

### **Texas Education Agency**

LAR BRIEFING — 88<sup>TH</sup> LEGISLATURE



Recruit, support and retain teachers and principals.



Build a foundation for reading and math.



Connect high school to career and college.



Improve lowperforming schools.

**Key Actions** 



**Supported Educators** 



Ready Students



Rigorous Engagement



Aligned Systems



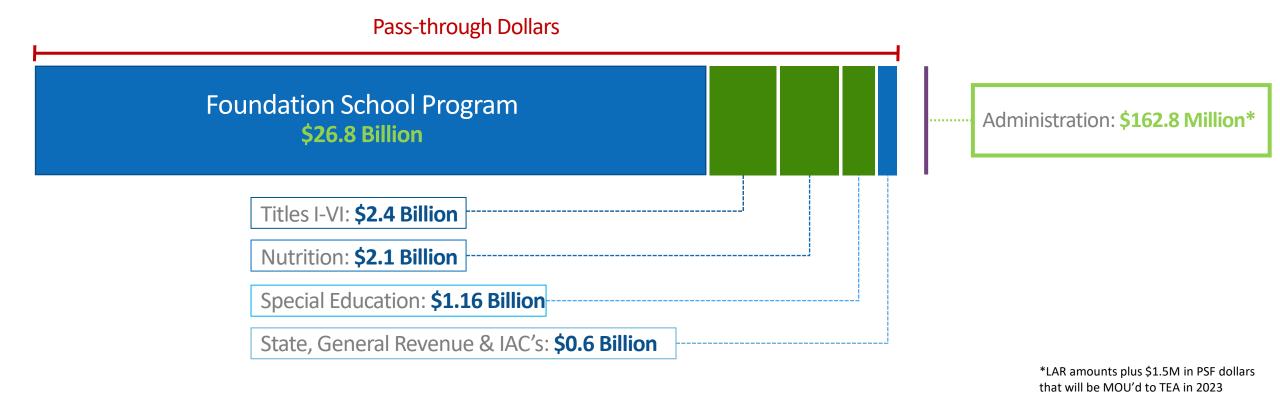
**Actionable Goalsetting** 



**Continuous Improvement** 

### FY 2023 TEA Agency Budget: \$33.2 Billion

The Texas Education Agency is responsible for the wise fiduciary stewardship of \$33.2B in state and federal funding and agency administrative costs totaling \$162.8M\*







# TEA LAR and SB 1



Method of Finance	FY 2022-2023 (Base)	FY 2024-2025 (SB1)	Biennial Change
State Funds*	\$51.2 B	\$60.0 B	\$8.8 B
Federal Funds	\$12.7 B	\$12.5 B	\$(0.2) B
All Funds	\$63.9 B	\$72.5 B	\$8.6 B

<sup>\*</sup>Includes recapture



### **Foundation School Program in SB 1**

- ✓ Fully funds current law for the Foundation School Program
- ✓ Golden penny yield increases from \$98.56 to \$126.21 in FY24 and \$129.52 in FY25
- ✓ Includes \$15B in property tax relief (\$5.3B under current law + \$9.7B new, with mechanism TBD)

#### What does this mean?

- The Golden Penny yield increase means that any district that is taxing in Tier 2 that does not have a wealth per student level above the yield will see a budget increase.
- Given average Tier 2 tax rates in the state and average property wealth projections, this translates to an average funding increase for districts of

~ \$239 per ADA



### **SB 1: Funding for School Systems**

- ✓ New riders indicate legislative intent to increase funding for public education
  - Both chambers reference teacher compensation\* and TIA

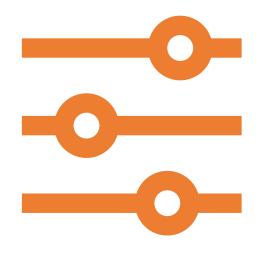
✓ Restores Instructional Materials
 Allotment to traditional levels
 (~\$1B per biennium)





