

State Compensatory Education

Question and Answer Document

January 1, 2002

Introduction

The purpose of the State Compensatory Education (SCE) program is to reduce the dropout rate and increase the academic performance of students identified as being at risk of dropping out of school.

In 2001, Senate Bill 702 amended the sections of the Texas Education Code that govern the State Compensatory Education Program in the following ways.

Senate Bill 702 changed the state criteria for identifying students at risk of dropping out of school and requires school districts to use student performance data resulting from the basic skills assessment instruments and achievement tests administered under Subchapter B, Chapter 39, to design and implement appropriate compensatory, intensive, or accelerated instructional services for students at risk of dropping out of school that will enable these students to be performing at grade level at the conclusion of the next regular school term.

Senate Bill 702 allows for the use of local criteria for identifying students at risk of dropping out of school; however, the criteria must be approved by the local board of trustees and the number of students served using local criteria is limited to 10 percent of the number of students who met the state criteria for students at risk of dropping out of school **and** who were served in the SCE program in the preceding school year.

Senate Bill 702 requires each school district to evaluate and document the effectiveness of the SCE program in reducing any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, or any disparity in the rates of high school completion between students at risk of dropping out of school and all other district students.

Senate Bill 702 specifically states that SCE funds, other than the indirect cost allotment that may not exceed 15 percent, may be used only to meet the costs of providing (1) a supplemental compensatory, intensive, or accelerated instruction program under Section 29.081; or (2) an alternative education program established under Section 37.008; or (3) support to a program eligible under Title I, Part A of the Elementary and Secondary Education Act of 1965, as amended, at a campus at which at least 50 percent of the students are educationally disadvantaged.

Senate Bill 702 restricts the amount of SCE funds that a district may use to fund disciplinary AEPs to 18 percent of the district's SCE Foundation School Program (FSP) allotment.

Beginning in school year 2003-2004, Senate Bill 702 requires the Commissioner by rule to adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l). In addition, the Agency, in determining a district accreditation rating, shall consider the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l).

General

Q1. What is the effective date of Senate Bill 702?

The effective date for implementation is school year 2001-2002.

District Eligibility Criteria

Q2. Is funding for state compensatory education based upon the number of students at risk of dropping out of school?

No. Funding is based on:

- the number of students reported on the free- or reduced-price lunch count from the average of the district's best six-months' enrollment from the previous school year or in the manner provided by commissioner's rule, if no campus in the district participated in the national school lunch program of free or reduced-price lunches during the preceding school year (HB 2879, 77th Legislature);
- an annual allotment for students who reside in a residential placement facility in a district in which the student's parent or legal guardian does not reside; and
- an annual allotment for pregnant students or students who are parents that attend school full time and participate in a program under Section 29.081 of TEC.

Campus Eligibility Criteria

Q3. What are the campus eligibility criteria?

In order for SCE funds to be allocated to a campus, the campus must have students who meet the state criteria for students at risk of dropping out of school and services provided to these students must be described in the district and/or campus improvement plan, as appropriate.

Student Eligibility Criteria

Q4. What are the state eligibility criteria for identifying students at risk of dropping out of school?

A student at risk of dropping out of school includes each student who is under 21 years of age and who:

1. is in prekindergarten, kindergarten or grade 1, 2, or 3 and did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;
2. is in grade 7, 8, 9, 10, 11, or 12 and did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum during a semester in the preceding or current school year or is not maintaining such an average in two or more subjects in the foundation curriculum in the current semester;
3. was not advanced from one grade level to the next for one or more school years;

4. did not perform satisfactorily on an assessment instrument administered to the student under Subchapter B, Chapter 39, **and** who has not in the previous or current school year subsequently performed on that instrument or another appropriate instrument at a level equal to at least 110 percent of the level of satisfactory performance on that instrument;
5. is pregnant or is a parent;
6. has been placed in an alternative education program in accordance with Section 37.006 during the preceding or current school year;
7. has been expelled in accordance with Section 37.007 during the preceding or current school year;
8. is currently on parole, probation, deferred prosecution, or other conditional release;
9. was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school;
10. is a student of limited English proficiency, as defined by Section 29.052;
11. is in the custody or care of the Department of Protective and Regulatory Services or has, during the current school year, been referred to the department by a school official, officer of the juvenile court, or law enforcement official;
12. is homeless, as defined by 42 U.S.C. Section 11302, and its subsequent amendments; or
13. resided in the preceding school year or resides in the current school year in a residential placement facility in the district, including a detention facility, substance abuse treatment facility, emergency shelter, psychiatric hospital, halfway house, or foster group home.

Q5. Once a student is identified as at risk of dropping out of school, is the student always considered to be at risk of dropping out of school?

