An Audit Report on

Measuring Effectiveness of State and Federal Funding for At-Risk Students

November 2004
Report No. 05-009

Measuring Effectiveness of State and Federal Funding for At-Risk Students

Overall Conclusion

Because local education agencies (LEAs)[1] blend funds for at-risk students to maximize services, linking improvement in the performance of at-risk students to any single program funding stream is misleading and does not provide the Legislature with the information it needs to make service and funding decisions.

A change from the Texas Education Agency's (TEA) current focus on managing funding streams separately to a cost-outcome analysis across all funding streams would provide the Legislature, TEA, and LEAs with essential information that is currently lacking for management and decision-making. In addition, changing to a cost-outcome analysis would decrease TEA's administrative burden, allowing TEA's education experts time to help LEAs improve services. A cost-outcome analysis quantifies the relationship between cost and agreed-upon outcome(s).

Furthermore, because LEAs already blend funds for at-risk students, combining state-level funding streams for at-risk students into a block grant to LEAs could provide benefits at the state and local levels.

Funding for Texas's At-Risk Students Totaled $3.9 Billion

Funding for at-risk students from state, federal, and estimated local funds totaled $3.9 billion, or an average of $2,067 per at-risk student, in fiscal year 2004. This amount is in addition to the basic state education allotment of $2,537 for each student in Texas schools.

Forty-Four Percent of Texas Students Are Considered At Risk

LEAs reported that 44 percent of Texas's 4.3 million students met at least 1 of 13 state criteria for being considered at risk. These range from not advancing to the next grade to being on parole. (See Appendix 2 for a complete list.)

Note: The information in this report has been compiled from multiple sources of varying reliability and is unaudited. Sources include the Texas Education Agency, the U.S. Department of Education, the Texas Department of Family and Protective Services, universities, colleges, and other nonprofit orgranizations.

Key Points

Cost-outcome analysis would provide essential information but requires significant changes.

Changing to a cost-outcome analysis would enable TEA to provide the Legislature with essential information for funding and service decisions, such as comparisons of the uses and effects of funding across the state, by legislative district, by region, and by LEA and LEA peer groups.

Implementing a cost-outcome analysis will require a change in TEA's management focus. TEA will need to (1) manage across all funding streams for at-risk students, (2) continue working with the Legislative Budget Board (LBB) to develop a cost-outcome analysis methodology, (3) use performance calculations that address Legislative objectives for the

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[1] LEAs include school districts and open-enrollment charter schools.

State's at-risk students, and (4) collect sufficient data regarding funding for at-risk students and their performance.

So that the Legislature can have the results of a cost-outcome analysis to make funding and service decisions, TEA will also need to report annually to the Legislature.

Combining funding streams into a block grant would simplify state funding and benefit TEA and LEAs.

The benefits of combining multiple prescriptive grants into a block grant include greater accountability to the Legislature, increased local autonomy, and fewer administrative requirements for TEA and LEAs. LEAs' blending of funds and the essential information that could be gained from a cost-outcome analysis lead to a consideration of the potential benefits of combining similar state funding streams into a block grant.

The groups we interviewed provided reasons both for and against the use of a block grant. Several of the reasons against a block grant are mitigated by factors such as Texas's strong school accountability system.

Funding for at-risk students totaled $3.9 billion and reached students at all levels, but quality of services varies among LEAs.

Of the $3.9 billion in total state, federal, and local fiscal year 2004 funding for at-risk students, approximately $1.4 billion was state funding subject to legislative appropriations: $1.1 billion in State Compensatory Education entitlement funds and $304 million in discretionary funds. While the average amount of state discretionary funds awarded to LEAs (excluding charter schools, Communities in the Schools, and AVANCE) was $162 per at-risk student, the actual dollars per at-risk student ranged from $3 to more than $12,000 at individual LEAs.

The 26 state and federal programs reviewed for this audit fell into six major types and served students at all grade levels. They all were structured to allow LEAs to implement various combinations of best practices for serving at-risk students. However, because other factors must also be present for successful learning—such as effective school leadership and a family and community that value learning—the quality of services provided with discretionary funding varies among LEAs.

Information about the services allowed by each of the 26 funding streams reviewed, the populations served, the funding history, the evaluation results, and the distribution across the state is available on the SAO's Web site at www.sao.state.tx.us.

Summary of Management's Response

Management's response indicates that TEA generally agrees with the recommendations. Please see page 27 for a letter from TEA.

Summary of Objectives, Scope, and Methodology

The objectives of this audit, as defined in Rider 69 of the General Appropriations Act (78th Legislature, page III-20) were to:

➢ Evaluate the performance of those programs receiving state and federal funds that target students who are at risk of dropping out of school.

➢ Develop a set of performance measures that are standard across all entities receiving state funds through these programs that target at-risk students such that the programs may be evaluated in comparison to one another.

The scope of this audit included (1) 25 major state and federally funded programs and 1 private, nonprofit program that all serve at-risk students, (2) the administration of 19 of these programs by TEA, and (3) the implementation of services for at-risk students at LEAs. The audit scope also included student performance on the state assessment tests (TAAS/TAKS) from school years 1999-2000 through 2003-2004.

Our methodology included analyzing the flow of funds from the 26 funding streams through the budgeting/allocating process to the delivery of multiple services for at-risk students. We interviewed school administrators and held focus groups with principals, teachers, and students at 24 campuses and with parents when they were available. We analyzed the performance of at-risk students on the TAAS/TAKS from school year 1999-2000 through school year 2003-2004 using the definition for at-risk students in Section 29.081 of the Texas Education Code. We reviewed data quality for the programs of interest at TEA, Communities in Schools, AVANCE, and the eight LEAs we visited. We reviewed the literature on best practices and factors of success in meeting the educational needs of at-risk students. We also reviewed literature on and interviewed Texas education consultants and experts, TEA administrators, and LEA personnel regarding the pros and cons of different types of intergovernmental transfers.

Recent SAO Work		
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Cost-Outcome Analysis Would Provide Essential Information but Requires Significant Changes

Because local education agencies (LEAs)[2] blend funds for at-risk students to maximize services, linking improvement in the performance of at-risk students to any single program funding stream is misleading and does not provide the Legislature with the information it needs to make service and funding decisions. (See Chapter 2 for additional information on blending of funds.)

A change from the Texas Education Agency's (TEA) current focus on managing funding streams separately to a cost-outcome analysis across all funding streams would provide the Legislature, TEA, and LEAs with essential information that is currently lacking for management and decision-making. In addition, changing to a cost-outcome analysis would decrease TEA's administrative burden, allowing TEA's education experts time to help LEAs improve services.

Chapter 1-A
Cost-Outcome Analysis Would Provide Service and Funding Information to the Legislature, TEA, and LEAs

Changing to a cost-outcome analysis would enable TEA to provide the Legislature with essential information for funding and service decisions, such as comparisons of the uses and effects of funding across the state, by legislative district, by region, and by LEA and LEA peer groups. It could also result in administrative efficiencies for TEA.

A cost-outcome analysis quantifies the relationship between cost and agreed-upon outcome(s). The results from this analysis would inform the Legislature about (1) changing needs of at-risk students regionally and across the state, (2) resource shortages, and (3) opportunities to increase efficiency and effectiveness of funding for these students. The information gained from a cost-outcome analysis would also allow the Legislature to hold TEA and LEAs accountable for their use of funds.

In school year 2003–2004, TEA managed 19 state and federal program funding streams for at-risk students separately. From these funding streams, TEA distributed 3,877 grants. Grant managers had little or no time to monitor program implementation, enforce LEAs' program reporting requirements, or review and analyze the program reports from each LEA that received a grant (or grants).

A cost-outcome analysis across all program funding streams would improve TEA's ability to administer state funding by allowing TEA to study the relationship between cost and performance. TEA could identify effective LEAs and the practices they use that lead to the success of at-risk students. TEA would also be able to identify LEAs

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[2] LEAs include school districts and open-enrollment charter schools.

that need assistance. Grant managers could use their expertise to help these LEAs, hold them accountable for improvement, and initiate sanctions when necessary.

At the local level, statewide and peer-group cost-outcome analyses would provide school administrators and teachers with the information necessary to compare their effectiveness in serving at-risk students with that of similar LEAs. It would also give parents and community members the information they need to define and call for necessary improvements in services for at-risk students.

For example, the superintendent of an LEA successful in helping its at-risk students described her use of cost-outcome analysis for management and accountability.[3] She assumes that "more money for at-risk students will result in improved performance." When one of her campuses receives increased funding but shows no improvement, she sees an opportunity to address weaknesses at that campus. A statewide cost-outcome analysis would give TEA this same kind of management capability.

Chapter 1-B
Cost-Outcome Analysis Will Require a Change in Management Focus, the Development of an Analysis Methodology, Collection of the Required Data, and an Annual Report to the Legislature

Implementing a cost-outcome analysis will require a change in TEA's management focus. TEA will need to (1) manage across all funding streams for at-risk students, (2) continue working with the Legislative Budget Board (LBB) to develop a cost-outcome analysis methodology, (3) use performance calculations that address Legislative objectives for the state's at-risk students (see Chapter 1-C), and (4) collect sufficient data regarding funding for at-risk students and their performance.

So that the Legislature can have the results of a cost-outcome analysis to make funding and service decisions, TEA will also need to report annually to the Legislature.

Using a cost-outcome analysis to manage funds for at-risk students calls for a change in TEA's current management focus. Because TEA manages funding streams for at-risk students separately, grant managers cannot readily obtain an LEA's total funding pattern for at-risk students. This information is essential for integrated and effective management of these funds; without it, TEA is unable to monitor and analyze the relationship between funds, service delivery, and outcomes at LEAs in order to provide needed direction.

Currently, this information is not readily available because there is little interface or communication between grant managers who oversee the program requirements (such as students served and types of services provided) of the separately managed program funding streams. Furthermore, fiscal administration for the program funding streams is separate from grant program administration, resulting in an administrative separation between funding and services for at-risk students. This

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[3] This LEA was recognized by the Broad Foundation in 2004 as one of the five most outstanding urban school districts in the United States. Of its 56,292 students, 62 percent are considered at risk. We conducted site visits at seven additional LEAs with high proportions of at-risk students to interview administrators, teachers, students, and parents about services for at-risk students. (See Appendix 3 for a summary of these visits.)

separation makes it difficult to analyze the effects of funding on outcomes in a cost-outcome analysis.

Moreover, the Texas Grant Interface (TGIF), TEA's grant management information system, is not a reliable source of information for grant managers. It does not include all funding streams for at-risk students or all grants from each funding stream for the years we reviewed (fiscal years 2001 through 2004). Furthermore, information it does include is currently not always accurate or complete. TGIF is the only central source for information on LEAs that receive grants, award amounts, amounts expended and deobligated by LEAs, and an LEA's total funding; however, it is not reconciled to TEA's financial information system.

TEA will need to continue working with the LBB to develop a cost-outcome analysis methodology to provide essential information to the Legislature. A cost-outcome analysis will require the development of three major components:

- A composite performance measure that brings together a number of key indicators for measuring at-risk students' performance, such as test scores or attendance rates.

  There are different methods for calculating changes in performance; each method answers certain questions and introduces others. TEA and the LBB should ensure that the composite performance measure uses calculation methods that address the Legislature's objectives for the progress of the State's at-risk students. (See Chapter 1-C for examples of different performance calculation methods.)

- A system for scoring and ranking LEAs and criteria for establishing LEA peer groups for comparison purposes. (See Appendix 4 for a sample scoring system using a composite performance measure.)

- A benchmark ratio of the cost of a certain amount of improvement in the composite performance measure. The ratio may vary by peer group or region.

TEA will need to ensure completeness and accessibility of data on cost and performance. The data necessary to conduct a cost-outcome analysis includes the following:

- Funding patterns and total expenditures for at-risk students by LEA. Although TEA has a mechanism to gather total expenditures for at-risk students, LEAs are not consistently submitting schedules of special revenues with their Annual Financial Reports or reporting their expenditures using the required program intent accounting codes for services for at-risk students.

- Performance data disaggregated for at-risk students. TEA does not currently report performance data separately for students whom LEAs report as at risk through the Public Education Information Management System (PEIMS). However, in response to discussions held during this audit, TEA's School Accountability Division is running trial reports for selected performance indicators disaggregated for at-risk students.

Recommendations

We recommend that TEA implement an ongoing cost-outcome analysis of the relationship between supplemental funding across all funding streams and the performance of at-risk students. To do this, TEA will need to:

- Manage across all funding streams rather than managing funding streams separately. This change will require an integrated grant management information system, accessible to all grant managers, to provide timely, accurate, and complete information about LEAs' total funding and grant patterns for at-risk students. This system should interface with and be routinely reconciled to TEA's general accounting system (ISAS).

- Work with the LBB to develop the three components of a cost-outcome analysis: a composite performance measure, a scoring system for LEAs in peer groups and the criteria for peer grouping, and a benchmark cost-outcome ratio.

- Ensure that LEAs provide complete, timely, and accurate information about revenues intended to benefit at-risk students and ensure that the information is readily accessible in order to allow grant managers to review LEAs' funding patterns for at-risk students.

- Ensure that LEAs provide TEA complete and accurate expenditure information from all funding sources for accelerated instruction for at-risk students, using the program intent codes 24-30 designated by TEA.

- Disaggregate selected performance data for at-risk students.

We further recommend that TEA conduct this analysis for individual LEAs, for groups of similar LEAs, by region, by legislative district, and statewide and use the results to:

- Identify lessons learned from successful LEAs and share this information, along with guidance and support, with struggling LEAs to help them identify and address the needs of their at-risk students.

- Prepare an annual report to the Legislature on the effectiveness of funding that targets at-risk students.

Management's Response

The Texas Education Agency is ready to work with the Legislature and the Legislative Budget Board to ensure that education grant funding is managed effectively and tied to identifiable student performance outcomes. TEA will also continue its work to provide the Legislature and the Legislative Budget Board with information on student performance outcomes related to specific grants and legislative initiatives. Changing the way grants are administered could result in administrative efficiencies at the state and local levels. Analyzing student performance outcomes in terms of grant funding could improve the quality of the information that the agency provides to policy makers.

Plan:

- *TEA will work with the Legislature and the Legislative Budget Board to efficiently utilize and integrate systems and resources to effectively manage funding and grant patterns for students in at risk situations.*

  TEA will analyze the opportunities and benefits of managing funds across funding streams, rather than managing funding streams separately and anticipates that an integrated approach to managing grants for students in at risk situations could improve agency, school district and charter school program planning and grant administration. The agency recognizes two significant constraints to this approach, however. First, many General Appropriations Act riders fund specific initiatives with narrow policy focus that are difficult to combine, without Legislative direction, into a broad-based program serving all students in at risk situations in school districts or charter schools.

