

Texas Education Agency

6.I. 10 Percent Biennial Base Reduction Options Schedule

Approved Reduction Amount

\$260,449,132

Approved Base here refers to approved 2008-09 base AFTER policy letter exceptions have been excluded.

Agency Code: 703			Agency Name: Texas Education Agency								
Rank	Reduction Item		Biennial Application of 10% Percent Reduction					FTE Reductions (FY 2010-11 Base Request Compared to Budgeted 2009)		Revenue Impact? Y/N	Cumulative GR-related reduction as a % of Approved Base
	Strat	Name	GR	GR-Dedicated	Federal	Other	All Funds	FY 08	FY 09		
1	1-2-1	Texas Reading, Math and Science Initiative	806,873				\$ 806,873			N	0.0%
2	1-2-1	Science and Math Outreach	600,000				\$ 600,000			N	0.1%
3	1-2-4	AVANCE-Family Support	1,700,000				\$ 1,700,000			Y	0.1%
4	2-3-4	Administration - Organization Development	280,000				\$ 280,000	3.0	3.0	N	0.1%
5	2-3-1	Teacher Mentor Program	3,000,000				\$ 3,000,000			N	0.2%
6	2-3-1	Texas Principals Excellence Program	1,000,000				\$ 1,000,000			N	0.3%
7	1-2-1	High School Completion and Success Initiative	4,250,000				\$ 4,250,000			N	0.4%
8	2-3-2	Administration - Evaluation, Analysis & Planning	2,200,000				\$ 2,200,000	5.0	5.0	N	0.5%
9	2-3-2	Administration - College Readiness and State Initiatives	720,000				\$ 720,000	3.0	3.0	N	0.6%
10	2-2-2	Steroid Testing	6,000,000				\$ 6,000,000			N	0.8%
11	2-2-4	Windham School District	11,885,149				\$ 11,885,149			N	1.2%
12	1-2-1	Student Success Initiative	46,289,030				\$ 46,289,030			N	3.0%
13	2-3-1	Teacher Incentive Awards Program (TEEG / DATE)	46,119,317				\$ 46,119,317			N	4.8%
14	2-3-5	Administration - Information Systems	5,359,606				\$ 5,359,606	12.0	10.0	N	5.0%
15	1-1-1	Educator Salary Increase	28,000,000				\$ 28,000,000			N	6.1%
16	2-3-2	Administration - Student Assessment	1,300,000				\$ 1,300,000	6.0	12.0	N	6.1%
17	2-2-1	Technology Allotment	26,300,000				\$ 26,300,000			N	7.1%
18	2-2-1	Textbooks and Instructional Materials	74,639,157				\$ 74,639,157			N	10.0%
Agency Biennial Total			\$ 260,449,132	\$ -	\$ -	\$ -	\$ 260,449,132	29.0	33.0		10.0%
Agency Biennial Total (GR + GR-D)			\$ 260,449,132								

Rank / Name

Explanation of Impact to Programs and Revenue Collections

1 Texas Reading, Math and Science Initiative

Academic support for students in the areas of reading, math and science would decrease. This includes support for diagnostic assessments including Texas Primary Reading Inventory, Texas Math Diagnostic System, and Texas Science Diagnostic System. These diagnostics are required in statute. Loss of support could result in lower TAKS performance, more students retained and additional financial impact to the system.

2 Science and Math Outreach

The three science and math outreach grants are intended to reduce performance gaps among student groups on the math and science portion of the TAKS by providing resources to strengthen science and math education. The grants serve the Houston, Galveston and Lower Rio Grande Valley areas. There is no statewide impact from the grants.

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Explanation of Impact to Programs and Revenue Collections (Continued)

3 AVANCE-Family Support

The reduction would impact state program goals for family literacy services provided to local communities and schools that are supported by AVANCE. The reduction would impact matching support services provided by AVANCE to various AVANCE regional offices in Texas. Performance measures impacted are:
 - Percent of Parents in AVANCE Programs Who Complete Level Enrolled and
 OC 1.2.24
 OP 1.2.5.3 - Number of Families Served by AVANCE Programs.

4 Administration - Organization Development

While Organizational Effectiveness would maintain a high quality of learning and development services, there would have to be a reduction in the amount and variety of work done including some combination of : 1) fewer new courses being developed, 2) less offerings of current courses - especially those with high materials costs, 3) a reduction in the quality of participant materials, and 4) a less robust Summer Management Series. This would result in a reduction of at least 2 FTEs, possibly 3.

