TEXAS EDUCATION AGENCY

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Shirley J. Neeley, Ed.D.
Commissioner

February 1, 2006

Dr. Henry L. Johnson,
Assistant Secretary for Elementary and Secondary Education
United States Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202-6400

Dear Dr. Johnson:

Attached are proposed changes to the calculation of Adequate Yearly Progress (AYP) beginning in 2006 for Texas school districts, charters, campuses, and the state. Upon approval of the proposed changes, the Texas Education Agency (TEA) will formally amend the Consolidated State Application Accountability Workbook (Texas AYP Workbook) and submit it to the United States Department of Education (USDE) for final approval. Attachment 1 provides an explanation of each requested change that includes background information and/or a discussion of the issue, the proposed amendment, and justification for the change.

The proposed amendments to the Texas AYP Workbook were reviewed by the Title I Committee of Practitioners on January 10, 2006. This request is being submitted early because we would like to finalize changes to our AYP Workbook for 2006 by April 1, 2006. This is necessary because we publish an annual Adequate Yearly Progress Guide that is adopted as a commissioner of education rule in the Texas Administrative Code. The published guide must be submitted as a proposed rule in early May in order for the effective date to occur before the AYP release. The April 1, 2006, date will also provide sufficient time to incorporate approved changes into processing without delaying release of 2006 AYP status and 2006-07 School Improvement Program designations. The proposed amendments are designed to meet the following needs.

- Improvements to the AYP Definition: The purpose of the first three proposed amendments in Attachment 1 is to increase the validity, reliability, and fairness of the AYP status assigned to districts, charters, and campuses and consequently increase the effectiveness of School Improvement Program designations. Proposed amendments 2 and 3 are refinements to the safe harbor calculation.

  1. Full Academic Year
  2. Safe Harbor Confidence Intervals
  3. Safe Harbor Improvement on Other Measure

- Implement Proposed Federal Regulations: The purpose of the fourth proposed amendment is to implement one of the provisions in the proposed regulations published in the *Federal Register* on December 15, 2005.

  4. Special Education Student Group

- Title I Monitoring Response: The TEA must submit a modification to the Texas AYP Workbook to resolve a finding from the Title I monitoring visit conducted January 10-14, 2005. The fifth proposed amendment in Attachment 1 is to meet this requirement.

  5. Phase-In of Student Proficiency Standard

- Agreement on Inclusion of Certain Students with Disabilities in AYP: The recent TEA/USDE agreement supersedes information in the Texas AYP Workbook. The purpose of the sixth proposed amendment is to update the Texas AYP Workbook with provisions of the agreement that apply to calculation of AYP.

    6. TEA/USDE Agreement on Inclusion of Students with Disabilities in AYP

Note regarding charters: Charter operators are evaluated as districts for AYP based on aggregate performance of the campuses operated by the charter. Charter campuses are evaluated as any other campus. References to districts and campuses in Attachment 1 include charter operators and charter campuses unless specifically noted otherwise.

Although these six amendment requests represent the totality of our amendment requests at this time to meet the commitment Texas made earlier to submit our amendments by February 1, 2006, we reserve the right to submit other amendments by the April 1, 2006 timeline, or that may otherwise be permitted by generally applicable USDE policies. In addition, although TEA does not plan to submit a growth model proposal for the 2005–06 AYP calculations, we will consider this option in 2007.

We would appreciate receiving the decision on each of the six proposed amendments in writing consistent with the time frames discussed above; if any of the proposed amendments are denied, please include the rationale for the decision. If you need additional information or have questions about any of the proposed amendments, please contact Criss Cloudt, Associate Commissioner for Accountability and Data Quality, by telephone at 512-463-9701 or by e-mail at criss.cloudt@tea.state.tx.us.

We look forward to receiving your response.

Sincerely,

Shirley J. Neeley

Shirley J. Neeley
Commissioner of Education

Attachment

cc: Criss Cloudt
Susan Barnes
Gene Lenz
Cory Green
Shannon Housson

Attachment 1
Requests for Amendments to the Texas AYP Workbook
(Consolidated State Application Accountability Workbook)

1. Full Academic Year

Background/Issue: The Texas definition of "full academic year" for Adequate Yearly Progress (AYP) is currently linked to the state fall enrollment snapshot date.

> Districts: Test results for students enrolled in the district on the Public Education Information Management System (PEIMS) fall enrollment snapshot date are included in the district-level performance measure.
>
> Campuses: Test results for students enrolled on the campus on the PEIMS fall enrollment snapshot date are included in the campus-level performance measure.

