

LIMIT ADVANCED PLACEMENT INCENTIVE PROGRAM EXAM FEE SUBSIDIES AND END CAMPUS AWARDS

LBB RECOMMENDATIONS

1 Amend statute to end the AP exam fee subsidy currently paid on behalf of all eligible students and limit this payment to only low-income students. The limitation should maintain the current subsidy model but limit eligible recipients.

2 Include a contingency rider reducing appropriations to the exam subsidy component of the AP Incentive Program allowed by statute.

3 Eliminate appropriations to the campus award component of the AP Incentive Program allowed by statute.

Recommendation 1 requires statutory change. The introduced 2012–13 General Appropriations Bill includes an appropriation reduction relating to Recommendation 3.

These recommendations would save \$18 million in General Revenue Funds during the 2012–13 biennium and preserve AP subsidies for low-income students.

The Advanced Placement (AP) Incentive Program provides financial incentives to public high school students, teachers, and campuses as a way to increase participation and success on AP and International Baccalaureate exams. Incentives provided by the Texas Education Agency include a \$30 per test exam fee subsidy for all AP and International Baccalaureate exams taken by public school students, professional development subsidies for AP and International Baccalaureate teachers, and awards to campuses for students who succeed on these exams. The Texas Legislature appropriated \$28.4 million in General Revenue Funds to this program for both the 2008–09 and 2010–11 biennia.

These incentives corresponded with increases in the number of students taking AP and International Baccalaureate exams. However, they have not increased the success rate or percentage of exams earning a successful score. The success rate of these exams has remained stagnant while participation rates have increased. Subsidizing exam fees for all eligible public school students and providing financial awards to campuses with successful students are incentives that do not prioritize improving success rates, and these awards represent a subsidy costly to the state. **Figure 1** shows the number of students receiving exam subsidies by socio-economic status. Texas is one of few states that provides AP exam fee subsidies for all public school students regardless of financial need. The fiscal impact of the recommendations is shown in the table on the following page.

FIGURE 1
AP/IB EXAM FEE SUBSIDY EXPENDITURES
SCHOOL YEARS 2006–07 TO 2008–09

SCHOOL YEAR	EXAMS TAKEN BY LOW-INCOME STUDENTS		EXAMS TAKEN BY NON-LOW-INCOME STUDENTS		TOTAL NUMBER OF EXAMS	STATE EXPENDITURES ON EXAM FEE SUBSIDIES
	COUNT	PERCENTAGE	COUNT	PERCENTAGE		
2006–07	63,846	25%	188,029	75%	251,875	\$7,556,250
2007–08	69,977	27%	192,607	73%	262,584	\$7,877,520
2008–09	81,788	29%	198,502	71%	280,290	\$8,408,700

SOURCE: Texas Education Agency.

FIVE-YEAR FISCAL IMPACT, FISCAL YEARS 2012 TO 2016

FISCAL YEAR	PROBABLE SAVINGS/(COST) TO GENERAL REVENUE FUNDS
2012	\$8,889,718
2013	\$8,984,849
2014	\$9,070,244
2015	\$9,144,295
2016	\$9,205,220

SOURCE: Legislative Budget Board.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 509.

PUBLIC SCHOOL CAREER AND TECHNICAL EDUCATION LABOR MARKET RELEVANCE AND COURSE VARIETY

LBB FACTS AND FINDINGS

- ◆ CTE concentrators are students who choose to take a coherent sequence of two or more program courses. In school year 2009–10, these students made up 65 percent of the state's secondary student CTE course enrollment.
- ◆ Approximately 73 percent of CTE courses delivered in school year 2009–10 related to a regional labor market need.
- ◆ School districts closer to a major metropolitan area deliver a wider variety of CTE courses. More rural school districts offer fewer courses but have a greater share of CTE courses aligned to regional labor market needs.
- ◆ CTE courses related to information technology; human services; and agriculture, food, and natural resources had the largest share of student CTE course enrollment in school year 2009–10.

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This report would not have a fiscal impact for the 2012–13 biennium but examines the regional labor market relevance of school district CTE courses and program capacity to offer courses across a wide variety of occupations.

Public school district Career and Technical Education (CTE) programs are some of the first opportunities Texas students have to gain knowledge and skills that directly relate to a particular industry or occupation. School districts have wide discretion over which courses are offered in these programs. Increasing course variation to give students the opportunity to take courses across a greater range of occupational categories can conflict with another significant programmatic component—ensuring the courses offered relate to current and emerging occupations for which there is a regional labor market need.