Once a student is not advanced from one grade level to the next, the student remains at risk of dropping out of school for the remainder of his/her public school education. For all other state eligibility criteria, students must be evaluated on an on-going basis to determine if they continue to meet the criteria for being at risk of dropping out of school. Under certain criteria, students will be reported for one or more school years until the student performs at a level sufficient to exit the at-risk special population category.

Q6. Is a student considered to be at risk of dropping out of school if the student was placed in the next grade but was not promoted based upon academic performance?

No. Placement in the next grade is considered as "advancement" to the next grade.

Q7. Are school districts allowed to use local criteria for identifying students at risk of dropping out of school?

Yes. In addition to serving students at risk of dropping out of school who meet the criteria in the TEC, Section 29.081, school districts may serve students who meet local eligibility criteria if the local criteria have been adopted by the board of trustees of a school district. However, the number of students receiving SCE services under local criteria during a school year may not exceed 10 percent of the number of students who met the State criteria under Section 29.081 and who were served in the SCE program in the preceding school year.

Example: If a district served 500 students in school year 2000-2001 that met the state eligibility criteria, the district could serve 50 students in 2001-2002 that meet the local eligibility criteria established by the local board of trustees for school year 2001-2002. A district must be able to document that students identified under local eligibility criteria were added to a listing of students who were identified under Texas Education Code, Section 29.081.

Q8. May a district use enrollment in the National School Lunch Program as a local criterion for identifying students at risk of dropping out of school?

Yes. However, these students are not reported to PEIMS as being students at risk of dropping out of school unless they also meet the state eligibility criterion. The district must be aware that the inclusion of students at risk of dropping out of school identified using local eligibility criteria in the SCE program is allowable only to the degree that inclusion does not exceed the 10 percent limitation.

Q9. Are students in a prekindergarten program automatically considered to be at risk of dropping out of school?

No.

Q10. Are dyslexic students automatically considered to be at risk of dropping out of school?

No. However, it is possible that many dyslexic children may meet one of the at-risk criteria in Texas Education Code §29.081.

Q11. How does one determine if a student with disabilities is at risk of dropping out of school?

The determination cannot be due to the disability. A student with a disability would be at risk of dropping out of school if he or she met one of the state eligibility criteria. For example, if the student has a learning disability and is homeless, the student would be considered at risk of dropping out of school based on being homeless not the learning disability.

PEIMS

Q12. Are students who meet the local criteria reported to PEIMS?

No. Only students who meet the state eligibility criteria are reported to PEIMS.

Q13. Should students only be identified once during the year, typically just before PEIMS data are submitted in October?

Identification may be done at any time during the year. This is a local decision. However, districts are encouraged to identify students as soon as practical after enrollment to help ensure appropriate delivery of instructional services.

Q14. How does the state use information on students at risk of dropping out of school reported through PEIMS?

Policymakers, lobbyists, TEA staff, and research analysts at the federal level use the information collected through PEIMS relating to students at risk of dropping out of school to evaluate SCE programs. The legislature also requests reports that explain how the SCE allotment was expended across all campuses.

Program Planning

Q15. Who must be included in the planning of the SCE program?

Program planning and decision-making MUST include the principal, superintendent, and site-based decision making committee.

Q16. What local policies and procedures does the SCE program require?

School districts, including charter schools receiving SCE funding, are required to have written policies and procedures to identify:

1. students who are at risk of dropping out of school under the criteria in TEC, Section 29.081;
2. students who are at risk of dropping out of school under local criteria and documentation of compliance with the 10% cap in TEC, Section 29.081;
3. how students are entered into the SCE program;
4. how students are exited from the SCE program;
5. the methodologies involving calculation of 110% satisfactory performance on all assessment instruments, in accordance with TEC, Section 29.081; and
6. the cost of the regular education program in relation to budget allocations per student and/or instructional staff per student ratio.

Note: The policy for establishing local criteria for identifying students who are at risk of dropping out of school must be approved by the local board of trustees.

Q17. What information must be included in the district/campus improvement plans?

Law requires the district/campus improvement plan; it is the primary record supporting expenditures attributed to the SCE program.

The SCE program must be described in the campus improvement plan if the program is implemented at the campus level or the district improvement plan if the SCE program is implemented districtwide. Improvement plans must be developed, evaluated, and revised at least once each school year.

In addressing the needs of students at risk of dropping out of school, the district and/or campus improvement plan, as appropriate, must include the following:

- Total amount of SCE funds allocated to the campus for resources and staff or to the district if operating a districtwide SCE program.
- Comprehensive needs assessment
- Identified strategies implemented to reduce the dropout rate and improve student performance for students at risk of dropping out of school
- Supplemental financial resources for SCE
- Supplemental FTEs for SCE
- Measurable performance objectives
- Timelines for monitoring strategies
- Formative and summative evaluation criteria

SCE resources must be redirected when evaluations indicate that programs and/or services are unsuccessful in producing desired results for students at risk of dropping out of school.