  The second constraint deals with federal funding regulations, which generally prohibit the combination of state and federal funding sources by requiring that federal funds must be used to supplement, not supplant, state and local financial efforts.

  The agency utilizes the TGIF (Texas Grant Interface) to track funding for a majority of the state and federal programs targeted to serve at risk populations identified by the Rider 69 project. All grant managers that work with grants in the TGIF system have access to that system and can use TGIF to track expenditures and encumbrances and interface payment requests to the financial system of record, ISAS. ISAS tracks grants on a funding stream method as mandated by state appropriation and federal grant regulations. ISAS is the auditable system of record, therefore appropriation amounts, grant awards, revenues and expenditures reflected in ISAS are routinely reconciled to appropriation control records in the state's Uniform Statewide Accounting System (USAS) and to the federal draw down systems at the grant level.

  The agency has taken action to eliminate non-reconciling items between TGIF and ISAS. Since January 2004, the grants divisions no longer process payments directly in ISAS but must use TGIF to request payments. The agency is also working on a program modification that will automatically interface expenditure refunds recorded in ISAS to TGIF. In fall 2004, TEA's Internal Audit division completed a grant account reconciliation between TGIF and ISAS financial data for ten at risk programs included in the Rider 69 evaluation. The audit concluded that adequate controls were in place to support the financial administration and management of accurate grant fund disbursement for the programs reviewed. Reconciled account balances indicated that the TGIF sub-system is reliable in tracking account transactions and balances for each project that is supported by ISAS. The agency will continue to audit the accuracy of the data in its financial sub-system to ensure data integrity for reporting and grant management.

  In addition, the agency is evaluating the feasibility of migrating all state and federal grant programs to TGIF. The key to this evaluation is ensuring that the migration to the TGIF system does not increase the administrative burden on school districts, charter schools and agency staff.

Timeline: TEA will contact the LBB concerning issues related to methods of finance that constrain managing across all grant funds by January 15, 2005. TEA's efforts to improve TGIF and migrate grant programs into that system are ongoing. New grants will be added to TGIF on a cycle that does not force a change in systems during a school year.

Responsibility: Associate Commissioner, Planning, Grants, and Evaluation and Associate Commissioner, Operations and Fiscal Management

- *TEA will work with the Legislative Budget Board to develop components of a cost-outcome analysis between supplemental funding streams and the performance of at risk students to include a methodology for managing across state and local funding streams if mandated.*

    The agency is committed to providing useful performance and financial data to support cost-outcome analysis.

    Timeline: TEA will contact the LBB concerning implementing this recommendation by January 15, 2005.

    Responsibility: Associate Commissioner, Planning, Grants, and Evaluation

    LEAs are required to submit detailed revenue data through PEIMS and schedules of their state and federal revenues with the audited annual financial reports. However, the information does need to be compiled in a form readily accessible in a timely manner to grant managers and for use in cost-outcome analysis.

    Timeline: TEA is ready to work, upon legislative direction, with the LBB to develop a system that captures local expenditures for programs serving students in at risk situations. It is anticipated that work on such a system, if mandated by the Legislature, would begin in the 2006 fiscal year.

    Responsibility: Associate Commissioner, Planning, Grants, and Evaluation; Associate Commissioner, Accountability and Data Quality; and Associate Commissioner, Support Services and School Finance

- *LEA's compliance with fiscal accountability requirements and implementation of processes to ensure accurate reporting of fiscal data are ensured by various monitoring, auditing, investigative and staff development activities. The agency's monitoring, auditing and investigative activities, which supplement the annual independent audits of all school districts, charter schools and regional education service centers, help ensure the accomplishment of this financial accountability objective. The collection of actual expenditure data through the PEIMS does not provide access to fiscal data until March of the following year. Under this configuration, local funding information is not as current as the state and federal funding information now available to agency grant managers.*

    Timeline: Ongoing

    Responsibility: Associate Commissioner, Planning, Grants, and Evaluation; Associate Commissioner, Support Services and School Finance.

- *Upon Legislative direction, the agency will disaggregate selected performance data for students in at risk situations.*

  TEA understands that the definition for students in at risk situations cited in TEC 29.081 is to be used to direct expenditures of State Compensatory Education funds to remediate students considered at risk of not graduating, rather than as an accountability criterion used to gauge student performance. TEC 29.081 was crafted to provide districts flexibility in spending State Compensatory Education funds. One result of this flexibility is that under the definition in TEC 29.081, more than 40 percent of the Texas student population is identified as at risk, including several categories that are subject to district policies and developed at the local level.

  Title I, the major federal source of funds included in the Rider 69 analysis also addresses the educational needs of students in at risk situations, but the risk criteria, as set forth in the No Child Left Behind Act, differ from the criteria specified in TEC 29.081. In addition to funding programs for students in at risk situations, Title I is also used to fund school wide programs when schools serve a significant number of low income students. In these cases, programs funded under Title I are intended to prevent students living in poverty from becoming at risk. Expenditures that succeed in that purpose would not necessarily be credited by a performance measure that focused exclusively on at risk students.

  While the agency is ready to work on a set of performance indicators for students in at risk situations, management believes that disaggregating performance data based on an at risk identifier would require careful analysis to provide policy makers with (1) appropriate and meaningful measures of academic progress for students at risk, many of whom were identified as at risk because of poor academic performance and (2) an understanding of possible duplication between current student groupings in the state accountability and federal adequate yearly progress systems. Legislative action may be needed to implement the results of that analysis.

  Timeline: TEA is ready to work, upon Legislative direction, with the LBB to develop a system that disaggregates selected performance data for students in at risk situations. It is anticipated that work on such an indicator, if mandated by the Legislature, would begin in the 2006 fiscal year.

  Responsibility: Associate Commissioner, Accountability and Data Quality

Auditor's Follow-Up Comment

Because the State's at-risk student population is so significant in proportion to total enrollment, it is in the State's and TEA's interest to be able to (1) track the progress of at-risk students as precisely as possible and (2) understand which LEAs are using funds for at-risk students successfully and which are not.

A cost-outcome analysis across all funding streams for at-risk students could eventually be extended to other groups of students receiving special revenues, such as gifted and talented students and special education students. This kind of analysis,

once developed and operative, would be able to provide all public education stakeholders with the information they need to make cost-effective decisions to best serve Texas students.

We do not believe that a cost-outcome analysis would duplicate the existing school accountability system, and we are not recommending that TEA develop new measures of academic progress for students who are at risk. However, we do see merit in disaggregating performance data for at-risk students to further analyze the progress of these students. Because the LEAs already report their at-risk students to TEA, it should be relatively straightforward for TEA to extract this information for further analysis. We realize that disaggregated performance data for at-risk students duplicates some of the performance data in current disaggregated student groups, such as the Hispanic or economically disadvantaged groups. However, these duplications do not prevent disaggregated performance results from serving a useful purpose in terms of identifying differences and needs specific to each group. It is this ability—identifing needs of at-risk students—that disaggregated performance results will allow.

Disaggregated Performance Data for At-Risk Students. We acknowledge that the definition for students in at-risk situations cited in TEC 29.081 is the method used to direct expenditures of State Compensatory Education funds. (See definition in Appendix 2.) However, it is also the most precise definition available of students who are potentially at risk of not succeeding in or completing school. Therefore, we believe it is reasonable and appropriate for TEA to use this definition in a cost-outcome analysis to determine whether supplemental funding intended to improve at-risk student performance is effective. An alternative would be to use the proxy definition of at-risk—low socioeconomic status—which is currently used for funding State Compensatory Education and Title I. However, this definition overstates the number of at-risk students because not all students meeting this criterion are at-risk. In school year 2003–2004, 2.3 million students (53 percent of enrolled students) met the criterion for low socioeconomic status compared with the 1.9 million (44 percent of enrolled students) meeting the at-risk definition cited in TEC 29.081.

TEC 29.081 allows the LEAs some flexibility in classifying a student as at risk using local criteria. Because a cost-outcome analysis is intended to produce only a relative cost of helping at-risk students improve performance, the inclusion of a limited percentage of students locally defined as at risk (10 percent of the LEA's State-defined at-risk students) in State Compensatory Education–funded services could be ignored, or eliminated if necessary, by a formula used across all LEAs. Even if the calculations are partially diluted by the participation of locally defined at-risk students, the information to be gained is of such value that this slight dilution is of little risk. Currently, no information on the effectiveness of funding for at-risk students is available to the Legislature or TEA in any form.

Inclusion in the Cost-Outcome Analysis of Title I Funds. A cost-outcome analysis depends on the inclusion of *all* funds that target at-risk students, so it is essential to include Title I funds. Because it is impossible to attribute performance improvements to any single funding stream or group of funding streams, not to include all targeted funds renders a cost-outcome analysis meaningless.

The No Child Left Behind Act emphasizes throughout that, while it is intended to address the needs of children in "our Nation's highest poverty schools," it addresses "particularly the needs of low-achieving children and those at risk of not meeting the state student academic achievement standards who are members of the target population" (PL 107–110, Section 1114 [b][1][B][iii][I]). As a result, Title I funds are intended "particularly" to affect the performance of students at risk of not succeeding in school.

Title I allows schoolwide programs, where all students may benefit from Title I funded services, even though not all of these students are at risk according to the State's definition. When establishing the cost-outcome formula, it may be necessary to include a method for quantifying the Title I funding an LEA uses to serve State-defined at-risk students as a proportion of the LEA's total Title I funding.

We acknowledge that a cost-outcome analysis for at-risk students that includes Title I funds may be imprecise. However, because of the potential value of the information a cost-outcome analysis would yield for the Legislature, TEA, and LEAs, it seems worthwhile to work out the details necessary to perform such an analysis in the most valid way possible. If inputs cannot be perfectly calculated, they can be calculated reasonably and consistently enough to yield valuable information that does not currently exist in any form.

Management's Response (continued)

TEA will continue to share useful information pertaining to at risk populations with school districts, charter schools and other public education stakeholder and, if directed by the Legislature, prepare an annual report on the effectiveness of funding that targets students in at risk situations.

> *A key feature of TEA's 2003 reorganization was to create the Office of Planning, Grants, and Evaluation with the specific charge of providing the Legislature with evaluation data and research findings concerning the effectiveness of specific instructional programs and activities on student achievement. The agency believes that it is possible to evaluate the effectiveness of grant-funded instructional activities on student performance through the use of effective planning and proven qualitative and quantitative performance evaluation methodologies. In December 2004 the Office will deliver the first of several evaluations of the effectiveness of several key state and federal programs, including the Texas Reading, Math, and Science Initiatives, the Optional Extended Year Program, the 21st Century Community Learning Program, the Ninth Grade Basic Skills Program, the Texas After School Initiative, and the Texas High School Completion and Success Initiative.*

> *Timeline: Ongoing. TEA will continue to publish evaluation reports and make best practice information available to Texas school districts and charter schools. Upon Legislative direction, TEA will prepare an annual report on the effectiveness of funding that targets students in at risk situations. The first report will be published on December 1, 2006.*

> *Responsibility: Associate Commissioner, Planning, Grants, and Evaluation*

Performance Should Be Calculated Using Methods that Directly Address Legislative Objectives for At-Risk Students

As the LBB and TEA develop a composite performance measure for cost-outcome analysis, it is essential for them to take into account the Legislature's objectives for the progress of the state's at-risk students. It might be necessary to use more than one calculation method to give the Legislature a useful picture of these students' progress for funding and service decisions. For example, changes in TAAS/TAKS passing rates are used to determine schools' state accountability ratings and to show schools' adequate yearly progress for federal funding purposes. However, passing rates alone may not provide the Legislature with sufficient information regarding the progress of at-risk students.

To illustrate the benefits of using more than one method, we graphed one performance indicator—Students Passing All TAAS/TAKS Tests Taken[4] —using two calculations. These calculations show (1) changes in passing rates and gap reduction and (2) changes in the numbers of at-risk students, at-risk students who took the TAAS/TAKS test, and at-risk students who passed the tests. (Appendix 5 contains graphs that show a breakdown of the results by elementary, middle/junior high, and high schools for each method.)

In addition, an analysis that the Educational Testing Service (ETS) performed for this report shows that stratifying results for groups of students can provide information that overall numbers hide.

Passing rates mask the effects of changes in the number of at-risk students and in the number of those students taking the tests. Figure 1, which presents passing rates of at-risk and not-at-risk students over time, shows changes in passing rates that could incorrectly be attributed to increases or declines in student performance. Figure 2 shows that the number of at-risk students passing all tests taken remained relatively constant even though the number taking the test decreased and then increased. Below the figures is a discussion of the relationship between the data presented in the two figures.

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[4] "All Tests Taken" included TAAS reading, writing, and mathematics until school year 2002-03, when TAKS was first administered. At that time, science and social studies were added to the All Tests Taken calculation. TEA's Academic Excellence Indicator System reports include the percentage of students who passed all tests taken, but for school accountability ratings, passing rates are calculated separately for each subject.