While school districts residing closer to or within major metropolitan areas and which have larger student enrollment can offer more course opportunities in a greater variety of broad occupational categories, they do so at the risk of reducing the number of courses that have regional labor market relevance. Conversely, more rural school districts offer fewer occupational options, but have a greater share of total CTE courses offered within careers for which there is regional labor market demand.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 515.

OVERVIEW OF THE STATE INFRASTRUCTURE FOR SCHOOL SUPPORT SERVICES

LBB FACTS AND FINDINGS

- ◆ Technical assistance and support requirements for low-performing campuses differ between campuses that are rated Academically Unacceptable under state accountability and those that have missed Adequate Yearly Progress under federal accountability.
- ◆ State infrastructure for school support services is composed of multiple partners including TEA, external partner organizations, intermediate organizations, and professional service providers.
- ◆ Several compliance streamlining efforts have emerged due to TEA's focus on coordinating state and federal technical assistance requirements, and delivering intervention initiatives to provide assistance to campuses in need of improvement.

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This report would not have a fiscal impact for the 2012–13 biennium. It provides information on technical assistance requirements for campuses that do not meet state and federal accountability thresholds and outlines efforts to coordinate state and federal technical assistance requirements.

Texas has developed an elaborate infrastructure for school support services which has evolved due to recent compliance streamlining measures aimed at coordinating state and federal technical assistance requirements. State and federal accountability systems require different types of technical assistance and support for campuses that fail to meet established thresholds. A similarity between the requirements of the two systems is that professional service providers, external consultants approved by the Texas Education Agency (TEA), and external partner organizations work with campuses that are rated Academically Unacceptable under state accountability or have missed Adequate Yearly Progress under federal accountability.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 521.

ENHANCE THE CAPACITY OF PROFESSIONAL SERVICE PROVIDERS

LBB RECOMMENDATIONS

1 Amend statute to clarify the extent of a campus intervention team's involvement in fulfilling the statutory obligations of the team.

2 Amend statute to require TEA to adopt a rule that campus intervention teams report the amount of time spent on campus and any miscellaneous charges to the school district for their services.

3 Amend statute to require a representative of the school district's central administration to be a member of the school community partnership team.

These recommendations require statutory change. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of these recommendations.

These recommendations would not have a fiscal impact for the 2012–13 biennium. They could enhance campus intervention team's capacity to improve low performing schools and increase understanding of costs associated with hiring consultants.

Public school campuses that fail to meet state or federal student performance standards enter into a series of staged interventions that include acquiring the services of an experienced professional service provider. These are external providers that advise and mentor campus personnel in determining the root causes of low academic performance, assist in crafting a plan to address these factors, and help oversee implementation of this plan.

Two factors reduce the ability of these external consultants to fulfill their obligations to the campuses they serve: (1) the lack of prescriptive language in statute describing the amount of their involvement on the campus intervention team in fulfilling the roles and responsibilities of that team; and (2) the lack of central administration personnel involvement in the campus improvement process. Additionally, the Texas Education Agency (TEA) cannot accurately calculate a return on investment for these services since external campus intervention team members are not required to report the amount of service time they provide to campuses.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 531.

INCREASE EFFECTIVENESS OF DISCIPLINARY ALTERNATIVE EDUCATION PROGRAMS

LBB RECOMMENDATION

1 TEA should use performance measures in monitoring and analyzing the effectiveness of disciplinary alternative education programs.

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this recommendation.

This recommendation would not have a fiscal impact for the 2012–13 biennium but would improve program outcomes.

Since the inception of Disciplinary Alternative Education Programs in 1995, there have been concerns that students removed from regular classrooms and placed in disciplinary programs are not receiving adequate educational services. Until recently, there were no standards for the programs because they operate outside of the state's accountability system. Legislation enacted by the Eightieth Legislature, 2007, required the Texas Education Agency (TEA) to adopt standards for disciplinary alternative education programs, but the agency does not monitor or enforce the standards. The agency's monitoring of these programs is limited to examining compliance with statutory requirements regarding suspensions, expulsions, and placements. By including measures that monitor and enforce program standards, TEA would help ensure that disciplinary alternative education programs provide adequate educational services.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 537.

ENHANCE STATE PROGRAMS TO IMPROVE TEACHER RETENTION

LBB RECOMMENDATIONS

1 Amend statute to require THECB to give priority for loan repayment assistance to applicants who teach at hard-to-staff campuses.

2 Amend statute to require THECB to develop a schedule for loan repayments under the TFTLRAP that increases the amount of the loan repaid each year that a teacher remains employed at a hard-to-staff campus and remains in the program.