<sup>\*</sup> Addresses TEA exceptional item

#### SB 1 Funded items from TEA's LAR

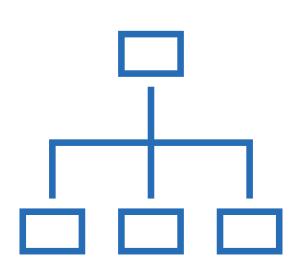


- ✓ Funds Supplemental Special Education Services program at \$93.3M
- ✓ Learning Acceleration:
  - Maintains HB 4545/Strong Foundations funding at FY22-23 level (\$150M)
  - Provides \$30M of state funds for ongoing learning acceleration/COVID recovery programs
- ✓ Indicates intent to provide \$600M for school safety through supplemental appropriations bill\*
- ✓ Funds TEA exceptional item for LEA cybersecurity\*



<sup>\*</sup> Addresses TEA exceptional item

#### SB 1 Funded items from TEA's LAR



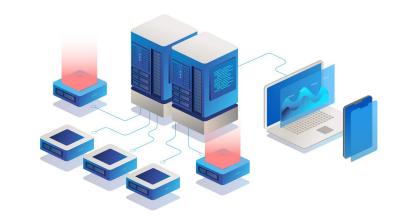
- ✓ Replaces PSF administrative funds (fills budget hole)\*
- ✓ Provides funding for employee salary increases\*
  - 5% or \$3,000 in FY24
  - Another 5% or \$3,000 in FY25
  - Indicates intent to fund increases beginning June 1 2023



<sup>\*</sup> Addresses TEA exceptional item

#### LAR Items Not Yet Addressed

- Exceptional Item request for IT deferred maintenance funding (\$11.25M)
- Additional rider requests for flexibility and clarity (TIA, Civics Academies)
- Reappropriation of funding to address MFS shortfall (\$74.6M)







### **Appendix**

### **SB 1 Rider Highlights**

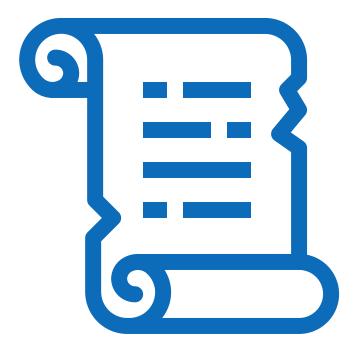


- ✓ Rider 8: Restored Instructional Materials and Technology Allotment to FY20-21 level
- ✓ Riders 47, 48, and 64: Streamlined T-STEM, Early College High School, and P-TECH into a single rider
- ✓ Riders 59 and 61: Streamlined reading academies provisions and funding into a single rider
- ✓ Removed obsolete riders and integrated certain programmatic funding not previously described by rider into existing or new riders



#### Rider Change Requests Not Included in SB 1

- Rider 25: clarified requirements on use of program funds for DCS purposes if required by DIR
- Riders 52 and 59: Improved agency's ability to develop tools for monitoring and reporting programmatic performance
- Rider 77: Added UB and revenue over the BRE provisions to Teacher Incentive Allotment rider



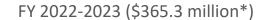


## Summary of Exceptional Items (original from LAR): Agency Functions

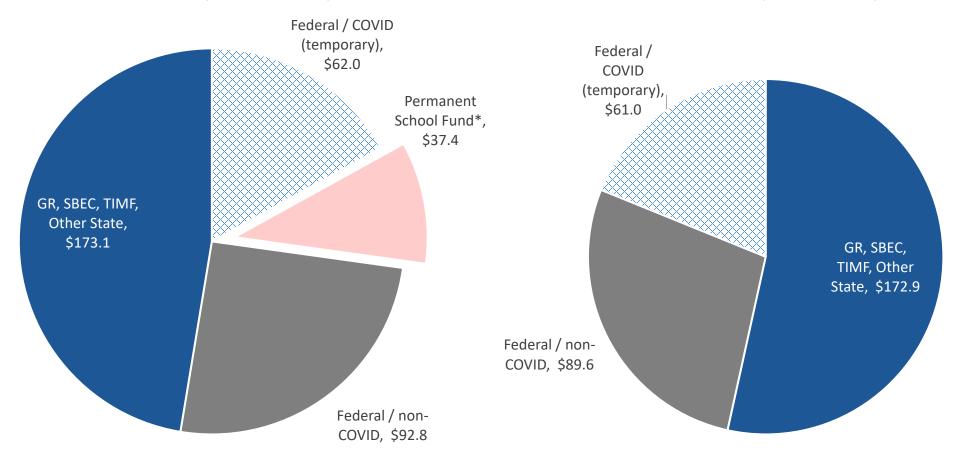
- 1. Permanent School Fund Replacement: \$5.5M per year needed to replace administrative PSF dollars removed from budget following separation under SB1232, 87(R)
- 2. Strategic Compensation: \$5M per year to pair with available federal funds for 3-6% salary increases for all merit-eligible staff and for targeted human capital investments
- **3. IT Deferred Maintenance:** \$5.6M *per year* to address backlog of updates to critical IT systems



