September 20, 1996

TO THE SUPERINTENDENT ADDRESSED:

Enclosed is a list of schools identified under the Public Education Grant Program, established by the 74th Texas Legislature in Senate Bill 1, along with a copy of the relevant section of the statute and a description of the methodology used to identify the schools on the list. Under this interdistrict transfer provision, a parent of a student enrolled in any of the campuses listed may make application to attend a campus in any other school district. A school district chosen by a student's parent under this statute is entitled to accept or reject the application for the student to attend school in that district but may not use criteria that discriminate on the basis of a student's race, ethnicity, academic achievement, athletic abilities, language proficiency, sex, or socioeconomic status. Alternatively, a district may accept interdistrict transfers under Section 25.036 of the Texas Education Code.

The Division of State Finance has revised the worksheets for calculation of the public education grant amount for the 1996-97 school year. The revisions are primarily cosmetic, as the actual calculations remain the same as for the 1995-96 school year. Because the determination of the grant amount involves an estimate of 1996-97 local tax collections, the amounts cannot be accurately determined by the Texas Education Agency. The method used in the worksheets is not intended to preclude other methods which may be adopted locally for the calculation of the grant amount.

A copy of the manual public education grant worksheet is attached. Both the manual worksheet and an electronic spreadsheet version, as well as the list of identified schools can be found in the School Finance area of the Texas Education Agency Web site under the heading “Public Education Grant Program” as of October 1, 1996. The grant worksheet and spreadsheets depend on certain results from the 1996-97 Legislative Payment Estimate. If it is now believed that the attendance data from 1996-97 will be substantially different from the amounts which appear on the 1996-97 Legislative Payment Estimate, it would be appropriate to substitute updated values from a Worksheet for Estimating Foundation School Program (FSP) Aid for the 1996-97 School Year, completed in the district.

Questions concerning the list and the methodology used to identify schools should be directed to the Division of Communications at (512) 463-9000. Questions regarding the implementation of the program should be directed to the Division of State Finance at (512) 463-9238.

Sincerely,

Criss Cloudt
Associate Commissioner
for Policy Planning and Research

Joe Wisnoski
Coordinator
for State Finance & Fiscal Analysis

Enclosures
SUBCHAPTER G. PUBLIC EDUCATION GRANT PROGRAM

Sec. 29.201. PARENTAL CHOICE. Notwithstanding any other provision of this code, as provided by this subchapter an eligible student may attend a public school in the district in which the student resides or may use a public education grant to attend any other district chosen by the student's parent.

Sec. 29.202. ELIGIBILITY. A student is eligible to receive a public education grant under this subchapter if the student is assigned to attend a public school campus:

(1) at which 50 percent or more of the students did not perform satisfactorily on an assessment instrument administered under Section 39.023(a) or (b) in the preceding three years; or

(2) that was, at any time in the preceding three years, identified as low-performing by the commissioner under Subchapter D, Chapter 39.

Sec. 29.203. FINANCING. (a) A student eligible under Section 25.001 to attend school in a school district but who under this subchapter attends a public school in another district is included in the average daily attendance of the district in which the student resides. The district in which the student attends school shall report the student's attendance to the district in which the student resides in accordance with rules adopted by the commissioner.

(b) A student's public education grant is the total state and local funding per student for the school district in which the student resides. Total funding from state and local sources includes special allotments under Subchapter C, Chapter 42, but does not include small district, sparsity, and cost of education adjustments and allotments for technology and transportation. A student's public education grant is the entitlement of the student, under the supervision of the student's parent, guardian, or custodian, is not an entitlement of any school district, and is paid to a school district solely as a means of administrative convenience.

(c) A school district chosen by a student's parent under Section 29.201 is entitled to accept or reject the application for the student to attend school in that district but may not use criteria that discriminate on the basis of a student's race, ethnicity, academic achievement, athletic abilities, language proficiency, sex, or socioeconomic status. A school district that has more acceptable applicants for attendance under this subchapter than available positions must give priority to students at risk of dropping out of school as defined by Section 29.081 and must fill the available positions by lottery. However, to achieve continuity in education, a school district may give preference over at-risk students to enrolled students and to the siblings of enrolled students residing in the same household or other children residing in the same household as enrolled students for the convenience of parents, guardians, or custodians of those children.

(d) A school district chosen by a student's parent under Section 29.201 may not charge the student tuition in addition to the public education grant or charge tuition that is greater than the district's average expenditure per student. The school district in which the student resides is entitled to the remainder, if any, of the student's public education grant funds.

(e) The school district in which a student resides shall provide each student attending a school in another district under this subchapter transportation free of charge to and from the school the student would otherwise attend.
**Methodology for Identifying Schools - 1996**

Schools are included on the list if less than 50 percent of the students passed:

- any reading, writing or mathematics test on the Texas Assessment of Academic Skills (TAAS), summed across the grades tested at the school
- in all three years: 1994, 1995, or 1996

OR

- the school was rated Low-Performing in either 1994, 1995, or 1996.

**Notes:**

- All schools which existed in the 1995-96 school year were examined. The analysis was applied regardless of the number of students tested.
- The TAAS results were those used in the accountability system, which are based on the non-special education students tested who were enrolled in the district in late October.
- The analysis was based on all students tested; performance of student groups was not examined.
- 1996 ratings issued as of September 1, 1996 were examined for this analysis.

### 1996 Campuses with Less Than 50% of the Students Passing Any Reading, Writing, or Mathematics Test on the Texas Assessment of Academic Skills (TAAS) or the School was Rated Low-Performing in either 1994, 1995 or 1996

**EXPLANATION OF COLUMNS**

<table>
<thead>
<tr>
<th>Campus Name</th>
<th>Campname</th>
<th>Distname</th>
<th>YR_1994</th>
<th>YR_1995</th>
<th>YR_1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>The nine digit number used by TEA to uniquely identify each campus in the state.</td>
<td>The most current name of the campus in TEA files.</td>
<td>The district name.</td>
<td>The reason, if any, that the campus was identified for this list based on 1994 TAAS results or 1994 accountability ratings. The reason codes are explained below.</td>
<td>The reason, if any, that the campus was identified for this list based on 1995 TAAS results or 1995 accountability ratings. The reason codes are explained below.</td>
<td>The reason, if any, that the campus was identified for this list based on 1996 TAAS results or 1996 accountability ratings. The reason codes are explained below.</td>
</tr>
</tbody>
</table>

**Reasons for identification:**

- **R** The TAAS passing rate in Reading was below 50 percent for the tested grades at the campus.
- **W** The TAAS passing rate in Writing was below 50 percent for the tested grades at the campus.
- **M** The TAAS passing rate in Mathematics was below 50 percent for the tested grades at the campus.
- **LP** The campus was rated Low-performing. Note: If "LP" is the only reason code for 1995, i.e., there is no "R", "W", or "M" code printed as well, then the dropout rate is the reason for the low rating.