See the “Use of Funds” section in the Q&A document for guidance regarding the requirements for using SCE funds to support a Title I Schoolwide program.

Q18. Must FTEs funded by SCE be included in the district/campus improvement plan?

Yes. At a minimum, payroll costs attributed to state compensatory education must be shown at the summary level (total number of FTEs) in the district and/or campus improvement plan, as appropriate.

In addition, personnel paid with SCE funds must have payroll documentation, such as a schedule, job description, or time and effort to support charges.

Q19. Is professional development required for school personnel who are paid with SCE funds?

Yes. School districts must be able to demonstrate that school personnel have received staff development designed to implement, assess, and evaluate the effectiveness of services provided to students at risk of dropping out of school.

Q20. How does a charter school document the SCE requirements?

A charter school that receives SCE funding must develop a campus and/or district improvement plan describing the program that meets the identified needs of students who meet the state student eligibility criteria for students at risk of dropping out of school.

Alternative Education Programs

Q21. May SCE fund Alternative Education Programs (AEP)?

Only supplemental costs for nondisciplinary alternative education programs are eligible to be charged to the SCE allotment.

Q22. May SCE fund “Disciplinary” Alternative Education Programs (DAEP)?

Yes. However, Senate Bill 702 limits the amount of SCE funds that may be used for Disciplinary AEPs to 18 percent of the school district’s total allotment.

Only 18 percent of the district’s SCE allotment may be used to provide the basic services for the DAEP. The basic service resource amount for the DAEP is defined as the resource allocation established by the district for basic education that students benefited from at the regular campus. However, the district may use additional SCE funds to provide supplemental services and programs for the DAEP. The DAEP base level program and the supplemental program/services must be described in the campus/district improvement plan, as appropriate.

An approved state waiver is required to use more than 18 percent of the SCE allotment for basic services for a DAEP. Upon an annual petition by a district’s board and a district’s site-based decision-making committee, presenting the reason for the need to spend more than the 18 percent of the supplemental compensatory education funds on basic services for disciplinary alternative education programs under Section 37.008, the commissioner may waive the 18 percent limitation. The district shall in its petition report the number of students in each grade level, by demographic subgroup, not making satisfactory progress under the state’s assessment system.

Q23. How does the school district calculate the 18 percent that may be used for providing a Disciplinary Alternative Education Programs?

The school district may expend up to 18 percent of its total allotment for funding the base level program for DAEPs. For example, if a district’s total SCE allotment is \$500,000, 15 percent of the allotment, which is \$75,000, may be used for indirect cost; 18 percent of the total allotment, which is \$90,000, may be used for providing DAEP base level services. The remainder of the district’s 85 percent allotment (\$335,000) for direct services must be used to provide supplemental programs and services to students identified as being at risk of dropping out of school. The direct services for the DAEP beyond the 18 percent must be supplemental to basic service resource amounts at the DAEP. For purposes of determining what expenditures are supplemental, the Agency will compare resource allocation patterns at the regular campuses and at the DAEP.

Q24. May the DAEP be located on a regular school campus?

Yes.

Q25. Is it allowable to fund the base level JJAEP with SCE funds?

Some school districts may contract with the county to operate a DAEP, which may be located in the same facility as the local JJAEP. If the school district’s DAEP is contracted with the county, the district may use the allowable 18% to provide the base level program of the DAEP under Section 37.008. It may not provide funding for expelled students in a JJAEP operated under Section 37.011.

Q26. Is an In-School Suspension (ISS) program a DAEP?

No. An ISS Program is a disciplinary strategy used by a district or campus; it does not meet the DAEP requirements stated in TEC, Chapter 37.

Assessment and Accountability

Q27. For purposes of SCE, which assessments under Subchapter B, Chapter 39 are applicable?

- TAAS (Texas Assessment of Academic Skills)—Reading & Math, grades 3-8 and Exit; Writing, grades 4, 8, and Exit; Science and Social Studies, grade 8
- SDAA (State-Developed Alternative Assessment)—Reading & Math, grades 3-8; Writing, grades 4 & 8
- EOC (End-of-Course Exams)—Algebra I, Biology, English II, U.S. History

Q28. How will a school district evaluate the effectiveness of their SCE program?

Districts are required to evaluate the effectiveness of their designated SCE program and include the results of this evaluation in the District Improvement Plan. The SCE program must be evaluated and documented by showing the effectiveness in reducing any disparity in:

- performance on assessment instruments administered under Subchapter B, Chapter 39 between students at risk of dropping out of school and all other district students; and
- rates of high school completion between students at risk of dropping out of school and all other district students.

School Year 2001-2002

For school year 2001-2002, the district will show program effectiveness by determining the success in reducing any disparity in performance on assessment instruments administered under Subchapter B, Chapter 39 between students identified as being at risk of dropping out of school and all other district students between school year 2000-2001 and 2001-2002. For school year 2001-2002, the district will use the current at-risk definition established under Senate Bill 702. For school year 2000-2001, the district will use the state at-risk definition applicable for the 2000-2001 school year.