3 Amend statute to allow school districts to participate in the DATE Program by providing incentives to retain effective teachers at high-needs campuses regardless of their participation in the merit pay component of the program, or by using DATE funds to provide stipends for teacher retention at hard-to-staff campuses.

4 Amend statute to require that TFTLRAP and the DATE Program be evaluated by THECB and TEA in terms of their respective effect on teacher retention at hard-to-staff campuses.

These recommendations require statutory change. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of these recommendations.

These recommendations would have no fiscal impact for the 2012–13 biennium but could improve teacher retention.

A significant number of Texas public school students who are economically disadvantaged are taught by teachers who have the least experience. Analysis of school district data demonstrates that many economically disadvantaged students face significant educational challenges, yet districts with the highest percentages of economically disadvantaged students have the highest percentages of teachers with five or fewer years of experience. Within districts, campuses with high percentages of economically disadvantaged students are likely to be the most difficult to staff with experienced teachers.

While high teacher turnover in districts and campuses with high percentages of economically disadvantaged students is recognized as a significant problem by state and national research studies, Texas does not offer any programs that specifically address the teacher retention problem that hard-to-staff campuses are facing. Two programs, the Teach for Texas Loan Repayment Assistance Program (TFTLRAP) administered by the Texas Higher Education Coordinating Board (THECB) and the District Awards for Teacher Excellence (DATE) Program administered by the Texas Education Agency (TEA) could be enhanced to provide state assistance for teacher retention at hard-to-staff campuses.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 541.

TECHNOLOGY PROGRAMS AND FUNDING IN TEXAS PUBLIC SCHOOLS

LBB FACTS AND FINDINGS

- ◆ TEA uses a variety of methods to help public school districts and charter schools plan for technology.
- ◆ TEA administers technology grants and programs to provide public school districts and charter schools with opportunities for implementing technology.
- ◆ Regional education service centers provide technology services and support to public school districts and charter schools.
- ◆ In school year 2008–09, Texas public school districts and charter schools received more than \$470 million in Federal Funds and General Revenue Funds to implement technology.
- ◆ Public school districts and charter schools ultimately decide how they will implement technology on their campuses.

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This report would not have a fiscal impact for the 2012–13 biennium. It discusses the technology grants and programs in Texas public schools.

The Texas Education Agency (TEA) assists school districts and charter schools in various ways to implement technology in their schools. The agency has a technology advisory committee, a long-range state plan, a campus and teacher survey instrument, and an automated planning tool to aid school districts and charter schools with technology planning. The agency administers both state and federal technology grants and programs that provide opportunities for implementing technology, and regional education service centers provide services and support in technology to school districts and charter schools.

Funding for technology is provided through the federal No Child Left Behind Act of 2001, the federal E-Rate Program, and the state Technology Allotment. All of these components contribute to the level of technology found in Texas schools. Ultimately, the school districts and charter schools must decide what types of technology to implement for their students.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 547.

SCHOOL COUNSELORS, LIBRARIANS, AND NURSES IN TEXAS PUBLIC SCHOOLS

LBB FACTS AND FINDINGS

- ◆ Texas law does not require school districts to employ a school counselor, librarian, or nurse, or dedicate funds for these positions.
- ◆ School counselors, librarians, and nurses each have staffing guidelines based on student enrollment as determined by professional standards of practice.
- ◆ Information about the availability of a school counselor, librarian, or nurse in a school district and on a campus is self-reported by school districts to the Texas Education Agency via the Public Education Information Management System.
- ◆ In school year 2008–09, 77 percent of campuses reported a full-time counselor on staff, 60 percent reported a full-time librarian on staff, and 57 percent reported a full-time nurse on staff.

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This report would not have a fiscal impact for the 2012–13 biennium. It provides information about counselors, librarians, and nurses in Texas public schools.

School counselors, librarians, and nurses are recognized as valuable personnel in a public school district and in facilitating positive student outcomes. State law provides guidelines for the certification and classification of each position, and each has their own program guide which includes professional standards of practice. Guidelines for determining appropriate staffing levels for each of these personnel are based on student enrollment as determined by standards of practice. However, Texas school districts are not required to employ a school counselor, librarian, or nurse, and the decision to employ them rests with local school districts.

The provision of these professional support personnel varies between school districts and campuses. Some school districts and campuses meet suggested staffing guidelines, while others fall short of staffing guidelines or do not staff these personnel.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 557.

SUBSTITUTE TEACHERS IN TEXAS PUBLIC SCHOOLS

LBB FACTS AND FINDINGS

- ◆ Substitute teachers in Texas, despite being deemed “professional employees” of a school district and offering and providing instructional services in the classroom, are not required to obtain and maintain a professional certification.
- ◆ Substitute teachers in Texas are not required to undergo standardized training other than what is offered and required by local school district(s).