Figure 1

Changes in Passing Rates and Student Performance Gap

Figure 2

Changes in Number of At-Risk Students, Number Taking Tests, and Number Passing Tests
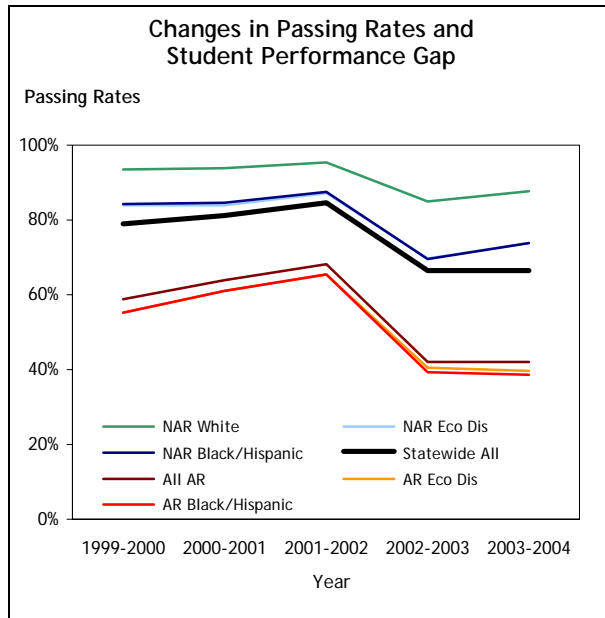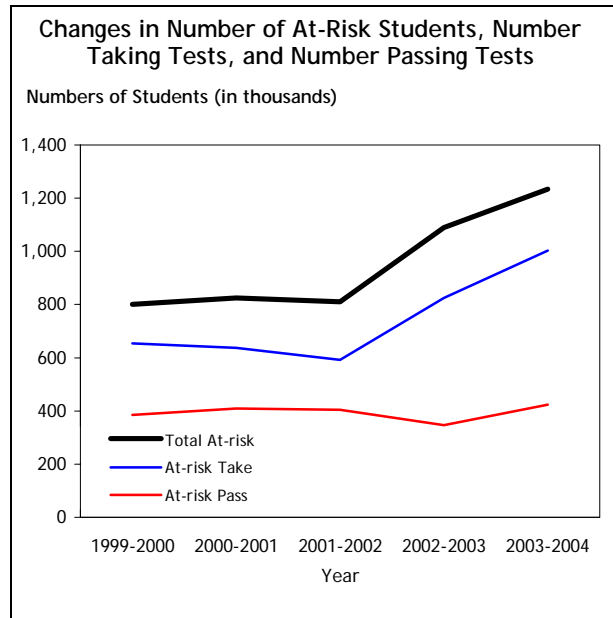
- Figure 1 shows that at-risk students' passing rates increased steadily from school years 1999–2000 through 2001–2002, when TAAS was administered. The gap decreased between at-risk students' passing rates and not-at-risk white students' passing rates. Moreover, at-risk black/Hispanic and economically disadvantaged students decreased the gap more rapidly than not-at-risk black/Hispanic and economically disadvantaged students. This more rapid improvement by at-risk students could lead to the conclusion that over time, supplemental funding for at-risk students contributed to improvement in their performance. (See Appendix 6 for the exact amount of change in performance gap with the TAAS and then with the TAKS.)

  However, Figure 2 shows that the number of at-risk students taking the tests decreased in school year 2001–2002. Because the number of students passing all tests remained about the same, this decrease in the number of students taking the test resulted in an increase in passing rates.

- Figure 1 shows that the passing rates of at-risk students declined sharply and that the gap between at-risk students and not-at-risk white students in school year 2002–2003 increased when the more rigorous TAKS was introduced. This decline could be interpreted to mean that supplemental funding for at-risk students did not help them maintain their performance when the TAKS was introduced.

  However, Figure 2 shows that the number of at-risk students taking the test increased significantly that year, when new tests were given to students in two previously untested grades. Because numbers passing all tests taken remained relatively the same over this period, this increase in the number of students taking the test resulted in a sharp decrease in passing rates.

Using both measurement methods provides a more complete picture of the performance of at-risk students over time. In addition to these two methods—calculations of raw numbers passing and of passing rates over time—a rate of change calculation can be useful in providing a comparison of multiple groups for use in determining projections to provide a basis for future needs analysis.

Stratifying gap reduction of black students by socioeconomic status reveals differences in performance within the group that are masked by numbers for the overall group. A stratification study by ETS demonstrates that performance calculation for Texas black students as a whole masked a performance difference that existed within the group of black students.[5]

As Table 1 below shows, from 1992 through 2003, it appears that black eighth-grade Texas students tested on the National Assessment of Education Progress (NAEP) in mathematics closed the gap between their performance and that of Texas white students by two points.[6] However, stratification by socioeconomic status reveals that black students from the lower socioeconomic-status schools did not close the gap with white students of the same socioeconomic status: it was 33 points in both 1992 and 2003. During the same period, eighth-grade black students from higher socioeconomic-status schools closed the gap with white students of the same socioeconomic-status by seven average points.[7]

In Table 1, S1 represents the higher socioeconomic status, S2 the lower.

Table 1: Achievement gaps between black and white students in Texas, for state and strata (standard errors in parentheses)

	1992			2000			2003		
	W	B	W-B	W	B	W-B	W	B	W-B
State	279	244	35 (2.3)	288	252	36 (3.0)	292	260	33 (4.6)
S1	280	246	34 (7.8)	290	256	34 (4.5)	293	266	27 (5.8)
S2	274	241	33 (4.5)	282	248	34 (3.8)	288	255	33 (7.8)

---

[5] These results draw on work undertaken by ETS under a Secondary Analysis Grant awarded by the National Center for Education Statistics (NCES) to ETS, as well as a special study undertaken by ETS. Complete results of this work will appear in a report called *Using State NAEP Data to Examine Patterns in Eighth Grade Mathematics Achievement and the Efficacy of State Educational Policy Initiatives*, a manuscript currently under preparation by authors Henry Braun, Frank Jenkins, and Aubrey Wang. Dr. Braun reports that their work is not showing "a strong connection between state policies and NAEP gains."

[6] The National Assessment of Educational Progress (NAEP), also known as the nation's report card, is the only nationally representative and continuing assessment of what students in the United States know and can do in various subject areas. Since 1969, assessments have been conducted periodically in reading, mathematics, science, writing, U.S. history, civics, geography, and the arts. Beginning with the 2002 assessments, a combined sample of public schools was selected for both state and national NAEP administrations. Under the current structure, the Commissioner of Education Statistics, who heads the National Center for Education Statistics in the U.S. Department of Education, is responsible by law for carrying out the NAEP project.

[7] ETS presented results for the state as a whole and for black students in schools with less than 50 percent of their students eligible for free or reduced price lunch (S1) and in schools with 50 percent or more of their students eligible for free and reduced price lunch (S2).

In addition to this calculation of the change in the black-white achievement gap statewide and by stratum over time, ETS also compared (1) black-white achievement gaps in Texas to median values by stratum in 10 states, including Texas; and (2) gains in average scores by black and white students in Texas from 1992–2003 to median values from the 10 states, by stratum.[8] (See Appendix 5 for tables.) The three calculations yielded the following information:

- The gap of more than 30 points between Texas's eighth-grade black and white students in math is substantial; it is almost as large as the 40 point achievement gap between Texas's fourth-grade and eighth-grade students.

- Texas has seen somewhat less progress on NAEP scores for both black and white students than that shown by the median for all 10 states (when school poverty level is controlled in the comparisons).

- The Texas achievement gap in NAEP mathematics scores in 2003 was slightly smaller than the typical value for all 10 states taken together.

Recommendation

In developing the composite performance measure for a cost-outcome analysis of funding and services for at-risk students, we recommend that TEA use the calculation method(s) that measure the performance improvement(s) the Legislature considers to be the most relevant for assessing progress of at-risk students. This will allow the cost-outcome analysis to align with the Legislature's objectives for the State's at-risk students.

Management's Response

The agency is ready to work during the 79th Legislative Session to develop and align a cost-outcome analysis with the Legislature's objectives for the programs serving the state's students in at risk situations.

Plan: Under direction from the Legislature and the Legislative Budget Board, the agency will work to identify the most relevant calculation methods for assessing the progress of students at risk.

Timeline: TEA will contact the Legislative Budget Board to begin the analysis and design of a cost outcome evaluation system before January 15, 2005.

Responsibility: Associate Commissioner, Planning, Grants, and Evaluation and Associate Commissioner, Standards and Programs

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[8] Comparing states with respect to progress over time within each stratum may be more useful than comparing states overall, given demographic and economic differences across states. The rules for determining whether a school falls in the S1 or S2 category are the same across all states. The 10 states included in the comparison study were California, Kentucky, Maryland, Michigan, New York, North Carolina, South Carolina, Tennessee, Texas, and Virginia.

Combining Funding Streams into a Block Grant Would Simplify State Funding and Benefit TEA and LEAs

Combining some or all of the state discretionary program funding streams for at-risk students administered by TEA into a block grant could provide benefits for the Legislature, TEA, and LEAs. These benefits include greater accountability to the Legislature, increased local autonomy, and fewer administrative requirements for TEA and LEAs.

The recognition that LEAs already blend funds for at-risk students and that essential information could be gained from a cost-outcome analysis leads to a recognition and consideration of the potential benefits to be gained also from combining similar funding streams into a block grant.

The groups we interviewed provided reasons both for and against the use of a block grant. Several of the reasons against a block grant are mitigated by factors such as Texas's strong school accountability system.

Chapter 2-A
Several Factors Prevent Measuring and Comparing Individual State and Federal Programs' Effects on Student Performance

The focus of TEA's grant management on separate funding streams (see text box) does not allow the State to determine the cost of improved performance per student.

In addition, it does not allow the State to isolate and measure the individual programs' effectiveness or compare the effectiveness of one program with that of another for the following reasons:

> **Program Funding Streams Reviewed**
>
> For this report, we selected the 26 major state and federal discretionary programs from the 74 such programs that we identified that serve at-risk students and their parents. (TEA administers 19 of the programs reviewed.) These 26 programs accounted for $557 million in state and federal funding for use during school year 2003-2004.
>
> For an overview of these programs, see the SAO Web site at www.sao.state.tx.us.

- LEAs are encouraged and sometimes required to blend funds from multiple funding streams to maximize services for their at-risk students. For example, an LEA might fund an after-school tutoring program with funds from the State's Optional Extended Year Program; the Department of Education's Title I, Part A; and the Texas After School Initiative for Middle Schools. Figure 3 on page 16 illustrates how LEAs blend entitlement and discretionary funds from state, federal, and local sources to provide a broad array of services to at-risk students.

- Because most program funding streams allow LEAs a number of options for the services they will provide with the funds, a program's implementation varies among LEAs.

- Most at-risk students have multiple needs and therefore receive various supplemental services funded by different funding streams. As a result, improvements in performance can be only partially attributed to any one of the funding streams the school is using to provide the services.

- Factors that cannot be measured—such as school leadership, teacher participation in decision making, parental involvement, and community support—affect students' performance. These factors vary among LEAs, and improvements in student performance may also be attributable to these factors.

Given these factors, isolating and attributing performance improvements to a single program funding stream would be complex and costly because it would require a long-term comparison of at-risk students who receive exactly the same supplemental services, under the same conditions, with matched at-risk students who do not receive those services. The evaluation would also have to control for those factors that cannot be measured, such as school leadership. For example, the current evaluation of two new state programs—Texas Grants to Reduce Academic Dropouts and the High School Completion and Success Program—may provide useful information about program implementation. However, it is unlikely that the evaluation will be able to isolate and attribute specific improvements in student performance solely to either program or to determine the cost of those improvements. This evaluation has been contracted to an external evaluator at a cost of $1.5 million over two years.

Evaluating the effectiveness of services that at-risk students receive, rather than the programs that fund those services, presents a similar set of obstacles. During site visits to 24 campuses at 8 districts, we identified as many as 88 different types of services available for at-risk students across all grades at one LEA. We also observed that student participation in these services is often fluid, changing from day to day as the students' needs change. If teachers had to track individual student participation in each of 20 or 30 services on a daily basis, it is likely that they would have far less time to provide the services.

Figure 3: LEAs combine funds from several sources and programs to provide a broad array of services to at-risk students.

FUNDING STREAMS FOR AT-RISK STUDENTS APPEAR ON CAMPUSES AS BROAD RANGE OF ACTIVITIES, NOT AS DISCRETE PROGRAMS

$1.4 Billion in Federal Funds for Texas's At-Risk Students, FY 2004	$1.4 Billion in State Appropriations for At-Risk Students, FY 2004

DEPARTMENT OF EDUCATION – No Child Left Behind (NCLB) 2001 - GEAR UP - Upward Bound - 21st Century Community Learning Centers	→	TEXAS EDUCATION AGENCY

Major Entitlements—$2.3 Billion

NCLB Entitlement Programs for At-Risk Students and State Compensatory Education (SCE)

Twenty-Three State and Federal Competitive Discretionary and Formula Grants or Allocations—$531 Million

Federal and State GEAR UP - Head Start Ready to Read - High School Completion and Success - Investment Capital Fund - LEP Student Success Initiative - LEP Summer Schools - Ninth Grade Success Initiative - Pregnancy Related Services - Pregnancy Education Parenting - Pre-K and Kindergarten - Optional Extended Year Program - Student Success Initiative - Texas After School Initiative - Texas Grants to Reduce Academic Dropouts - Texas Reading First Initiative - Federal and State 21st Century Community Learning Centers - Communities in Schools - AVANCE - One Community One Child - Upward Bound - Even Start Family Literacy

Local Funds for At-Risk Students

$1.1 billion (estimated)

Teacher Training	Tutoring	Work Study	After School Program	Flexible Scheduling
Counseling	Community Involvement	Instructional Materials	Intensive Instruction	
Accelerated Instruction	Smaller Classes	Home Instruction	Online Courses	Pre- and Post-Testing
Credit Recovery	Transportation	Integrated Technology	Mentoring	Parenting Ed
College Prep	Bilingual/ESL Ed	Diagnostics	Day Care	Support Services	Trailer Courses

Sources: Interviews with TEA and Austin Independent School District administrators; review of legislation and TEA budget for November 2003

A Block Grant Would Simplify State Funding, Increase LEAs' Autonomy and Accountability, and Streamline Administration for LEAs and TEA

Combining state funding streams for at-risk students into a block grant could benefit the Legislature, TEA, and LEAs. The stakeholder groups interviewed provided reasons for and against both a block grant and multiple prescriptive grants. However, several of the reasons against a block grant are mitigated by factors such as Texas's strong school accountability system, and the benefits provided by a block grant merit consideration. (Appendix 7 contains tables listing detailed pros and cons for each type of grant.)

A block grant would simplify state funding. A block grant would allow the Legislature to combine multiple state funding streams with detailed requirements into one, streamlining the legislative process and the Legislature's accountability requirements. Because it aligns with LEAs' blending of funds, a block grant would facilitate a cost-outcome analysis to provide the Legislature with essential information for funding and service decisions.

Furthermore, educational consultants and evaluators noted the inequitable distribution of funds for at-risk students and the risk that LEAs most in need of supplemental funding and support may not have the resources or expertise to apply for or implement multiple grant programs.

Our analysis of state-only discretionary funding for at-risk students for the 2003–2004 school year showed that LEAs received from $3 to more than $12,000 per at-risk student. The average amount that LEAs received per at-risk student that year was $162.

A block grant would increase LEAs' autonomy and accountability. It gives LEAs the flexibility to choose services that meet the needs of their at-risk students and to modify services as needed. It also restores the process of allocating resources to local governance and increases LEAs' accountability to their stakeholders.

