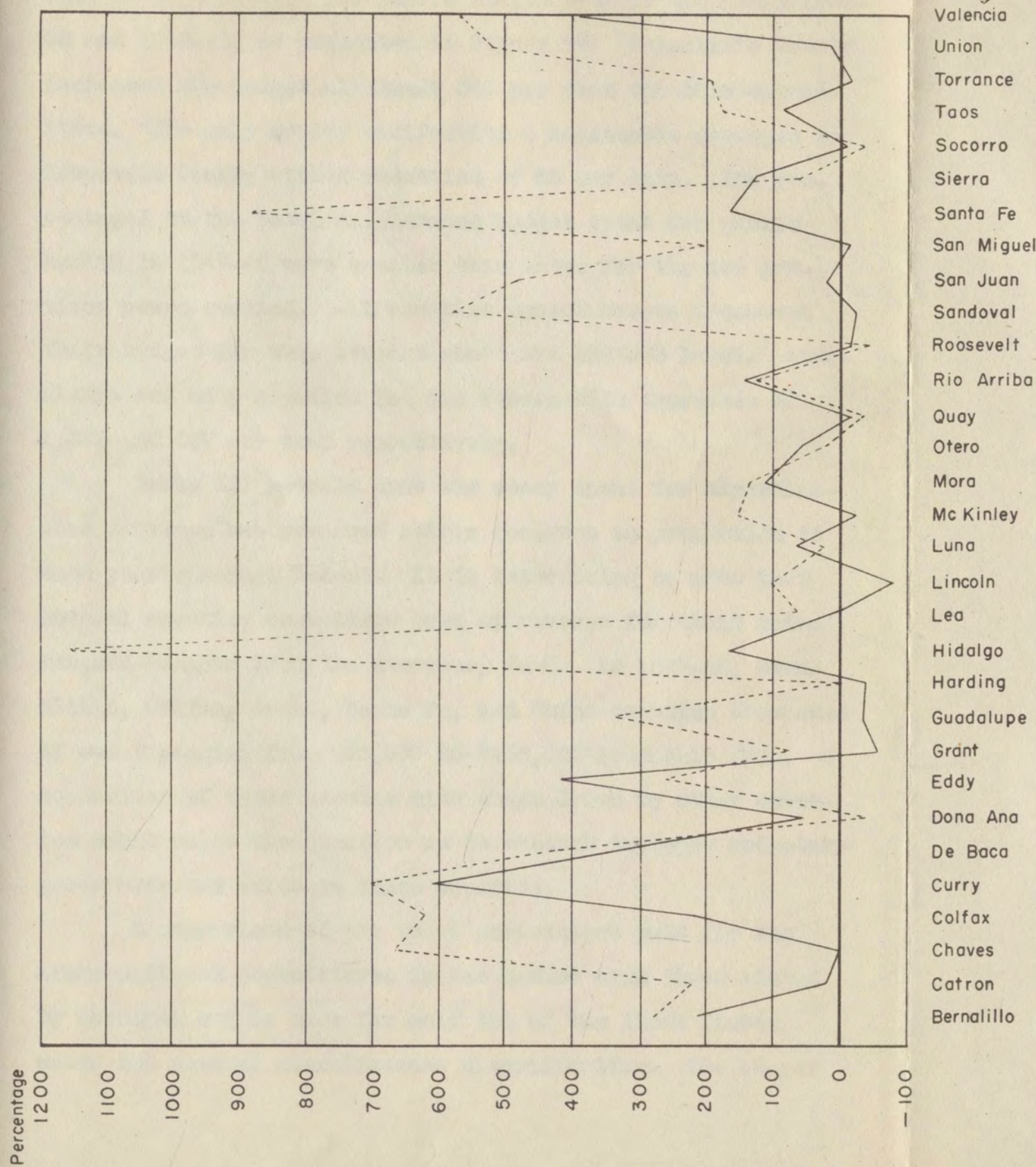
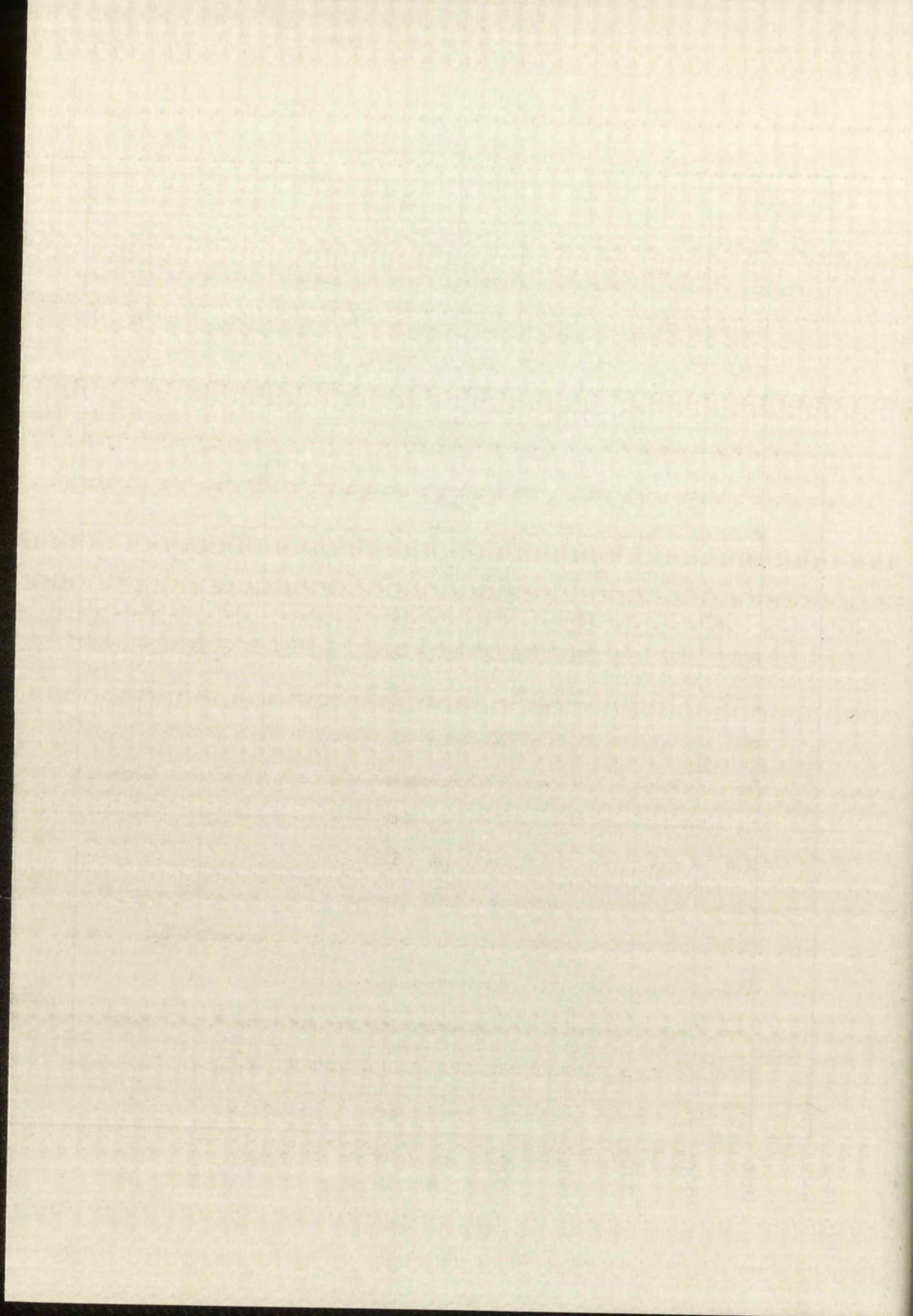


FIGURE 16

PERCENTAGES OF EXPENDITURES FROM THE EMERGENCY FUND DURING
THE YEARS 1942-43 AND 1947-48 COMPUTED ON THE BASE YEAR 1937-38

Solid 1942-43
Dash 1947-48



ages of expenditures for public health between the years 1937-38 and 1942-43, as presented in Figure 17. Bernalillo County increased the budget allotment 360 per cent for this expenditure. The only county manifesting a noticeable decrease was Roosevelt County with a reduction of 63 per cent. The percentages of the total maintenance budget spent for public health in 1947-48 were greater than those for the two previous years studied. All counties except Catron increased their budget for this service above the 1937-38 level. Bernalillo and Eddy counties led the others with increases of 1,375 and 557 per cent respectively.

Table XII reveals that the money spent for miscellaneous services has remained fairly constant in proportion to each year's annual budget. It is interesting to note that several counties drew large sums of revenue for their maintenance budgets from the emergency fund. In 1947-48, Bernalillo, Colfax, Grant, Santa Fe, and Union counties drew sums of money ranging from \$40,000 to \$156,429 from this fund. A comparison of these amounts with those drawn by other counties would raise the question as to whether improper budgetary procedures may exist in these counties.

A comparison of the total percentages paid for the aforementioned expenditures in New Mexico with those listed by Mochlman can be made for only two of the items listed under the general miscellaneous classification. The .8 per

ages of expenditures for public health in the years 1942-43 and 1943-44, as presented in Figure 17. These figures show that the budget for public health has increased steadily since 1942-43. The only county maintaining a separate health department is Los Angeles. This county also has a separate health department. The percentages of the total population which are covered by public health in 1942-43 were greater than those for the other counties. All counties except Los Angeles have their budget for public health as a percentage of the total population. Los Angeles and Alameda had the highest percentages, 1.37% and 1.07% respectively.

TABLE 17. Trends in the health budget for California counties. The health budget for each county is shown in dollars for each year's annual budget. It is interesting to note that several counties have large sums of revenue for their health services budget from the state treasury. In fact, some counties, such as Santa Clara, Santa Cruz, and San Jose, have received money ranging from \$50,000 to \$100,000 from the state. Comparison of these amounts with those for other counties would raise the question as to whether the state should contribute more to these counties. It is also interesting to note that the health budget for each county is shown in dollars for each year's annual budget. It is interesting to note that several counties have large sums of revenue for their health services budget from the state treasury. In fact, some counties, such as Santa Clara, Santa Cruz, and San Jose, have received money ranging from \$50,000 to \$100,000 from the state. Comparison of these amounts with those for other counties would raise the question as to whether the state should contribute more to these counties.

A comparison of the health budget for each county is shown in Table 17. The health budget for each county is shown in dollars for each year's annual budget. It is interesting to note that several counties have large sums of revenue for their health services budget from the state treasury. In fact, some counties, such as Santa Clara, Santa Cruz, and San Jose, have received money ranging from \$50,000 to \$100,000 from the state. Comparison of these amounts with those for other counties would raise the question as to whether the state should contribute more to these counties.