Note: Because school year 2001-2002 is a transition year in which the definition for at risk has changed, the data will not be comparable; however, it will provide an indication of progress made in reducing any disparity of performance between the two groups for planning purposes. Due to the limited utility of the results, the district has the flexibility, for school year 2001-2002 only, to refine the data to a particular subset of students.

School Year 2002-2003

Beginning with 2002-2003, districts will show program effectiveness by determining the success in reducing any disparity of (1) performance on assessment instruments administered under Subchapter B, Chapter 39 **and** (2) rates of high school completion between students at risk of dropping out of school and all other district students.

To determine effectiveness in reducing any disparity in the rates of high school completion between students at risk of dropping out of school and all other district students, the district will use the information on completion rates that will be provided on the Fall 2002 AEIS Report.

Q29. How should a campus evaluate the effectiveness of their SCE program?

This is a campus decision. However, the campus improvement plan must include formative and summative procedures for evaluating the SCE Program.

Q30. How should the data on students at risk of dropping out of school be used locally?

Districts and campuses should use the information to design and make changes to their state compensatory program(s) and/or service(s) in order to meet the needs of the students served.

Q31. How will the Texas Education Agency evaluate the SCE program?

TEA is required by law to evaluate the SCE program statewide. The Agency will review TAAS scores of students identified through PEIMS as being at risk of dropping out of school to determine if the achievement gap is closing and if students at risk of dropping out of school are succeeding.

Beginning in school year 2003-2004, Senate Bill 702 requires the Commissioner by rule to adopt accountability measures to be used in assessing the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l). In addition, the Agency, in determining a district's accreditation rating, shall consider the progress of students who have failed to perform satisfactorily in the preceding school year on an assessment instrument required under Section 39.023(a), (c), or (l).

Q32. Is the Reading Proficiency Tests in English (RPTE) used for identifying students at risk of dropping out of school?

No. The purpose of the RPTE is to measure LEP students' academic progress in reading until they are ready to be assessed with TAAS in English. However, LEP students due to their limited English proficiency automatically meet the state criteria for students at risk of dropping out of school.

Q33. Must a district administer a norm-referenced assessment?

No.

Q34. For Pre-K through grade 3, how is "satisfactory performance" determined on a readiness or assessment instrument?

The district decides what is "satisfactory performance."

Q35. What type of readiness test may be used for determining eligibility?

This is a local decision. Several types of readiness tests are available and each one has certain strengths that may best fit certain target situations when assessing students. It is a local decision if the district wants to develop a readiness test or purchase a commercially made test.

Q36. May a readiness test administered at the end of the previous school year be used to determine if a student is at risk of dropping out of school?

No. The readiness test is to be given in grades PreK-3 during the current school year for purposes of identifying students at risk of dropping out of school. District policy determines which test is administered and when the test is administered. However, districts should administer the readiness test as early in the year as possible in order to identify those students who are eligible for services under the SCE program. It is recommended that students who enroll during the school year be assessed within 30 days after enrolling. For purposes of evaluation, districts are encouraged, when appropriate, to use the same instrument districtwide.

Q37. At what point is a student who does not perform satisfactorily on an assessment instrument under Subchapter B, Chapter 39 no longer considered at risk of dropping out of school?

The student is considered at risk of dropping out of school until he or she performs on that instrument or another appropriate instrument in the same or a comparable subject area, such as science related test at different grade levels, at a level equal to at least 110 percent of the level of satisfactory performance on that instrument.

Guidance is provided below on how to calculate the 110 percent level of satisfactory performance for assessment instruments under Subchapter B, Chapter 39.

1. TAAS Reading and Math: If a student fails any of these tests, the student must pass the test previously failed with a TLI of 77 or higher to meet the 110 percent of the level of satisfactory performance needed to no longer be considered at risk of dropping out of school.
2. TAAS Writing, Science, and Social Studies: If a student fails any of these tests, the student must pass the test previously failed with a score of 1650 or higher in order to meet the 110 percent of the level of satisfactory performance needed to no longer be considered at risk of dropping out of school.
3. TAAS Writing, Reading, and Math (Spanish-version tests): If a student fails any of these tests, the student must pass the test previously failed with a score of 1650 or higher in order to meet the 110 percent of the level of satisfactory performance needed to no longer be considered at risk of dropping out of schools.
4. End-of-Course Exam: If a student fails an End-of-Course Exam, the student must pass with a score of 1650 or higher in order to meet the 110 percent of the level of satisfactory performance needed to no longer be considered at risk of dropping out of school.
5. SDAA Reading, Math, Writing: The first year a student is tested, there is no passing standard; however, in future years, a special education student that does not perform at the level of progress established by the ARD Committee is considered at risk of dropping out of school. The ARD Committee will decide when the student has met the assessment goal for exiting the student from being at risk of dropping out of school based on the SDAA.

