

MEMORANDUM

May 8, 2023

TO: Board Members

FROM: Millard L. House II
Superintendent of Schools

SUBJECT: **STATE COMPENSATORY EDUCATION, 2021–2022**

CONTACT: Allison Matney, Ed.D., (713) 556-6700

The State Compensatory Education (SCE) program is designed to reduce dropout rates and increase academic performance of students identified as being at-risk of dropping out of school. SCE operates as a funding source to supplement instructional services and offer academic support to students who meet the SCE at-risk criteria established by the state. Funds allocated under SCE law are to be channeled toward programs and services that eliminate disparities in performance on assessment instruments administered under Texas Education Code, Chapter 39, Subchapter B. Further, programs designated for SCE funding should reduce disparities in the rates of high school completion between students who are at-risk of dropping out of school and all other students. For SCE funds to be allocated to a campus, the campus must not only meet the state criteria for percent of students at-risk of dropping out of school, but the services provided to students must also be described in the district and/or campus improvement plan.

As defined by law, SCE programs and/or services are designed to supplement the regular education program that districts offer to students, and funds must provide additional support for at-risk students. Supplemental costs include costs for program and student evaluation, instructional materials and equipment, and other supplies required for quality instruction, supplemental staff expenses, salary for teachers of at-risk students, smaller class sizes, and individualized instruction (Section 29.081 of the Texas Education Code [TEC §29.081], Subchapter C: Compensatory Education Programs).

Key Findings Include:

- Of the 194,141 students who attended HISD during the 2021-2022 academic year, 119,352 students (61.5 percent) were identified as being at-risk according to SCE criteria. More males than females were identified as at-risk (52 percent of males in the district were identified as at-risk and 48 percent of females were).
- The ethnic composition of at-risk students was 74.3 percent Hispanic, followed by 18.5 percent African American, 3.8 percent White, and 2.7 percent Asian/Pacific Islander. Less than one percent of at-risk students was either American Indian or Two or More Races. Economically disadvantaged students made up 90.2 percent of district at-risk distribution. A majority of Hispanic (73.6%) students, as well as those who were economically disadvantaged (77.2%), were deemed at-risk.
- Of the 119,352 students indicated to be at-risk during the 2021–2022 school year, 57.1 percent were identified as being Emergent Bilingual, and 13.7 percent were identified as having been retained in one or more grades. These subsets make up 35 percent and 8.4 percent of all students, respectively.
- Students indicated to be at-risk in grades 9–12 show a minority representation of Emergent Bilingual as compared to other grades.

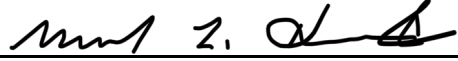
- Districtwide, on the 2022 administration of the STAAR 3-8 assessments, the gaps in the percentage of students who achieved the Approaches Grade Level Performance Standard between not-at-risk and at-risk students were 19.7 percentage points in mathematics, 22.1 percentage points in reading, 26.7 percentage points in science, and 37.5 percentage points in social studies.
- Districtwide, on the spring of 2022 administration of the STAAR EOC assessments, the gaps in the percentage of students who achieved the Approaches Grade Level Performance Standard between not-at-risk and at-risk students were 33.8 percentage points in Algebra I, 30.4 percentage points in Biology, 43.6 percentage points in English I, 40.6 percentage points in English II, and 20.2 percentage points in U.S. History.
- Districtwide, on the winter of 2021 administration of the STAAR EOC assessments, the gaps in the percentage of re-testers who achieved the Approaches Grade Level Performance Standard between not-at-risk and at-risk students were 5.1 percentage points in Algebra I, 46.1 percentage points in Biology, 10.4 percentage points in English I, and 18.8 percentage points in English II. At-risk students exceeded the rate of not-at-risk students by 12.4 percentage points in U.S. History.
- Districtwide, on the summer of 2021 administration of the STAAR EOC assessments, the gaps in the percentage of re-testers who achieved the Approaches Grade Level Performance Standard between not-at-risk and at-risk students were 11.3 percentage points in Algebra I, 11.4 percentage points in Biology, 6.4 percentage points in English I, 12 percentage points in English II, and 18.5 percentage points in U.S. History.
- For the class of 2021, 92.4 percent of not-at-risk students and 79.1 percent of at-risk students graduated from HISD within four years of starting ninth grade. This reflects an overall increase for not-at-risk students, and a slight decrease for at-risk students since 2019.

Administrative Response:

Houston ISD continues to look for innovative ways to support our at-risk students. Since the launch of the newly created State Compensatory Education Department, there has been a steady increase in the number of students accurately identified as at risk and an expansion in collaboration across departments to support these individuals. Although the past few years have been difficult due to the COVID-19 pandemic, a more structured process was implemented districtwide. Principals and At-Risk Coordinators at each campus are responsible for the identification of at-risk students, conducting a campus specific needs assessment for these students, and allocating campus compensatory education funds aligned with this needs assessment. The SIR/PEIMS Clerk at each campus is responsible for coding at-risk students in the Student Information Management System. This new “checks and balances” process between the SIMS clerk and the At-Risk Coordinator has provided cleaner data, resulting in better identification of our at-risk population. Since we now have a clear process, we can support our at-risk students with more targeted, specific interventions aligned to their needs. Moving forward the State Compensatory Education Department plans to:

- Improve supports to campuses regarding allowable use of funds;
- Support campus at-risk coordinator designees or dedicated positions;
- Implement centralized compliance processes;
- Support at-risk staff at campus level with ongoing professional development; and
- Collaborate across departments and Schools Office to provide student support.

Should you have further questions, please contact Allison Matney in Research and Accountability at (713) 556-6700.