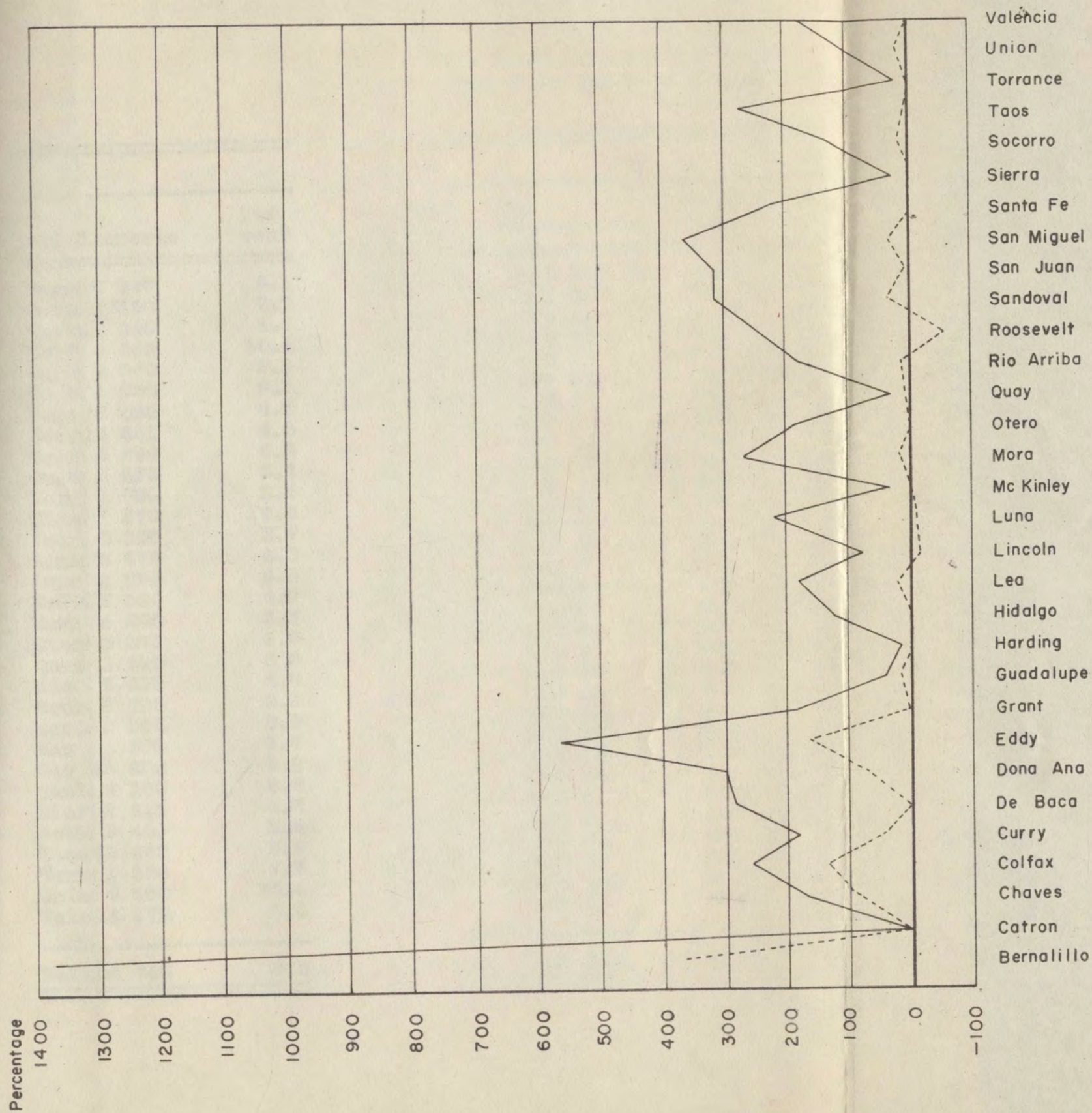
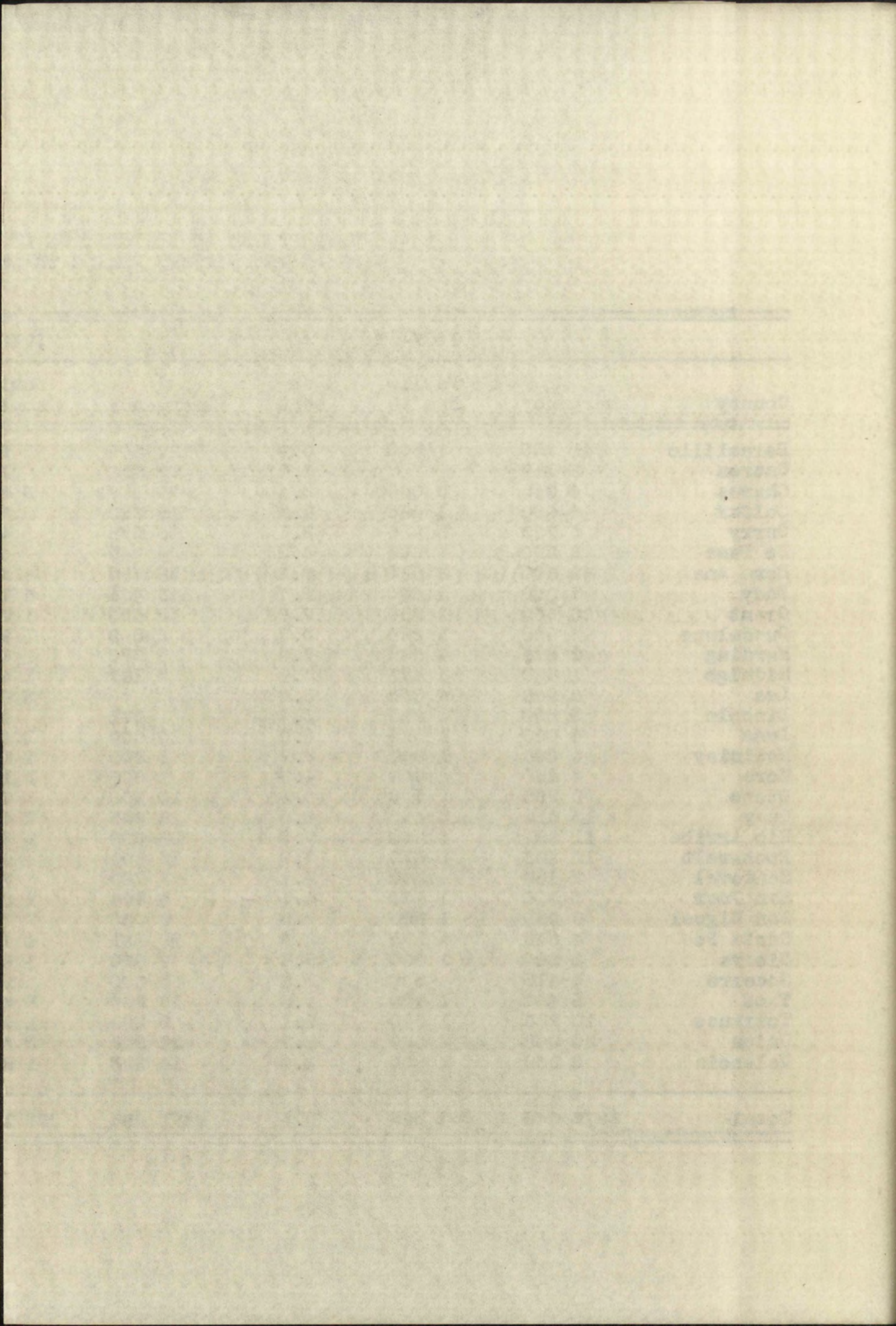


TABLE XII

EXPENDITURES AND PERCENTAGE OF TOTAL BUDGETS BY NEW MEXICO COUNTIES FOR
MISCELLANEOUS ITEMS DURING THE SCHOOL YEARS 1937-38, 1942-43, AND 1947-48

County	1937-38			1942-43			1947-48				
	Emergency	Public Health	Per cent	Emergency	Public Health	Per cent	Emergency	Public Health	Group Insurance	Miscellaneous	Per cent
Bernalillo	\$41 250	\$1 500	5.9	\$127 500	\$7 000	12.5	\$156 426	\$22 157	\$26 480	\$8 120	9.1
Catron	3 110		5.1	3 810	100	5.1	10 000	100		1 190	7.9
Chaves	4 945	3 000	2.4		5 675	1.4	38 000	7 860	900	11 545	6.6
Colfax	6 900	1 620	2.2	15 225	3 890	4.6	50 000	5 710	600	4 245	10.4
Curry	3 750	2 220	2.1	26 578	3 415	9.2	30 000	6 200	1 805	2 000	5.1
De Baca	2 290	600	6.2	9 945	600	12.1	12 000	2 330	320	250	8.1
Dona Ana	25 500	2 520	7.6	38 775	4 320	9.1	15 000	10 150	2 860	18 350	4.2
Eddy	7 000	1 600	3.7	35 926	4 185	10.2	25 000	10 650	1 985	16 631	4.6
Grant	23 660	1 850	7.8	12 650	1 940	3.7	40 000	5 260	2 162	4 299	6.5
Guadalupe	3 400	1 620	3.7	2 000	1 920	2.4	15 000	2 400		2 370	6.1
Harding	5 676	1 545	7.6	3 280	1 545	4.9		1 825		1 700	2.5
Hidalgo	1 200	1 425	2.6	3 187	1 425	4.6	15 000	3 205	400	1 570	9.9
Lea	8 940	4 050	3.6		5 095	1.2	15 000	11 484		8 390	3.7
Lincoln	5 000	990	3.4	991	900	1.0	10 000	1 750	120	3 477	4.3
Luna	6 000	1 525	6.9	10 000	1 450	8.2	7 500	4 860		2 920	4.8
McKinley	4 000	1 800	2.7	3 000	1 800	2.0	10 000	2 580	1 775	2 680	4.7
Mora	4 160	900	4.3	8 600	1 100	6.2	10 000	3 280		4 205	5.4
Otero	8 205	700	5.4	13 000	700	7.6	10 000	2 040	600	3 375	3.9
Quay	13 815	2 450	6.5	18 905	2 475	8.5	9 594	3 440	1 300	2 640	3.2
Rio Arriba	11 281	2 520	7.7	28 000	2 970	10.2	27 000	6 980	1 800	5 925	5.8
Roosevelt	18 480	1 875	7.9	15 000	900	5.4	10 000	1 440	1 680	2 200	2.2
Sandoval	2 160	500	3.1	1 700	740	1.8	14 500	2 040	800	2 500	5.9
San Juan	3 400	1 760	4.3	4 200	2 040	4.3	20 000	7 197		600	7.7
San Miguel	9 920	1 800	3.8	9 000	2 550	3.1	25 000	8 290	926	12 860	5.8
Santa Fe	4 049	4 175	2.9	10 531	4 175	4.3	40 000	13 580	2 580	5 100	6.6
Sierra	3 800	1 000	5.8	9 000	1 000	9.3	6 000	1 320	400	2 215	4.2
Socorro	5 410	500	3.3	5 000	600	2.8	3 900	1 160	1 350	2 400	2.4
Taos	5 462	1 900	5.8	10 280	2 025	5.8	15 000	6 950	1 575	12 655	5.9
Torrance	10 280	1 500	6.1	8 800	1 500	4.7	30 000	1 920	150	1 538	7.5
Union	20 000	2 000	8.7	22 829	2 350	8.6	124 000	4 055		7 400	25.4
Valencia	3 000	1 800	1.9	14 272	1 800	4.8	20 000	4 900	1 865	14 370	5.4
Total	\$279 043	\$53 245	5.3	\$471 984	\$72 185	6.4	\$813 920	\$167 113	\$54 433	\$139 740	6.3



cent average spent in New Mexico schools for public health is below the 2.0 per cent listed for the Hamtramck budget. If the 1.2 per cent difference in expenditures for this service were available for the public schools of New Mexico a more nearly adequate health program could be maintained. The percentages of funds spent for a second corresponding item, compensation and insurance, compare very favorably. The Hamtramck average is .3 per cent and the average for New Mexico in 1947-48 was .25 per cent. This school service is fairly recent in New Mexico, however, as no allowances were made for group insurance in 1937-38 and 1942-43.

II. AVERAGE DAILY ATTENDANCE

At the beginning of this chapter it was noted that much of the higher educational costs is due to increased enrollments and inflated prices. It has been shown that higher prices have increased educational costs. An analysis of pupil average daily attendance records should reveal to what degree increased enrollments have been a factor in higher educational expenditures in New Mexico.