Q38. What options does a district have for determining if a student has performed at the 110 percent satisfactory level when the assessment instrument is not administered in consecutive years, as with the Science TAAS in grade eight?

The district continues to identify the student as being at risk of dropping out of school until the student subsequently performs at a level equal to at least 110 percent of the level of satisfactory performance on that instrument or another appropriate instrument such as the Biology End-of-Course Exam administered in high school for the student who did not pass TAAS science in grade 8 or the district may administer another appropriate test at an earlier date.

Q39. If a district decides to give another appropriate test, what test is considered to be appropriate for determining the 110 percent requirement, and is there a time frame for giving this test?

What test is administered, when it is administered, and how it is calculated for showing a level equal to at least 110 percent of the level of satisfactory performance on that instrument is a district decision. Documentation, however, must be kept to show how the 110 percent level of satisfactory performance was calculated.

Use of Funds

Q40. What are some examples of supplemental direct costs for educational services provided to students at risk of dropping out of school?

SCE funds may only be used for costs of programs and/or services that are supplemental to the regular education program and are designed for students at risk of dropping out of school. The term regular education program applies to basic instructional services to which all students are entitled.

Supplemental costs include such costs as:

- Classroom teachers for individualized instruction
- Educational enrichment activities
- Extended day, week, year
- Individualized computer-assisted instruction
- Mentorship programs targeting students at risk of dropping out of school
- Parenting programs
- Specialized reading and math programs
- Specialized staff development to train personnel who are working with students at risk of dropping out of school
- TAAS remediation
- Teacher assistants
- Tutorials
- Reducing class size

Example 1: Grade four on Campus A meets the state mandated 22:1 class-size requirement. However, based on the campus needs assessment, the campus determines that the class size in grade four needs to be further reduced. Statistically, 50 percent of the students in grade four on Campus A meet the state eligibility criteria for students at risk of dropping out of school and 2 percent meet the local eligibility criteria. Therefore, it is allowable for SCE to pay 52 percent of the supplemental salary and benefit costs for reducing class size in grade four on Campus A.

Note: When reducing class size, the percentage of students who do not meet the state eligibility criteria but meet the local eligibility criteria who may benefit from this strategy or activity is limited to 10 percent of the number of students who met the state eligibility criteria and were served in the SCE Program in the preceding school year.

Example 2: Grade eight (8) has 140 students and 5 teachers which averages to a 28 to 1 student/teacher ratio. Seventy (70%) percent of the students in the eighth grade are at risk. In order to reduce the student/teacher ratio to 20 to 1, two additional teachers are needed. The following calculation is used to determine the percentage of decline in student/teacher ratio for funding all eighth grade teachers with SCE:

Step 1: $28 - 20 = 8$ (reduction in class size)

Step 2: $8 \div 28 = 28.5\%$ (percent reduction in class size)

Step 3: $28 \times .70 = 19.6\%$ (percent reduction in class size for at-risk population)

Step 4: 19.6% of each of the 7 teacher's salary and benefit costs may be charged to SCE as a supplemental cost to reduce class size for at-risk population)

Note: If funding only the two (2) additional teachers with SCE, then only 70% of the salary and benefit costs of these two teachers may be charged to SCE.

Example 3: On a regular campus, which also houses an alternative education program (AEP), the student/teacher ratio averages 30 to 1 in the foundation school subject areas. In the AEP, the student/teacher ratio is 10 to 1 and 100% of the students assigned to the AEP are identified as at risk. The following calculation is used to determine the percentage of SCE funds that may be used to fund the teacher for the AEP:

Step 1: $30 - 10 = 20$ (reduction in student/teacher ratio)

Step 2: $20 \div 30 = 66.6\%$ (percent reduction in student/teacher ratio in AEP for at-risk population)

Step 3: 66.6% of the AEP teacher's salary and benefit costs may be charged to SCE as a supplemental cost to provide services to at-risk population)

Q41. May SCE fund PK?

Districts reporting PK programs receive foundation school program (FSP) funding for ½ day of PK through the regular program. SCE funds may only be used to supplement this regular education program.

SCE funds may be used to extend the day beyond the ½ day program for those students who meet the state or local eligibility criteria for at risk of dropping out of school; however, costs are not charged to the SCE allotment for providing services to ineligible PK students who are charged tuition.

Q42. May SCE fund a 3-year old instructional program such as Head Start?

Yes, only for students who meet the state or local eligibility criteria for at risk of dropping out of school and if the program is supplemental to the regular education program.

Q43. May SCE funds pay for day care services for teenage students while attending school?