Teachers, administrators, and education experts stated that they thought that distributing funds through a block grant could result in (1) a decline in the quality of services because of fewer requirements; (2) failure to serve underrepresented students; and (3) vulnerability to poor leadership or administrative turnover.

However, Texas public schools' accountability ratings depend on improvements in students' performance. This situation partially mitigates the risks that services will suffer or that some students will be overlooked; it would not be in any school's interest to ignore the needs of its at-risk students when its rating depends on students' performance. In fact, experts in governmental funding noted that block grants tend to provide recipients with more of an incentive to maximize services and realize efficiencies than do multiple, prescriptive grants.

A block grant would facilitate LEAs' planning of and budgeting for services to at-risk students. Administrators noted that the current system of multiple, prescriptive grants results in unpredictable timing and amounts of funding, which makes planning and budgeting difficult and interferes with or prevents the timely provision of

services to at-risk students. In fact, according to experts in governmental funding, the uncertain timing and amounts of funding actually discourage LEAs' fiscal planning and effective budgeting.

A block grant awarded before local planning and budgeting begin would satisfy the need for predictable timing of incoming funds. In addition, distributing a block grant based on a formula has the potential to help equalize discretionary funding for at-risk students. However, experts in governmental funding caution that formula grants can have the opposite effect if local costs and revenues are neglected in designing the formula.

A block grant would streamline TEA's management of multiple funding streams, thereby increasing the time available to provide guidance and support to LEAs. Combining the separate state funding streams into a block grant would allow TEA to streamline its grant management. This change combined with the use of a cost-outcome analysis could give TEA grant managers the time and information they need to identify successful LEAs and share those best practices with other LEAs.

During school year 2003–2004, TEA began to streamline its grant application process by combining the application process for similar grants into a unified electronic grant application. However, TEA provided the following reasons for maintaining the current system of multiple prescriptive grants:

▪ Some grant managers say that the current system of multiple grants provides seed grants, which prompt LEAs to use local funds to develop effective programs that continue after state funding stops. However, a site-based evaluation of the Ninth-Grade Success Initiative found that those programs did not last beyond the grant period. Only one LEA we visited reported retaining a staff member who was hired with funding from a program that had since ended.

▪ TEA reports that in the future it intends to use the current system of prescriptive grants as a method for funding demonstration projects at selected LEAs that others can use as models. However, education consultants and evaluators noted that the 3,877 grants that TEA awarded from the 19 state and federal funding streams for school year 2003–2004 are too many to manage as demonstration projects.

A block grant would not place additional burdens on LEAs. Some administrators and teachers stated that they thought that changing to a block grant would require them to research and design their own services for at-risk students. The education consultants and evaluators noted that it might be difficult for LEAs to use a block grant effectively to develop the complex services they need without guidance and supervision in developing and implementing best practices.

However, this risk seems overstated given that in a November 2004 report from the Texas Center for Educational Research, LEAs reported that they currently receive limited or no assistance from TEA in developing effective programs. Other administrators commented that at-risk students' needs would remain the same with block grants as they are with multiple grants. As a result, at the campus level, services delivered under a block grant would remain substantially the same as with multiple, prescriptive grants.

Furthermore, administrators, teachers, and experts in governmental funding all noted that block grants have the potential to simplify and reduce LEAs' administrative requirements. A block grant would not require the preparation of multiple applications and program reports, and it aligns with how LEAs blend funds provided through the multiple, prescriptive grants.

Recommendation

TEA should consider working with the Legislature to identify funding streams that target at-risk students that could successfully be combined into a block grant to LEAs.

Management's Response

The agency is ready to work with the Legislature during the 79th session to streamline grants administration and make state and local grant business processes and information related to grant performance outcomes more effective. The agency has identified two constraints to block grants. First, many General Appropriations Act riders fund specific Legislative initiatives with narrow policy focus that are difficult to combine, without legislative direction, into a broad-based program serving all students in at risk situations in school districts or charter schools. The second constraint deals with federal funding regulations, which generally prohibit the combination of state and federal funding sources by requiring that federal funds must be used to supplement, not supplant, state and local financial efforts.

Plan: Under Legislative direction, the agency will identify funding streams that target students in at risk situations for policy decisions regarding Texas school districts and charter schools.

Timeline: TEA will work with the Legislature to further streamline grant funding at Legislative direction. The agency is currently analyzing its grants administration processes and procedures and will implement improved processes by the 2005-2006 school year.

Responsibility: Associate Commissioner, Planning, Grants, and Evaluation

Funding for At-Risk Students Totaled $3.9 Billion and Reached Students at All Levels, but Quality of Services Varies Among LEAs

Supplemental funding from state, federal, and local sources for the State's 1.9 million at-risk students totaled $3.9 billion during school year 2003–2004. This amounted to an average of $2,067 per at-risk student in addition to the $2,357 basic education allotment for every Texas student that year. Of the $3.9 billion, approximately $1.4 billion was state funding subject to legislative appropriations:

- $1.1 billion came from the state's major entitlement program for at-risk students—State Compensatory Education—which is awarded to LEAs based on their numbers of students participating in the federal free or reduced lunch program. TEA administers these funds.

- $304 million was distributed to LEAs primarily in the form of competitive discretionary grants, $274 million of which was administered by TEA and $30 million of which was distributed by the Department of Family and Protective Services. While the average amount awarded to LEAs (excluding charter schools, Communities in the Schools, and AVANCE) was $162 per at-risk student, the actual dollars per at-risk student ranged from $3 to more than $12,000 at individual LEAs.

The remaining $2.5 billion of the $3.9 billion consisted of approximately $1.2 billion from federal No Child Left Behind funding, $82 million in direct federal grants to LEAs, $171 million in federal pass-through funds, and an estimated $1.1 billion in local contributions.
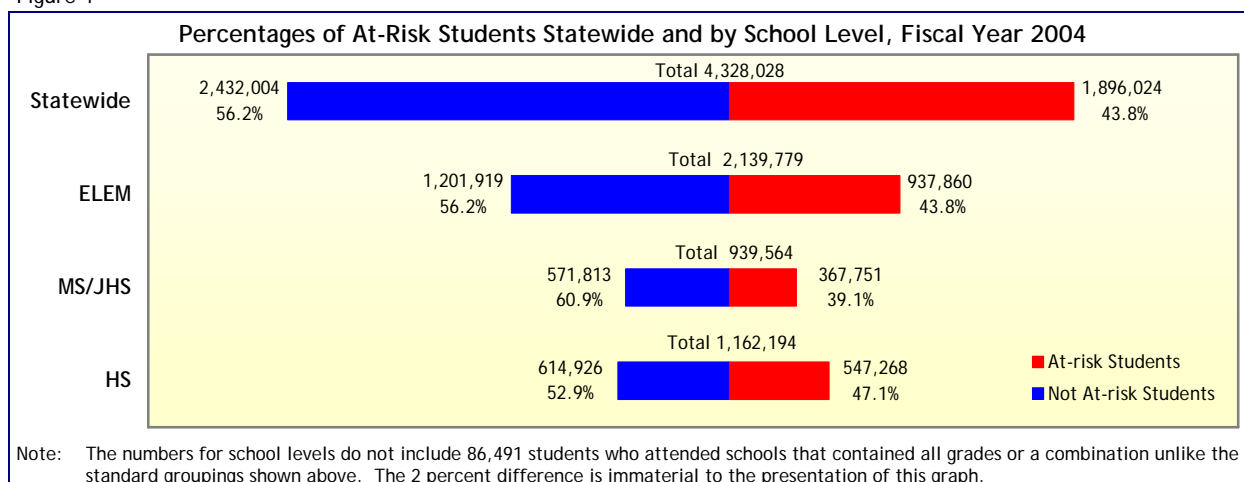
This project focused on $557 million in state and federal funds (of the total $3.9 billion in supplemental funding for at-risk students) distributed through the 26 major programs targeting at-risk students that we reviewed. These programs fell into six major types and served students at all grade levels. They all provided structures for LEAs to implement various combinations of best practices for serving at-risk students. However, because other factors must also be present for successful learning—such as effective school leadership and a family and community that value learning—the quality of services provided with discretionary funding varies among LEAs.

Chapter 3-A
In State Fiscal Year 2004, State, Federal, and Local Supplemental Funding for 1.9 Million Texas At-Risk Students Totaled an Estimated $3.9 Billion

Local education agencies reported that 1.9 million of their students were at risk during school year 2003–2004, which was 44 percent of their total enrollment of 4.3 million students that year. Figure 4 shows the enrollment numbers and the numbers of at-risk students statewide and at each school level.
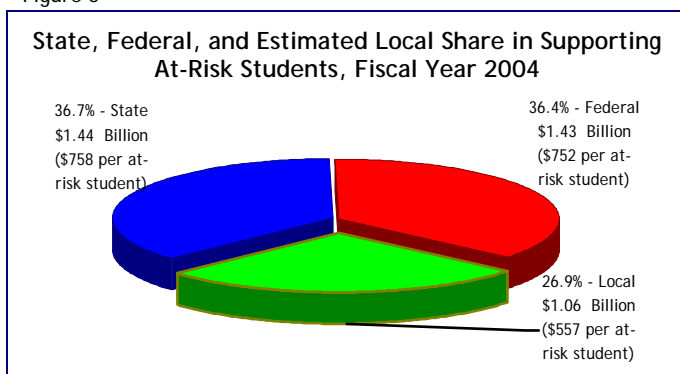
Figure 4

Percentages of At-Risk Students Statewide and by School Level, Fiscal Year 2004

Statewide	Total 4,328,028	2,432,004 56.2% / 1,896,024 43.8%
ELEM	Total 2,139,779	1,201,919 56.2% / 937,860 43.8%
MS/JHS	Total 939,564	571,813 60.9% / 367,751 39.1%
HS	Total 1,162,194	614,926 52.9% / 547,268 47.1%

■ At-risk Students
■ Not At-risk Students

Note: The numbers for school levels do not include 86,491 students who attended schools that contained all grades or a combination unlike the standard groupings shown above. The 2 percent difference is immaterial to the presentation of this graph.

Supplemental funding for at-risk students totaled $3.9 billion, which came from the following sources (see also Figure 5):

▪ The state and federal governments each contributed a little more than $1.4 billion, for a total of $2.9 billion. These amounts include the two major entitlements for at-risk students (State Compensatory Education and the federal No Child Left Behind Act) and discretionary funds from the 26 programs reviewed for this report.

▪ LEAs contributed an estimated $1.1 billion, which is equivalent to 74 percent of the state contribution and 74 percent of the federal contribution.

The two major entitlements are awarded to LEAs based on their numbers of students participating in the federal free or reduced lunch program.

Figure 5

State, Federal, and Estimated Local Share in Supporting At-Risk Students, Fiscal Year 2004

36.7% - State
$1.44 Billion
($758 per at-risk student)

36.4% - Federal
$1.43 Billion
($752 per at-risk student)

26.9% - Local
$1.06 Billion
($557 per at-risk student)

All LEAs with at-risk students receive funding on a per-student basis (for students from kindergarten through the twelfth grade) from State Compensatory Education and Titles I, IV, and VI of the No Child Left Behind Act. In state fiscal year 2004, LEAs received $1.1 billion from State Compensatory Education and $1.2 billion from the No Child Left Behind Act.

Unlike discretionary grants, entitlement funding operates more like a block grant, allowing LEAs maximum flexibility in how the funds are spent. LEAs have the option to fund services that occur either during the regular instructional day or in extended day, week, or year services. Furthermore, the No Child Left Behind Act allows LEAs with high proportions of at-risk students to use the funds for all students, in school-wide programs. During site visits to 8 districts and 24 of their campuses, we observed that schools were using these funds to hire additional staff to reduce class

size and to hire specialists such as reading specialists, content mastery teachers, and coordinators for services for at-risk students. We did not include these two major entitlements in this review of supplemental services for at-risk students.

Discretionary funds are awarded to LEAs in the form of competitive or formula grants.

For this report, we selected the 26 major state and federal discretionary programs that target at-risk students from more than 74 such programs in Texas that are likely to help at-risk students stay in school. (See Appendix 8 for tables presenting these 26 programs from several different perspectives and for a list of the additional programs identified.[9] Information about the services allowed by each of the 26 funding streams reviewed, their funding, eligibility, components, and evaluation is available on the SAO's Web site at www.sao.state.tx.us.) These 26 programs accounted for $557 million in state and federal funding for use during school year 2003–2004.[10] These programs include all programs named in Rider 69.

TEA administers the largest portion of funding for at-risk students.

TEA administered the largest portion of the $3.9 billion in fiscal year 2004 funding for at-risk students: $2.3 billion in state and federal entitlements and $445 million in discretionary funding drawn from state funds ($274 million) and federal pass-through awards ($171 million).

See Figures 6–9, which show four different breakdowns of TEA-administered, appropriated state and federal funds.

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[9] We reviewed riders from the 2004–2005 General Appropriations Act (78th Legislature) to identify additional programs that provided services likely to help at-risk students stay in school. We identified some additional programs that serve at-risk students in a report from the General Accounting Office (*At-Risk and Delinquent Youth: Multiple Federal Programs Raise Efficiency Questions*, March 1996, General Accounting Office, Report #96-34).

[10] These figures represent funds that were available to LEAs for use during the 2003–2004 school year. They are compiled from funds appropriated or awarded for fiscal year 2004 and from continuation grant funding to LEAs for grants from previous state and federal appropriation years.