The method used for distributing state funds in 1937-38 was based on classroom units. As a result, percentage increases and decreases of enrollment can be compared only for the years 1942-43 and 1947-48. In the latter two periods, pupil average daily attendance was the basis for dis-

tribution of funds. Table XIII shows the percentages of increase and decrease in enrollment based on this system. The figures showing pupil average daily attendance have been weighted. They were computed by multiplying 1.75 times the number of students in attendance in high school. Elementary school students are indicated by the actual number of students enrolled. The sums of these two classifications comprise the weighted average daily attendance. Bernalillo, Dona Ana, Eddy, Lea, and Sierra counties experienced increases in enrollments ranging from 25.2 to 46.1 per cent which obviously increased their maintenance costs. Decreases occurred in only five counties: Harding, minus 25.5; Mora, minus 8.3; Guadalupe, minus 8.9; Grant, minus 7.2; and Socorro, minus 5.6. The percentage of increase for the entire state was 14.2 per cent. This percentage is obviously not in proportion to the 123.4 per cent increase for school costs between the years 1942-43 and 1947-48. One may conclude that the major cause of higher school costs in New Mexico has been due to higher or inflated prices.

III. SUMMARY

The analysis of school maintenance budgets in New Mexico clearly indicates several trends in educational costs. The expenditure for instruction, which is the largest item in a school budget, has maintained a steady increase and

TABLE XIII

TOTAL WEIGHTED AVERAGE DAILY ATTENDANCE BY COUNTIES AND
PERCENTAGES OF INCREASE AND DECREASE DURING THE SCHOOL YEARS
1942-43 AND 1947-48

County	1942-43	1947-48	Percent of change
Bernalillo	14602.28	18679.60	25.2
Catron	820.66	843.02	2.8
Chaves	5220.65	6048.51	15.8
Colfax	3968.52	4306.24	8.5
Curry	4446.62	4977.28	11.9
De Baca	888.7	828.30	-6.8
Dona Ana	5917.85	7512.03	26.9
Eddy	5205.46	7607.38	46.1
Grant	5224.66	4847.93	-7.2
Guadalupe	2982.77	1895.05	-8.9
Harding	870.22	648.49	-25.3
Hidalgo	1200.24	1159.21	-3.4
Lee	3908.73	5326.52	36.3
Lincoln	1721.16	1994.72	15.8
Luna	1702	1856.73	14.9
McKinley	2322.41	2318.26	-.2
Mora	2254.04	2068.49	-8.2
Otero	2327.20	2730.22	17.3
Quay	2620.62	3223.31	19.8
Rio Arriba	5231.12	5692.50	8.8
Roosevelt	3750.86	3900.66	4.0
Sandoval	2170.80	2289.11	5.4
San Juan	2033.14	2474.66	21.6
San Miguel	5355.60	5505.91	2.8
Santa Fe	5240.90	6319.39	20.6
Sierra	1249.27	1621.15	29.8
Socorro	2513.11	2377.50	-5.6
Taos	3946.63	4555.49	18.4
Torrance	2472.99	2371.09	-4.0
Union	2456.42	2409.73	-1.9
Valencia	4756.50	5355.64	12.6
State Average			14.2
Total	108340.69	123743.11	

compares favorably with the minimum standards of 69.8 per cent listed by Moehlman and Reeder. The cost of pupil transportation is excessive and far exceeds the standards accepted from the Hamtramck budget. The latter expenditure compels many counties to reduce other services below these standards. The need to enact an adequate method of distribution of funds to relieve this situation is urgent.

From an analysis of average daily attendance it is evident that inflation rather than increased enrollments has been the major cause of higher educational expenditures. The 14.2 per cent increase of state school enrollment does not warrant an increase in state school costs of 123.4 per cent for the five-year period 1942-43 to 1947-48. However, improved educational conditions, which are not considered in this study, undoubtedly account for some part of the increase.

comparative favorably with the minimum standards of 1948. The cost of health services listed by Koshman and Haddad. The cost of health services is excessive and the excessive cost of health services from the Hamtramck budget. The latter expenditure would be many countries to reduce other services below these standards. The need to enact an adequate method of distribution of funds to relieve this situation is urgent.

From an analysis of average daily expenditures it is evident that inflation rather than income and cost have been the major cause of higher educational expenditures. The 14.2 per cent increase of health service expenditures does not warrant an increase in other health services. The cost for the five-year period 1941-45 to 1946-50, however, improved educational conditions, which are not considered in this study, undoubtedly account for some part of the increase.

CHAPTER V

COMPARISON OF METHODS FOR DISTRIBUTION OF THE MAINTENANCE FUND

The selection of a method for distributing state aid to local communities has universally been a difficult problem. The means for obtaining equal educational opportunities in New Mexico have not yet been conclusively determined. In Chapter II, on the review of related studies, it was stated that several methods for distributing state aid have been utilized. The first method was based on the child census. The inadequacy of this plan was due to the fact that the number of school age children in a certain community is not a satisfactory method for achieving equalization. Under the pupil census method, a public school system receives state aid for all pupils included in the census, regardless of whether such pupils attend the public schools. Thus, a school district in a city also having a large non-public school population, benefits out of proportion to the pupil educational costs involved.

An extremely complicated plan based on classroom units was next adopted and proved to be unsatisfactory because of the complexity of the formula used to determine a classroom unit.

The average daily attendance plan of distribution was next utilized until the 1949 Legislature changed the system

CHAPTER V

COMPARISON OF METHODS FOR DETERMINATION OF THE AVERAGE DAILY ATTENDANCE

The selection of a method for determining state and local attendance has necessarily been a difficult process. The means for obtaining a real educational opportunity in New Mexico have not yet been conclusively determined. In Chapter II, on the review of related studies, it was stated that several methods for determining state and local attendance were used. The first method was based on the child census. The inadequacy of this method was pointed out. The number of actual enrollments in a district is not a satisfactory method for determining enrollment. Under the public census method, a public school system receives state aid for all pupils included in the census, regardless of whether such pupils attend the public schools. Thus, a school district in a city area having a large non-public school population, benefits out of proportion to the public educational costs involved.

An extremely complicated plan based on classroom size was next adopted and proved to be unsatisfactory because of the complexity of the formula used to determine a classroom size.

The average daily attendance plan of attendance was next utilized until the 1930 Legislature changed the system.

of apportionment. The average daily attendance method of distribution was considered inadequate because of failure to take into account the extra expense per-pupil involved when small schools are maintained. Evidence the above mentioned systems of distribution have not been considered satisfactory is apparent in the consistent search made by educators for a new method for the distribution of state aid.

Since the methods of distribution used by New Mexico were seemingly inadequate, the question is raised as to what are the criteria for a satisfactory plan. A report of the New Mexico Educational Survey Board lists the following three requisites for a satisfactory state school finance system:¹ (1) the system must have a satisfactory need; (2) there must be a satisfactory measure of ability; (3) there must be a balance among forces influencing the system. A further explanation of these requisites would indicate that a distribution plan, in order to measure need, must have a valid method for determining how much each school district should receive in comparison with other school districts. A second requisite is a valid measurement of "ability to pay" for school services by the local community. Some communities possess more natural resources and taxable wealth than others. Obviously, the wealthier communities should not

¹John E. Brewton, director, Public Education in New Mexico (Nashville, Tennessee: Division of Surveys and Field Services, George Peabody College for Teachers, 1948), pp. 216-17.

of opportunity. The average daily attendance during the
 distribution was considered inadequate because of failure to
 take into account the entire average per-unit involved.
 This factor was retained. Evidence that the average
 of systems of distribution have not been considered
 theory is apparent in the consistent results made by students
 and for a new method for the distribution of units.
 Since the method of distribution used by the Texas
 were reasonably inadequate, the question is raised as to what
 are the criteria for a satisfactory plan. A review of the
 New Mexico Educational Survey Board lists the following:
 (1) The system must have a satisfactory method of
 be a satisfactory measure of ability; (2) that it be a
 balance among those influencing the system. A further
 allocation of these variables must indicate that a
 bottom line, in order to measure need, must have a valid
 method for determining how much each school should receive
 relative in comparison with other school districts. A second
 variable is a valid measurement of ability to pay for
 school services by the local community. These considerations
 possess more natural resources and factors within them
 of them. Obviously, the selection committee should not

John E. Gresson, Director, Texas Education in the
 Texas Education Department, Division of Survey and
 Planning, George Washington University, Washington, D.C.
 205-14.

receive as much state aid per-pupil-enrolled as the less wealthy ones. The third requisite, which states that there must be a balance among forces influencing the system, implies that a local community should receive sufficient assistance, but not in excess of that justified by the results of the program.

These criteria for a satisfactory method of distributing state school finances are sound educational determinants. The classroom unit method of distribution of state aid proposed by the Survey Board was based upon these criteria. This method of allotment would use the classroom unit as a common denominator in determining how much each school district should receive in comparison with other districts in order to maintain educational programs comparable in quality. The two mill tax levy to be assigned to the Basic County Fund was a proposal to provide increased state aid for distribution to school districts with limited financial resources. The classroom unit method of distribution further proposed to provide funds to local public school administrative units equal to the number of computed classroom units. The plan, however, was rejected by the 1949 State Legislature and another statute enacted. A comparative study of the school law functioning in 1947-48 with the proposed classroom unit method and the new law enacted by the 1949 Legislature may indicate why a system of distribution based upon sound educational principles was rejected for another plan.

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I. DESCRIPTION OF THE DISTRIBUTION METHODS

Present system. The method of distributing state aid in 1947-48 was based upon two factors. First, a pupil census enumeration was utilized as a base for distributing the state apportionment fund. The New Mexico Constitution² states that the money from this fund is to be apportioned according to the number of census children in the state. Second, a statute for determining the budget needs of each county was passed by the 1941 State Legislature, which based distribution of state funds on the number of pupils in average daily attendance. Under this law all sources of school revenue were to be distributed according to records of average daily attendance, with the exception of the state apportionment fund and certain other sources which were stipulated to be used in the respective counties. The uniform system adopted for computing average daily attendance provided that the revenue be distributed to the counties in accordance with the ratio which the number of pupils in average daily attendance of the county bore to that of the state. An exception to this law was that the average daily attendance ratio for high school students was weighted at 1.75 per pupil.

Proposed classroom unit system. The findings recorded by the Survey Board clearly indicated that the previously

²New Mexico Constitution, Amendment 4, Article 8, Section 2.

described plans for distribution of state aid were not conducive to the equalizing of educational opportunities. As a result, a formula for the distribution of revenue was determined on a classroom unit basis. The following are the definitions of the elementary and secondary classroom units:

CLASSROOM UNIT INDEX

- A. For any elementary school with an A. D. A. of 18 or fewer allow one classroom unit.
- B. For any elementary school with an A. D. A. of more than 18 but not more than 36 allow $1/18$ classroom unit for each pupil in A. D. A.
- C. For any elementary school with an A. D. A. of more than 36 but not more than 40 allow two classroom units.
- D. For any elementary school with an A. D. A. of more than 40 but not more than 260 allow two classroom units for the first 40 pupils in A. D. A. and .03636 classroom units for each pupil in excess of A. D. A. of 40.
- E. For any elementary school with an A. D. A. of more than 260 allow one classroom unit for each 26 pupils in A. D. A.³

HIGH SCHOOL CLASSROOM UNIT INDEX

- A. For any high school with an A. D. A. of 24 or fewer allow .115 classroom units for each pupil in A. D. A.
- B. For any high school with an A. D. A. of more than 24 but not more than 218 allow 2.76 classroom units for the first 24 pupils in A. D. A. and .0476 classroom units for each pupil in A. D. A. in excess of 24.
- C. For any high school with an A. D. A. of more than 218 but not more than 376 allow 12 classroom units for the first 218 pupils in A. D. A. plus .1375 classroom units for each pupil in A. D. A. in excess of 218.
- D. For any high school with an A. D. A. of more than 376 allow .0476 classroom units for each pupil in A. D. A. (or one classroom unit for each 21 pupils.)⁴

³Brewton, op. cit., p. 231.