5 Teacher Mentor Program

The reduction would decrease the award amounts to grantees, diminish the number of districts participating and reduce the number of mentor teachers funded by the program.

6 Texas Principals Excellence Program

Program funds currently cover the tuition for principals participating in the professional development program. Principals of academically unacceptable campuses are mandated to attend. The reduction may reduce the program services and decrease the participation (non AU principals) rate slightly.

7 High School Completion and Success Initiative

Reduction would result in elimination of Grants for Student Clubs and the Intensive Technology-based Academic Intervention Pilot grant programs. These legislatively-mandated programs were undersubscribed by eligible applicants due in part to the prescriptive nature of the statutory requirements associated with their implementation. The agency recommends reduction of these programs because they can be implemented with High School Allotment (Allotment) funds if a district determines that there is sufficient local need and interest in the services provided by such programs. Moreover, funding such activities through the Allotment provides districts with greater budget certainty from year to year and represents a savings in cost and time required to engage in the agency's competitive grant process.

8 Administration - Evaluation, Analysis & Planning

The reduction would cause the elimination of legislatively mandated program evaluations. TEA would be unable to complete comprehensive assessment of the effectiveness of the state's key teacher incentive initiatives. The following mandated studies would be removed from the biennial evaluation plan:

	\$400,000 annually	(Required by HB 1, 79th Legislative session)
TEEG	\$300,000 annually	(Required by HB 1, 79th Legislative session)
DATE		(Required by HB 2864, 80th Legislative session)
RURAL TECH	\$50,000 annually	(Required by TEC 12.118 [Added by Acts 1995, 74th Leg., ch. 260, § 1, eff. May 30, 1995. Amended by Acts 2001, 77th Leg., ch. 1504, § 15, eff. Sept. 1, 2001.]
Charters		

The agency has already made a significant investment in the study of the TEEG and DATE programs. The curtailment of the evaluation of teacher incentive initiatives would have the effect of "leaving the boat half built." Not only would the agency fail to fulfill a legislative mandate to provide a comprehensive report on 12/1/10, but the value the state would receive for its previous TEEG and DATE evaluation investments would be significantly decreased, as the earlier work was laying the foundation for longitudinal study. The evaluation of Rural Tech would be similarly impacted. It is a new initiative about which the state currently has no evaluation findings.

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Explanation of Impact to Programs and Revenue Collections (Continued)

9 Administration - College Readiness and State Initiatives

The reduction in FTEs would impact the agency's ability to effectively implement programs related to key agency strategic goals, including the High School Allotment, P-16 initiatives, Early Childhood programs, and Limited English Proficient initiatives. Programs would be added to the workload of other agency staff members, who are already implementing, in many cases, multiple programs. The result will be decreased responsiveness to internal and external constituents, inconsistent monitoring and technical assistance, and less effective program administration and oversight. Additionally, staff members who take over implementation of these programs as a result of the reduction would also take on additional supervisory responsibilities, adding to their workloads and affecting their productivity.

This reduction would result in the elimination of 3 FTEs--1 FTE from the Division of College and Career Readiness Initiatives, 1 FTE from the Division of School Readiness and Partnerships, and 1 FTE from the Division of Programs for At-Risk Youth--in the 2010-2011 Base Request compared to Budgeted 2009.

The following current Performance Measures could be negatively impacted by the reduction in FTEs:

High School Allotment--Percent of Students Who Successfully Complete and Advanced Academic Course

- (1) High School Allotment--Percent of Students Who Meet the Higher Education Readiness Component on the Exit-Level TAKS
- (2) Early Childhood--Number of Students Served by Prekindergarten Grant Programs;
- (3) Investment Capital Fund--Percent of Campuses Receiving ICF Grants Showing Improvement for All Students in All Portions of the TAKS Test.
- (4)

Additionally, the following proposed measures for 2010-2011 could also be negatively impacted:

Early Childhood--Number of School Districts Partnering for School Readiness Integration and

- (1) Early Childhood--Number of School Ready Designated Programs Effectively Preparing Students for Kindergarten.
- (2)

10 Steroid Testing

This reduction would result in elimination of the steroid testing program for the state of Texas. Currently this testing program is required by law (Senate Bill 8, 80th Legislature, Regular Session).