 MLH

Attachment:

cc: Millard House II
Glenn Reed
Cindy Le
Schools Office

Rick Cruz, Ed.D.
Shawn Bird, Ed.D.
Rosa Diaz
Roshunda Roberts-Jackson

Denise Watts, Ed.D.
Timothy Momanyi
Assistant Superintendents



RESEARCH

Educational Program Report

STATE COMPENSATORY EDUCATION
2021-2022



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Houston Independent School District
Hattie Mae White Educational Support Center
4400 West 18th Street Houston, Texas 77092-8501

www.HoustonISD.org

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ACRONYMS AND ABBREVIATIONS

ADA	Average Daily Attendance
Approaches+	At or Above the Approaches Grade Level Standard on STAAR
CIP	Campus Improvement Plan
DAEP	Disciplinary Alternative Education Program
DIP	District Improvement Plan
EE	Early Education
EL	English learner, formerly Limited English Proficiency (LEP)
EOC	End-of-Course
FTE	Full-time Equivalent
HISD	Houston Independent School District
JJAEP	Juvenile Justice Alternative Education Program
KG	Kindergarten
PEIMS	Public Education Information Management System
PK	Prekindergarten
SCE	State Compensatory Education
STAAR	State of Texas Assessments of Academic Readiness
TEA	Texas Education Agency
TEC	Texas Education Code
TxCHSE	Texas Certificate of High School Equivalency

STATE COMPENSATORY EDUCATION REPORT 2021–2022 PRELIMINARY

Executive Summary

Program Description

The State Compensatory Education (SCE) program is designed to reduce dropout rates and increase academic performance of students identified as being at-risk of dropping out of school. SCE operates as a funding source to supplement instructional services and offer academic support to students who meet the SCE at-risk criteria established by the state. Funds allocated under SCE law are to be channeled toward programs and services that eliminate disparities in performance on assessment instruments administered under Texas Education Code, Chapter 39, Subchapter B. Further, programs designated for SCE funding should reduce disparities in the rates of high school completion between students who are at-risk of dropping out of school and all other students. For SCE funds to be allocated to a campus, the campus must not only meet the state criteria for percent of students at-risk of dropping out of school, but the services provided to students must also be described in the district and/or campus improvement plan.

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Program Cost and Funding Source

The annual budget for SCE programs in the Houston Independent School District (HISD) for the 2021–2022 academic year was \$246,569,306.00. Under the guidelines of fund use, a minimum of 55% of this amount had to be allocated for direct services. This is a budgeted amount and not final expenditures for 2021–2022. The money allocated for state-funded compensatory education programs and/or services was based on the number of at-risk students in the district. Final expenditures as of July 2022 are included in **Appendix B** (page 19).

Highlights

- Of the 194,141 students who attended HISD during the 2021-2022 academic year, 119,352 students (61.5 percent) were identified as being at-risk according to SCE criteria. More males than females were identified as at-risk (52 percent of males in the district were identified as at-risk and 48 percent of females were).
- The ethnic composition of at-risk students was 74.3 percent Hispanic, followed by 18.5 percent African American, 3.8 percent White, and 2.7 percent Asian/Pacific Islander. Less than one percent of at-risk students was either American Indian or Two or More Races. Economically disadvantaged students made up 90.2 percent of district at-risk distribution. A majority of Hispanic (73.6%) students, as well as those who were economically disadvantaged (77.2%), were deemed at-risk.
- Of the 119,352 students indicated to be at-risk during the 2021–2022 school year, 57.1 percent were identified as being Emergent Bilingual, and 13.7 percent were identified as having been retained in one or more grades. These subsets make up 35 percent and 8.4 percent of all students, respectively.
- Students indicated to be at-risk in grades 9–12 show a minority representation of Emergent Bilingual as compared to other grades.

- Districtwide, on the 2022 administration of the STAAR 3-8 assessments, the gaps in the percentage of students who achieved the Approaches Grade Level Performance Standard between not-at-risk and at-risk students were 19.7 percentage points in mathematics, 22.1 percentage points in reading, 26.7 percentage points in science, and 37.5 percentage points in social studies.
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Recommendations

After further evaluation, the 2021–2022 State Compensatory Program in HISD is not in compliance with all state and local policy requirements. There is a clear need for more guidance at the campus level for principals and monitoring by the district to ensure long-term compliance. Campus administrators should be provided with specific guidance and training on how to properly allocate SCE funds at the campus level. An annual public hearing must also be held to comply with state reporting requirements.

More guidance is needed on how to reflect the use of SCE funds in a detailed manner within the campus improvement plans. Campus Improvement Plans should clearly reflect specific interventions, programs, or materials used to increase the academic performance and decrease dropout rates for students considered at-risk. Campus administrators should be provided with a manual of examples and possible do's and don'ts regarding acceptable spending practices for the SCE allocated funds. Workshops on how to tie SCE spending to specific instructional strategies can help to ensure SCE funds are utilized in accordance with legal guidelines.

At the close of the 2020–2021 school year, Federal and State Compliance began monitoring of the SCE program. Recommendations for areas of improvement are provided to ensure a successful launch of the SCE program for the 2022–2023 school year. Additional restorative actions that were implemented during the 2021–2022 school year include:

- Effective October 2021 (2021–2022 school year) established Campus At-Risk Coordinator positions
- Conducted strategically phased ongoing training throughout 2021–2022 school year
- Worked to establish At-Risk Student Folders (with supporting documentation) at each campus
- Created electronic based campus folders, where At-Risk Reports are generated for campus review
- Worked with campuses to create At-Risk Campus Committee and encouraged campuses meetings to begin spring 2021–2022

- Worked with campuses to create “Campus Level Service” which identifies services each campus provides students who are identified At-Risk
- Created District Compensatory Education Manual (Draft) which provide policies and procedures as required by TEA
- Created District State Compensatory Education Committee in spring 2021–2022
- Collaborated with Budgeting Department to identify campus staff who were paid through SCE funds and shared that information with Campus Principals
- Conducted Professional Development (PD) in collaboration with the External Funding Department regarding time and effort certifications
- Held Lunch and Learns— PD training for Campus Principals to assist with budgeting fund for their campus SCE Program
- Collaborated with Human Resources to create appropriate PD for campus personnel who were hired to support At-Risk students at the campus level
- Collaborated with Budgeting Department to create SCE funds procedures and district level monitoring
- Created and established District State Compensatory Education Department for 2022–2023 school year

Introduction

Program Description

The State Compensatory Education (SCE) program is designed to reduce dropout rates and increase academic performance of students identified as being at-risk of dropping out of school. SCE operates as a funding source to supplement instructional services and offer academic support to students who meet the SCE at-risk criteria established by the state. Funds allocated under SCE law are to be channeled toward programs and services that eliminate disparities in performance on assessment instruments administered under Texas Education Code, Chapter 39, Subchapter B. Further, programs designated for SCE funding should reduce disparities in the rates of high school completion between students who are at-risk of dropping out of school and all other students. For SCE funds to be allocated to a campus, the campus must not only meet the state criteria for percent of students at-risk of dropping out of school, but the services provided to students must also be described in the district and/or campus improvement plan.

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Purpose of the Evaluation Report

The purpose of this report is to comply with the TEC §29.081 evaluation requirement and evaluate the SCE-funded programs in HISD as required by law. Specifically, the report (1) documents the effectiveness of accelerated instruction in reducing disparities in student outcomes on summative assessments and (2) presents disparities in high school completion rates between at-risk and not at-risk students.