⁴Ibid., p. 233.

described plan for allocation of state aid was not made
give to the equality of educational opportunities... as a
result, a formula for the allocation of revenue was deter-
mined on a classroom unit basis. The following are the def-
initions of the elementary and secondary classroom units:

CLASSROOM UNIT INDEX

- A. For any elementary school with an A. B. A. of 10
or fewer after one classroom unit.
- B. For any elementary school with an A. B. A. of more
than 10 but not more than 20 after 1.5 classroom
units for each pupil in A. B. A. of 10.
- C. For any elementary school with an A. B. A. of more
than 20 but not more than 30 after two classroom
units.
- D. For any elementary school with an A. B. A. of more
than 30 but not more than 40 after 2.5 classroom
units for the first 30 pupils in A. B. A. of 30.
After 30 pupils in A. B. A. of 30, the school is
classified as a high school with 1.5 classroom units for each
pupil in A. B. A. of 30.
- E. For any elementary school with an A. B. A. of more
than 40 after one classroom unit for each of pupils
in A. B. A. of 40.

HIGH SCHOOL CLASSROOM UNIT INDEX

- A. For any high school with an A. B. A. of 10 or fewer
after 1.5 classroom units for each pupil in A. B. A.
of 10.
- B. For any high school with an A. B. A. of more than
10 but not more than 20 after 2.5 classroom units
for the first 10 pupils in A. B. A. of 10. After 10
pupils in A. B. A. of 10, the school is
classified as a high school with 1.5 classroom units for each
pupil in A. B. A. of 10.
- C. For any high school with an A. B. A. of more than
20 but not more than 30 after 3.5 classroom units
for the first 20 pupils in A. B. A. of 20. After 20
pupils in A. B. A. of 20, the school is
classified as a high school with 2.5 classroom units for each
pupil in A. B. A. of 20.
- D. For any high school with an A. B. A. of more than
30 but not more than 40 after 4.5 classroom units for the
first 30 pupils in A. B. A. of 30. After 30 pupils in
A. B. A. of 30, the school is classified as a high school
with 3.5 classroom units for each pupil in A. B. A. of 30.

Approved by the Board of Education, 1937.

1937, p. 235.

A comparison of this proposed plan with the 1947-48 school budget allocations was made by the New Mexico Survey Board and the office of the public school Budget Auditor. These findings are presented later in this chapter.

System of distribution enacted by the 1949 Legislature.

The need for a change in the method of distributing state funds was evident when the 1949 Legislature convened. The plan proposed by the New Mexico School Survey Board was presented and rejected. The following laws were enacted in place of the proposed plan:

Section 1. The primary distribution of the State Equalization Fund shall be made in the following manner and on the following basis:

1) The State Board of Education and State Educational Budget Auditor shall take as a base figure a sum equal to twice the amount of the Current School Fund for the current year. The percentage the average daily attendance of each county bears to the total average daily attendance of the state, as certified by the State Superintendent of Public Instruction, shall then be multiplied by the base figure above provided for. The remainder shall constitute the primary distribution from the State Public School Equalization Fund to each county. Such amounts shall be certified to the State Treasurer, who shall make distribution to the respective counties in accordance therewith from the State Public School Equalization Fund.

2) The secondary distribution of the State Public School Equalization Fund shall be made in the manner now provided by law.⁵

Section 1. There is hereby created a State Public School Aid Fund for grants in aid to the public schools of the State in those counties that are not able through

⁵Laws of the 1949 Legislature, Chapter 80.

A comparison of this proposed plan with the 1937-38 school budget allocations was made by the New Mexico Survey Board and the office of the public school budget auditor. These findings are presented later in this chapter.

Effect of Allocation Changes by the 1938 Legislature

The need for a change in the method of distributing state funds was evident when the 1938 Legislature convened. The plan proposed by the New Mexico School Survey Board was presented and rejected. The following laws were enacted in place of the proposed plan:

Section 1. The primary distribution of the State Equalization Fund shall be made in the following manner and on the following basis:

(1) The State Board of Education and State Board of Finance shall make a total figure of the amount of the fund for the current year. The percentage of the average daily attendance of each county shall be the total average daily attendance of the state, as certified by the State Board of Education. The amount of the fund shall be divided by the percentage of the state to determine the amount of the fund to be allocated to each county. The State Board of Education shall certify to the State Board of Finance the amount of the fund to be allocated to each county. Such amounts shall be certified to the respective counties by the State Board of Finance.

(2) The secondary distribution of the State Public School Equalization Fund shall be made in the manner now provided by law.

Section 1. There is hereby created a State Public School Equalization Fund to be used in aid of the public schools of the state in those counties that are not able through

their own maximum efforts to meet their approved school budgets. The State Treasurer is hereby directed to transfer three hundred thousand (\$300,000) dollars from the State Public School Equalization Fund during the fiscal year ending June 30, 1950, to the State Public School Aid Fund.

Section 2. Grants in aid from the State Public School Aid Fund shall be distributed by the State Board of Education and State Educational Budget Auditor to counties which are not able through their maximum efforts to meet their approved school budgets. Such transfers shall be made in accordance with standards prescribed by the State Board of Education and the State Educational Budget Auditor.

Section 3. The State Treasurer shall annually take credit at the beginning of each fiscal year for any balance remaining in the State Public School Aid Fund and shall then transfer from the State Public School Equalization Fund annually an amount sufficient to bring the State Public School Aid Fund to the sum of three hundred thousand (\$300,000) dollars.⁶

The law providing for the Public School Aid Fund was designed to subsidize those counties which would not benefit sufficiently from the law providing for the primary distribution. A comparison of the results obtained for county distribution of state maintenance funds by these two methods follows in order to ascertain any superiority of one method over the other.

II. COMPARISON OF SYSTEMS

It has been previously stated that the existing plan for dispensing state funds attempts to measure financial need on a dual basis of pupil census and average daily attendance.

⁶Ibid., Chapter 126.

their own maximum efforts to meet their respective needs. The State Treasurer is hereby directed to make for three hundred thousand (\$300,000) dollars for the State Public School System for the year ending June 30, 1927, to the State Public School System.

Section 2. There is in the State Public School System all funds shall be distributed by the State Board of Education and their funds shall be used for the purpose of maintaining and improving the public schools. The State Board of Education shall make an appropriation with the funds received by the State Board of Education and the State Educational Fund for the purpose of maintaining and improving the public schools.

Section 3. The State Treasurer shall annually make a report at the beginning of each fiscal year for the year ending June 30, 1927, to the State Public School System. The report shall contain a statement of the funds received from the State Public School System and the funds expended for the purpose of maintaining and improving the public schools. The report shall also contain a statement of the funds received from the State Public School System and the funds expended for the purpose of maintaining and improving the public schools.

The law providing for the Public School System shall be amended so that the funds received from the State Public School System shall be used for the purpose of maintaining and improving the public schools. A committee of the Senate shall be appointed for the purpose of distributing the funds received from the State Public School System. The committee shall be composed of three members, one of whom shall be a member of the Senate. The committee shall report to the Senate on or before the first day of January, 1927, a report of the funds received from the State Public School System and the funds expended for the purpose of maintaining and improving the public schools.

II. COMMISSION OF THE STATE

It has been previously stated that the existing law for distributing the funds received from the State Public School System is hereby amended so that the funds received from the State Public School System shall be used for the purpose of maintaining and improving the public schools.

This method of distribution tends to favor counties with a large enrollment in high school and a large child census population. Not enough allowance is made for counties having a small high school enrollment and many small schools to support. Therefore, the present method of distribution does not satisfy the criterion that distribution of funds should be adequate for all schools.

The present method of distribution also does not take into account the ability of an area to pay for its own school service. The local school budgets are first determined by the local district and tentatively approved by the Budget Auditor and two resident taxpayers who are appointed by the county commissioners. This group comprises the County Budget Commission which allocates all school district revenue within the county subject to final approval by the State Tax Commission. The distribution of funds to each district within the county is left to the discretion of the resident taxpayers on the County Budget Commission. The need and the ability to pay for school services in each district are usually determined solely by the amount of state aid received. Consequently, the pupil census and average daily attendance methods of distribution have little scientific basis as measures of the ability of local areas to pay for school services.

A third criterion for a satisfactory plan of state school financing in New Mexico, that of providing a balance

This method of distribution tends to favor smaller with a large enrollment in high school and a large child census population. Not enough allowance is made for counties having a small high school enrollment and many small schools or, conversely, the present method of distribution does not entirely take into account the distribution of these schools.

The present method of distribution also does not take into account the ability of an area to pay for its own school service. The local school budget is first determined by the local director and tentatively approved by the budget auditor and two advisory agencies and are approved by the county commission. This group comprises the county budget commission which allocates all school district revenue and the county subject to final approval by the state tax commission. The distribution of funds to each district is then the county is left to the discretion of the resident taxpayer and the County Budget Commission. The need and the ability to pay for school services in each district are usually determined solely by the amount of state aid received. Consequently, the high census and average daily attendance method of distribution have little correlation with the needs of the ability of local areas to pay for school services.

A third criterion for a satisfactory plan of state school financing is the extent, that of providing a balance

among forces influencing the system, is partially achieved. Many school districts are offering fine educational opportunities with the revenue they receive from the state. However, since the distribution of state funds on a census and average daily attendance basis does not equalize educational opportunities in each county, it is almost impossible for rural counties having small pupil attendance in high school to provide satisfactory curriculums. A new method of distributing state aid which more adequately satisfies this third criterion should be adopted.

A comparison of the proposed classroom unit method of distribution with that of the new law enacted by the 1949 Legislature is presented in the tables and figures which follow in this chapter. Table XIV presents the total sums of revenue that each county received or would have received in 1947-48 under the existing law, the proposed classroom unit plan, and the new law. The significant data in this table are also represented in Figure 18 and any conclusions that may be drawn will apply to both.

Figure 18 represents in graphic form the total sums of revenue that would have been received by each county in 1947-48 from the law enacted by the 1949 State Legislature and the proposed classroom unit method as compared to the actual 1947-48 law. The classroom unit method of distribution would have caused decreases in revenue of \$25,000 or

among those influencing the system, is partially relieved. Many school districts are offering fine educational opportunities with the revenue they receive from the state. However, since the distribution of state funds on a census and average daily attendance basis does not equate education- al opportunities in each county, it is almost impossible for rural counties having small pupil attendance in high school to provide satisfactory education. A new method of distributing state aid which more adequately satisfies this third criterion should be adopted.

A comparison of the proposed classroom unit method of distribution with that of the new law enacted by the 1949 legislature is presented in the tables and figures which follow in this chapter. Table XIV presents the total amount of revenue that each county received or would have received in 1949-50 under the existing law, the proposed classroom unit plan, and the new law. The significant data in this table are also represented in Figure 18 and any conclusions that may be drawn will apply to both.