11 Windham School District

Windham's budget is historically 91 percent to 93 percent salaries. Windham took a significant budget reduction in the 2003-04 school year. When the budget reduction occurred administrative staff was reduced 34 percent and teachers were reduced 17 percent. A 10 percent reduction would involve approximately 127 personnel. The majority would be teachers as administratively Windham is very thin. The effect would be a 17 percent reduction in contact hours and a 9 percent reduction in offenders passing the GED.

Windham's assumption is that if the 10 percent reduction occurred, Windham's exceptional item for unfunded pay raises in the 2010-2011 Legislative Appropriation Request would not be funded. This would result in the need to reduce approximately 60 additional personnel. The majority of these positions that need to be reduced would again be teachers. The effect would be a 8 percent reduction in contact hours and a 4 percent reduction in offenders passing the GED.

The following performance measures would be impacted:

OP 2.2.4.1 - # Contact Hours Received by Inmates within the Windham School District

OP 2.2.4.8 - Number of Offenders Passing General Education Development (GED) Tests

OP 2.2.4.3 - Number of Students Served in Academic Training - Windham

OP 2.2.4.4 - Number of Students Served in Career and Technology Training

EF 2.2.4.1 - Average Cost Per Contact Hour in the Windham School District

12 Student Success Initiative

The amount of funding that goes to schools for support of students struggling with math and reading and who are at risk for being retained would be decreased. This may result in fewer schools receiving support, lower TAKS scores and more students retained.

This could affect OP 1.2.1.2 Number of Students Participating in the SSI ARI program if the funding campuses receive is decreased. Percents for all the following measures will likely increase more slowly or even decrease:

OC 1.2.1.6 Percent of Students that Meet the Passing Standard in Third Grade Reading

OC 1.2.1.7 Percent of Students that Meet the Passing Standard in Fifth Grade Reading

OC 1.2.1.8 Percent of Students that Meet the Passing Standard in Fifth Grade Math

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Explanation of Impact to Programs and Revenue Collections (Continued)

13 Teacher Incentive Awards Program (TEEG / DATE)

A reduction would have a substantial impact to the programs and the success of the state's pay for performance programs. The program was not originally funded at the recommended statutory levels; therefore, a reduction would decrease district and campus participation and lower teacher award levels, reducing the effectiveness of the programs. The effects of reduced participation figures throughout program implementation could adversely affect longitudinal external program evaluation outcomes. A reduction in funds would significantly reduce TEEG campus participation by almost 100 of the state's poorest, highest performing schools. In regard to DATE, almost 50% of the districts interested in participating in the program withdrew due to low grant award amounts. Research from career ladder, a previous pay-for-performance program, indicated that funding at a minimum \$100 per student is necessary to implement an effective performance program (Current funding levels are \$71 per student.)

Current funding allows districts of all sizes to fund a program for approximately one-third of their staff; a reduction would allow an even smaller percentage of staff to be included in the program. There would also be no funding for critical technical assistance for districts and campuses implementing pay for performance plans for the first time. Reduced funding would cause current participants to cut teacher award programs, adversely impacting teacher retention and prohibiting the agency from including additional interested districts in the program. Reduced teacher award amounts would negatively affect goals related to improved instruction and the recruitment and retention of teachers. Program monitoring and successful program trend analyses could be affected by reduced participation which would delay the time period in which student performance gains and increase in teacher quality could be expected.

This reduction would cause the agency to fail to meet its LBB performance measures related to TEEG and DATE. The following performance measures would be negatively impacted:

- Percentage of Eligible Campuses Awarded Grants Under Awards for Student Achievement Program
- OC 2.3.8 - Retention Rate at Campuses Participating in the Student Achievement Program
- OC 2.3.9
- OC 2.3.10 - Percentage of Districts Awarded Grants Under the Educator Excellence Awards Program
- OC 2.3.11 - Teacher Retention Rate at Campuses Participating in the Educator Excellence Awards Program

14 Administration - Information Systems

Audit & First Maintenance, all multiple applications (MA), Organization Database (ORG), Performance-Based Monitoring System (PBMS), HB1-PEIMS Agency Internet Renovation, High Cost Fund (HCF), Residential Facility Tracker (RFT), State Performance Plan Indicators (SPPI)-7, 11, 12, 13, Texas Records Exchange (TREx): Reductions of funding by 24% - 36% would greatly impact the ability to provide anything beyond basic maintenance of high priority defect fixes and regression testing after maintenance windows. Modifications such as legislative modifications/enhancements, customer requested modifications/enhancements, or technology upgrades would be very limited or not achievable.