### Agency Admin by Method of Finance (\$ million)



FY 2024-2025 (\$323.5 million)



\*LAR amounts plus \$1.5M in PSF dollars that will be MOU'd to TEA in 2023



## Summary of Exceptional Items (original from LAR): Programs and Supports

- **4. School Safety:** Request still under formation, to include funding for facilities upgrades, school-based safety personnel, technical assistance, and other supports
- 5. Educator Staffing: Proposals to decrease teacher vacancy rates are under development and will be presented to the Legislature for consideration
- **6. Data Privacy:** \$55.1M needed *for the biennium* for third-party risk assessments, regional technical assistance, and best-in-class cyber-defense tools



#### **Windham School District**

Exceptional Item Request (original from LAR) 2024 – 2025 Legislative Appropriations Request

 Windham School District (WSD) was authorized by the Texas Legislature in 1969 to provide academic, life skills, and career and technical education courses to eligible students within the Texas Department of Criminal Justice. WSD is requesting an exceptional item to better achieve the goals of the district.

FY 2024	FY 2025	Biennial Total Request
\$5.4 million	\$4.9 million	\$10.3 million

- Components of the Exceptional Item Request
  - 1. Continued Funding for 10% Teacher Salary Increase: \$6.2 million
  - 2. Educational Services for Students in Restrictive Housing: \$488,000
  - 3. Career and Technical Education Expansion: \$1.9 million
  - 4. Family Literacy Programming: \$961,000
  - 5. Workforce Coordinator Program: \$744,000

District

#### **Organization** Chart

FY23 FTEs Texas Governor 09/02/22 Commissioner of Education **TCDD** SBOE 1 FTE 18 FTEs School Safety Internal Audit 5 FTEs 3 FTEs Special Information Educator School Programs **General Counsel** Governance Operations Finance **Populations** Technology Support 247 FTEs 66 FTEs 107 FTEs 227 FTEs 25 FTEs 168 FTEs 95.5 FTEs 203 FTEs

- Charter Authorizing
- District Planning and Support
- Educator Data, Research, and Strategy
- Educator Preparation, Certification, and Enforcement
- School Culture and Student Supports System
- Innovation

- Complaints and Dispute Resolution
- Emergent Bilingual
- High Mobility At-
- Monitoring. Review & Support
- Program Policy, Engagement, and Reporting
- Special Populations Monitoring Systemwide
- Integration

- Assessment
- College, Career & Military Prep
- Curriculum Standards & Student Support
- Early Childhood Education
- Innovative Instructional Models
- Instructional Materials & Implementation
- Open Education Resources
- Performance Reporting
- SBOE Support
- Strategy & Analytics

- Accreditation & Enforcement Coordination
- Board Support Compliance &
- Inquiries Educator
- Investigations
- Field Support Governance
- Monitors &
- Conservators
- Special Investigations

- Alignment & Delivery
- Communications
- ESC Strategy Governmental
- Relations Human Resources
- Organizational Development
- Organizational Strategy and Support
- Research & Analysis

- Accounting
- Budget & Planning Contracts &
- Purchasing Federal Fiscal
- Compliance & Reporting Federal Fiscal
- Monitoring Federal Program
- Compliance Financial
- Compliance
- Forecasting & Fiscal Analysis
- Grants Administration
- State Funding

School Finance

- Business Management
- Development & CTO
- Information Security IT Operations
- Strategic Projects

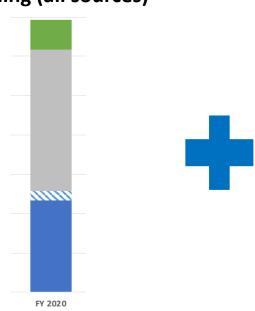
- Contracts & Procurement Counsel
- Employment Counsel
- Enforcement & Litigation Defense Counsel
- Ethics Counsel
- Public Information
- Special Education Hearings. Mediation and Counsel
- Statutory Interp. and Rulemaking Counsel