To accomplish these requirements, the report identifies the characteristics of HISD's student population, evaluates and documents the effectiveness of instructional programs in reducing any disparities in performance on the STAAR and STAAR EOC, as well as disparities in the rates of high school completion, between students at-risk of dropping out of school and all other district students. Differences in passing rates between at-risk and not-at-risk students are reported for the past three years when data are available so that movement in reducing the disparity in passing rates can be ascertained.

In addition, this report examines and summarizes how compensatory education direct cost funds were used as described in the District and Campus Improvement Plans along with budget allocations and expenditures.

State and District Criteria for At-Risk Students

The state lists 15 separate criteria for at-risk identification in TEC §29.081. In addition, the HISD Board of Trustees identified two additional criteria for at-risk identification as permitted by TEC §29.081(g). A full list of criteria, both state and district, are provided in **Appendix A** (page 18).

Methods

Data Collection

Student demographic information was taken from the Public Education Information Management System (PEIMS) October 2021 snapshot. Only ADA eligible (i.e., a student counted toward membership because she or he is served at least two hours per day) students were included in the calculations in this report. Student performance on the 2021–2022 STAAR 3–8 and STAAR EOC assessments were extracted from ETS-Cambium data files, along with indicators for students' at-risk status.

Data Analysis

Analysis 1: Demographic Characteristics

The fall 2022 PEIMS snapshot was used to capture student demographics, programs, classification, and grade level for ADA eligible students. Descriptive statistics were used to illustrate differences between at-risk and not-at-risk populations.

Analysis 2: Programs and Services Funded by State Compensatory Education

District and campus improvement plans along with budget allocation, funding, and expenditure information were reviewed to analyze the district's State Compensatory Education funding along with what programs and services were funded.

2022–2023 State Compensatory Education Funding: The annual budget for SCE programs in the Houston Independent School District (HISD) for the 2021–2022 academic year was \$158,787,510.00. This is a budgeted amount and not final expenditures for 2021–2022. The money allocated for state-funded compensatory education programs and/or services was based on the number of at-risk students in the district. Final expenditures as of July 2022 may be obtained from HISD's Budgeting and Financial Planning Department. Refer to **Appendix B** (page 19) for specific programing codes for all SCE allocations and expenditures.

District and Campus Improvement Plans: State law requires the District and Campus Improvement plans to outline the program and services provided districtwide or implemented at the campus level, respectively. These plans must include (1) a comprehensive needs assessment, (2) total amount of state compensatory education funds allocated for resources and staff, (3) strategies aligned to the needs assessment, (4) supplemental financial resources, (5) supplemental Full-time Equivalents (FTE), (6) measurable performance outcomes aligned with the needs assessment, (7) timelines for monitoring, and (8) formative and summative evaluation criteria.

Supplemental Funded Services and Programs: Per district policy EHBC (LOCAL), SCE instruction "includes alternative programs and schools, student services, and extended day/extended year programs. A description of programs and services provided, and a description of eligibility requirements are included in the District's State Compensatory Education Programs and Services Guide, which shall be updated annually." No services guide was published for the 2021–2022 school year, and all At-Risk students were not strategically sought out for participation in supplemental programs or services.

Analysis 3: STAAR Performance Grades 3–8

Current STAAR 3–8 results from ETS-Cambium student data files, which may differ from results previously reported, were used to capture the outcome gap in at-risk and not-at-risk student populations. English and Spanish language results were combined and the STAAR Alternate 2 tests was excluded from calculation. Student outcomes were examined at the Approaches Grade Level standard, which has historically been used by the Student Success Initiative as the minimum standard for grade promotion.

Analysis 4: STAAR EOC Performance

Current STAAR EOC results from ETS-Cambium student data files, which may differ from results previously reported, were used to show the performance gap in at-risk and not-at-risk student populations. Results are shown for all students tested in the spring 2022 administration, while only re-tester results are used for the fall 2021 and summer 2022 administrations as most first-time testers take the spring assessment. Student outcomes are reported at the Approaches Grade Level standard – the minimum required standard to meet graduation requirements. STAAR Alternate 2 test results are excluded from the calculation.

Analysis 5: Graduation and Dropout Rates

The high school completion rate is calculated based on a cohort of students who were identified as enrolled in the ninth grade for the first time in 2017–2018 and tracked longitudinally for four years. Students are excluded from this cohort as specified in Section 39.053 of the Texas Education Code (TEC §39.053). At the end of the fourth year, each member of a cohort is given one of the following statuses: (i) graduated, (ii) received a Texas Certificate of High School Equivalency (TxCHSE), (iii) continued in a Texas public high school in the fall following the completion year of interest, or (iv) dropped out. This cohort value serves as the denominator for graduation and dropout rates.

Completion rate is a lagging indicator, meaning that information is only available to report one year after the completion of the previous academic year. Thus, completion information is available only for the classes of 2019, 2020, and 2021 but not for the class of 2022.

Preliminary dropout data was provided in an Annual Dropout Summary Report from the TEA. The middle school at-risk rates reported were calculated by dividing the number of students indicated to be in grades 7–8 who dropped out during the school year, by the total at-risk student count indicated to be in grade span 7–8. The numerator and denominator used above were subtracted from the all students counts, with the remainders representing the not-at-risk drop out numbers. These values were then calculated into the not-at-risk dropout rates using the same methodology above. This process was repeated for high school students, indicated by grade span 9–12.