State Public Education Funding Administered by TEA in Fiscal Year 2004 with Breakdowns in Various Views of Funds for At-Risk Students (Total: $15.6 billion; 100%[a])

Figure 6

Portion of State-Appropriated Funding for Public Education that Targeted At-Risk Students
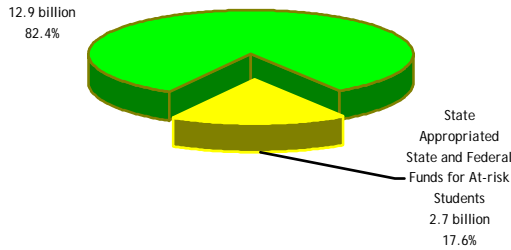

12.9 billion
82.4%

State Appropriated State and Federal Funds for At-risk Students
2.7 billion
17.6%

Figure 7

Portions of State-Appropriated Funding for Public Education that Targeted At-Risk Students by Revenue Source (State/Federal)

12.9 billion
82.4%

State Funds 1.4 billion
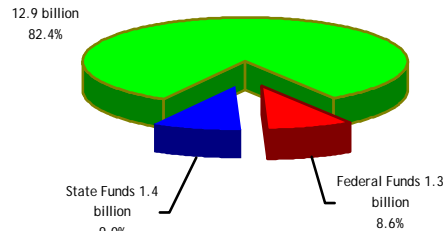9.0%

Federal Funds 1.3 billion
8.6%

Figure 8

Portions of State-Appropriated Funding for Public Education that Targeted At-Risk Students by Distribution Method (Discretionary/Entitlement)

12.9 billion
82.4%

Discretionary Competitive/ Formula Grants
445 million
2.8%

Major Entitlements NCLB, SCE
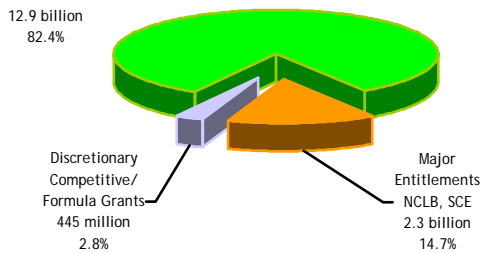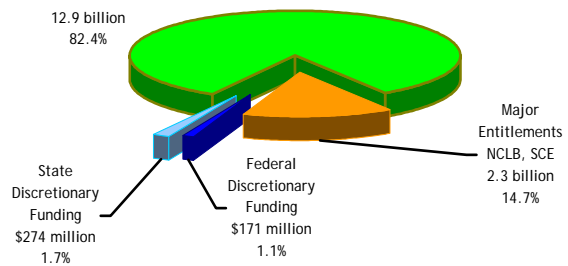2.3 billion
14.7%

Figure 9

State and Federal Portions of State-Appropriated Discretionary Funding for Public Education that Targeted At-Risk Students (Competitive/Formula Grants)

12.9 billion
82.4%

State Discretionary Funding
$274 million
1.7%

Federal Discretionary Funding
$171 million
1.1%

Major Entitlements NCLB, SCE
2.3 billion
14.7%

Note: Amounts shown above do not include $30.5 million in programs for at-risk students administered by the Department of Family and Protective Services (or funding for other state programs for at-risk students not included in this review), nor do these figures include $81.9 million in programs for at-risk students in Texas granted directly to LEAs by the U.S. Department of Education.

a   Totals may not add to $15.6 billion or 100 percent due to rounding.

Source: TEA General Appropriations Act, Page III-7 (78th Legislature); TEA Budget Division; TEA Planning Grants, and Evaluation Division; TEA State Funding Division; TEA Financial Audits Division; Texas Department of Family and Protective Services; and U.S. Department of Education

Additionally, the U.S. Department of Education administered $82 million in direct grants to LEAs, and the Texas Department of Family and Protective Services administered $30 million in contracts for services for students who are considered at risk because of family or behavioral problems or potentially criminal activity (see Figure 10).

Figure 10

**All Funds for At-Risk Students by Agency
Fiscal Year 2004**

Texas Education Agency
$2,751,137,593
70.2%

Local
$1,055,209,528
26.9%

Federal Direct to LEAs
$81,923,016
2.1%

Department of Family and Protective Services
$30,490,280
0.8%
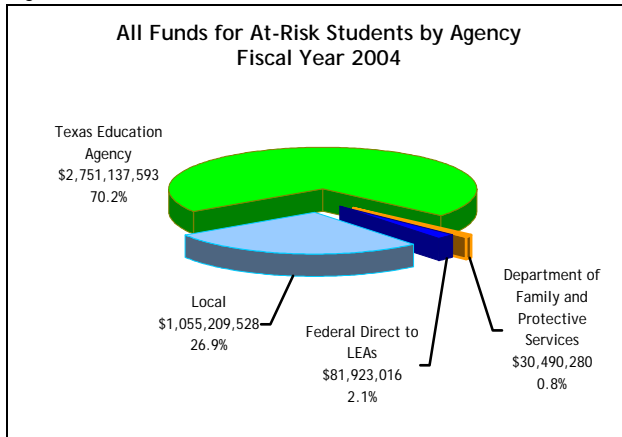
Chapter 3-B
Fiscal Year 2004 Supplemental Funding Reached At-Risk Students at All Levels

The 26 state and federal programs we reviewed for this report cover all grade levels and ages, from three years old through high school age. Some of the programs also serve parents of at-risk students, pregnant and parenting teens, and students demonstrating behavioral and family problems. The programs themselves fall into six general types:

- Intensive accelerated instruction for remediation and/or credit recovery during or outside of the regular school day

- Intensive language instruction for students with limited English proficiency

- Community-based multiple-service programs that provide, in addition to academic services, a broad range of other services to address all the needs an at-risk student may have that interfere with his or her ability to succeed in school

- School restructuring/community development programs that call on parents and community stakeholders to collaborate in developing and maintaining successful local schools

- Academic and other support services for pregnant and parenting teens

- Parental involvement programs

Table 2 shows the 26 programs' coverage by program type and grade level or age.

Table 2

	Program Coverage of Grade Levels and Ages, Fiscal Year 2004 (In school year 2003–2004, there were 1.9 million Texas students identified as at risk, which is 44 percent of the total of 4.3 million students that year.)						
		Combined State & Federal Funding	Pre-K and Kindergarten	Elementary (4,078 schools 2.1M students)[a]	Middle Schools (1,497 schools, 1M students)[a]	High Schools (1,673 schools, 1.1M students)[a]	Parents
	Intensive Academic Instruction – $2.7 billion (Discretionary $401 million; Entitlements $2.3 billion)						
1	Head Start – Ready to Read	$7.5 M	▓				
2	Prekindergarten Program	$92.5 M	▓				
3	Even Start Family Literacy Program	$20.0 M		▓			▓
4	Accelerated Reading and Math Instruction (ARI/AMI)	$91.5 M	▓	▓			
5	Texas Reading First Initiative (TRFI)	$81.6 M	▓	▓			
6	Texas After School Initiative (TASI)	$0.0			TASI Final Year		
7	GEAR UP - TEA	$4.6 M				▓	
8	GEAR UP - US Department of Education	$28.1 M			▓	▓	
9	Upward Bound	$23.4 M				▓	
10	Ninth Grade Success Initiative (NGSI)	$0.0				NGSI Final Year	
11	High School Completion & Success Program (HSCS)	$30.0 M				▓	
12	Optional Extended Year Program (OEYP)	$16.5 M	▓	▓	▓	▓	
13	Texas Grants to Reduce Academic Dropouts (TxGRAD)	$5.0 M	▓	▓	▓		
14	State Compensatory Education (SCE)	$1.1 B	▓	▓	▓	▓	
15	No Child Left Behind (NCLB)	$1.2 B	▓	▓	▓	▓	
	Instruction in English as a Second Language - $10.8 million						
16	LEP Summer School (LEP SS)	$3.8 M	▓	▓			
17	LEP Student Success Initiative (LEP SSI)	$7.0 M		▓	▓	▓	
	Community-Based Broad Range of Services - $120.3 million						
18	21st Century Community Learning Centers (21st CCLC) - TEA	$45.7 M	▓	▓	▓	▓	▓
19	21st Century Community Learning Centers (21st CCLC) - US Department of Education	$30.4 M	▓	▓	▓	▓	▓
20	Community Youth Development (CYD) - DFPS	$7.1 M	▓	▓	▓	▓	▓
21	Services To At-Risk Youth (STAR) - DFPS	$18.6 M	▓	▓	▓	▓	▓
22	Communities in Schools (CIS) - TEA	$17.6 M	▓	▓	▓	▓	▓
23	AVANCE - Nonprofit	$850 K					▓
	School Reorganization/Community Development - $4.7 million						
24	Alliance Schools - Nonprofit	$0.0					
25	Investment Capital Fund (ICF)	$4.7 M					
	Services for Pregnant and Parenting Students - $20.5 million						
26	Pregnancy Education & Parenting (PEP)	$10.0 M			▓	▓	▓
27	Pregnancy Related Services (PRS)	$10.5 M			▓	▓	▓
	Parental Involvement Program - $95 K						
28	One Community One Child (OCOC)	$95 K					▓

a These campus and student numbers include charter schools and Alternative Education Programs.

Sources: TEA General Appropriations Act (78th Legislature), Texas Education Agency, TEA's Pocket Edition Snapshot 2002-2003, Texas Department of Family and Protective Services (DFPS), TEA Requests for Applications 2003-2004, U.S. Department of Education, Education Service Center Region 10, AVANCE, Alliance School Program, Communities in School, state and private universities, and state community colleges

Of the program funding streams that supported intensive academic instruction during school year 2003–2004, only one specifically targeted students of middle school age: the Texas After School Initiative for Middle Schools (grades 6–8). School year 2003–2004 was the last year of funding for this program.[11] Of the three intensive academic programs that focus on high school students (grades 9–12), one—the Ninth Grade Success Initiative—also ended in school year 2003–2004, after the 78th Legislature rolled it into the High School Completion and Success Program.

Chapter 3-C
The 26 Programs Provide LEAs with Structures for Best Practices, but Quality of Services Varies Among LEAs

To varying degrees (see text box), all 26 of the programs reviewed for this report provide LEAs with structures and guidance for implementing the components of successful programs for at-risk students. These components include factors such as requiring small learning groups and one-on-one instruction. (See best practices and factors of success at Appendix 9.) However, according to education professionals, the quality of service delivery varies at the local level. One LEA with a specific funding pattern may achieve great success with its at-risk students while another with a similar funding pattern fails to meet its at-risk students' needs.

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Amount of Structure Varies from Program to Program

The 26 programs vary in the amount of structure they require of grantees. For example, Accelerated Reading and Math Instruction (ARI/AMI) and the federal Texas Reading First Initiative require or strongly recommend highly structured and integrated services and activities. Both of these programs have requirements such as the use of approved diagnostic and instructional materials and adherence to specific instructional practices.

In comparison, a program like Texas Grants to Reduce Academic Dropouts (TxGRAD) offers districts broad goals (increase graduation rate, address issues likely to lead to dropping out of school), nine possible options for types of services, and six allowable types of expenditures.
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Success or failure depends on the extent to which other essential factors of success are present at the local level, factors that cannot necessarily be purchased, such as the following:

- Effective school leadership

- Teacher participation in decision making

- Teachers who care about their students (and students who know they care)

- Adequate professional development in working with at-risk students

- A stable organization

- A family and community culture that values learning

Because the presence of these factors of success varies among LEAs, funding for programs designed according to the best practices may not be enough to ensure that an LEA is able to meet the needs of its at-risk students. LEAs may require additional support and guidance in working with their at-risk students or with all their students, such as the support and guidance available from the education professionals at the Texas Education Agency.

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[11] The U.S. Secretary of Education's 2003 *Condition of Education* statement reported that "students in middle grades were more likely than students in high schools to have out-of-field teachers—teachers who lack a major and certification in the subject they teach." Additionally, during SAO site visits to eight LEAs, middle school teachers especially described a need for professional development in working with at-risk students and addressing their multiple needs.

Management's Response

TEXAS EDUCATION AGENCY

1701 North Congress Ave. ★ Austin, Texas 78701-1494 ★ 512/463-9734 ★ FAX: 512/463-9838 ★ http://www.tea.state.tx.us

Shirley J. Neeley, Ed.D.
Commissioner

November 10, 2004

Carol Smith, CPA, CIA, Audit Manager
State Auditor's Office
1501 N. Congress Avenue
Austin, Texas 78701

Dear Ms. Smith:

Enclosed are the Texas Education Agency's responses to the draft audit report titled *Measuring the Effectiveness of State and Federal Funding for At-Risk Students*. This letter is an acknowledgement that our responses will be incorporated into the final audit report. Each response includes the office of primary responsibility for initiating action and a timeline.

We believe the recommendations in this report could help improve agency grants administration and the flow of information related to grant funding and student outcomes. The Texas Education Agency is ready to work with the Legislature and the Legislative Budget Board to analyze and, upon legislative direction, implement the recommendations in the report.

We appreciate the professional manner in which this audit was conducted. If you have any questions concerning the responses, please contact Dan Arrigona at 463-7303.

Sincerely,

Shirley J. Neeley, Ed. D.

Attachment: Management Response

Cc: Dr. Nora Hancock, Associate Commissioner, Planning, Grants, and Evaluation
    Mr. Bill Wilson, CPA, CIA, Internal Audit Director

"Good, Better, Best–never let it rest–until your good is better–and your better is BEST!"

Appendices

Objectives

The objectives of this audit, as defined in Rider 69 of the General Appropriations Act (78th Legislature, page III-20) were to:

- Evaluate the performance of those programs receiving state and federal funds that target students who are at risk of dropping out of school.

- Develop a set of performance measures that are standard across all entities receiving state funds through these programs that target at-risk students such that the programs may be evaluated in comparison with one another.

Scope

The scope of this audit included (1) 25 major state and federally funded programs and 1 private, nonprofit program that all serve at-risk students, (2) the administration of 19 of these programs by the Texas Education Agency (TEA), and (3) the implementation of services for at-risk students at local education agencies (LEAs). The audit scope also included student performance on the state assessment test (TAAS/TAKS) from school years 1999–2000 through 2003–2004. The audit did not include the two major entitlement programs for at-risk students, State Compensatory Education and funding from Titles I, IV, and VI of the 2001 federal No Child Left Behind Act.

Methodology

We developed program histories for the 26 programs under review for fiscal years 2001 through 2004 that included funding, eligible entities, the number of grantees, the number of students and parents served, program descriptions, a summary of available program evaluations, and a map showing the distribution of each program across Texas over the past four years. We determined the amounts and proportions of funding for school year 2003–2004 contributed by the State and by the federal government, and we estimated the contribution of LEAs for services for their at-risk students. We analyzed the flow of funds for each program over the four years, from appropriations through budgeting and awards to deobligation and lapsing of funds.

We conducted site visits to eight LEAs with high proportions of at-risk students from rural, urban, Valley, and "other" (not rural, not urban) areas. We analyzed the flow of funds from the 26 funding streams through the budgeting/allocating process to the delivery of multiple services for at-risk students. We interviewed school administrators and held focus groups with principals, teachers, and students at 24 campuses and with parents when they were available. We gained an understanding of what services each of these groups found to be effective with at-risk students, identified best practices, and developed an understanding of what needs

administrators, teachers, and students have and what obstacles they encounter in working toward greater success for their at-risk students.