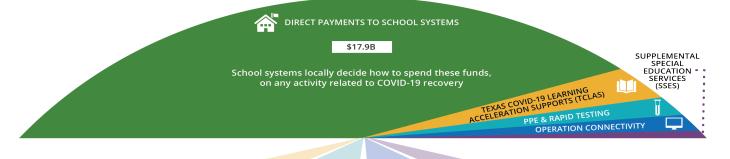
## Federal COVID Relief: More Funding to Support Learning Acceleration

**COVID One-Time Relief Funding (federal and state)** 

**2020 Total Annual School** Funding (all sources)



\$69.3 Billion



#### \$1.9B

#### TCLAS

- Support to extend learning time
- Innovations in curriculum and instruction
- Grow Your Own teacher expansion
- Tutoring support
- P-TECH expansion

#### \$9

#### \$951M

#### PPE & Rapid Testing

- 2.11M tests in SY 2020-21
- 72.8M PPE supplies distributed
- Funding rules sustained in-person instruction
- School nurse expansion grant for all regions in the state



#### \$602M

#### Operation Connectivity

- 3.6M e-learning devices distributed
- 874K hot spots distributed
- 821 districts participating
- All devices distributed to lowincome students across Texas



#### \$141M

#### SSES

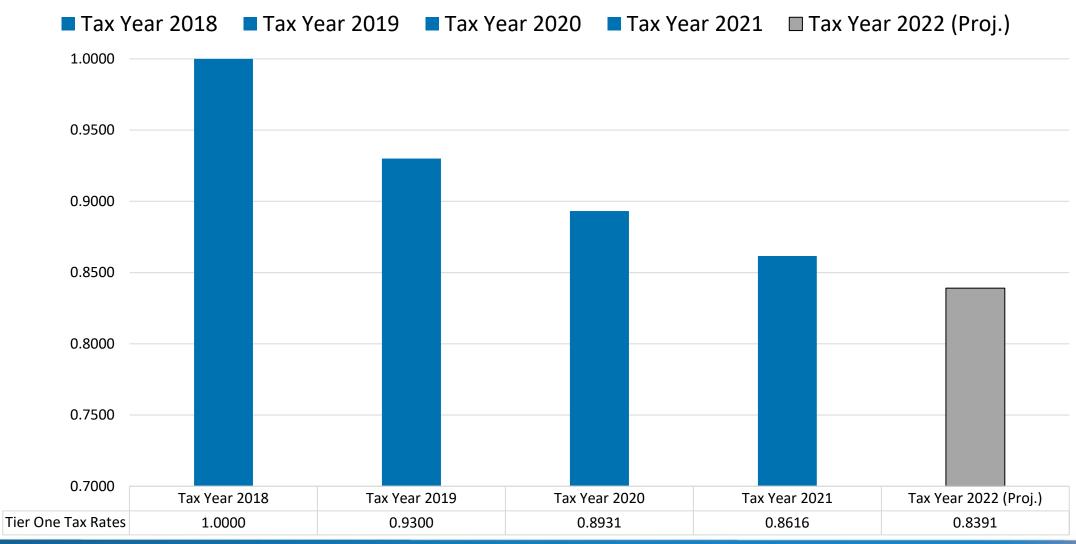
- \$1,500 grants to families of students with disabilities
- 50K+ applications from Texas families
- 100K+ approved educational goods
- 10K+ approved education services