Results

Result 1: Demographic Characteristics

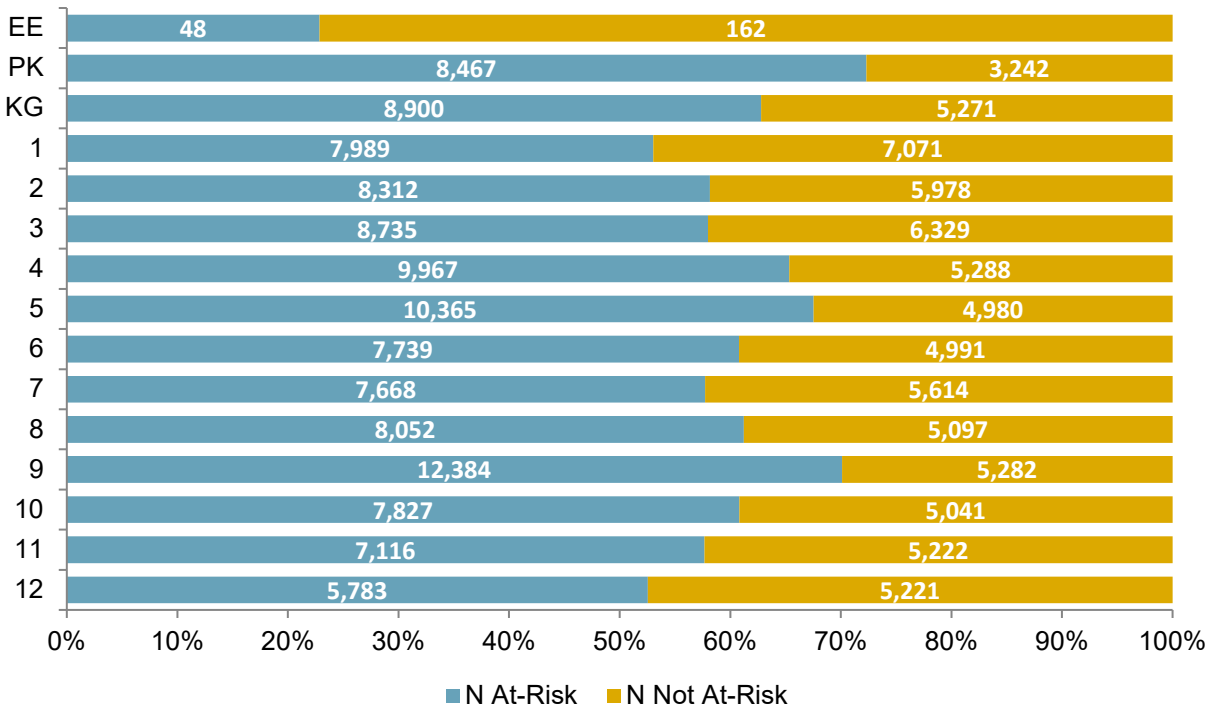
Houston ISD had a total of 194,141 students enrolled for the 2021–2022 school year, with 119,352 (61.5 percent) of the students identified as being at-risk. A breakdown of student at-risk data by gender, race/ethnicity, economically disadvantage, emergent bilingual, and students with disabilities status is presented in **Table 1** below. Male, Hispanic, and economically disadvantage student populations each had the highest rate of at-risk when compared to their peers.

Table 1. Districtwide Not At-Risk and At-Risk Student Distribution, 2021–2022

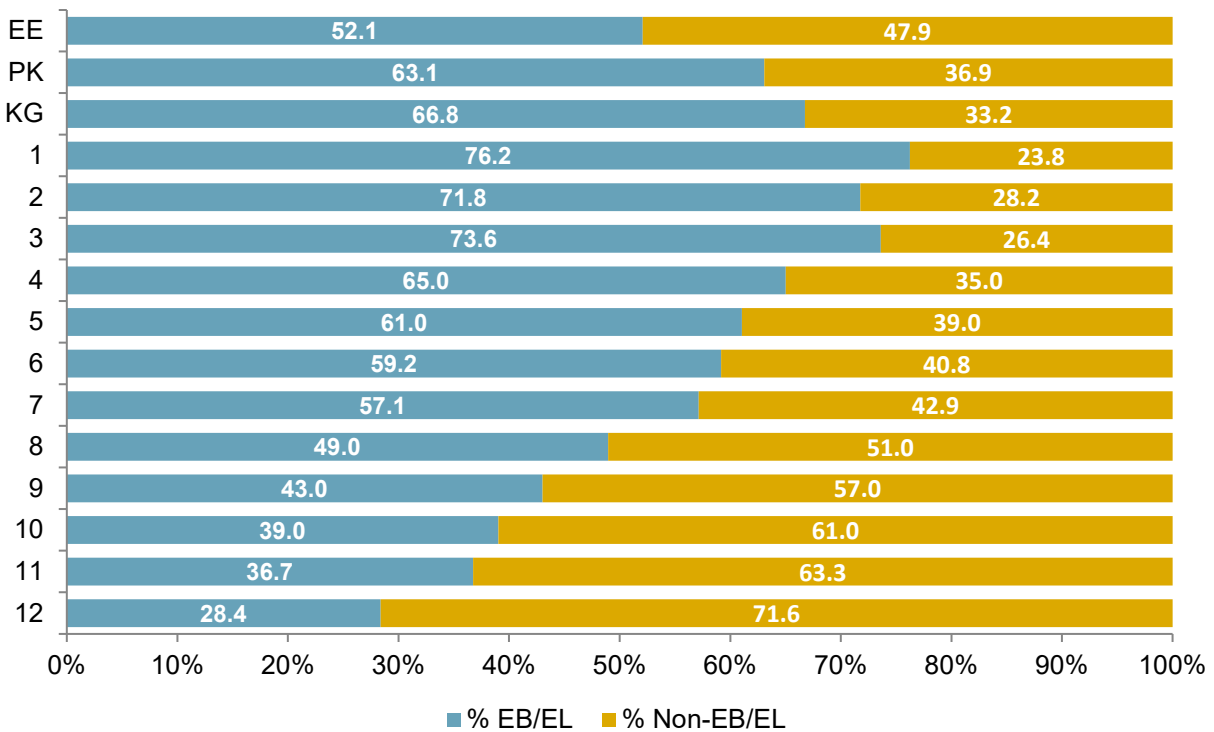
Demographic Characteristic	Total	Not At-Risk			At-Risk		
		N	% of Row Total	% of Not At-Risk	N	% of Row Total	% of At-Risk
Total	194,141	74,789	38.5	100.0	119,352	61.5	100.0
Gender							
Female	96,140	38,868	40.4	52.0	57,272	59.6	48.0
Male	98,001	35,921	36.7	48.0	62,080	63.3	52.0
Ethnicity							
White	18,393	13,845	75.3	18.5	4,548	24.7	3.8
African American	43,085	20,955	48.6	28.0	22,130	51.4	18.5
Hispanic	120,440	31,819	26.4	42.5	88,621	73.6	74.3
Asian/Pacific Islander	8,781	5,568	63.4	7.4	3,213	36.6	2.7
American Indian	322	162	50.3	0.2	160	49.7	0.1
Two or More	3,120	2,440	78.2	3.3	680	21.8	0.6
Economically Disadvantaged Status							
Not Economically Disadvantaged	40,312	28,596	70.9	38.2	11,716	29.1	9.8
Economically Disadvantaged	153,829	46,193	30.0	61.8	107,636	70.0	90.2
Emergent Bilingual Status							
Not Emergent Bilingual	125,997	74,789	59.4	100.0	51,208	40.6	42.9
Emergent Bilingual	68,144	0	0.0	0.0	68,144	100.0	57.1
Students with Disabilities Status							
Students without Disabilities	177,742	70,387	39.6	94.1	107,355	60.4	89.9
Students with Disabilities	16,399	4,402	26.8	5.9	11,997	73.2	10.1

Source: PEIMS 2021-2022 fall snapshot, excluding ADA of 0.