There are approximately 100 instructional days between the last Friday in October (PEIMS snapshot date) and the primary administration testing dates for the Texas Assessment of Knowledge and Skills (TAKS) in April. This represents just over half (54%) of the instructional days in the 185 day school year. As a result, the performance rates are highly sensitive to performance of students whose learning the school has had only limited opportunity to influence.

Proposed Amendment: Revise the Texas full academic year definition to include students in the performance measure who were enrolled in the same district the previous school year. Previous year attendance data will be used to determine last district attended for each student.

> Districts: Test results are included in the district-level measure for students enrolled in the district on the PEIMS fall enrollment snapshot date for whom this was the last district attended in the previous school year.
>
> Campuses: Test results are included in the campus-level measure for students enrolled on the campus on the PEIMS fall enrollment snapshot date for whom this was the last district attended in the previous school year.

Justification:

- Texas has one of the shortest full academic year definitions in the nation because the state fall enrollment snapshot date is the last Friday in October rather than October 1. There are approximately 100 instructional days between the fall enrollment snapshot date and the primary administration of the state assessments in the spring. The full academic year definition proposed will still only require that students be continuously enrolled in the same district/campus for approximately 100 instructional days. Limiting continuous enrollment to the current year fall enrollment snapshot date includes more students in the district and campus AYP performance evaluations.

- The only options for lengthening the full academic year definition under the current data collection systems are to tie the definition to either attendance in the previous school year or testing in the previous school year. Attendance data are used for state foundation school program funding of school districts and are routinely audited by the school financial auditors in addition to the quality controls built into the PEIMS data submission.
- The full academic year definition proposed will be tied to last district attended in the previous school year. Performance for students who leave school before the end of the school year but return to the same school district the following fall, including migrant students and recovered dropouts, will be included in the performance measure. It is not necessary that the student be tested in the district in the previous school year to be included in the performance measure or that the student be enrolled in the district through the end of the previous school year. Continuous enrollment in the same district/campus will continue to be based on the fall enrollment snapshot date. Linking district full academic year to the last district attended in the previous school year will include performance of more students than linking to testing in the district in the previous school year or attendance in the district at the end of the previous school year.
- The longer full academic year definition will better control for different start dates and school calendars, including year-round schools.
- The proposed definition looks at prior year district attendance rather than campus attendance because districts have some control over student assignments to campuses. As a result, a student's change of residence to a different campus attendance zone may not necessitate changing schools. Districts also can influence the uniformity of instruction on campuses in their jurisdiction, so moving from one campus to another within the district need not be as disruptive as moving to another school district. In addition, the proposed full academic year definition does not remove performance of students who change schools from one year to the next due to normative moves that result from regular progress and are prescribed by the grade configurations of the campuses in the district. Linking campus full academic year to the last district attended in the previous school year will include performance of more students in the campus performance evaluation than linking to attendance on the same campus the previous school year.
- At least nine states have full academic year definitions that only include results for students who were enrolled in the district or on the campus the previous school year. These states vary on many characteristics, including size, configuration of school districts and campuses, student demographics, and definition of Adequate Yearly Progress.

State	Full Academic Year Definition
Colorado	Continuously enrolled on same campus (same district for transitional grades) from testing period in previous school year (12+ months)
Hawaii	Continuously enrolled on same campus from testing period in previous school year (maximum 365 days)
Illinois	Continuously enrolled in the same district from May 1 of the previous school year (maximum 365 days) [beginning with 2005-06 school year]
Iowa	Continuously enrolled on same campus from testing period in previous school year
New Hampshire	Continuously enrolled from October 1 previous school year [all testing moved to October]
New Mexico	Continuously enrolled on same campus from testing period in previous school year
North Dakota	Continuously enrolled for 173 instructional days [beginning in 2004-05 school year, testing is moved to fall; therefore, 173 instructional days includes only students enrolled in the previous school year]
Oklahoma	Continuous enrollment for two full units (semesters) of instruction (maximum 365 days) [tests administered in middle of spring semester; therefore, two full units requires enrollment previous spring]
Wisconsin	Continuously enrolled on same campus (same district for transitional grades) from annual fall census previous school year (12 months)

- Model results shown in the table below are estimates of 2006 AYP status based on 2004-05 test results. Under the proposed full academic year definition it is estimated that there would be a small increase in the number of districts and campuses that receive the status *Met AYP* and a similar decrease in the number that receive the status *Missed AYP*. The number of districts that receive the status *Missed AYP* is estimated to decrease by 5 districts (less than 1% of all districts). The number of campuses that receive the status *Missed AYP* is estimated to decrease by 90 (approximately 1% of all campuses). The model shows a slight increase in the number of districts and campuses not evaluated because there are no test results in the accountability subset (1 charter district and 25 campuses).