A district's SCE program should be aligned with the TEC, Section 29.081 which requires the district to design and implement appropriate compensatory, intensive, or accelerated instructional services for students in the district's schools that enable the students to be performing at grade level at the conclusion of the next regular school term.

Therefore, SCE expenditures should directly relate to the student's ability to learn the curriculum in order to perform at grade level. In addition to supplemental instructional programs, supplemental support services (for example, counseling and child care during parent meetings) can also contribute to improving student achievement. However, direct SCE expenditures that provide general support for the parent such as on-going day care, job placement services, etc. would not qualify.

Q44. May SCE fund tutorials during a school day?

If tutorials are part of the supplemental state compensatory education program and not part of the regular education program, then tutorials may be funded from state compensatory education funds. Tutorials that pull students from the regular education classroom for a portion of the period are supplemental educational activities.

Q45. May SCE funds pay the salary of an assistant principal?

SCE funds may be used to hire a supplemental assistant principal whose primary responsibility is to work with students at risk of dropping out of school. SCE funds may not be used to fund assistant principals responsible for administrative activities that benefit the overall regular education instructional program. Payroll documentation (time and effort) must be on file if the position is not 100% SCE funded.

The purpose of the SCE program is to improve student performance through direct instructional services to students at risk of dropping out of school. The more removed services are from the student, the more the resources are diluted and the more difficult it becomes for the school district to (1) defend the use of the SCE funds and (2) justify the effectiveness of the program in improving student performance.

Q46. May SCE funds pay the salary of a counselor?

SCE funds may be used to hire a supplemental counselor whose primary responsibility is to work with students at risk of dropping out of school. Payroll documentation (time and effort) must be on file if the position is not 100% SCE funded. SCE funds may not be used to fund counselors responsible for guidance, assessment, and administrative activities that benefit the overall regular education instructional program.

Q47. May SCE funds pay the salary of a secretary/clerk who is assigned to a SCE-funded campus staff person?

A secretary/clerk that supports professional staff assigned to specific SCE programs or activities may be paid from the 85 percent SCE direct cost allocation. The actual percentage of the staff person's salary is based on the percent of time devoted to SCE. Administrative staff working with SCE at the central office may only be paid from the SCE 15 percent indirect cost amount.

Q48. If equipment is purchased with SCE funds, are students at risk of dropping out of school the only students who may use the equipment?

Equipment purchased with SCE funds is intended for the primary use of students at risk of dropping out of school. Therefore, use of the equipment for purposes other than the primary intent must be kept at a minimum. The district should use the following guideline established under Title I, Part A as a point of reference for determining what is reasonable.

Title I, Part A: Use of equipment purchased with Title I, Part A funds for activities other than the intended purpose should not exceed 10 percent of the time the equipment is used for the intended beneficiaries. Use above this amount is not necessarily improper if the standards are met on a case-by-case basis.

Q49. May SCE fund a crime prevention program?

No. The purpose of SCE is to prevent students from dropping out of school and to improve student academic performance for students at risk of dropping out of school. A crime prevention program is for ensuring student safety not for preventing students from dropping out of school.

Q50. May SCE funds be used to pay for construction costs or to purchase a portable building?

These costs may not be charged to the 85 percent SCE direct cost allocation. The 85 percent must be used for direct services to improve instruction, reduce the dropout rate, and increase academic performance for students identified as at risk of dropping out of school.

Q51. May SCE funds be used to purchase school buses to transport identified students at risk of dropping out of school from the regular campus to an alternative education campus for extended day supplemental SCE instructional services?

The purchase of a school bus may not be charged to the 85 percent SCE direct cost allocation. The 85 percent must be used for direct services to improve instruction, reduce the dropout rate, and increase academic performance for students identified as at risk of dropping out of school.

Q52. May SCE funds be used to implement a program mandated by local board policy for students identified as at risk of dropping out of school?

Yes, as long as the program is supplemental to the regular education program.

Q53. May SCE funds be used to serve dropouts in a GED Program?

SCE funds may not be used to provide services to students who are not enrolled in the school district.

For students who are enrolled and who participate in a GED program, the GED program becomes their regular education program. SCE may not be used to fund the regular education GED program; however, SCE funds may be used to supplement the GED program.

Q54. May SCE funds be used to support a Title I Targeted Assistance Program?

SCE funds may be used to support a Title I, Part A identified program on a Targeted Assistance campus where the poverty percentage is **50 percent or greater**. Students served in a Title I, Part A Program must meet the Title I eligibility criteria but are not required to meet the SCE eligibility criteria to use SCE funds to support the Title I, Part A Program.

Note: On Title I, Part A targeted assistance campuses or schoolwide campuses where the poverty percentage is **below 50 percent**, SCE funds must be used to implement a supplemental SCE program. SCE funds may be used in conjunction with Title I funds, if appropriate. For example, on a Title I targeted assistance campus **below 50 percent** poverty, a teacher may be split funded between Title I and SCE if the students served meet both the Title I eligibility criteria and the SCE eligibility criteria.