Figure 1 on page 10, presents at-risk identification. Excluding pre-kindergarten students (where criteria for being identified as at-risk overlap with free pre-kindergarten TEA eligibility criteria), at-risk populations range between 23 percent and 72 percent across grade levels. **Figure 2** on page 11 looks at the subset of students identified as at-risk who are emergent bilingual (EB/EL). The proportion of at-risk students identified as emergent bilingual peaks in third grade and slowly decreases through graduation as students are exited from EB status.

Figure 1. Districtwide Not-At-Risk and At-Risk Student Distribution by Grade, 2021–2022

Source: PEIMS 2021–2022 fall snapshot

Figure 2. Distribution of EB/EL Status Within At-Risk Indicated Students by Grade, 2021–2022

Source: PEIMS 2021–2022 fall snapshot

Table 2 below provides an overview of the reasons why students were identified for at-risk status. While 57.1 percent of students flagged as at-risk were represented as emergent bilingual in Table 1, only 23.7 percent of students specified emergent bilingual status in Table 2. This can be attributed to the two independent methodologies of capturing student as at-risk status. The values in Table 1 represent the automated binary flagging system in PEIMS, while the values in Table 2 are representative of self-disclosed indicators in PowerSchool, the district's student information system. The most frequent reasons for at-risk identification were unsatisfactory performance on an assessment, lack of progress in foundation curriculum, and emergent bilingual status (38.4, 25.3, and 23.7 percent, respectively). Thirty-two percent of students labeled as at-risk were missing underlying reason indicators.

Table 2: Students Reported as At-Risk by State At-Risk Indicator, 2021–2022

Description	N	% of At-Risk	% of All
Unsatisfactory assessment test	45,888	38.4	23.6
Underlying cause not specified in Cognos	38,191	32.0	19.7
Lack of progress in foundation curriculum	30,208	25.3	15.6
Student is of limited English proficiency (EB/EL)	28,327	23.7	14.6
Retained in one or more grades	16,394	13.7	8.4
Homeless	6,791	5.7	3.5
Unsatisfactory performance on readiness test	2,457	2.1	1.3
Has been/is in an Alternative Education Program (AEP)	1,119	0.9	0.6
Previously reported as a dropout	560	0.5	0.3
Was/is in a residential placement facility	517	0.4	0.3
Pregnant or parenting	211	0.2	0.1
Was/is in custody of Texas Department of Family and Protective Services (DFPS)	96	0.1	0.0
Is currently on parole, probation, or deferred prosecution	53	0.0	0.0
Student, parent, or guardian has been incarcerated	32	0.0	0.0

Source: PEIMS 2021-2022, fall snapshot excluding ADA of 0, including At-Risk underlying reason.

Note: Some records reflected multiple At-risk codes, therefore the total exceeds the count of At-risk students for 2021-2022. Local at-risk indicators were not included.

Result 2: Programs and Services Funded by State Compensatory Education

District Improvement Plan (DIP)

A review of the DIP revealed compliance with reporting of SCE information. The report has been updated from 2020–21 to accurately reflect both the 15 state criteria to qualify as at-risk and the two local criteria used to designate students as at-risk. It was noted that a third local criteria is mentioned in the DIP that actually does not exist. Goals for providing districtwide program support for campuses are mentioned. However, there is no accompanying documentation or explanation of the supports that were provided to campuses.

There is some misleading information included in the DIP that could cause campuses to incorrectly use SCE funding. The DIP clearly states that SCE funds will be used to support both students who are economically disadvantaged and at-risk. This is not in compliance with legislative guidelines as the funds should be spent on initiatives directly impacting at-risk students and not students who are only classified as

economically disadvantaged. This miscommunication could explain some of the inconsistencies found in the individual campus improvement plans and use of funds.

Campus Improvement Plan (CIP)

As part of the evaluation, 30 individual campus CIPs were randomly selected (nine elementary, nine middle schools, eight high schools, and four combination schools) and reviewed for information regarding use of SCE funds by campuses to support at-risk students. The following concerns were observed:

Some campuses did not complete the required SCE section of the CIP outlining the use of SCE funds and descriptions of programs implemented on their campus. More monitoring should be implemented to ensure that campuses comply with providing this information in the CIP.

For the majority of campuses that provided the required information, there was uniformity in that everyone used the standardized SCE form provided in Plan4Learning. However, most of the information provided was often vague and nondescript. There was often no mention of specific interventions, programs, or targeted instructional strategies tied to the use of the SCE funds. More guidance needs to be provided to campuses including guidelines or examples of how to detail this information in the CIP.

Money was often allocated to pay for staff or supplies that could not be directly tied to programs specifically targeted to help at-risk students. Most funds appear to be allocated towards staff salaries, extra duty pay, hourly tutors, and instructional supplies for tutoring or classrooms. Most CIPs do not tie these expenses to programs that specifically target at-risk students but instead are offered to the general student population. A common practice appears to be to use SCE funds to pay the salary for additional staff members on a campus. However, the staff member's duties are often not identified as providing services specifically designated for students who are identified as at-risk. Other unapproved expenses included paying for staff professional development fees and related expenses, college and career counseling for post-secondary programs, and paying for fine arts or extracurricular staff.

Effectiveness of State Compensatory Education Programs

There is a need for the district to update the current SCE program to make it compliant with state legal requirements. Effective use of SCE funds cannot occur until the program is in compliance with minimum state legal requirements. General corrective actions are needed going forward. Minimum recommendations are included in the recommendations section.

Result 3: STAAR Performance Grades 3–8

The performance gaps between at-risk and not-at-risk students scoring at or above the Approaches Grade Level standard on the STAAR 3–8 assessments are presented in **Table 3 on page 13**. At-risk students scored below their not-at-risk peers in every subject and grade level with the performance gap ranging between 13 percentage points in third grade math to 38 percentage points in eighth grade social studies. There is a positive correlation between grade level tested and the magnitude of the performance gap with the gap between at-risk and not-at-risk increasing at higher grade levels. The biggest gaps appeared on the reading and social studies assessments while math tended to have the lowest gaps.