Figure 18 represents in graphic form the total amount of revenue that would have been received by each county in 1949-50 from the law enacted by the 1949 state legislature and the proposed classroom unit method as compared to the actual 1947-48 law. The classroom unit method of distribution would have caused decreases in revenue of \$25,000 or

TABLE XIV

ACTUAL AND PROPOSED SCHOOL REVENUES BY COUNTIES FOR THREE PLANS OF DISTRIBUTION - THE 1947-48 LAW, A PROPOSED CLASSROOM UNIT METHOD, AND THE STATUTES ENACTED IN THE SPRING OF 1949

County	Per cent of attendance for average daily attendance distribution	Distribution of state funds to the counties on the laws of 1947-48	Distribution of state funds to the counties on the proposed classroom unit method	Difference between existing law and classroom unit method	Distribution of state apportionment fund on a child census basis	Primary distribution of fund under the law passed by the 1949 legislature	Distribution of state funds to the counties on the law passed in 1949	Difference between the 1947-48 law and the law passed in 1949
Bernalillo	15.01465	\$2 359 021	\$2 343 428	\$-15 593	\$416 593	\$237 911	\$2 280 447	\$-78 574
Catron	00.68127	143 942	186 106	42 164	13 548	15 532	145 726	1 784
Chaves	04.88796	885 234	877 662	-7 572	111 222	110 005	894 017	-1 217
Colfax	03.47998	719 932	711 097	-8 835	70 172	78 518	728 078	8 146
Curry	04.02227	730 234	776 637	-46 403	85 476	90 523	785 368	5 047
De Baca	00.66937	185 531	160 107	-25 424	13 931	15 064	186 664	1 133
Dona Ana	06.07067	1 058 404	1 044 179	-14 225	121 386	136 622	1 062 641	5 237
Eddy	06.14772	1 165 778	1 123 247	-42 531	128 956	138 357	1 175 179	9 401
Grant	03.91774	804 481	771 717	-32 764	95 310	88 170	797 341	-7 140
Guadalupe	01.52144	327 186	328 792	1 606	33 466	34 466	328 186	1 000
Harding	00.52406	141 197	152 308	11 111	13 908	11 794	139 085	-2 112
Hidalgo	00.93679	204 833	203 261	-1 572	16 406	21 083	209 510	4 677
Lea	04.30451	949 252	997 225	47 973	78 814	96 875	967 313	18 061
Lincoln	01.61198	356 416	368 957	12 541	32 223	36 278	360 466	4 050
Luna	01.55128	213 452	204 291	-9 161	20 180	25 537	218 859	5 407
McKinley	01.37345	262 000	246 919	-15 081	48 049	42 163	256 114	-5 886
Mora	01.67160	325 494	414 758	89 264	39 334	37 620	323 820	-1 674
Otero	02.20636	409 686	524 630	114 944	29 294	49 655	420 041	10 361
Quay	02.60494	520 796	534 630	13 834	53 428	58 623	535 491	5 195
Rio Arriba	04.60026	719 519	858 762	139 243	93 230	103 531	729 720	10 201
Roosevelt	03.15222	698 210	664 953	-33 257	60 359	70 942	708 793	10 583
Sandoval	01.34989	321 009	362 793	41 784	28 559	41 632	344 082	13 073
San Juan	01.99982	360 509	363 540	3 031	40 375	45 007	365 141	4 632
San Miguel	04.44946	800 376	862 372	61 996	105 253	100 137	795 255	-5 121
Santa Fe	05.10635	924 431	909 713	-14 718	159 248	114 932	880 115	-44 316
Sierra	01.51009	226 922	253 742	26 820	23 788	29 434	242 513	5 696
Socorro	01.92132	370 276	377 633	7 357	40 487	43 240	373 011	2 735
Taos	03.68141	610 663	616 313	5 650	73 098	82 852	620 417	9 754
Torrance	01.91614	446 648	446 324	-324	40 172	43 123	449 599	2 951
Union	01.94656	534 000	463 206	-70 794	43 008	43 808	524 800	900
Valencia	04.22803	790 619	768 353	-22 266	91 214	97 404	796 809	6 190
Total	100.00000	\$18 355 611	\$18 929 214	\$573 603	\$2 250 539	\$2 250 539	\$18 355 611	

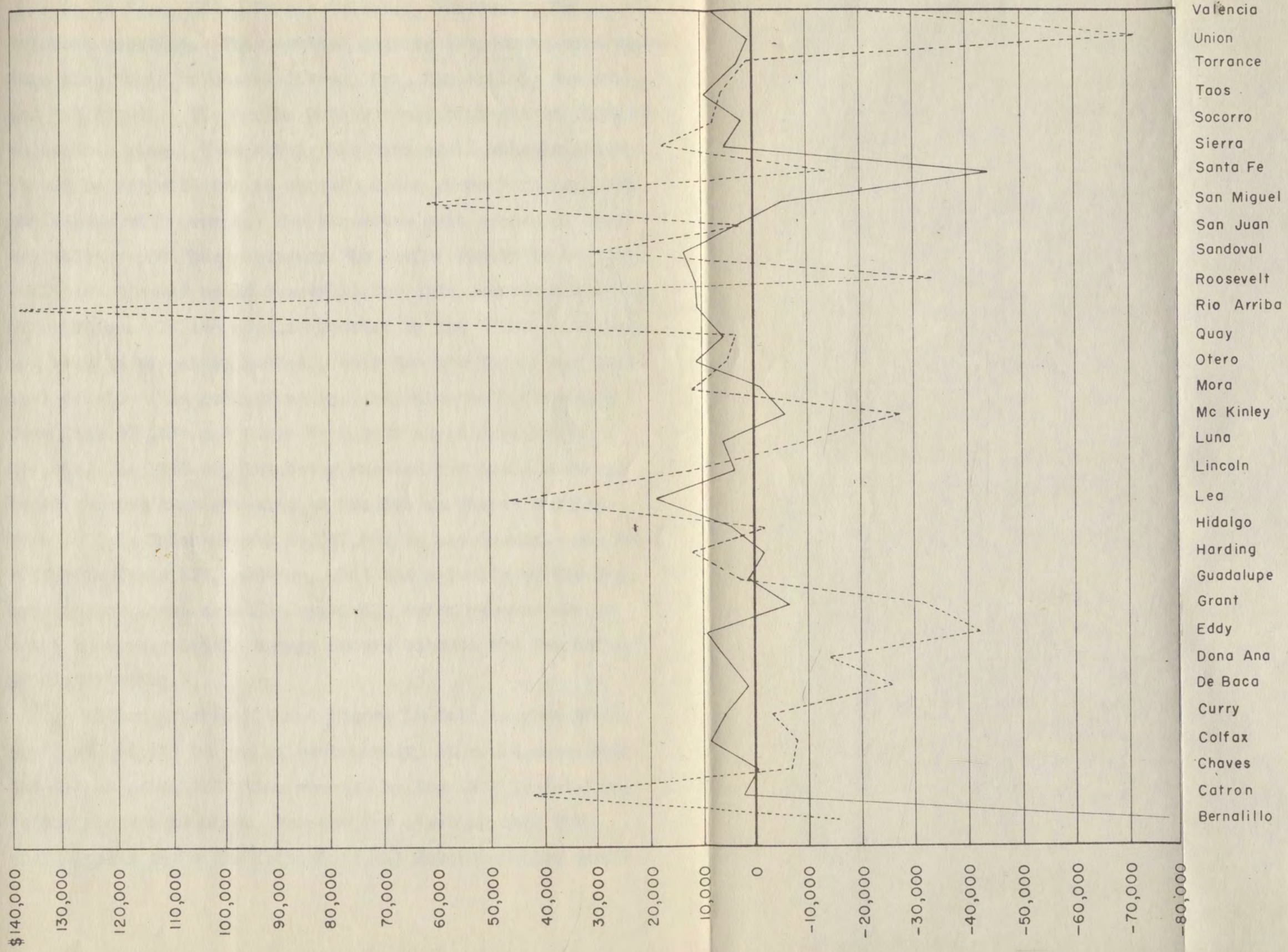
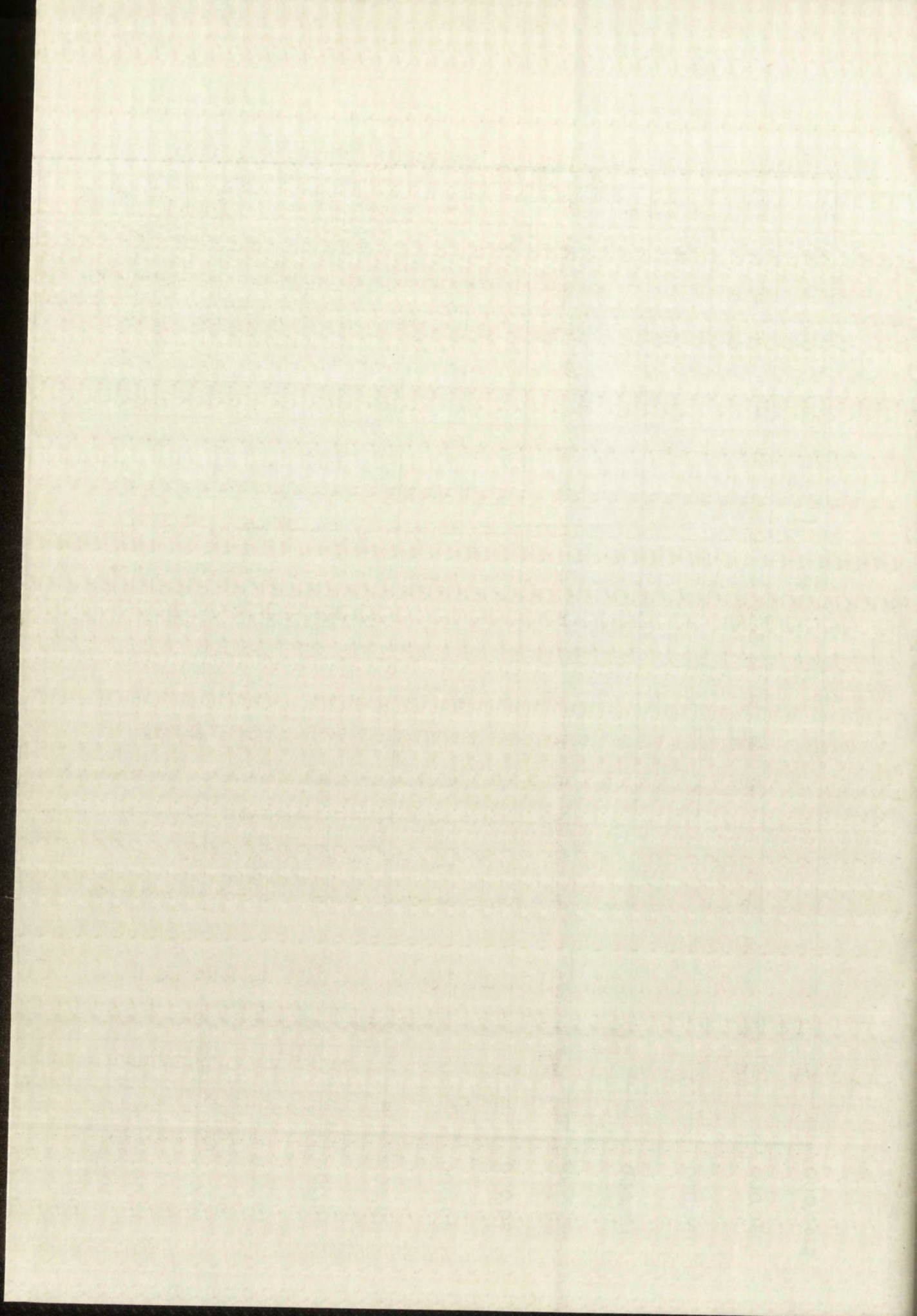


FIGURE 18
COMPARATIVE AMOUNTS OF COUNTY SCHOOL REVENUES UNDER A PROPOSED
CLASSROOM UNIT METHOD AND THE LAW ENACTED IN 1949

Solid New law
Dash Classroom unit method



more in De Baca, Eddy, Grant, McKinley, Roosevelt, Union, and Valencia counties. The counties gaining \$30,000 or more under this plan would have been Catron, Lea, Rio Arriba, Sandoval, and San Miguel. Rio Arriba County would have gained \$139,233 under this plan. This county has many small schools which should be consolidated in certain areas where topographical conditions will permit. The classroom unit system of distribution would thus encourage Rio Arriba County to continue small schools and would reward it for this unsound educational practice. If the new law enacted by the 1949 Legislature had been in effect in 1947-48, only two counties would have lost considerable sums of money. Bernalillo County would have lost \$78,574 and Santa Fe County would have lost \$44,318. In 1946-48, the newly enacted law would have allowed twenty-three counties to receive increases ranging from \$800 in Union County to \$18,061 in Lea County. One may notice in Table XIV, however, that the majority of the increases for those counties receiving extra revenue are so small that very little change occurs between the two methods of distribution.