Q55. May SCE funds be used to support a Title I Schoolwide program?

Yes. SCE funds may be used to upgrade the entire educational program on a campus identified in the Application for Federal Funding (SAS-A200) as a Title I Schoolwide campus, including Alternative Education Campuses and Disciplinary Alternative Education Campuses, whose **actual** poverty percentage (based on auditable data) is 50% or greater as long as the SCE funds allocated to the campus are supplemental to the campus' fair share (comparable amount) of state and local funds needed to implement the regular education program.

Title I schoolwide flexibility applies only to Title I schoolwide **campuses**; Title I, Part A districtwide program activities funded through the central office do not have schoolwide flexibility, regardless of whether all campuses in a district are Title I schoolwide. Therefore, if SCE funds are used to support a Title I schoolwide program, the SCE funds must be part of the campus budget.

Schoolwide flexibility for purposes of SCE is not permitted on Title I, Part A schoolwide campuses that use the Title I, Part A feeder pattern to meet the 50 percent poverty threshold or the Title I, Part A regulation which allows a campus that has operated as a schoolwide campus the previous year with a 50 percent poverty threshold to continue to operate as a schoolwide campus when the campus poverty level for the current year has fallen below the 50 percent poverty threshold. In addition, schoolwide flexibility for purposes of SCE is not permitted on Title I, Part A schoolwide campuses that are schoolwide because of an Ed-Flex Waiver.

A SCE program implemented under the flexibility of a Title I, Part A schoolwide program will follow the same rules and regulations that govern the Title I, Part A program.

Title I Schoolwide Rules and Regulations

Title I, Part A schoolwide programs can use their Title I, Part A funds in the manner they choose, as long as they engage in reform strategies that increase the amount and quality of learning time and help provide a high quality curriculum for all children, according to a comprehensive plan [Campus Improvement Plan (CIP)] to help children meet the State's challenging standards. The CIP must be developed in consultation with the local educational agency and its school support team or other technical assistance provider under subsection (c)(1) and (e) of section 1117 of P.L. 103-382.

The CIP must be:

1. developed with the involvement of the community to be served and individuals who will carry out such plan, including teachers, principals, other staff, and, where appropriate, pupil services personnel, and parents, and, if the plan relates to a secondary school, students from such school;
2. available to the local educational agency, parents, and the public, and the information contained in such plan shall be translated, to the extent feasible, into any language that a significant percentage of the parents of participating children in the school speak as their primary language; and
3. where appropriate, developed in coordination with programs under the School-to-Work Opportunities Act of 1994, the Carl D. Perkins Vocational and Applied Technology Education Act, and the National and Community Service Act of 1990. (See Title I statute, P.L. 103-382, for specific coordination requirements under Title I, Part A.)

The CIP must:

1. incorporate the eight (8) components of a schoolwide program;
2. describe how the school will use Title I, Part A resources and other sources to implement those components;
3. include a list of State and local educational agency programs and other Federal programs that will be included in the schoolwide program;
4. describe how the school will provide individual student assessment results, including an interpretation of those results, to the parents of a child who participates in the assessment required by section 1111(b)(3);

5. provide for the collection of data on the achievement and assessment results of students disaggregated by gender, major ethnic or racial groups, limited English proficiency status, migrant students, and by children with disabilities as compared to other students, and by economically disadvantaged students as compared to students who are not economically disadvantaged;
6. seek to produce statistically sound results for each category for which assessment results are disaggregated through the use of oversampling or other means; and
7. provide for the public reporting of disaggregated data only when such reporting is statistically sound.

Eight Components of a Schoolwide Program:

1. **A comprehensive needs assessment** of the *entire school* that is based on information on the performance of children in relation to the State content and student performance standards.
2. **Schoolwide reform strategies** that:
 - Provide opportunities for *all children* to meet the State's proficient and advanced levels of student performance.
 - Are based on effective means of improving children's achievement.
 - Use effective instructional strategies that --
 - Increase the amount and quality of learning time, such as extended school year, before- and after-school, and summer school programs.
 - Help provide an enriched and accelerated curriculum.
 - Meet the educational needs of historically underserved populations, including girls and women.
 - Address the needs of *all children* in the school, *but particularly* the needs of children of target populations of any program that is included in the schoolwide program, **and** address how the school will determine if these needs are met.
3. Instruction by **highly qualified professional staff**.
4. **Professional development** in accordance with sections 1114(a)(5) and 1119 for teachers and aides, and where appropriate, pupil services personnel, parents, principals, and other staff to enable all children in the schoolwide program to meet the State's student performance standards.
5. Strategies to increase **parental involvement**, such as family literacy services. (See Title I statute, P.L. 103-382, for specific parental involvement requirements under Title I.)
6. Plans for assisting preschool children in the **transition from early childhood programs**, such as Head Start and Even Start, to local elementary school programs.
7. Steps to **include teachers in the decisions** regarding the use of assessments.