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This report would not have a fiscal impact for the 2012–13 biennium. It provides information about substitute teachers in Texas public schools and policy options related to standardized training and professional certification.

Each day approximately 4.6 million students in public school districts arrive at a campus expecting to be greeted by their regular classroom teacher. However, many students are taught by a substitute teacher. Texas is one of seven states where substitute teacher requirements are established by school districts rather than the state. Unlike some other states, Texas does not require substitute teachers to be trained or certified.

The development of a substitute teacher certification program could raise the standards and expectations of substitute teachers, who are expected to assume most of the major duties and responsibilities in a teacher's absence. In addition, requiring all substitute teachers be trained before certification and classroom placement would help ensure that a qualified professional educator provides continuity in a safe and secure learning environment, and is aware of the many needs of diverse student populations.

The full text of this report can be found in the *Government Effectiveness and Efficiency* report (Legislative Budget Board, January 2011), page 573.

EVALUATION OF THE EARLY CHILDHOOD SCHOOL READINESS DEMONSTRATION PROJECTS AND THE SCHOOL READINESS CERTIFICATION SYSTEM

LBB RECOMMENDATION

1 Include a rider requiring TEA and the Children's Learning Institute of the UT Health Science Center at Houston to report on the status of implementing the recommendations outlined in the 2011 external evaluation.

The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This recommendation would not have a fiscal impact for the 2012–13 biennium. It would require TEA to report on areas for improvement identified in the 2011 evaluation.

The Legislative Budget Board contracted with Learning Point Associates for an external evaluation required by General Appropriations Act (2009–10 Biennium), Rider 41(d), Page III-16. The evaluation focused on four areas: (1) student performance outcomes; (2) financial management; (3) program management and implementation; and (4) operation of the School Readiness Certification System.

The evaluation outlines 16 accomplishments, 15 findings, and 16 recommendations in the four areas mentioned above and provides two additional policy options. Highlights of recommendations contained in the evaluation include:

- **Change the Texas Education Agency (TEA) data destruction policy.** TEA should modify this policy in a way that provides adequate safeguards for student privacy protection without destroying data needed to monitor important public policy programs over time.
- **Improve community-level financial reporting capabilities.** All expenditures of the program should be assigned class codes within the accounting system.
- **Increase collaboration within partnerships.** Additional efforts should be made so that more Texas Early Education Model/Texas School Ready! communities are sharing resources, such as teachers, space, and transportation.
- **Streamline the School Readiness Certification System (SRCS) process.** The SRCS application process should be streamlined based on factors that have proven important in previous certification years.

The full text of this report can be found in *Evaluation of the Early Childhood School Readiness Demonstration Projects and the School Readiness Certification System* (Legislative Budget Board, January 2011).

METHODS FOR REDUCING COSTS AND MAXIMIZING REVENUE IN PUBLIC SCHOOL DISTRICTS

REPORT HIGHLIGHTS

- ◆ Educational Service Delivery, District Organization and Management, Community Involvement, Human Resources, and Computers and Information Technology are functions within the educational/organizational category that provide the Board of Trustees and district management with methods for improvement.
- ◆ Financial Management, Asset and Risk Management, and Purchasing functions are evaluated in the financial category, which assesses the existence of internal controls and ensures the controls are operating appropriately.
- ◆ Successful operational school district services in the areas of Child Nutrition, Facilities Management, and Transportation Services are analyzed in the operational category to ensure every dollar is spent wisely.
- ◆ Methods impacting multiple functional areas of school district operations such as outsourcing some district functions or participating in shared services with other districts are discussed in the cross-functional category.

This report does not include any recommendations. The introduced 2012–13 General Appropriations Bill does not include any adjustments as a result of this report.

This report would not have a fiscal impact for the 2012–13 biennium. It provides methods identified during past school performance reviews that school districts can use to reduce costs and maximize revenue.

Established in 1990 by the Texas legislature, the Texas School Performance Review (TSPR) program, has conducted nearly 180 comprehensive and targeted reviews of Texas public school districts. TSPR is authorized by Texas Government Code, Section 322.016, to periodically review the effectiveness and efficiency of the budgets and operations of school districts and provide those districts under review with methods for improvement.

Examples of these methods are provided within the report and are grouped into four broad categories, including Educational/Organizational, Financial, Operational, and Cross-Functional, with delineation provided within each category.

The full text of this report can be found in *Methods for Reducing Costs and Maximizing Revenue in Public School Districts* (Legislative Budget Board, January 2011).