AYP Model Data Full Academic Year	Districts (2006 Estimates)		Campuses (2006 Estimates)	
AYP Status	Current FAY	Proposed FAY	Current FAY	Proposed FAY
Meets AYP	984 (80%)	988 (80%)	5,867 (74%)	5,932 (75%)
Missed AYP	234 (19%)	229 (19%)	1,152 (15%)	1,062 (13%)
Not Evaluated	11 (1%)	12 (1%)	889 (11%)	914 (12%)
Total	1,229 (100%)	1,229 (100%)	7,908 (100%)	7,908 (100%)

- Although there is a decline in the number of student groups evaluated compared to the current full academic year definition, student group performance continues to play a significant role in the AYP evaluations under the proposed full academic year definition, as shown in the table of model results below for Reading. The analysis for Mathematics indicates similar results.

AYP Model Data Reading	Districts (2006 Estimates)		Campuses (2006 Estimates)	
Student Groups Evaluated:	Current FAY	Proposed FAY	Current FAY	Proposed FAY
African American	292 (24%)	267 (22%)	1,490 (21%)	1,335 (19%)
Hispanic	642 (53%)	605 (50%)	3,960 (56%)	3,792 (54%)
White	902 (74%)	871 (72%)	3,844 (55%)	3,689 (53%)
Economically Disadvantaged	949 (78%)	912 (75%)	5,013 (71%)	4,811 (69%)
LEP	190 (16%)	173 (14%)	1,519 (22%)	1,412 (20%)
Special Education	611 (50%)	571 (47%)	1,427 (20%)	1,223 (17%)
Number of Student Groups Evaluated:				
All Students	1,218	1,217	7,016	6,994
plus 1 or more student groups	1,060 (87%)	1,009 (82%)	5,913 (84%)	5,889 (84%)
plus 2 or more student groups	947 (78%)	908 (75%)	4,968 (71%)	4,878 (70%)
plus 3 or more student groups	730 (60%)	660 (54%)	3,518 (50%)	3,344 (48%)
plus 4 or more student groups	520 (43%)	417 (34%)	1,722 (25%)	1,580 (23%)
plus 5 or more student groups	229 (19%)	189 (15%)	602 (9%)	493 (7%)
plus all 6 student groups	100 (8%)	83 (7%)	106 (1%)	78 (1%)

NOTE: Statistics exclude districts and campuses not evaluated for AYP.

2. Safe Harbor Confidence Intervals

Background/Issue: The Texas definition of "safe harbor" for reading and mathematics performance in AYP is based on change in absolute performance – the performance improvement criteria for the measure is met if there is a 10 percent decrease from the prior year in percentage of students counted as not proficient in the subject and improvement for the group on the other measure (Graduation Rate or Attendance Rate). Texas school districts range in size from about 20 students to over 200,000 students. There are campuses in sparsely populated areas of the state that do not have students enrolled in every grade offered every year. At the other extreme, the number of campuses with over 2,000 students is growing in both major urban and suburban school districts. With student group minimum size criteria of 50 students, the performance of

one student can make as much as a two percentage point difference in student group performance. For All Students there is no minimum size criteria. This is significant for an indicator such as performance improvement that is typically measured in the single digits. In addition, districts and campuses can make substantial single-year gains in performance but fail to meet the 10 percent safe harbor standard.

Proposed Amendment: For districts, charters, and campuses that do not meet the safe harbor standard for performance improvement, recalculate improvement for the performance indicator using a confidence interval methodology. The following decision rules will be applied for safe harbor confidence intervals.

- Create campus or district matched profile data to estimate performance improvement from the prior year. Students in the campus current year performance data are matched to similar students in the campus prior year performance data by student group membership (African American, Hispanic, white, economically disadvantaged) and testing platform. Performance improvement is then recalculated as the difference in the campus/district passing rate of matched profile data in the current year and the campus/district passing rate of matched profile data in the prior year.
- Use the Wald formula for confidence intervals of the difference between dependent proportions for calculating a confidence interval on the improvement. A confidence interval is built around the recalculated performance improvement.
- Use a one-tailed (upper limit only) confidence interval – if the upper limit of the confidence interval is equal to or greater than the amount of gain required to meet safe harbor (10 percent decrease from the prior year in percentage of students counted as not proficient), the district or campus is considered to have met safe harbor.
- Use a confidence interval of 75 percent.
- The Wald formula for a one-tailed confidence interval is:

$$PI + [(z/\sqrt{n})*\sqrt{((p_{py}*(1-p_{py}))+(p_{cy}*(1-p_{cy}))+(2*((p_{py}*p_{cy})-p_{pc}))}]$$