8. Activities to ensure that students who experience difficulty mastering any of the State's standards during the school year will be provided with **effective, timely additional assistance**. The assistance **must** include:
- Measures to ensure that students' difficulties are identified on a timely basis and to provide sufficient information on which to base effective assistance;
 - To the extent that the school determines it to be feasible using Part A funds, periodic training for teachers in how to identify difficulties and to provide assistance to individual students; and
 - For any student who has not met the standards, teacher-parent conferences, at which time the teacher and parents shall discuss:
 - what the school will do to help the student meet such standards;
 - what the parents can do to help the student improve the student's performance; and
 - additional assistance which may be available to the student at the school or elsewhere in the community.

Q56. If a campus uses SCE funds to support a Title I schoolwide program, is the campus responsible for meeting the intent and purpose of SCE; providing supplemental services to children identified as at risk of dropping out of school under the state at-risk criteria; reporting supplemental SCE FTEs in the CIP; implementing the policies and procedures required under SCE; or evaluating the SCE program?

No. When using SCE funds to support a Title I schoolwide program, the SCE funds are monitored according to the audit requirements and the rules and regulations that govern the Title I, Part A schoolwide program.

Title I, Part A schoolwide programs can use their Title I, Part A funds in the manner they choose, as long as they engage in reform strategies that increase the amount and quality of learning time and help provide a high quality curriculum for all children, according to a comprehensive plan [Campus Improvement Plan (CIP)] to help children meet the State's challenging standards. The CIP must be developed in consultation with the local educational agency and its school support team or other technical assistance provider under subsection (c)(1) and (e) of section 1117 of P.L. 103-382.

See Question 55 for the specific requirements governing the campus improvement plan and the eight components of a schoolwide program.

Note: Although students at risk of dropping out of school under the state at-risk criteria do not need to be identified for services on a Title I, Part A schoolwide campus, they must be identified as at risk for reporting to PEIMS. In addition, the district remains responsible for evaluating the SCE program at the district level according to the requirements of Senate Bill 702 (See question 27).

Q57. How are SCE funds that are used on a Title I Schoolwide campus identified in the district's accounting system?

Combining SCE funds on a schoolwide campus allows schools to address needs in an integrated way and relieves schools from the burden of documenting that a specific program dollar was expended for a specific program activity. In other words, the SCE funds lose their "program" identity. **However, the SCE funds do NOT lose their "fiscal" identity, and these funds are not fiscally combined with Title I for accounting and reporting purposes.** SCE expenditures must be tracked back to the SCE fund code, and all generally accepted accounting principles must be followed.

Definitions

Regular Education Program--

At a minimum, the Regular Education Program consists of the following required curriculum for each school district that serves grades K-12:

1. a foundation curriculum that includes:
 - English language arts
 - mathematics
 - science
 - social studies, consisting of Texas, United States, and world history, government, and geography and
2. an enrichment curriculum that includes:
 - to the extent possible, languages other than English
 - health
 - physical education
 - fine arts
 - economics, with an emphasis on the free enterprise system and its benefits
 - career and technology education and
 - technology applications

Districts are prohibited from using foundation school program (FSP) compensatory education (SCE) resource allocations for students at risk of dropping out of school to supplant resource allocations for the regular education program. Therefore, where regular education program allocations at certain campuses within a district are deficient compared to other campuses serving similar grade levels, the allocation of compensatory education budgetary resources to those campuses may be interpreted to have supplanted or replaced necessary regular education services.

TEA will rely upon data reported by districts through PEIMS to determine compliance with requirements in the Texas Education Code and State Board of Education rules. TEA may request copies of campus and district improvement plans and additional data, as necessary, in order to clarify questions related to PEIMS data. Additionally, on-site visits will be conducted to some districts to further assess qualitative and quantitative questions about SCE Programs.

Foster group home--

A "foster group home" means a child-care facility that provides care for seven (7) to twelve (12) children for 24 hours a day. However, any foster child meets the state criteria for at risk of dropping out of school because all foster children are under the custody or care of the Department of Protective and Regulatory Services.

Homeless students, as defined by 42. U.S.C. Section 11302, and its subsequent amendments--

- 1) The term "homeless" or "homeless individual or homeless person" includes--
an individual who lacks a fixed, regular, and adequate nighttime residence; and
- 2) an individual who has a primary nighttime residence that is
 - (A) a supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);
 - (B) an institution that provides a temporary residence for individuals intended to be institutionalized; or
 - (C) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

The term "homeless" or "homeless individual" does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.

Completion Rate--See the Agency's 2001 Accountability Manual for the most recent definition.