Table 3. STAAR 3–8 At or Above Approaches Grade Level Standard, 2021–2022

Subject	Grade	Not At-Risk		At-Risk		% pt. Diff.
		N	%	N	%	
Math	3	4,449	72.2	4,982	59.7	-12.5
	4	3,842	75.4	5,545	58	-17.4
	5	3,891	81.2	6,760	67.4	-13.8
	6	3,862	79.2	3,774	52.1	-27.1
	7	3,298	72.3	3,227	42.9	-29.4
	8	2,462	79	4,086	54	-25
	Total	21,804	76.2	28,374	56.5	-19.7
Reading	3	4,998	81.2	5,172	62	-19.2
	4	4,308	84.6	5,876	61.5	-23.1
	5	4,162	86.9	6,984	69.7	-17.2
	6	4,012	82	3,578	49.4	-32.6
	7	4,469	89.4	5,045	66.2	-23.2
	8	4,066	90.7	5,890	69.8	-20.9
	Total	26,015	85.6	32,545	63.5	-22.1
Science	5	3,550	74.2	4,984	49.7	-24.5
	8	3,582	83.5	4,589	54.6	-28.9
	Total	7,132	78.6	9,573	51.9	-26.7
Social Studies	8	3,249	72.3	2,937	34.8	-37.5

Source: TEA-ETS-Cambium STAAR Student Data Files, Spring 2022. English & Spanish combined. Excludes STAAR Alt 2.

Note: The data presented reflects the most recently updated files. Therefore, they may differ from previous reports.

Note: Diff. = Difference between student groups.

Result 4: STAAR EOC Performance

The STAAR End-of-Course assessment is administered three times a year with most first-time testers taking the assessment in the spring. Summer and fall administrations are primarily used for providing retesting opportunities. **Table 4** (page 15) examines the performance gaps between all at-risk and not-at-risk students for first-time testers and re-testers combined scoring at or above the Approaches Grade Level standard on the spring administration. **Tables 5 and 6** (page 15) limit the analysis to only re-tester performance for the summer and fall administrations, respectively.

Double digit performance gaps are seen for each subject in each administration. When looking at all students tested in spring 2022, the largest performance gap is for the English I and II EOC assessments. This outcome is not consistent when looking at summer 2022 EOC re-tester performance where U.S. History has the highest performance gap between at-risk and not-at-risk students.

Table 4. STAAR EOC All Testers Approaches+ Rates and Performance Gaps, Spring 2022

Subject	Not At-Risk		At-Risk		% pt. Diff.
	N	%	N	%	
Algebra I	3,873	85	5,984	51.2	-33.8
Biology	4,183	92.1	6,837	61.7	-30.4
English I	4,078	84.8	5,215	41.2	-43.6
English II	4,019	93.2	5,679	52.6	-40.6
U.S. History	4,285	98	6,482	77.8	-20.2

Source: TEA-ETS-Cambium STAAR Student Data Files, First Administration. Includes First-time testers, and re-testers.

Note: The data presented reflects the most recently updated files. Therefore, they may differ from previous reports.

Note: Diff.= Difference between student groups.

Table 5. STAAR EOC Re-testers Approaches+ Rates and Performance Gaps, Fall 2021

Subject	Not At-Risk		At-Risk		% pt. Diff.
	N	%	N	%	
Algebra I	13	36.1	934	31	-5.1
Biology	11	64.7	366	18.6	-46.1
English I	10	25.6	560	15.2	-10.4
English II	8	33.3	373	14.5	-18.8
U.S. History	1	20	321	32.4	12.4

Source: TEA-ETS-Cambium STAAR Student Data Files, Third Administration. Excludes first-time testers.

Note: The data presented reflects the most recently updated files. Therefore, they may differ from previous reports.

Note: Diff.= Difference between student groups.

Table 6. STAAR EOC Re-testers Approaches+ Rates and Performance Gaps, Summer 2022

Subject	Not At-Risk		At-Risk		% pt. Diff.
	N	%	N	%	
Algebra I	130	28.1	418	16.8	-11.3
Biology	44	25.6	256	14.2	-11.4
English I	39	12	192	5.6	-6.4
English II	16	14.7	61	2.7	-12
U.S. History	11	32.4	102	14	-18.4

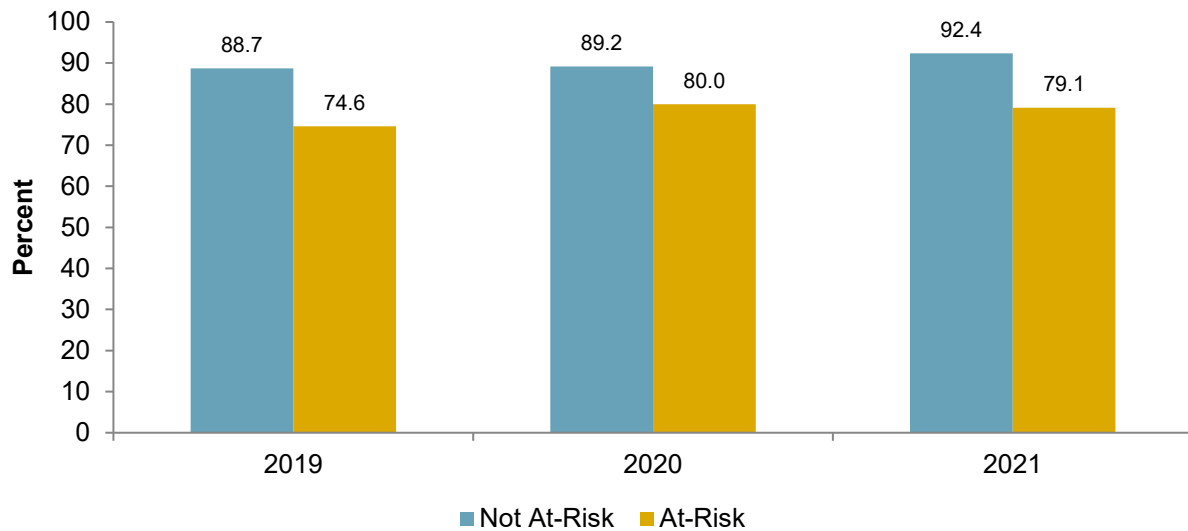
Source: TEA-ETS-Cambium STAAR Student Data Files, Second Administration. Excludes first-time testers.

Note: The data presented reflects the most recently updated files. Therefore, they may differ from previous reports.