Where:

PI = recalculated performance improvement rate
z = z-score for selected confidence level (for a 75% CI, this would be 0.67)
n = number of matched pairs
p_{py} = performance (passing rate) of matched pairs in prior year
p_{cy} = performance (passing rate) of matched pairs in current year
p_{pc} = performance (passing rate) of matched pairs in prior year and current year

If the Wald statistic is greater than or equal to required improvement, then the campus, district, or charter is considered to have met safe harbor. If the Wald statistic is less than required improvement, then the campus, district, or charter does not meet safe harbor.

Justification:

- Confidence intervals for safe harbor will make AYP judgments more reliable by taking into account small fluctuations in test scores that could distort the improvement rate.
- The Wald formula for confidence intervals was chosen for this calculation because it is well established and widely accepted, and is commonly used in statistical analysis.
- USDE approved requests from a number of states to use confidence intervals for safe harbor. These states vary on many characteristics, including size, configuration of school districts and campuses, student demographics, and definition of Adequate Yearly Progress. States approved for safe harbor confidence intervals include Alaska, California, Delaware, Indiana, Kansas, Maine, Montana, Nebraska, Nevada, Oklahoma, South Dakota, Wisconsin, and Wyoming.
- Model results shown in the table below are estimates of 2006 AYP status based on 2004-05 test results. It is estimated that using confidence intervals for safe harbor as described above would result in a small increase in the number of districts and campuses that receive the status *Met AYP* and a corresponding decrease in the number that receive the status *Missed AYP*. The status of 30 districts and 73 campuses would change from *Missed AYP* to *Met AYP*. This represents 3 percent of districts and 1 percent of campuses.

AYP Model Data **Safe Harbor Confidence Intervals**	**Districts** (2006 Estimates)		**Campuses** (2006 Estimates)	
AYP Status	**Current Safe Harbor**	**Proposed Safe Harbor**	**Current Safe Harbor**	**Proposed Safe Harbor**
Meets AYP	984 (80%)	1,014 (83%)	5,867 (74%)	5,940 (75%)
Missed AYP	234 (19%)	204 (17%)	1,152 (15%)	1,079 (14%)
Not Evaluated	11 (1%)	11 (1%)	889 (11%)	889 (11%)
Total	1,229 (100%)	1,229 (100%)	7,908 (100%)	7,908 (100%)

3. Safe Harbor Improvement on Other Measure

Background/Issue: The AYP safe harbor provisions require that districts, charters, and campuses show improvement for the student group on the other measure (Graduation Rate or Attendance Rate) as well as improvement on the performance measure for the subject. This requirement is having the unintended consequence of preventing districts, charters, and campuses with high performance on the other measure from meeting safe harbor, even when they show exceptional performance gains for the student group in the subject.

Proposed Amendment: A district, charter, or campus will be found to make improvement on the other measure for purposes of safe harbor if it either shows gains on that measure or meets the AYP Graduation and Attendance Rate standard on the other measure for all student groups that meet minimum size criteria (in addition to all students).

Justification:

- The higher the performance of the other measure the more difficult it is for districts, charters, and campuses to show improvement on the other measure.

- AYP is based primarily on academic assessments, and the system is not intended to penalize districts, charters, and campuses with performance that exceeds the AYP standard for the other measure.

- This proposed change is consistent with the spirit and intent of other provisions in No Child Left Behind (NCLB), which recognize that high performing schools should not be identified for improvement for failing to show discrete annual gains in proficiency when almost every student in the school is meeting or exceeding the proficiency level. 20 U.S.C. 6316 (b)(1)(C).

- Model results shown in the table below are estimates of 2006 AYP status based on 2004-05 test results. It is estimated that revising the criteria for the other indicator to include districts and campuses that meet the AYP standard for the other indicator for student groups as described above would have little impact on AYP status assigned to districts. There would be a small increase in the number of campuses that receive the status *Met AYP* and a corresponding decrease in the number that receive the status *Missed AYP*. The status of 6 districts and 74 campuses would change from *Missed AYP* to *Met AYP*. This represents less than 1 percent of districts and 1 percent of campuses.