Although Table XIV and Figure 18 fail to show the need and ability to pay of each county, it would seem that the method of distribution enacted by the 1949 Legislature is the preferable plan. Reasons for adopting this plan would appear to be the following: (1) fewer counties would

more in the fact, that, generally, the
 Valencian country. The country, which is
 this also would have been better, and the
 and San Miguel. The country would have been better
 under this plan. This country is very fertile
 should be considered in the same way as the
 conditions will be. The conditions will be
 tribution would be the same as the
 small schools and would have to be the same
 at present. If the new law should be the same
 had been in effect in 1900, the country would have
 lost considerably more of its population
 have lost 100,000 and more in 1900 than in 1901
 1901, 1902. In 1901, the country would have lost
 lost considerably more of its population
 from 1900 in the country. In 1901, the country
 notice in 1901, the country would have lost
 census for these countries. The census would be
 small that very little change would be seen
 of distribution.

Although the law would be the same
 need and ability to use of the country, in the same way
 the method of distribution would be the same
 in the country. In the country, the method of
 would be the same as the method of the country.

be harshly penalized by great decreases in finances; (2) the money derived from losses of other counties would be distributed on an equal basis to the receiving counties; (3) the two counties receiving greater decreases under this plan would seem to be in better financial position to withstand such loss than some which would receive losses under the classroom unit plan of distribution. This latter fact is illustrated by Table XV, which shows Bernalillo and Santa Fe counties receive \$26.21 and \$31.33 respectively per-pupil in attendance. Roosevelt and De Baca counties, two counties which would lose heavily under the classroom unit system of distribution, receive \$18.66 and \$18.57 respectively per-pupil in attendance. From analyzing Table XIV and Figure 18 one may conclude that the new law passed by the 1949 Legislature was a well-chosen statute.

Further evidence to support this conclusion may be found in Table XVI and Figure 19. The percentages of their respective county budgets received by five large and five small municipal school districts are compared for the three systems of distribution covered in Table XVI. Figure 19, showing increases and decreases of revenue received by the respective districts, compares by districts the proposed classroom unit and the new law to the 1947-48 law. The new law would decrease Albuquerque and Santa Fe school district budgets by \$155,295 and \$20,148 respectively. These two

TABLE XV

1947-48 RECEIPTS FROM THE STATE APPORTIONMENT FUND
PER-PUPIL IN AVERAGE DAILY ATTENDANCE IN
1946-47, BY COUNTIES

County	Per-pupil receipts
Santa Fe	\$31.33
Bernalillo	28.21
Harding	24.69
McKinley	24.12
Grant	22.46
Union	21.83
Chaves	21.55
San Miguel	21.54
Mora	21.50
Eddy	20.51
Curry	20.39
Dona Ana	20.35
Quay	20.20
Valencia	20.06
Doctoro	19.92
San Juan	19.86
Sulfax	19.54
Luna	19.26
Guadalupe	18.98
Torrance	18.89
Lea	18.72
Rio Arriba	18.72
Roosevelt	18.66
De Baca	18.57
Lincoln	18.52
Taos	18.33
Catron	18.06
Sierra	17.69
Otero	17.09
Hidalgo	16.14
Sandoval	14.57
State average	\$21.63

TABLE XVI

TEN DISTRICT MAINTENANCE BUDGETS AND DIFFERENCES IN DISTRIBUTION THAT OCCUR FOR THE
1947-48 LAW, A PROPOSED CLASSROOM UNIT METHOD, AND THE LAWS ENACTED IN THE SPRING OF 1949

District	Per cent of county budget received	Distribution of 1947-48 budget on existing laws	Amounts of 1947-48 county budget received from existing laws	Distribution of 1947-48 budget on a classroom unit method	Amounts of 1947-48 county budget which would have been received from a classroom unit system	Difference between existing laws and classroom unit method	Distribution of 1947-48 budget on law passed by the 1949 legislature	Amounts of 1947-48 county budget which would have been received from the 1949 law	Difference between existing laws and the law passed in 1949
Albuquerque	70.36	\$2 359 021	\$1 659 807	\$2 343 428	\$1 637 835	\$-21 972	\$2 280 447	\$1 504 522	\$-155 285
Carlsbad	48.23	1 165 778	562 213	1 123 247	541 744	-20 469	1 175 179	566 798	44 585
Hobbs	38.03	949 252	360 958	997 225	379 244	18 286	967 313	367 869	6 911
Roswell	54.51	885 234	482 520	877 662	478 413	-4 107	884 017	481 877	- 634
Santa Fe	55.47	924 431	512 747	909 718	504 620	-8 127	880 115	492 599	-20 148
Capitan	7.09	356 416	25 284	368 957	26 159	875	360 466	25 557	273
Melrose	11.84	780 416	92 379	776 637	91 953	-426	785 368	92 967	588
Mosquero	23.40	141 197	33 038	152 308	35 640	2 602	139 085	32 545	- 493
Vaughn	22.02	327 186	72 052	328 792	72 399	327	328 186	72 266	214
Virden	17.03	204 833	34 887	203 261	34 615	- 272	209 510	35 603	816

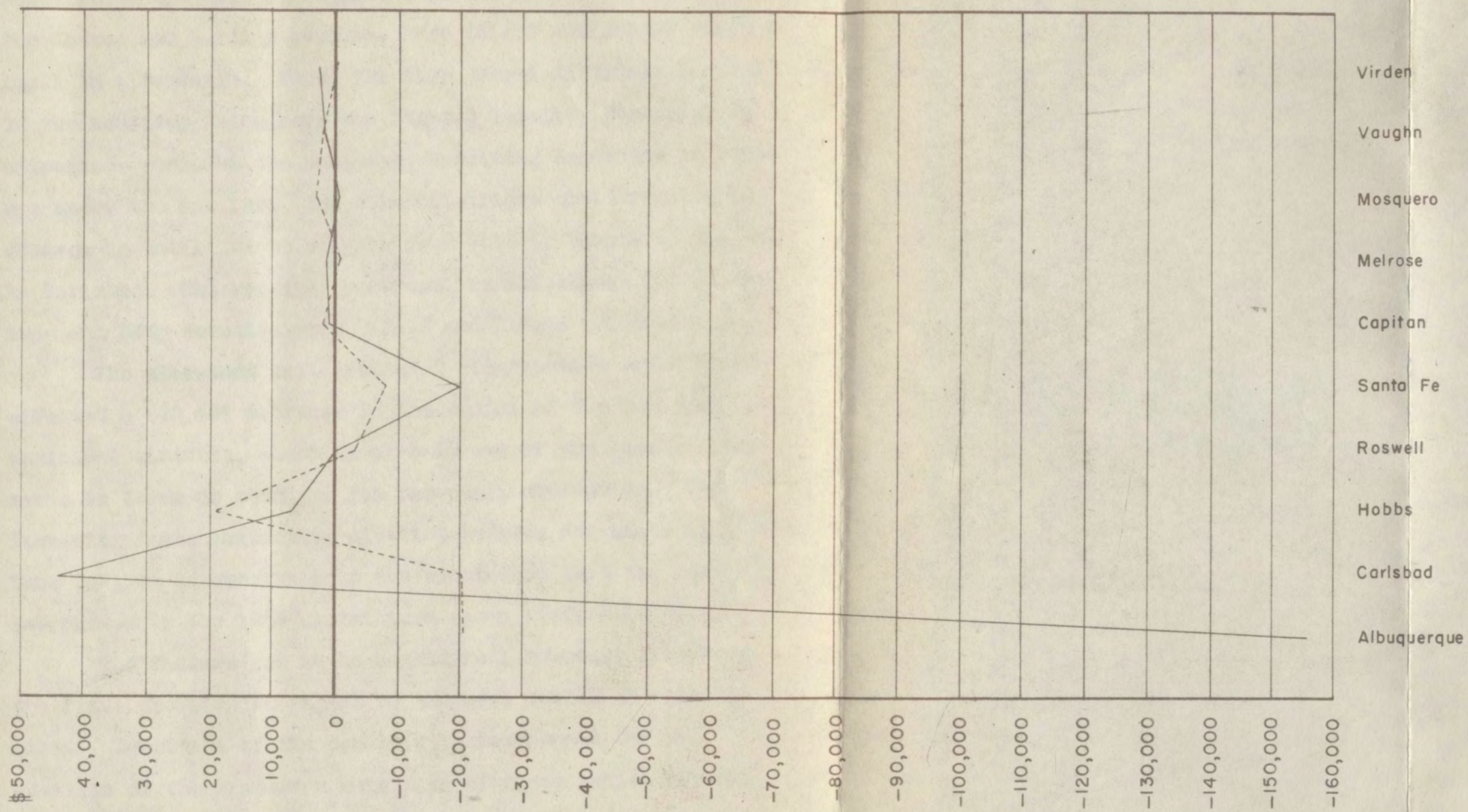


FIGURE 19

COMPARATIVE INCREASES AND DECREASES IN MAINTENANCE BUDGETS OF TEN SELECTED DISTRICTS UNDER THE PROPOSED CLASSROOM UNIT PLAN AND THE LAW ENACTED BY THE 1949 LEGISLATURE

Solid New Law
Dash Classroom unit method

counties received \$28.21 and \$31.33 per-pupil in attendance. Roswell and Mosquero would lose \$634 and \$493. The receipts for Chaves and Harding counties were \$21.55 and \$23.69 per-pupil in attendance. Thus, the four school districts located in the counties which have the highest receipts per-pupil in attendance would be the only ones receiving decreases in revenue under the new law. The other districts would receive increases in total income ranging from \$214 in Vaughn to \$44,585 in Carlsbad. The receipts per-pupil in attendance for Guadalupe and Eddy counties were \$18.98 and \$18.72 respectively.

The classroom unit system of distribution would have effected a \$20,469 decrease in the budget of the Carlsbad Municipal District, which is already one of the less wealthy areas in terms of receipts for per-pupil attendance. The foregoing facts concerning district budgets for state aid tend further to substantiate the conclusion that the new law passed by the 1949 Legislature was a preferable plan.

Two factors yet to be considered, however, may alter the final decision in regard to the best method of distribution. Section 4 of the Senate Bill introduced for the adoption of the classroom unit plan of distribution reveals these factors.

Section 4. BASIC COUNTY SCHOOL FUND. For the purpose of this act the basic county school fund shall consist of the proceeds now allocated to public schools from the following sources:

- A. Current School Fund
- B. Motor Vehicle license fees
- C. Merchandise licenses
- D. Proceeds of a two mill county school maintenance levy
- E. All other state or federal funds which are or hereafter may be allocated to this fund.

The proceeds from the basic county school fund shall be distributed among the administrative units of the county according to the percentage that the number of classroom units in each administrative unit bears to the total administrative units of the county.⁷

Section 4 (D) of this act was the main factor in the rejection of the classroom unit system of distribution. A two mill tax levy from each county was to be collected by the State Tax Commission. The proceeds from this fund were to be distributed among the counties on a classroom unit basis. This would mean that the normal five mill levy for each county would be reduced to three. The wealthier counties would lose some of their locally-raised revenue for local education needs. The more indigent counties would be aided through diversion of such revenue to them. Table XVII reveals the sum that each county would lose from its Basic Fund through the adoption of the classroom unit system of distribution. Table XIV shows that Bernalillo County would lose \$15,593 if the classroom unit system was adopted. If this sum were to be added to the \$88,926 lost through the two mill levy, Bernalillo County then would have a total loss of \$104,519. Lea County provides another example of

⁷New Mexico State Legislature, Proposed Senate Bill Number 61, Nineteenth Legislature, State of New Mexico.