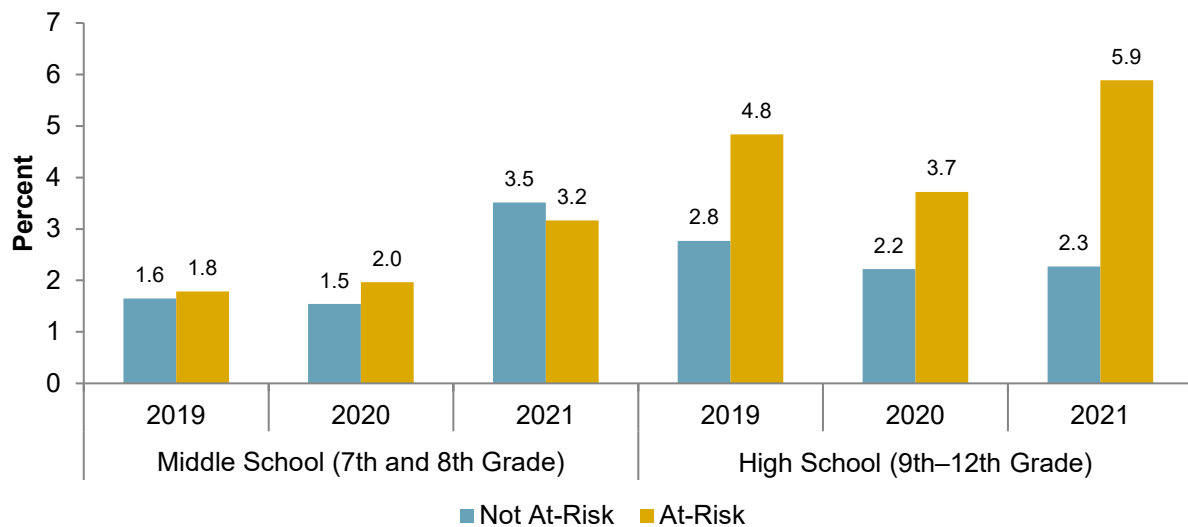
Note: Diff.= Difference between student groups.

Result 5: Graduation and Dropout Rates

As seen in **Figure 3** on page 16, the completion rate has increased for not-at-risk and decreased for at-risk students between the Class of 2019 and the Class of 2021. The completion gap between at-risk and not-at-risk students has slightly decreased from 14.1 percent for the Class of 2019 to 13.3 percent for the Class of 2021.

Figure 3. Graduation Rates for Not-At-Risk and At-Risk Students, Class of 2019–2021

Source: Texas Education Agency (TEA) Four-Year Class of 2019, 2020, and 2021 Student Listing Data File.

Figure 4. Annual Dropout Rates by Grade Level Enrolled, 2019–2021

Source: Texas Education Agency (TEA) 2018–2019, 2019–2020, and 2021–2022 Annual Dropout Summary Reports.

References

Texas Education Agency. (2020). Module 6: State Compensatory Education Guidelines, Financial Treatment, and an Auditing and Reporting System. *Financial Accountability System Resource Guide Version 17*. Retrieved from <https://tea.texas.gov/sites/default/files/fasrg17-module6-final-accessible.pdf>

Texas Education Code, Section 29.081. Retrieved from <https://statutes.capitol.texas.gov/Docs/ED/htm/ED.29.htm#29.081>

Appendix A

Criteria For Identifying At-Risk Students

State Criteria

TEC §29.081 defines a student at-risk of dropping out of school as 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, except if the student did not advance from prekindergarten or kindergarten to the next grade level only as a result of the request of the student's parent;
2. Is in grades 7, 8, 9, 10, 11, or 12 and did not maintain an average equivalent to 70 on a scale of 100 in two or more subjects in the foundation curriculum during a semester in the preceding or current school year or is not maintaining such an average in two or more subjects in the foundation curriculum in the current semester;
3. Did not perform satisfactorily on an assessment instrument administered to the student under TEC 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. Is in pre-kindergarten, kindergarten, or grades 1, 2, or 3, and 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 TEC §37.006 during the preceding or current school year;
7. Has been expelled in accordance with TEC §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 emergent bilingual, as defined by TEC §29.052;
11. Is in the custody or care of the Department of Family and Protective 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;
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;
14. Has been incarcerated or has a parent or guardian who has been incarcerated, within the lifetime of the student, in a penal institution as defined by Section 1.07 of the Texas Penal Code;
15. Is enrolled in a school district or open-enrollment charter school, or a campus of a school district or open-enrollment charter school, that is designated as a dropout recovery school under Section 39.0548.

Local Criteria

In addition to the 15 state criteria outlined in TEC §29.081 for identifying students who are at-risk of dropping out of school, there is a provision that allows the board of trustees of a school district to adopt local eligibility criteria (TEC §29.081(g)). The following local criteria also identify students who are at-risk for dropping out of school:

1. Students who are identified as dyslexic under general education; or
2. Students who are placed into a Disciplinary Alternative Education Program (DAEP) for reasons other than those in TEC §37.006, such as continued misbehavior in the classroom.

Appendix B

2021–2022 SCE Allocations, Budgets, and Expenditures

Appendix B, Table 1: Summary SCE Related Budget Allocation and Expenditures by Object Code, 2021–2022

Object Codes		Budget	Actual	Residuals
6100	Payroll Costs	101,524,791.00	103,852,794.00	-2,328,003.00
6200	Professional & Contracted Services	9,617,515.00	12,570,645.00	-2,953,130.00
6300	Supplies & Materials	5,255,298.00	6,829,813.00	-1,574,515.00
6400	Other Operating Costs	41,426,617.00	322,306.00	41,104,311.00
6600	Capital outlay for land, buildings, and equipment	963,289.00	1,561,792.00	-598,503.00
Total		158,787,510.00	125,137,350.00	33,650,160.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 2: Summary SCE Related Budget Allocation and Expenditures by Function Code, 2021–2022

Function Codes		Budget	Actual	Residual
10 Instruction & Instruction-Related		129,548,808.00	95,629,385.00	33,919,423.00
11	Instruction	125,269,296.00	91,940,396.00	33,328,900.00
12	Media Services	3,561,722.00	3,134,781.00	426,941.00
13	Staff Development	717,790.00	554,208.00	163,582.00
20 Instructional & School Leadership		2,960,106.00	3,647,810.00	-687,704.00
21	Instructional Leadership	--	66.00	-66.00
23	School Leadership	2,960,106.00	3,647,744.00	-687,638.00
30 Support Services - Student		24,874,834.00	23,952,774.00	922,060.00
31	Guidance & Counseling	5,636,648.00	5,274,955.00	361,693.00
32	Social Work Services	15,478,515.00	14,662,063.00	816,452.00
33	Health Services	3,759,634.00	4,015,756.00	-256,122.00
40 General Administration		--	3,502.00	-3,502.00
41	General Administration	--	3,502.00	-3,502.00
50 Support Services - Non-Student Based		373,608.00	944,599.00	-570,991.00
51	Facilities Maintenance/Operations	200,780.00	535,423.00	-334,643.00
52	Security and Monitoring Services	68,798.00	299,241.00	-230,443.00
53	Data Processing Services	104,030.00	109,935.00	-5,905.00
60 Ancillary Services		238,154.00	234,780.00	3,374.00
61	Community Services	238,154.00	234,780.00	3,374.00
90 Intergovernmental Charges		792,000.00	724,500.00	67,500.00
95	Payments to Juvenile Justice Alt. Ed. Program	792,000.00	724,500.00	67,500.00
Total		158,787,510.00	125,137,350.00	33,650,160.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 3: Summary SCE Related Budget Allocation and Expenditures by Program Intent Code (PIC), 2021-2022