AYP Model Data **Safe Harbor Improvement on Other Measure**	**Districts** (2006 Estimates)		**Campuses** (2006 Estimates)	
AYP Status	**Current Safe Harbor**	**Proposed Safe Harbor**	**Current Safe Harbor**	**Proposed Safe Harbor**
Meets AYP	984 (80%)	990 (81%)	5,867 (74%)	5,941 (75%)
Missed AYP	234 (19%)	228 (19%)	1,152 (15%)	1,078 (14%)
Not Evaluated	11 (1%)	11 (1%)	889 (11%)	889 (11%)
Total	1,229 (100%)	1,229 (100%)	7,908 (100%)	7,908 (100%)

4. Special Education Student Group

Background/Issue: Proposed regulations implementing the new USDE policy regarding modified achievement standards for students with disabilities allows states to include in the special education student group the test scores of students previously identified as having disabilities for up to 2 years after they no longer receive special education services.

Proposed Amendment: In calculating the AYP reading and mathematics performance rates, include in the special education student group test results for students previously identified as special education for 2 years after they no longer receive special education services. For purposes of determining if the special education student group in the district, charter, or campus meets minimum size criteria, the number of students with test answer documents for the current school year coded as special education will be used. For purposes of evaluating student performance for districts, charters, and campuses that meet minimum size criteria for special education students, students will be included in the special education performance rate for 2 years after they no longer receive special education services. Special education attendance data for the previous two years will be used to identify students not receiving special education services in the current year who did receive services in the previous 2 years.

Justification:

- Texas educators have requested this change and it can be implemented immediately.
- This change is also one of the provisions in the proposed regulations published in the *Federal Register* on December 15, 2005.
- Model results shown in the table below are estimates of 2006 AYP status based on 2004-05 test results. It is estimated that including students who exited special education in the prior 2 years as described above would have little impact on AYP status assigned to campuses. There would be a small increase in the number of districts that receive the status *Met AYP* and a corresponding decrease in the number that receive the status *Missed AYP*. The status of 53 districts and 66 campuses would change from *Missed AYP* to *Met AYP*. This represents 4 percent of districts and 1 percent of campuses.

AYP Model Data **Special Education Student Group**	**Districts** (2006 Estimates)		**Campuses** (2006 Estimates)	
AYP Status	**Current Indicator**	**Proposed Indicator**	**Current Indicator**	**Proposed Indicator**
Meets AYP	984 (80%)	1,037 (84%)	5,867 (74%)	5,933 (75%)
Missed AYP	234 (19%)	181 (15%)	1,152 (15%)	1,086 (14%)
Not Evaluated	11 (1%)	11 (1%)	889 (11%)	889 (11%)
Total	1,229 (100%)	1,229 (100%)	7,908 (100%)	7,908 (100%)

5. Phase-in of Student Proficiency Standard

Background/Issue: The TEA must submit a modification to the Texas AYP Workbook to resolve a finding from the Title I monitoring visit conducted January 10-14, 2005. Following is the specific follow-up requested: Modify the Texas Consolidated State Application Accountability Workbook to clarify the phase-in of the student proficiency standard under Critical Element 1.3.

Proposed Amendment: Modify the Texas AYP Workbook by moving the following information from the attachments into the main body of the workbook under Critical Element 1.3:

> The SBOE set standards for student achievement in November 2002. The standards adopted by the SBOE provide for a two-year phase-in of the standards. The transition plan uses the standard error of the measure (SEM) to phase-in over time the standards recommended by TAKS standard-setting committees.
>
> 2005 – Panels' Recommendations (PR)
> 2004 – One SEM below PR
> 2003 – Two SEM below PR

Justification:

- Follow-up action required to resolve a Title I monitoring visit finding.

6. TEA/USDE Agreement

Background/Issue: The TEA/USDE agreement signed on November 30/December 1, 2005, supersedes information in the Texas AYP Workbook.

Proposed Amendment: Update information in the Texas AYP Workbook for 2006 and 2007 AYP to incorporate provisions of the TEA/USDE agreement related to calculation of AYP. The following sections of the workbook would be affected:

> Critical Element 1.2: Information about test results evaluated for the reading and mathematics performance rates, cap on inclusion of results from alternative assessments, and participation rate.
>
> Critical Element 9.3: Plans for incorporating anticipated changes that will take place in 2006 and 2007.
>
> Critical Element 10.1: Participation rate definition.

Justification:

- These changes will bring together the most current information about calculation of AYP for 2006 and 2007 in one document and avoid school districts and policymakers having to apply provisions in the TEA/USDE agreement to the workbook.