TABLE XVII

RESULTS OF THE TWO MILL LEVY REDUCTION FOR LOCAL PURPOSES
PROPOSED BY THE NEW MEXICO EDUCATIONAL SURVEY BOARD

County	County basic fund including 2 mill	2 mill	County basic fund excluding 2 mill
Bernalillo	\$769 700	\$88 926	\$680 774
Catron	28 692	6 159	22 533
Chaves	209 587	40 153	169 434
Colfax	141 268	37 251	104 017
Curry	162 199	28 541	133 658
De Baca	34 296	12 661	21 735
Dona Ana	252 491	48 036	204 455
Eddy	295 806	91 655	204 151
Grant	218 098	64 760	153 338
Guadalupe	64 543	15 538	49 005
Harding	25 682	6 372	19 311
Hidalgo	41 263	16 500	24 763
Lea	281 236	143 261	137 975
Lincoln	63 315	16 902	46 413
Luna	71 360	22 949	48 411
McKinley	97 951	23 717	74 234
Mora	70 528	8 258	62 270
Otero	81 071	14 629	66 442
Quay	102 360	22 023	80 337
Rio Arriba	157 207	10 148	147 249
Roosevelt	113 994	21 051	92 943
Sandoval	53 442	8 567	44 875
San Juan	71 006	11 552	59 454
San Miguel	182 731	27 965	155 766
Santa Fe	294 004	33 512	260 492
Sierra	48 488	13 150	35 338
Socorro	74 261	14 176	60 085
Taos	123 207	9 219	113 988
Torrance	71 663	15 336	56 327
Union	81 948	17 239	64 709
Valencia	167 309	26 984	140 325
Total	\$4 451 897	\$917 087	\$3 534 810

reduced revenue by the classroom unit method of allocation. This county, as shown in Figure 18, would have lost \$42,531 by this method. Table XVII reveals that the two mill levy would have decreased the budget by \$143,201. Thus, Lea County would have a total loss of \$185,732. One may deduce from these two examples that the increases and decreases of finances presented in Figure 16 are not accurate until the two mill levy factor has been considered. One may conclude that the wealthy counties played an influential role in helping to defeat the classroom unit method of distribution.

Another principal factor that aided in defeating the classroom unit system of distribution can also be found in Section 4 of Senate Bill Number 61. This factor concerns the distribution of funds after the money had been received by the counties. The present method for distributing money to the local areas places responsibility in the hands of the County Budget Commission, the State Budget Auditor, and the State Tax Commission. The classroom unit method of distribution proposed distributing the money to the administrative units in each county according to the percentage that the classroom units in each administrative unit bore to the total administrative units in the county. This would mean that a sound distribution system for county school money would then exist. No longer would a lay group of individuals be permitted to divide funds between competitive districts,

and between districts whose interests are unequally represented. It would seem apparent from the rejection of the proposed classroom unit method of distribution that influential school districts may be reluctant to see terminated certain powers that the State Budget Auditor and the State Tax Commission now have for approving local school budgets.

III. SUMMARY

The data presented early in this chapter would indicate that the legislature had enacted a better law for the distribution of state aid to the schools than the proposal of the New Mexico Educational Survey Board. Further investigation, however, provided two factors which were not apparent in the first analysis. The proposal made by the New Mexico Educational Survey Board would achieve better equalization of educational opportunities by providing increased state funds for distribution to needy counties from the two mill tax levy source. The Survey Board proposal also presented a formula for distribution of revenue within school administrative units after such revenue was received by the county treasurer. The two mill levy would have effected a decrease in the budgets of the larger and wealthier communities. The budgets for rural areas would have achieved a better degree of equalization through this medium. The rural areas would also have had protection by law in receiving their proper share of the

county budget. One may conjecture that many of the wealthier areas may have used pressure in helping to defeat the classroom unit method of allotment. There is little doubt that the classroom unit method of distribution was based upon better educational practices and emphasized the principle of equalization of educational opportunities to a greater degree.

country budget. One way of determining that many of the western
states may have been prepared to adjust the clear-
ance unit method of allocation. There is little doubt that
the clearance unit method of allocation was used from
before colonial times and continued the principle
of allocation of educational expenditures to a person
based on.

CHAPTER VI

CONCLUSIONS AND RECOMMENDATIONS

I. CONCLUSIONS

In view of the ever expanding demands made by society upon the schools and the efforts of the schools to meet these demands, it is evident that the schools must receive adequate financial support. Because of the magnitude of the job, in recent years school systems have been forced to rely in increased measure upon state rather than local sources of revenue. This study, which analyzes New Mexico sources of revenue, expenditures for school services, and compares three methods for distribution of state aid, warrants the following conclusions:

1. Minor sources of revenue have only slight effect upon the financial operation and maintenance of New Mexico schools. If this trend continues, any fluctuation which is manifest in this source of income will have slight influences upon the educational standards maintained in New Mexico.
2. The three major sources of revenue upon which the New Mexico public schools are dependent for maintaining minimum standards are property taxes, the state apportionment fund, and the equalization fund. These combined sources contributed 87.8 per cent of the total operational budgets for the

CHAPTER VI

CONCLUSIONS AND RECOMMENDATIONS

1. CONCLUSIONS

In view of the ever increasing demand for housing upon the schools and the effects of the schools in past years, it is evident that the schools are facing a serious financial support. Because of the magnitude of the job, in recent years school systems have been forced to rely in the increased measure upon state funds. This local source of revenue, like every other source of revenue, is subject to fluctuations in the amount of the contribution. The following methods for distribution of state aid, however, are the following conclusions:

1. These sources of revenue have only a slight effect upon the financial support and maintenance of the schools. It is true, however, that the amount which is received in this source of revenue will have a slight influence upon the educational standards maintained in the schools.
2. The three major sources of revenue upon which the schools rely are state aid, local taxes, and federal aid. The federal aid is the most important source of revenue for the schools, and the state aid is the second most important. The local taxes are the least important source of revenue for the schools. These conclusions are summarized in the following table of the total educational budget for the

three one-year periods studied. As long as these sources of revenue continue to contribute to the maintenance fund at their present rate, New Mexico schools will probably maintain present standards.

3. Of the above three major sources of school finance, the equalization fund contributed more than 50 per cent of the total school budgets. Since the main portion of the equalization fund is derived from the 2 per cent sales tax, public school revenue from this source will vary directly with economic conditions.
4. The percentage of the total maintenance budgets allocated to instructional costs in New Mexico compares very favorably with the standards generally accepted throughout the nation.
5. The cost of transportation in New Mexico is excessive and greatly exceeds the national norms for this factor. Because of this expense, many counties are compelled to reduce needed expenditures for other school services.
6. The increase in public school enrollments does not fully explain the marked increase in operational expenditures for the five-year period 1942-43 to 1947-48. Inflationary economic conditions during the same period were mainly

three one-year periods ending 1941, 1942 and 1943.
Percentages of revenue available to the State for the
maintenance fund at these periods were 100, 100 and 100
percent respectively. The percentage of revenue available
to the State for the maintenance fund at these periods was
100, 100 and 100 percent respectively. The percentage of
revenue available to the State for the maintenance fund at
these periods was 100, 100 and 100 percent respectively.
The percentage of revenue available to the State for the
maintenance fund at these periods was 100, 100 and 100
percent respectively.

4. The percentage of the total maintenance fund
allocated to the State for the maintenance fund at these
periods was 100, 100 and 100 percent respectively. The
percentage of revenue available to the State for the
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percent respectively. The percentage of revenue available
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was 100, 100 and 100 percent respectively. The
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maintenance fund at these periods was 100, 100 and 100
percent respectively.

5. The increase in the maintenance fund at these
periods was 100, 100 and 100 percent respectively. The
percentage of revenue available to the State for the
maintenance fund at these periods was 100, 100 and 100
percent respectively. The percentage of revenue available
to the State for the maintenance fund at these periods
was 100, 100 and 100 percent respectively. The
percentage of revenue available to the State for the
maintenance fund at these periods was 100, 100 and 100
percent respectively.

responsible for higher educational costs.

7. The apportionment law enacted by the 1949 Legislature in an attempt to attain better equalization of educational opportunities will result in very little change in the distribution of state aid as compared to the previous method based on 1947-48 statutes. For all practical purposes, the law in effect in 1947-48 attained relatively the same results as will the law enacted in 1949.
8. Actually to achieve better equalization of educational opportunities in New Mexico, the proposed classroom unit method of distributing state aid appears to be the best of the three methods studied. One may conjecture that the wealthier counties used their influence to defeat the classroom unit measure.

II. RECOMMENDATIONS

In light of this investigation, three recommendations seem especially significant. These are:

1. Since school transportation costs in New Mexico are excessive due to distances involved and thus frequently decrease the revenue available for other services, there is need to study all possible means by which such costs may be reduced and

- responsibility for higher educational costs.
7. The apportionment law enacted by the 1955 Legislature in an attempt to obtain better apportionment of educational opportunities will result in very little change in the distribution of costs and as compared to the previous method based on 1951-52 statistics. For all practical purposes, the law in effect in 1955-56 attained relatively the same results as with the law enacted in 1949.
8. Actually to achieve better apportionment of educational opportunities in New Mexico, the proposed alternative unit method of distributing costs and appears to be the best of the three methods studied. One may conjecture that the results obtained used their influence to defeat the alternative unit method.

II. RECOMMENDATIONS

In light of this investigation, three recommendations seem especially significant. These are:

1. Since school transportation costs in New Mexico are excessive due to distances involved and time frequently decreases the revenue available for other purposes, there is need to study all possible means by which such costs may be reduced and

still maintain necessary standards. Since many factors affecting pupil transportation costs in New Mexico are still moot questions, the writer recommends that a statewide study be made.

2. Because geographical conditions in New Mexico greatly increase school transportation expenditures, it is recommended that a separate budget allotment be established for these expenditures exclusive of the maintenance budget. All school districts within the state would then receive relatively equal amounts from the maintenance fund for other school services.
3. Many counties in New Mexico are not benefiting sufficiently from state aid to equalize educational opportunities. A classroom unit method of distributing state aid proposed by the New Mexico Educational Survey Board, which was rejected by the New Mexico Legislature in 1949 was at least an approach toward better equalization. It appears that selfish interests may have been instrumental in the defeat of the proposal. Educational leaders in New Mexico should concern themselves with the statewide public school educational program, rather than directing their influence toward preservation of local interests.

will be a serious handicap to the country. The country is not yet ready to accept such a large number of foreign students. The country is not yet ready to accept such a large number of foreign students.

2. Because of the financial conditions in the country, it is recommended that a separate budget be established for these educational purposes. The maintenance of the school districts in the state would then receive the necessary funds from the maintenance fund for other educational purposes.

3. Many countries in the world are not benefited sufficiently from state aid to education. A separate unit would be established. A separate unit would be established. Existing state aid proposed by the New Mexico Educational Survey Board, which was rejected by the New Mexico Legislature in 1929 and at least an approach toward better education. It is suggested that certain interests may have been instrumental in the defeat of the proposal. Educational leaders in New Mexico should concern themselves with the educational and social conditions of the country, rather than directing their influence toward preservation of local interests.

