

Action Required

December 14, 2015

TO THE SUPERINTENDENT ADDRESSED:

Attached is a list of schools identified under the Public Education Grant (PEG) Program, authorized under Texas Education Code, Chapter 29, Subchapter G, §§29.201–29.205 and a description of the methodology used to identify the schools on the list. This list, effective for the 2016–17 school year, identifies campuses with passing rates on STAAR or TAKS that are less than or equal to 50 percent in any two of the preceding three years or were rated *Improvement Required* by the state accountability system in 2013, 2014 or 2015.

Under the PEG interdistrict transfer provision, a parent of a student enrolled in any of the campuses listed may make an application to attend a campus in any other school district for the 2016–17 school year. A school district chosen by a student’s parent under this statute is entitled to accept or reject the application for the student to attend school in that district but may not use criteria that discriminate on the basis of a student’s race, ethnicity, academic achievement, athletic abilities, language proficiency, sex, or socioeconomic status. Alternatively, a district may accept interdistrict transfers under Section 25.036 of the *Texas Education Code*.

Under the PEG intradistrict transfer provision, a parent of a student enrolled in any of the campuses listed may apply to attend another campus in the same school district.

Notification of eligibility must be provided by February 1, 2016, to each parent of a student in the district assigned to attend a school on the enclosed 2016–17 PEG list. Statute also stipulates that the notice must contain an explanation of the Public Education Grant Program and how the parent may obtain further information about pursuing a transfer. A Frequently Asked Question (FAQ) document is available to assist districts with this explanation and to instruct parents how to pursue a transfer. The FAQ, along with a copy of this letter and the list of PEG-identified schools, can be found under the Accountability application on the Texas Education Agency Secure Environment at <https://sequin.tea.state.tx.us/apps/logon.asp>.

Requirements of the PEG program concerning the identification criteria, student eligibility, effective dates, notification dates, and funding allotments are summarized below.

Requirement	Explanation
Effective Date of PEG Transfers	2016–17 school year
Parent Notification Deadline	February 1, 2016
Allotment	For interdistrict transfers, the district educating the child receives an additional weight of 0.1; limited to net students educated on PEG.
Interdistrict Transfers (across districts)	These may be refused or accepted by district receiving the transfer request.
Intradistrict Transfers (within district)	These are explicitly permitted, although no additional funding is allotted for this type of transfer.
Continued Student Eligibility for Interdistrict Transfer	<p>Student eligibility for PEG transfers is based on assignment to attend a PEG campus in the district of residence. Student eligibility expires upon any of the following three conditions:</p> <ul style="list-style-type: none"> • Completion of all grades offered by the campus upon which eligibility was originally based • Removal of the campus from the PEG list • Assignment of the student to a campus that is not on the PEG list as a result of redrawn attendance boundaries or student movement into a different attendance area <p>A receiving district is permitted to continue to treat a student as PEG eligible (and draw the PEG funding weight) after expiration of eligibility only if the student has not yet completed all grades on the campus to which the student transferred during the eligibility period.</p>
School Identification Criteria	<p>STAAR/TAKS passing rate \leq 50% in <u>any two of the three</u> preceding years (2013, 2014, 2015) or rated <i>Improvement Required</i> in 2013, 2014 or 2015. The assessments evaluated for the first criteria are STAAR for grades 3–8 and STAAR English language arts/reading, writing, mathematics, social studies, or science. For 2015, assessments for grade 3–8 mathematics and subjects for STAAR A and STAAR Alternate 2 were excluded from analysis.</p>
Transfer Restriction	A student may only transfer from a PEG school to a non-PEG school.
Tuition Prohibition	Tuition may not be charged to the student's parents/guardian or to the school district of residence.
Transportation	The school district in which the student resides is not required to provide transportation free of charge from the PEG-listed school to the new school. The district is only responsible for providing the transportation it would otherwise provide (as if the student did not transfer).

Because of the manner in which funding takes place using a weight of 0.1, the worksheet used for calculating state aid can be used to calculate the PEG amount. The district providing educational services to the student will report attendance as it would for any other student. The worksheet, available on the TEA website at

http://tea.texas.gov/Finance_and_Grants/State_Funding/Foundation_School_Program/Foundation_School_Program/,

includes the PEG funding weight. There are no special accounting requirements or limitations on the use of PEG-related funds. Bear in mind that a district is eligible to receive PEG-weighted funding only to the extent the number of students accepted on the basis of a PEG exceeds the number of resident students who are educated in other districts on a PEG.

Please direct questions about either the PEG program or the methodology used to determine PEG-listed schools to the Performance Reporting Division at (512) 463-9704. Questions about funding implications should be directed to the State Funding Division at (512) 463-9238.

Contact Information

Texas Education Agency

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Attachments