We analyzed the performance of at-risk students on the TAAS/TAKS from school year 1999–2000 through school year 2003–2004 using the definition for at-risk students in Section 29.081 of the Texas Education Code. We disaggregated the data to determine the comparative progress over time of black, Hispanic, and economically disadvantaged students who were and were not at risk. We also disaggregated the data to determine the progress of at-risk students grouped by grades 1–5, 6–8, and 9–12.

We reviewed data quality for the programs of interest at TEA, Communities in Schools, AVANCE, and the eight LEAs we visited. We reviewed the literature on best practices and factors of success in meeting the educational needs of at-risk students. We reviewed the literature on and interviewed Texas education consultants and experts, TEA administrators, and LEA personnel about the pros and cons of different types of intergovernmental transfers.

Project Information

This audit was conducted in accordance with generally accepted government auditing standards. Fieldwork occurred from March to October 2004. The following members of the State Auditor's staff conducted this audit:

- Virginia Carmichael, Ph.D., MPAff (Project Manager)

- Michael Clayton, CPA

- Olin Davis

- Bruce Dempsey, MBA

- Michelle Feller

- Dana Musgrave, MBA

- Terry Nickel, CFE

- Mary Stauffer, CPA

- Worth Ferguson, CPA (Quality Control Reviewer)

- Chuck Dunlap, CPA (Quality Control Reviewer)

- Carol A. Smith, CPA, CIA (Audit Manager)

Appendix 2-A
Texas Definitions

State Compensatory Education Requirement

Texas Education Code (TEC), Section 29.081(b):
Each district shall provide accelerated instruction to a student enrolled in the district who has taken the secondary exit-level assessment instrument and has not performed satisfactorily on each section or who is at risk of dropping out of school.

State Definition of At-Risk Students (reported by LEAs annually through PEIMS)

TEC Section 29.081(d):
For purposes of this section, "student at risk of dropping out of school" includes each student who is under 21 years of age and who:

(1) was not advanced from one grade level to the next for one or more school years;

(2) if the student is in grade 7, 8, 9, 10, 11, or 12, 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) 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;

(4) if the student is in prekindergarten, kindergarten, or grade 1, 2, or 3, did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;

(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.

Local LEA Definition of At-Risk Students

TEC Section 29.081(g):
In addition to students described by Subsection (d), a student who satisfies local eligibility criteria adopted by the board of trustees of a school district may receive instructional services under this section. The number of students receiving services under this subsection during a school year may not exceed 10 percent of the number of students described by Subsection (d) who received services from the district during the preceding school year.

State Use of Proxy Indicators to Determine Eligibility for SCE Funding

TEC Section 42.152(b) – Compensatory Education Allotment:
For the purposes of this section, the number of educationally disadvantaged students is determined (1) by averaging the best six months' enrollment in the national school lunch program of free or reduced-price lunches for the preceding school year; or (2) in the manner provided by commissioner 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.

Appendix 2-B
Federal Definitions

No Child Left Behind (NCLB) Requirement for At-Risk Students

Title I, Section 1001 – Statement of Purpose:
The purpose of this title is to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging State academic achievement standards and state academic assessments. This purpose can be accomplished by [among other things]

(2) meeting the educational needs of low-achieving children in our Nation's highest-poverty schools, limited English proficient children, migratory children, children with disabilities, Indian children, neglected or delinquent children, and young children in need of reading assistance.

NCLB Definition of At-Risk Students for Funding Purposes

Title I, Part A – Improving Basic Programs Operated by Local Education Agencies Section 1113 – Eligible School Attendance Areas:

(a) (2): a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families served by the local educational agency as a whole.

(3) If funds allocated in accordance with subsection (c) are insufficient to serve all eligible school attendance areas, a LEA shall annually rank, without regard to grade spans, such LEA's eligible school attendance areas in which the concentration of children from low-income families exceeds 75 percent from highest to lowest according to the percentage of children from low-income families and serve the eligible school attendance areas in rank order.

(5) The LEA shall use the same measure of poverty, which measure shall be the number of children ages 5 through 17 in poverty counted in the most recent census data approved by the Secretary [of Education], the number of children eligible for free and reduced priced lunches under the Richard B. Russell National School Lunch Act, the number of children in families receiving assistance under the State program funded under part A of title IV of the Social Security Act, or the number of children eligible to receive medical assistance under the Medicaid program, or a composite of such indicators, with respect to all school attendance areas in the LEA to identify eligible school attendance areas; to determine the ranking of each area; and to determine allocations [to each area].

We interviewed district administrators, principals, teachers, students, and parents at the elementary school level, middle school level, and high school level.

The percentage of at-risk students for the eight districts we visited ranged from 55 percent to 78 percent of student populations ranging from 308 students to 80,335 students. The state and federal dollar amount expended per at-risk student ranged from $175 to $1,070. The percentage of at-risk dollars ranged from 1 percent to 7 percent of the total budget.

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Background Information

We selected four high-performing and four low-performing districts with the greatest proportion of at-risk students for site visits to gather information on the challenges and strengths of the programs targeting at-risk students. For geographical representation, we selected districts across the state based on the percentage of at-risk students, the presence of at-risk programs, and associated funding amounts for the past four fiscal years. We also selected districts from four classification types: urban, rural, other, and Valley. The first three are categories that TEA uses to categorize the school districts across Texas. We chose the Valley as a category because it has unique pressures that other school districts might not have (such as a high number of Spanish-speaking students).

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Appendix 3-A
Challenges

The administrators, teachers, students, and parents expressed their opinions on some factors that prevent students from doing well in school. These challenges are divided into categories of process, staffing, social issues, materials and supplies, and resources.

Process

From a process perspective, a challenge to success has been the nature of the funding cycle. For example, a district may receive funding for needed academic improvement. Once programs are implemented as a result of the funding, the students begin to succeed. Once the students start to succeed, funding is removed because the district no longer qualifies. If the district is not able to sustain the programs without state and/or federal funding, student success begins to diminish and intervention at the district occurs. Essential funding needs to be consistently maintained for success.

The timing of some of the funding was another challenge that administrators mentioned. Funding that arrives late from the state or the federal government causes districts to defer to other funding for the supplemental programs or to compress the delivery of services planned for twelve months into four or five months. The unpredictable timing of funding results in districts' piecing together and adjusting their budgets throughout the school year. It can also mean missed opportunities in terms of hiring staff and serving the at-risk students.

Teachers commented that programs, school structure, and policies and procedures change from year to year. The teachers want to buy into changes, but as soon as something is implemented, it changes. Real improvement cannot occur if programs are always changing.

Some administrators and teachers expressed their belief that early childhood education is necessary and beneficial for all students entering kindergarten. Teachers noted that students who do not attend prekindergarten often start kindergarten behind their peers and stay behind throughout their public education. Currently, if children who are not eligible for the state-funded program, their parents must look to the private sector for early childhood education.

At some districts, the focus on the TAKS to the exclusion of broader learning is creating an environment of TAKS-focused pressure and negative attitudes toward school. This is not the case, however, at a district we visited that embraced the TAKS as part of the larger learning process.

Staffing

From a staffing perspective, the greatest barrier to success identified was the need for reduction of class size at all levels. The at-risk population especially needs more one-on-one instruction, small group learning communities, or grouping by ability to address the need for more individualized attention.

In addition to having to teach larger classes, teachers report that their planning periods are often used to tutor students, hold parent/teacher conferences, or maintain informal communication with other teachers about students served in the supplemental services or activities. With the increasing demands on school finance and diminishing budgets, teachers may have to teach an extra class and forgo a planning period.

Other staffing requests include additional parent liaisons, at-risk coordinators, and teacher assistants at all levels.

Materials and Supplies

Teachers report that they have to supplement textbooks with other resources for content mastery, including the Internet and video streaming. Reasons for supplementing textbooks include the age of textbooks, their damaged state, and the fact that some textbooks do not cover the objectives outlined for the TAKS. Faculty at two campuses reported using a science book from 1982, and faculty at other campuses stated that some textbooks need upgrading, particularly in those areas not formerly tested by TAKS. Another reason for supplementing the textbook was inadequate supply. Certain campuses we visited had one set of textbooks per classroom and not enough companion workbooks. Students can check out a classroom textbook for home use after they sign a contract.

Some teachers also reported a need for Spanish materials. They spend time translating instructional material from English into Spanish for students. Several districts expressed a significant growing need for bilingual materials, including assessment instruments, software, and library books. The need is due to the growing population of Spanish students in ESL/bilingual classes.

Many teachers and students indicated a need for upgrades in computer technology, technical assistance, and additional computers. Some campuses' hardware limitations keep them from using certain instructional software programs. In addition, one district was selected for online TAKS testing and had to improvise because of the limited number of computers.

Social Issues

The administrators and teachers interviewed reported lack of parental involvement as a challenge to student success. From a social perspective, parent involvement is fundamental to student success, but parent involvement tends to decrease at the secondary level. Teachers emphasized a need to hold parents accountable, but the

connection with the parents is not there. Some teachers spend extensive amounts of time and effort in intervention and remediation activities, but the missing component that would support these efforts is parent involvement. Parent education is also an identified and growing need.

Teachers reported that discipline problems can also hinder student success. A teacher may have to spend a lot of time disciplining one or two students, which can prevent the remaining students from learning. Principals expect teachers to handle discipline problems in their classrooms and minimize referrals to the office.

Resources

Some teachers reported needing professional development specifically related to at-risk students. Such professional development would cover the emotional, social, behavioral, and health-related needs of these students. Teachers also expressed a need for classroom management training, ESL/bilingual training and bilingual assistance, training in understanding and working with different cultures of students, training in different delivery systems (adaptive learning techniques) for motivating and working with students, and training in identifying gifted and talented students.

Many teachers indicated that there is limited community involvement with the schools. Most community members do not teach, tutor, or assist with academics. In some school districts, community members may come in and assist with the Helping One Student To Succeed (HOSTS) reading program and participate in Career Day. A group of firefighters mentor third- and fifth-graders at one elementary school we visited.

Appendix 3-B
Strengths

The administrators, teachers, students, and parents expressed their opinions on factors that help students do well in school. The strengths are divided into categories of process, staffing, social issues, materials and supplies, and resources.

Process

Administrators and teachers reported many successful processes related to serving at-risk students. These include high expectations, district and campus leadership, commitment and dedication of teachers, teacher collaboration, shared responsibility, accountability for success, gathering student-level data on participation and outcomes to measure progress, and vertical or horizontal alignment and communication.

One superintendent uses funding as a management tool to identify and implement needed improvements. She expects "more money to produce better results at a campus."

Several of the middle school and high school campuses reported adopting a "teaming concept," which pertains predominately to medium and large school districts. The goal is to create smaller communities within larger schools so that a group of teachers can be assigned to a group of students. Communication is enhanced with this concept because the common assigned teachers can discuss the challenges and weaknesses that their students may be experiencing.

Some teachers mentioned that their schools use individual intervention plans to help at-risk students succeed. An individual intervention plan, kept on file in the counselor's office, is developed for all students in at-risk situations in high schools and elementary schools. The student's counselor, teacher, and student support team members have an opportunity to recommend interventions for the student. These interventions may include after-school academic time, one-on-one counseling, group counseling, referral to an outside agency, make-up work, and work in an accelerated environment.

At one school district, the counseling department at each campus has a plan for talking to each and every at-risk student. These discussions are an opportunity for the student to know what his or her options are when taking classes and deciding which classes are better for him or her to advance or achieve success. The counselors talk to the students about available extended services, such as tutorials, Saturday academies, one-on-one individualized teaching, and summer school.

Staffing

Teachers reported that their functioning as a team helped at-risk students succeed. The teachers have a shared vision and involve themselves in programs serving at-risk students, and teacher turnover was low at several of the districts visited. Teachers portray the attitude that student success is their number one priority.

Several school administrators mentioned that they recruit students who have graduated from their schools to be teachers; the familiarity with the school culture helps the students relate to them.

Two of the school districts have area superintendents so that the district is broken into segments for better manageability.

Social Issues

One of the larger, urban districts established a truancy court with established, well-defined criteria, guidelines, and policies for how to deal with truant students and their parents. There have been notable improvements in attendance since the court's inception two to three years ago.

Some teachers mentioned that excellent attendance and parental involvement and support were necessary to help the student excel.

Materials and Supplies

Staff at one campus indicated that they arrange to make purchases at the beginning of the school year in order to buy supplies in bulk. Faculty at another district mentioned that they determine what materials are needed based on their students' TAKS results.

Faculty in one high school in a large urban district indicated that the school participated in the district-wide adoption of textbooks. The three principals interviewed in this district indicated that the textbooks were a good utility for the curriculum and a resource for the teacher. They all commented that they do supplement the curriculum with other materials.

Resources

Teachers mentioned that participating in a variety of professional development trainings better prepared them to help students succeed. The classes included interpreting and using student data to identify, address, and monitor needs; TAKS strategies; core subject area training; ESL/bilingual issues; and working with at-risk students.

One principal reported that developing a community-based infrastructure for her school is her essential strategy for keeping the school from "going back to zero each year" and for maintaining a culture of success for her students.

Table 3

Sample LEA			
Selected Performance Indicators Disaggregated for At-Risk Students	Improvement (from prior year) Quartile Rank	Gap (between at-risk and non-at-risk) Quartile Rank	Totals
Performance Indicator 1	3	2	5
Performance Indicator 2	3	4	7
Performance Indicator 3	4	3	7
Composite Score (6-24)	10	9	19
Quartile Rank: 1 = best performing 25% of LEAs, 4 = worst performing 25% of LEAs			

Notes

▪ Analysis could be done statewide or by peer group.

▪ This methodology attempts to account for differences in at-risk populations across LEAs by measuring improvement from year to year and the gap between at-risk and non-at-risk students, instead of measuring only raw passing rates or scores.

▪ At-risk performance is subject to comparison with three factors: prior year performance, the performance of non-at-risk students in the LEA, and the performance of students in other LEAs.

▪ TEA would flag LEAs scoring above a certain threshold for further review and action. LEAs scoring below a certain threshold would be flagged for best practices analysis, and the information gained would be provided to other LEAs.

▪ LEAs at the top of the first quartile may have to be exempted from scoring on the "positive change from prior year" indicators. At high achievement levels, significant increase in performance from year to year becomes difficult.