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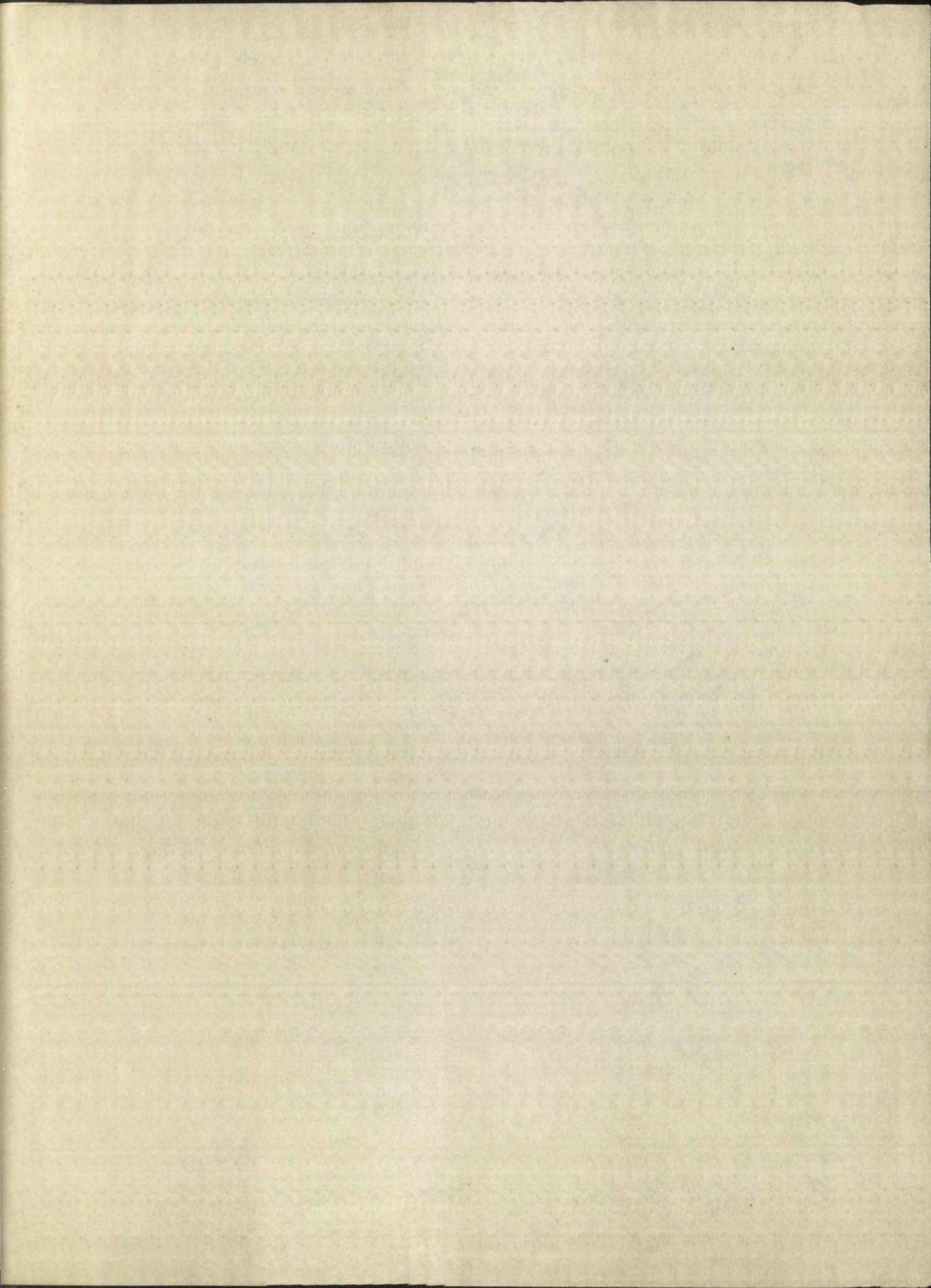
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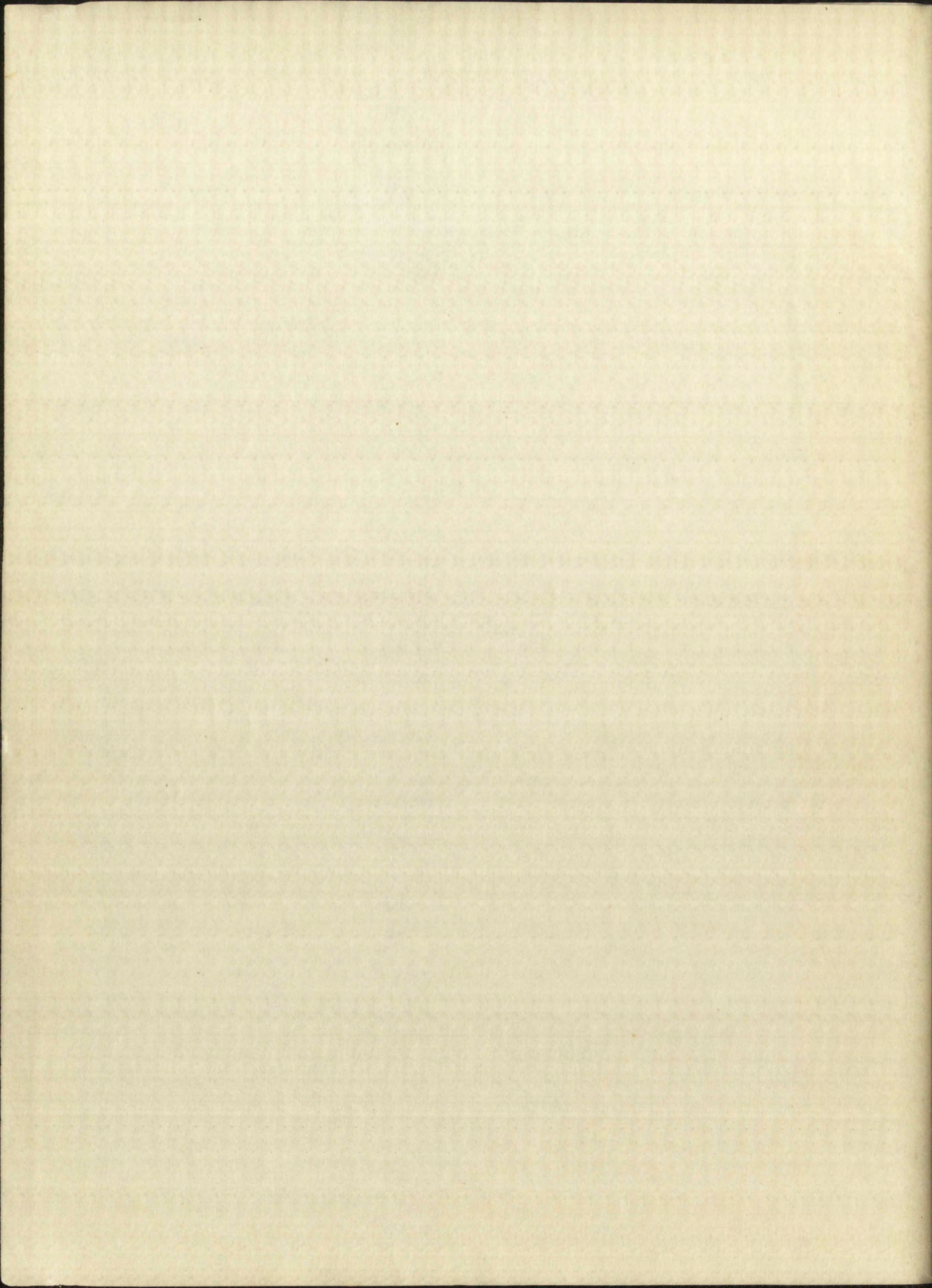
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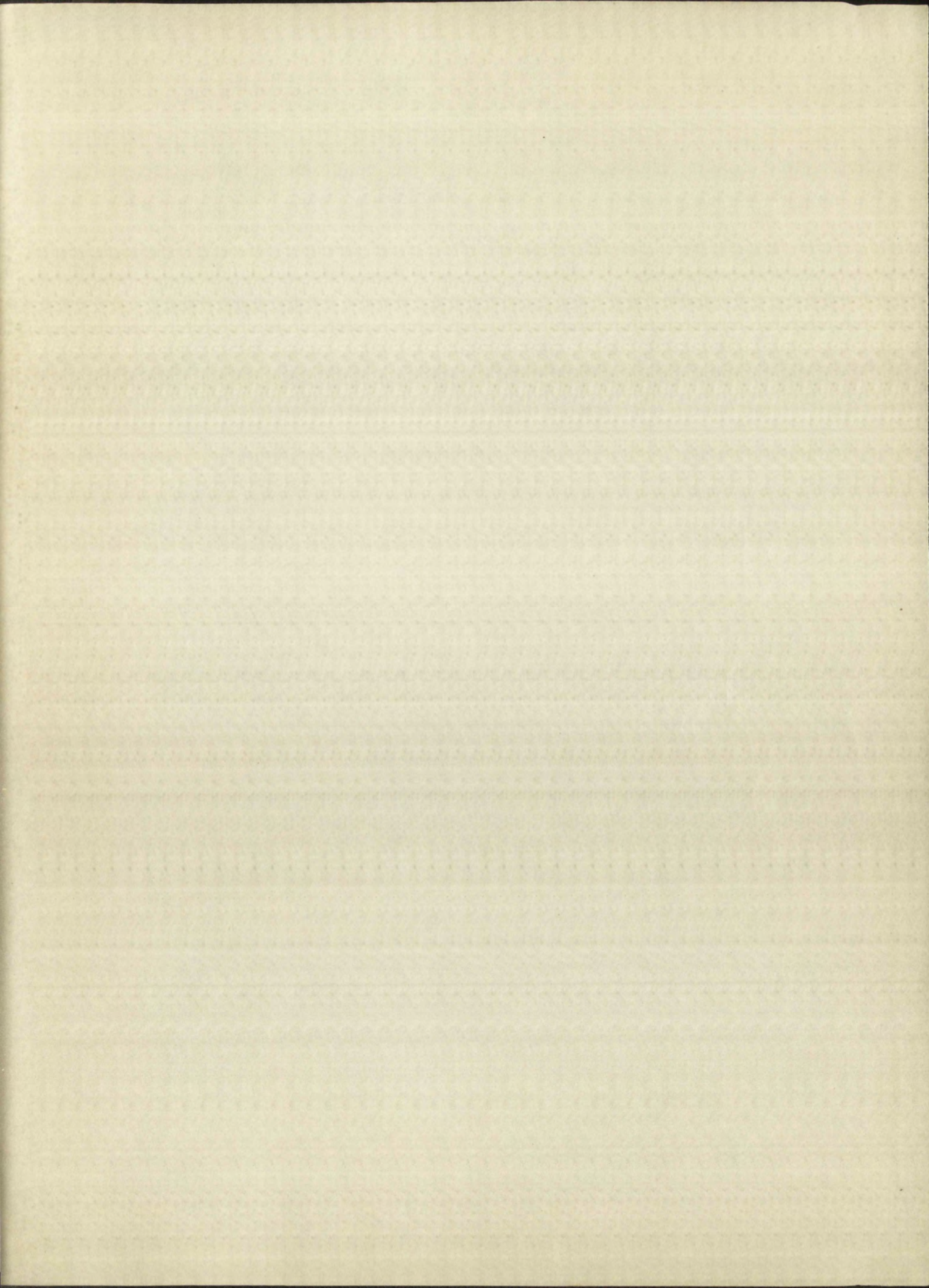
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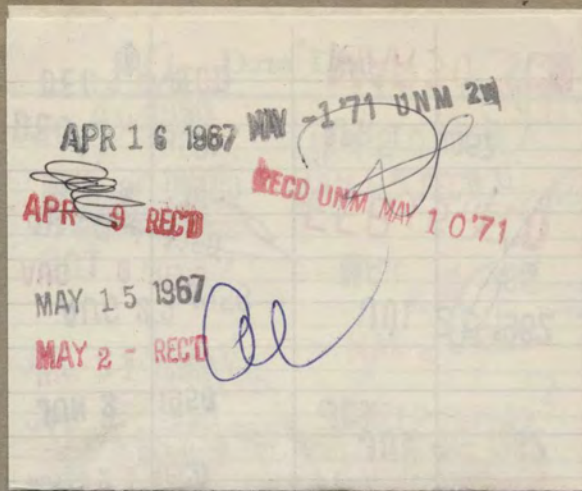
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