Program Intent Code		Budget	Actual	Residual
24	Accelerated Education	2,685,805.00	2,743,748.00	-57,943.00
26	Non-disciplinary Alternative Education Programs - AEP Services	--	--	--
28	Disciplinary Alternative Education Program - DAEP Basic Services	9,498,695.00	8,109,950.00	1,388,745.00
29	Disciplinary Alternative Education Programs - DAEP SCE Suppl. Costs	--	--	--
30	Title I, Part A Schoolwide Activities	145,684,800.00	113,512,508.00	32,172,292.00
34	Prekindergarten – Compensatory Education	918,210.00	771,144.00	147,066.00
Total		158,787,510.00	125,137,350.00	33,650,160.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 4: SCE Expenditures by Major Object Code and Organization Type, 2021-2022

Object Codes		Campus	Central	Total Expenditures
6100	Payroll Costs	67,504,376.00	36,348,418.00	103,852,794.00
6200	Professional & Contracted Services	11,060,959.00	1,509,686.00	12,570,645.00
6300	Supplies & Materials	4,386,300.00	2,443,513.00	6,829,813.00
6400	Other Operating Costs	307,440.00	14,866.00	322,306.00
6600	Capital outlay for land, buildings, and equipment	1,522,319.00	39,473.00	1,561,792.00
Total		84,781,394.00	40,355,956.00	125,137,350.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 5: SCE Expenditures by Function Code and Organization Type, 2021-2022

Function Codes		Campus	Central	Total Expenditures
10 Instruction & Instruction-Related		73,773,712.00	21,855,673.00	95,629,385.00
11	Instruction	70,336,195.00	21,604,201.00	91,940,396.00
12	Media Services	2,928,475.00	206,306.00	3,134,781.00
13	Staff Development	509,042.00	45,166.00	554,208.00
20 Instructional & School Leadership		2,382,119.00	1,265,691.00	3,647,810.00
21	Instructional Leadership	--	66.00	66.00
23	School Leadership	2,382,119.00	1,265,625.00	3,647,744.00
30 Support Services - Student		7,674,192.00	16,278,582.00	23,952,774.00
31	Guidance & Counseling	4,594,975.00	679,980.00	5,274,955.00
32	Social Work Services	13,978.00	14,648,085.00	14,662,063.00
33	Health Services	3,065,239.00	950,517.00	4,015,756.00
40 General Administration		--	3,502.00	3,502.00
41	General Administration	--	3,502.00	3,502.00
50 Support Services - Non-Student Based		214,425.00	730,174.00	944,599.00
51	Facilities Maintenance/Operations	67,626.00	467,797.00	535,423.00
52	Security and Monitoring Services	45,051.00	254,190.00	299,241.00
53	Data Processing Services	101,748.00	8,187.00	109,935.00
60 Ancillary Services		12,446.00	222,334.00	234,780.00
61	Community Services	12,446.00	222,334.00	234,780.00
90 Intergovernmental Charges		724,500.00	--	724,500.00
95	Payments to Juvenile Justice Alt. Ed. Program	724,500.00	--	724,500.00
Total		84,781,394.00	40,355,956.00	125,137,350.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 6: SCE Expenditures by Program Intent Code and Organization Type, 2021-2022

Program Intent Code		Campus	Central	Total Expenditures
24	Accelerated Education	2,322,324.00	421,424.00	2,743,748.00
26	Non-disciplinary Alternative Education Programs - AEP Services	--	--	--
28	Disciplinary Alternative Education Program - DAEP Basic Services	7,675,307.00	434,643.00	8,109,950.00
29	Disciplinary Alternative Education Programs - DAEP SCE Suppl. Costs	--	--	--
30	Title I, Part A Schoolwide Activities	74,061,718.00	39,450,790.00	113,512,508.00
34	Prekindergarten – Compensatory Education	722,045.00	49,099.00	771,144.00
Total		84,781,394.00	40,355,956.00	125,137,350.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 7: SCE Central Organizations Budget and Expenditures, 2021–2022

Object Codes	Budget	Actuals	Residuals
Indirect Costs in Function 41	--	3,502.00	-3,502.00
Summer School Organization	31,491,590.00	19,335,478.00	12,156,112.00
Undistributed Organization	40,696,165.00	21,016,976.00	19,679,189.00
Total	72,187,755.00	40,355,956.00	31,831,799.00

Source: OnDataSuite, PEIMS Financials 2021–2022
pulled February 16, 2023

Appendix B, Table 8: SCE Full-time Equivalents (FTEs), 2021–2022

Job Description	Funded	
	Full-time	Part-time
Assistant Principal	8	8
Educational Aide	3	45
Campus Office/Clerical Staff	13	20
Librarian	11	11
Librarian, Teacher	5	5
LSSP/Psychologist	1	1
Other Campus Exempt Professional Auxiliary	18	18
Other Campus Exempt Professional Auxiliary, Teacher	2	2
Other District Exempt Professional Auxiliary	226	229
Other District Exempt Professional Auxiliary, Teacher	3	3
Principal	2	2
Registrar	1	1
School Counselor	35	35
School Counselor, Teacher	13	13
School Nurse	37	38
School Nurse, Teacher	2	2
Substitute Teacher	1	1
Teacher	824	825
Teacher Facilitator	40	40
Teacher, Teacher Facilitator	21	21
Business/Finance Staff	5	5
Central Office/Clerical Staff	5	5
Human Resources Staff	1	1
Safety/Security Staff	1	2
Other Non-Exempt Auxiliary Staff	40	95
Total	1,318	1,428

Source: Houston ISD Budgeting and Financial Planning Department,
retrieved from OnDataSuite, September 2, 2022.

Note: This table does not include hourly pay for tutors and other related services