Maintenance projects for PEIMS, ISAS, BAT, FSP-ASP, eGrants, EMAT Redesign, SBEC: Reductions of funding by 24% - 36% could result in negative impacts to agency business such as missed or late payments or collections not opening on time. Reductions would impact daily agency operations, as amounts requested are what are actually required to keep applications operational to perform daily agency business.

PEIMS Infrastructure: Reductions of funding by 24% - 36% would require more maintenance efforts but would not impact business.

The impact to the capital budget is as follows:

FSP Rewrite Phase 2, SBEC Online Rewrite-Phase 2: Reductions of funding 24% - 36% increases timeline to get applications into production and requires the agency to continue to fund

- (1) PEIMS Redesign-Phase 2: Reductions of funding 51% increases timeline to get applications into production and requires the agency to continue to fund maintenance and enhancements of the
- (2) maintenance and enhancements of the applications these projects would replace.
- (3) BAT Rewrite: Reductions of funding 100% would severely impact daily operations of the accounting and budgeting offices, as the current application does not have needed functionality.
- (4) eGrants Technology Upgrade: Reductions of funding 24% - 36% would require more maintenance efforts but would not significantly impact business.

For both capital and non-capital (maintenance) projects, reduced funding would result in an estimated reduction of 12 contractor FTEs in FY10 and 10 contractor FTEs in FY11, with the workload being redistributed to remaining contractor and TEA FTEs. This would dramatically reduce work which could be done by remaining contractor or TEA FTEs. Daily operations and overall FTE productivity would be directly impacted.

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Rank / Name

Explanation of Impact to Programs and Revenue Collections (Continued)

15 Educator Salary Increase

The rate will drop from \$23.63 per student in weighted average daily attendance (WADA) to \$23.12/WADA. School districts and charter schools might have to reduce educator salaries or use other funds to maintain the pay raise that was funded by rider 86.

16 Administration - Student Assessment

The reduction would negatively impact agency programs and goals in that the overall quality of the student assessment program would be compromised. The reduction in FTEs to the Test Administration team would mean that fewer assessments would be administered online and more assessments would be administered on paper only because there would be fewer FTEs available at TEA to support both modes of delivery for the assessments. In addition, test security measures outlined in Senate Bill 1031 would not be supported in the division and would need to be curtailed. FTE reductions to Analysis and Reporting would result in less oversight of the scoring and reporting function of the division, in that fewer internal quality control measures could be conducted, increasing the risk of errors in reporting of student assessment results. If it is desired that the same level of quality control over scoring and reporting be maintained, processing times for reporting to districts would need to be extended. Further, activities that would increase the amount of quality control procedures over what are currently in place (such as scrambling items on tests to produce multiple forms), could not be supported in the division without reducing quality in other areas of the test construction process. FTE reductions to the content teams within the ELL, TAKS, and EOC teams would result in less content expertise and, consequently, less oversight and quality assurance related to the development and implementation of the assessments, potentially compromising quality in the test construction process and potentially increasing risks associated with legal challenges to the student assessment program. Another consequence of this reduction in staff would be a significant decrease in support for assessment activities related to English language learners at a time when this population of students is significantly increasing in the state at the same time that the rigor of the graduation requirements is also increasing. Because the agency is required to develop 12 new assessments under SB 1031, it is not possible to reduce test development activities in these areas. However, additional item development activities that would enable the division to construct multiple unique forms of the tests would need to be curtailed.

12 FTEs would need to be cut over the biennium, with 6 FTEs cut in each fiscal year. It is likely that 4 FTEs would be cut from Test Administration, 2 from Analysis and Reporting, 2 from ELL Assessments, and 4 from TAKS/EOC Assessments.

17 Technology Allotment

The rate for the technology allotment would be reduced from \$29.59 per student in average daily attendance (ADA) to \$26.52/ADA. School districts will receive fewer funds for technology.

18 Textbooks and Instructional Materials

The state textbook funds the instructional materials that are provided to districts. Student growth each year requires more instructional materials for all subjects. Without instructional materials aligned to the revised TEKS, students will not be successful on TAKS.

The following performance measures would be impacted:

- Percent of Textbook funds Spent on Digital Content would be reduced by 15%

OC 2.2.7

OP 1.1.1.4 - Number of Textbooks and Digital Content Purchased from Conforming List would be reduced by 15%

OP 1.1.1.5 - Number of Textbooks and Digital Content Purchase