Additional Information Regarding Methods for Calculating Performance of At-Risk Students

Figures 11–13 show the gap reduction in passing rates of at-risk students from 1999–2004 broken down by school level.
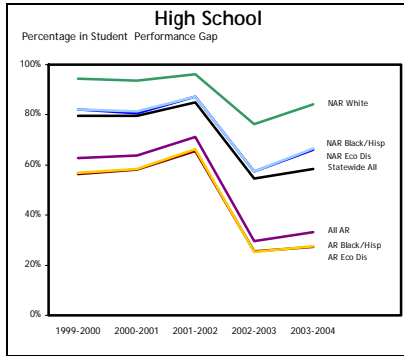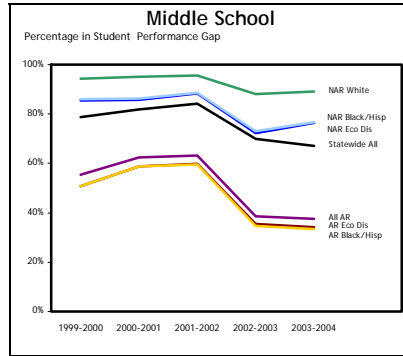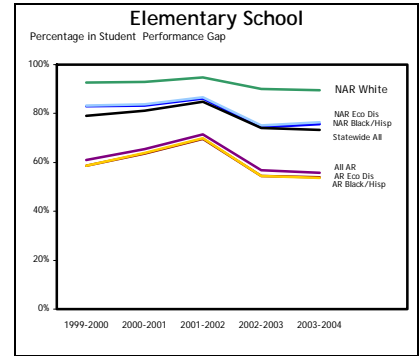
Figure 11

Figure 12

Figure 13

Figures 14–16 show the change in numbers of at-risk students in the population, of at-risk students taking the TAAS/TAKS, and of at-risk students passing all tests taken from 1999–2004 broken down by school level.
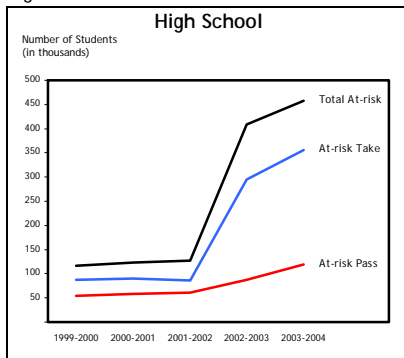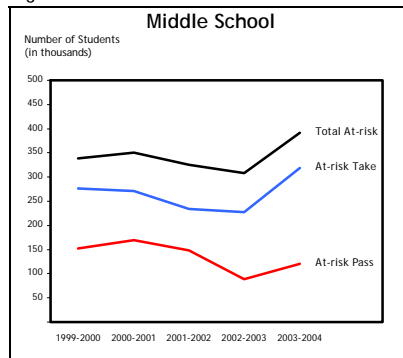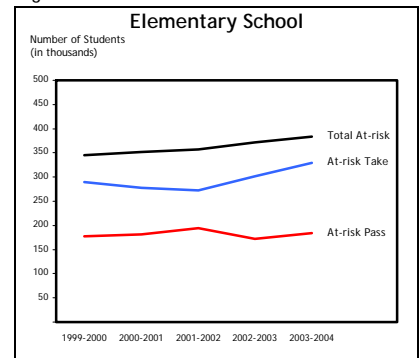
Figure 14

Figure 15

Figure 16

Tables 4 and 5 compare achievement gaps between black and white students in Texas with the achievement gap in 10 states, including Texas.

Table 4: Comparison of black-white achievement gaps in Texas to group of 10 states, by stratum.

	S1		S2	
	1992	2003	1992	2003
Texas	34	27	33	33
Ten States Median	29	30	30.5	33.5
Range	(24,38)	(25,36)	(20,43)	(17,38)

Table 5: Comparison of gains (1992 to 2003) for white students and black students in Texas to group of 10 states, by stratum.

	S1		S2	
	White	Black	White	Black
Texas	13	20	14	14
Ten States Median	16	17.5	15	16.5
Range	(11,30)	(5,24)	(10,29)	(9,27)

Comparison of Changes in Performance Gap in Percentage Points

Grade Level/ Category		Table 6 Comparison of Changes in Performance Gap between Not-at-Risk White Students and Black/Hispanic At-Risk Students and Black/Hispanic Not-at-Risk Students, All School Levels (Percentage Points)				Table 7 Comparison of Changes in Performance Gap between Not-at-Risk White Students and Economically Disadvantaged At-Risk Students and Economically Disadvantaged Not-at-Risk Students, All School Levels (Percentage Points)			
		Gap Reduction		Gap Reduction/Increase		Gap Reduction		Gap Reduction/Increase	
		TAAS 1999-2002	AR>NAR 1999-2002	TAKS 2003-2004	TAKS 2003-2004	TAAS 1999-2002	AR>NAR 1999-2002	TAKS 2003-2004	TAKS 2003-2004
Elementary	NAR	-1.1		-1.5		-0.9		-1.6	
	AR	-9.0	-7.9		+0.6	-8.9	-8.0		+0.3
Middle School	NAR	-1.2		-2.5		-1.4		-2.9	
	AR	-7.4	-6.2		+2.5	-7.6	-6.2		+2.6
High School	NAR	-3.3		-1.4		-3.3		-0.9	
	AR	-7.6	-4.3		+5.6	-7.4	-4.1		+6.1
All	NAR	-1.4		-1.5		-1.3		-1.2	
	AR	-8.4	-7.0		+3.5	-8.4	-7.1		+3.7

NAR – Not at risk   AR – At risk

Note: A negative sign indicates the amount by which the gap with not-at-risk white students' passing rates was *reduced*. A positive sign indicates the amount by which the gap with not-at-risk white students' passing rates was *increased*.

Pros and Cons of Block Versus Multiple Prescriptive Grants

Table 8

Pros and Cons of Multiple Competitive/Formula Prescriptive Grants (Current System)	
Pros	**Cons**
• They reward strong planning and effective grant writing at local schools with the potential to implement the agreed-upon program.	• They are not distributed equitably but rather on the basis of successful grant applications, which may be a bias against local schools with limited resources.
• They allow the State maximum flexibility to use revenues to meet changing needs over time.	• They create uncertainties and fiscal instability at the local schools, making reliable planning and budgeting difficult.
• They remove program design and eligibility and allocation decisions from the local administrative and political process.	• They allow grantees to have less accountability to their local stakeholders for the type and level of services provided and for the people served because the State's grant requirements are primary. Grantees may blame inadequate or lacking services in certain areas on failure to receive grants in those areas.
• By providing grant program structure and requirements, they have the potential to ensure greater compliance and consistency in meeting identified needs.	• They have the potential to reduce incentives for local efficiency.
• By targeting specific groups and requiring specific services, they help ensure that under-represented groups' needs will be addressed.	• They are the most paternalistic form of grant, acting as a disincentive for self-reliance.
	• They increase the administrative requirements at both the local and state levels.
	• Because they usually do not take into account local costs and revenue resources, they can produce inequities at the local level.

Table 9

Pros and Cons of Formula Block Grants	
Pros	**Cons**
• They encourage local autonomy and require greater accountability to local stakeholders for the type and level of services provided and for the people served.	• They open the allocation process to local school politics.
• They increase local flexibility and control in meeting locally identified needs that change over time.	• They can be used ineffectively or misused by less knowledgeable administrators or in the case of administrative turnover.
• They provide greater fiscal certainty to the local agency and allow more reliable planning and budgeting	• If the block grants are not designed to take into account local costs and revenues, their effects can be counter-equalizing. Equity in distribution depends on the accuracy of the formula, availability of data, and ongoing adjustment of the formula to achieve objectives as conditions change. Maintaining an effective formula as conditions change requires current data and indices, expertise, and effective ongoing evaluation and response.
• They reduce grant administration—application, management, and reporting requirements—at both the state and local levels.	• Without expert assistance and guidance from the State, they can place a burden on the local schools with limited resources to research, design, and implement their own programs.
• They have the potential to equalize state funding for the local schools. If well designed, they can achieve a balance between local revenue-raising capacity and expenditure needs.	

Pros and Cons of Formula Block Grants	
Pros	Cons
• They simplify analysis of the relationship between funding and performance. • As grants, they allow revision with each legislative session, avoiding the tendency of entitlements to become permanently institutionalized.	

This appendix contains the following supplemental information about funding for at-risk students:

- Table 10 shows combined state and federal funding (2004) and students served (2003) for 26 discretionary programs, the federal entitlement (No Child Left Behind), and the state entitlement (State Compensatory Education). The programs and entitlements are grouped by type, depending on services provided and groups served.

- Table 11 lists fiscal year 2004 state and federal funding by source for the 26 programs reviewed for this report.

- Figure 17 shows fiscal year 2004 state and federal funding for the 26 programs.

- Table 12 lists the 48 additional programs serving at-risk students and their families that we identified but did not review for this report. The table also tells whether the programs receive state or federal funding or both.

Table 10

Combined State and Federal Funding (2004) and Students Served (2003) for the 26 Programs Reviewed for This Report and the Two Entitlements		
Programs Targeting At-Risk Students	**Funding (2004)**	**Students Served (2003)** [a]
Intensive Academic Instruction - $2.7 billion (Discretionary $401 million; Entitlements $2.3 billion)		
4 [b] Accelerated Reading and Math Instruction (ARI/AMI) — For students diagnosed as needing intensive assistance to be ready for third-grade TAKS	$91.5 M	327,668
3 Even Start Family Literacy Program — Early childhood education, parenting education, parent and child together (PACT), and adult education	$20.0 M	11,316
7 GEAR UP (TEA) — College counseling and preparation for entire grade level of students at campus and their parents	$4.6 M	15,563
8 GEAR UP (U.S. Department of Education) — College counseling and preparation for entire grade level of students at campus and their parents	$28.1 M	69,199
1 Head Start - Ready to Read — Education component for Head Start and other early childhood education programs	$7.5 M	3,796
11 High School Completion & Success (HSCS) — Individualized graduation plans, qualified teachers, diagnostics, accelerated instruction in basic skills, and after-school and middle-college programs	$30.0 M	New for 2004
10 Ninth Grade Success Initiative (NGSI) — Rolled into HSCS by 78th Legislature	$0.0	118,087
15 No Child Left Behind (NCLB) — Major federal entitlement; funding basis is free/reduced-price lunch program participants	$1.2 B	1,705,911
12 Optional Extended Year Program (OEYP) — Extended instructional day, week, or year for failing students (SCE entitlement requires application)	$16.5 M	217,477
2 Prekindergarten Program — Early education program for 3- to 4-year-olds who are LEP, educationally disadvantaged, or homeless	$92.5 M	48,704
14 State Compensatory Education (SCE) — Major state entitlement; funding basis is free/reduced-price lunch program participants	$1.1 B	1,705,911
6 Texas After School Initiative (TASI) — Ended by 78th Legislative Session	$0.0	Not yet available
13 Texas Grants to Reduce Academic Dropouts (TxGRAD) — Support for potential dropouts	$5.0 M	New for 2004
5 Texas Reading First Initiative (TRFI) — Structured elementary reading instruction for schools in greatest need	$81.6 M	New for 2004
9 Upward Bound — Support for students and their parents in preparing for college entrance and success	$23.4 M	4,218
Instruction in English as a Second Language - $10.8 million		
17 LEP Student Success Initiative (LEP SSI) — Intensive, individualized, and accelerated programs of in- and out-of-school instruction for students with limited English proficiency in grades K-12	$7.0 M	New for 2004
16 LEP Summer School (LEP SS) — Summer school for prekindergarten and kindergarten children	$3.8 M	44,875
Community-Based Broad Range of Services - $120.3 million		
23 AVANCE — National nonprofit organization providing support services for parents with young children	$850 K	2,342 adults
22 Communities in Schools (CIS) — National nonprofit dropout prevention organization with 26 local Texas boards that provide case management and academic and support services	$17.6 M	65,039
20 Community Youth Development (CYD) — Comprehensive services to prevent juvenile crime in ZIP code areas with high juvenile crime rates	$7.1 M	23,098
18 21st Century Community Learning Centers (21st CCLC) — TEA — After-school program providing a broad range of community-based academic and support services for students and parents	$45.7 M	0
19 21st Century Community Learning Centers (21st CCLC) — U.S. Department of Education — After-school program providing a broad range of community-based academic and support services for students and parents	$30.4 M	143,828
21 Services To At-risk Youth (STAR) — Assessment, crisis intervention, family and individual counseling, skills-based training for parents and youth, emergency respite services, child abuse and neglect prevention, and follow-up	$18.6 M	32,414
School Reorganization/Community Development - $4.7 million		
24 Alliance Schools — National nonprofit organization that organizes community, parent, and school collaboration and leadership in developing successful local schools	$0.0	66,426
25 Investment Capital Fund (ICF) — Based on Alliance Schools model, development of community, parental, and school partnership in planning and implementing comprehensive school improvement	$4.7 M	149,738
Services for Pregnant and Parenting Students - $20.5 million		
26 Pregnancy Education & Parenting (PEP) — SCE competitive formula grants to provide child care and support and training for student parents	$10.0 M	20,821
27 Pregnancy Related Services (PRS) — SCE formula grants for services to pregnant students including case management, six weeks of home instruction, and other needed services	$10.5 M	16,918
Parental Involvement Program - $95,000		
28 One Community One Child (OCOC) — Parental involvement initiative administered by the Education Service Center Region 10	$95 K	Not applicable

[a] Because the numbers of students served during school year 2003-2004 are not yet available, the numbers in the table above are from school year 2002-03. They serve as an approximation of the numbers actually served during school year 2003-2004, which TEA should be able to provide in the spring of 2005.

[b] Numbers correspond to numbers in the table titled Coverage by Type of Program and Grade Level/Age, Fiscal Year 2004.
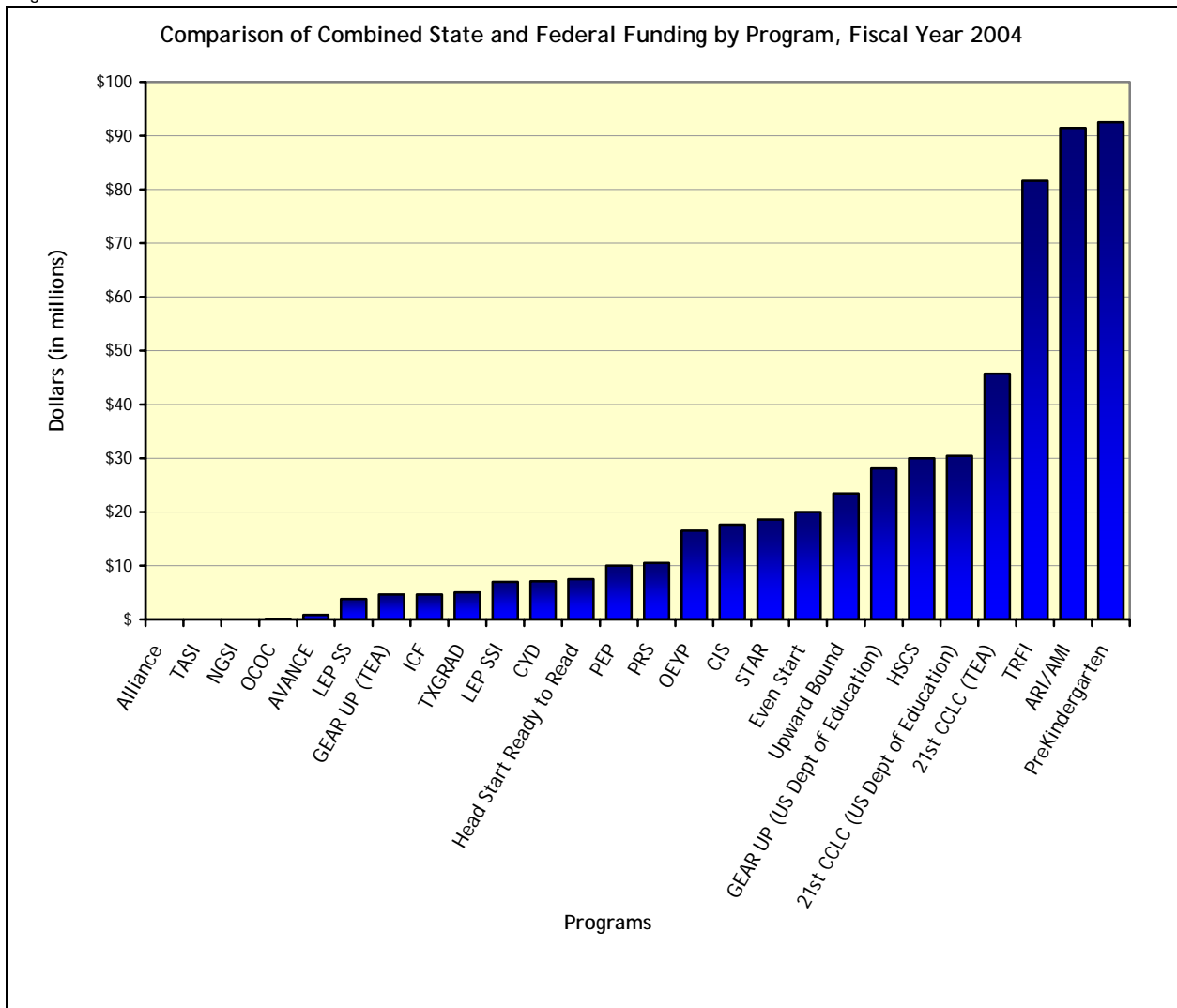
Sources: TEA General Appropriations Act (78th Legislature), Texas Education Agency, TEA's Pocket Edition Snapshot 2002-2003, Texas Department of Family Services, TEA Requests for Applications (RFAs) 2003-2004, U.S. Department of Education, Education Service Center Region 10, AVANCE, Alliance School Program, Communities in School, state and private universities, and state community colleges

Table 11

State and/or Federal Discretionary Funding by Source, Fiscal Year 2004				
Name of Program	State Appropriations	Federal Pass-Through Funds to TEA	Direct Federal Grants to LEA & Universities	Total
Intensive Academic Instruction				
Accelerated Reading & Math Instruction (ARI/AMI)	$ 82,353,468	$ 9,100,000	$ —	$ 91,453,468
Even Start Family Literacy Program	—	20,010,922	—	20,010,922
GEAR UP – TEA	—	4,646,243	—	4,646,243
GEAR UP – US Department of Education	—	—	28,085,919	28,085,919
Head Start Ready to Read	7,500,000	—	—	7,500,000
High School Completion & Success (HSCS)	29,000,000	1,000,000	—	30,000,000
Ninth Grade Success Initiative (NGSI)	—	—	—	—
Optional Extended Year Program (OEYP)	16,500,000	—	—	16,500,000
Prekindergarten Program	92,500,000	—	—	92,500,000
Texas After School Initiative	—	—	—	—
Texas Grants to Reduce Academic Dropouts (TxGRAD)	5,000,000	—	—	5,000,000
Texas Reading First Initiative (TRFI)	—	81,634,534	—	81,634,534
Upward Bound	—	—	23,432,205	23,432,205
TOTAL	$ 232,853,468	$ 116,391,699	$ $51,518,124	$ 400,763,291
Instruction in English as a Second Language				
LEP Student Success Initiative (LEP SSI)	$ 7,000,000	$ —	$ —	$ 7,000,000
LEP Summer School (LEP SS)	—	3,800,000	—	3,800,000
TOTAL	$ 7,000,000	$ 3,800,000	$ —	$ 10,800,000
Community-Based Broad Range of Services				
AVANCE	$ 850,000	$ —	$ —	$ 850,000
Communities in School (CIS)	12,788,865	4,842,341	—	17,631,206
Community Youth Development (CYD)	7,065,945	—	—	7,065,945
21st Century Community Learning Center (21st CCLC) – TEA	—	45,748,136	—	45,748,136
21st Century Community Learning Center (21st CCLC) – US Department of Education	—	—	30,404,892	30,404,892
Services To At-Risk Youth (STAR)	18,581,994	—	—	18,581,994
TOTAL	$ 39,286,804	$ 50,590,477	$ $30,404,892	$ 120,282,173
School Reorganization/Community Development				
Alliance	$ —	$ —	$ —	$ —
Investment Capital Fund (ICF)	4,650,000	—	—	4,650,000
TOTAL	$ 4,650,000	$ —	$ —	$ 4,650,000
Services for Pregnant and Parenting Students				
Pregnancy, Education, & Parenting (PEP)	$ 10,000,000	$ —	$ —	$ 10,000,000
Pregnancy Related Services (PRS)	10,482,596	—	—	10,482,596
TOTAL	$ 20,482,596	$ —	$ —	$ 20,482,596
Parental Involvement Program				
One Community-One Child (OCOC)	$ 94,950	$ —	$ —	$ 94,950
TOTAL FOR ALL PROGRAMS	$ 304,367,818	$ 170,782,176	$ 81,923,016	$ 557,073,010

Source: TEA General Appropriations Act, Page III-7 (78th Legislature); TEA Budget Division; TEA Planning Grants, and Evaluation Division; TEA State Funding Division; TEA Financial Audits Division; Texas Department of Family and Protective Services; and U.S. Department of Education

Figure 17

Comparison of Combined State and Federal Funding by Program, Fiscal Year 2004

List of Additional Programs for At-Risk Youth

In addition to the programs we selected for review during the Rider 69 audit, we identified 48 state and federal programs that also serve at-risk youth (see Table 12). These programs may improve school attendance and performance. There are other state and federal programs that may improve school attendance and performance but that are not listed here. Some of the programs listed are administered by numerous state agencies and universities. In these cases, we included only the agency and university that received the majority of the funding.

Table 12

48 Additional State and Federal Programs that Target At-Risk Students			
Program Name	Administering State Entity	State Funds	Federal Funds
4-H Youth Development	Texas Cooperative Extension		YES
Abstinence Education	Department of Health	YES	
Adolescent Family Life—Demonstration Projects	Universities		YES
Alcohol Research Programs	Universities and Health Science Centers		YES
Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grants	Texas Department of Transportation		YES
America's Promise School	Prairie View A&M University	YES	
Block Grants for Community Mental Health Services	Department of Mental Health and Mental Retardation		YES
Byrne Formula Grant Program	Office of the Governor		YES
Chafee Foster Care Independent Living	Department of Family and Protective Services		YES
ChalleNGe Youth Program	Adjutant General's Department	YES	
Child Abuse and Neglect Discretionary Activities	Texas A&M University-Corpus Christi		YES
Child Abuse and Neglect State Grants	Department of Family and Protective Services		YES
Child Welfare Services—State Grant	Department of Family and Protective Services		YES
Children's Justice Grants to States	Department of Family and Protective Services		YES
Children's Outreach Heart Program	Department of Health	YES	
Colonia Self-Help Center, El Paso County	Office of Rural Community Affairs	YES	
Community Health Centers	University of Houston		YES
Community Services Block Grant	Department of Housing and Community Affairs		YES
Crime Victim Assistance/Discretionary Grants	Office of the Attorney General		YES
Crime Victim Compensation	Office of the Attorney General		YES
Dan Kubiak Buffalo Soldiers Program	Department of Protective and Regulatory Services	YES	
Do Something	Texas Education Agency	YES	
Drug Abuse Research Programs	Universities		YES
Early Childhood Program for Educationally Disadvantaged Children	Texas Education Agency	YES	
Education for Homeless Children & Youth	Texas Education Agency		YES
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	Universities & Office of the Attorney General		YES
Environmental Education and Training Program	Sul Ross State University		YES
Family Violence Prevention and Services/Grants for Battered Women's Shelters—Discretionary Grants	Prairie View A&M University		YES
Foster Grandparent Program	Department of Mental Health and Mental Retardation		YES
Injury Prevention and Control Research and State and Community Based Programs	Office of the Attorney General		YES
Juvenile Justice Alternative Education Program	Juvenile Probation Commission	YES	
Juvenile Justice and Delinquency Prevention—Allocation to States	Office of the Governor		YES
Learning Through Listening	Texas Education Agency	YES	

Table 12

48 Additional State and Federal Programs that Target At-Risk Students			
Program Name	Administering State Entity	State Funds	Federal Funds
Maternal and Child Health Services Block Grant to the States	Department of Health		YES
MATHCOUNTS	Texas Education Agency	YES	
Mental Health Research Grants	Universities and Health Science Centers		YES
Projects for Assistance in Transition from Homelessness (PATH)	Department of Mental Health and Mental Retardation		YES
Retired & Senior Volunteer Program (RSVP)	Texas Tech and University of Texas Medical Branch-Galveston		YES
Safe and Drug-Free Schools and Communities—National Programs	Texas Education Agency		YES
Safe and Drug-Free Schools and Communities—State Grants	Texas Education Agency		YES
State and Community Highway Safety	Texas Department of Transportation		YES
Statewide Services for Students with Visual Impairments	Texas Education Agency	YES	
Temporary Emergency Assistance for Families at Risk of Welfare Dependency	Department of Human Services	YES	
Title I Program for Neglected & Delinquent Children	Texas Youth Commission		YES
TRIO—Talent Search	Universities		YES
Volunteer in Service to America (VISTA)	University of North Texas		YES
Youth at Risk of Selling Controlled Substances	Commission on Alcohol and Drug Abuse	YES	
Youthbuild	Nonprofits		YES

Table 13

Best Practices and Factors of Success for At-Risk Students (and All Other Students)
State and District Role
Setting goals to meet needs of stakeholders
Generating shared commitment to educational excellence
Implementation of rigorous standards as a basis for curriculum and instructional practice
Determination of student competency levels by subject and grade
Definition of performance and responsibilities of administrators and teachers
Implementation of accountability standards
Dissemination of research-based instructional programs
Dissemination of information on effective instructional strategies and practices in diverse classrooms
Provision of human and material resources necessary for successful student learning
Sharing of information, experiences, and problem solving across grades, schools, and districts
School Leadership
Recruitment and retention of high-performing administrators who provide instructional leadership
Principal perceived as instructional leader
Recruitment and retention of experienced, well-qualified teachers for students at all ability levels
Trust between principal and teachers and among teachers
Teacher involvement in decision making and influence on a broad range of school issues
Joint problem solving by teachers in open discussion and collaboration
Ongoing, needs-based professional development to help teachers (1) master curricula and strategies, especially with diverse classrooms; (2) hold high expectations for all students; and (3) share and solve problems
State, district, and campus standards for curriculum/instructional design, student assessment, and teacher evaluation
Data-based decision making and comparison of student and school performance with data from other students and schools to identify needs and determine strategies likely to meet them
High expectations for all students
Maintenance of positive learning environment
Individualized student assessments, appropriate placement, and ongoing monitoring of student progress
Recognizing and valuing diverse cultures and balancing them with traditional public education expectations
Safe, orderly school where staff and students respect one another and the conduct code is public, fair, and uniformly enforced
Active, respectful collaboration between school staff, parents, and community members to ensure successful schools
School Organization
Full desegregation of all classes, programs, and activities
Smaller classes, preferably with 18 or fewer students, especially in the earlier grades
Equitable grouping of students in high ability classes in proportion to their group numbers
Early Childhood Development Initiatives
High quality preschool programs that develop social and school readiness skills and develop interest in learning
Active recruitment of families to early childhood learning; parent education in creating a home learning environment

Table 13

Best Practices and Factors of Success for At-Risk Students (and All Other Students)
Encouragement to parents to take advantage of school and community resources that support successful learning
Family literacy programs
Teaching and Learning
Active caring about students by school staff—caring that is perceived and reported by students
Quality instructional program that is coordinated across grade levels and is aligned with student assessments
Instructional practices that engage students, such as interactive and project-based learning
Strong, proven curricular and instructional materials and strategies
Adequate time for teaching
Provision of increased instructional time in reading, mathematics, and other basic skills
Challenging curricula and instructional strategies that engage students' interest and offer satisfaction for student efforts
Learning resources such as content specialists, computer technology and trained staff, and high-quality instructional materials
Operation of magnet schools and special-subject programs to promote learning by tapping into students' interests
Supplemental, individualized education, including tutoring by professionals or trained volunteers and peers; intensive in-school instruction; and out-of-school programs
Access to college-based programs and professionals to serve as role models and mentors
In-depth, ongoing assessments of the performance and progress of each student, including attendance, grades, test scores, classroom behavior, and conduct to determine best strategy and placement
Awareness of community and cultural issues and development of partnerships (health, social service, law enforcement, recreational) with parents and community, based on home visits and participation in community events
Family Supports
Encouragement of parents' involvement and active role in their children's education
Provision of babysitting, food, and transportation to facilitate parents' participation in school events
Coordinated community education, health, and social services to students and their parents, in a central location, via a case management approach
Maintenance of a community culture where learning and achievement are valued and supported by religious and social organizations and the media
Learning opportunities at local libraries, museums, and other cultural institutions
Maintenance of active school partnerships to link families with needed services; provide students with trained mentors, tutors, and role models; provide parents with basic adult skills education, job training, and parenting classes; and fund raising to increase local resources
Organization of leisure activities with an academic focus

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