Numbers as of 12/31/21

~\$21.4 Billion

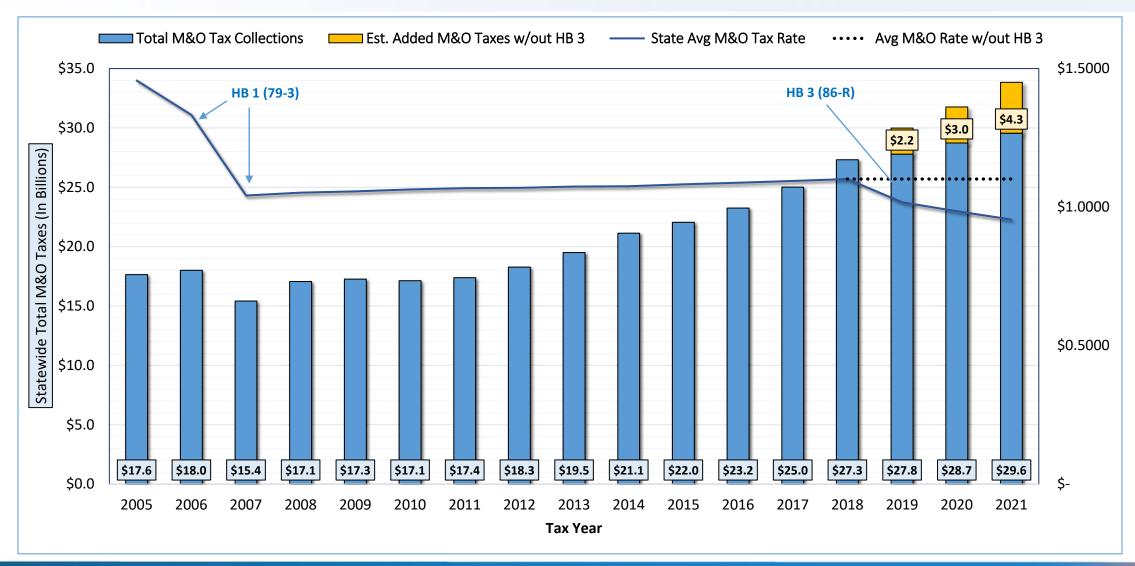


## HB 3 – Tier One Tax Rates and State Average Tax Compression



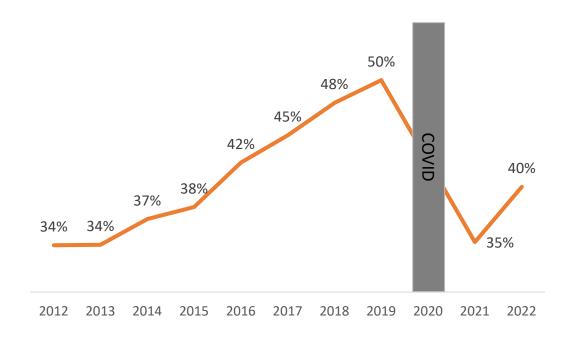


### Texa Tax Rates and Tax Collection History

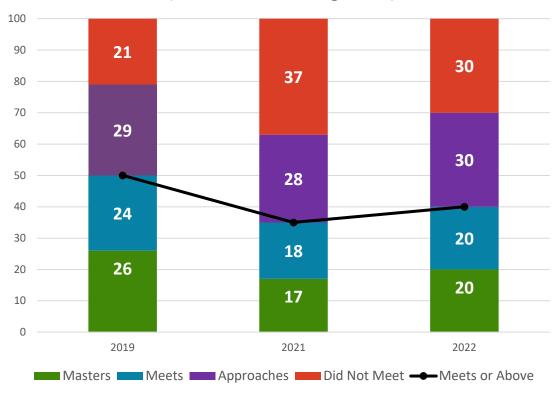


## In <u>Math</u>, Texas students have improved since last year, but are still recovering from the significant impacts of COVID

### Percent of Students that Met Grade Level or Above in Math (Grades 3-8 and Algebra I)



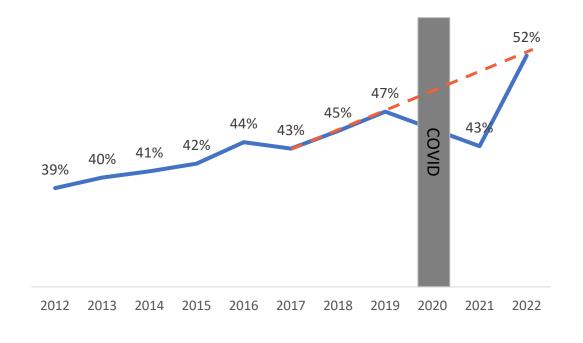
### Percent of Students by Performance Level in Math (Grades 3-8 and Algebra I)





## In <u>RLA</u>, which was impacted less by COVID, Texas students appear to have recovered

Percent of Students that Met Grade Level or Above in Reading Language Arts (Grades 3-8, English I & II)



Percent of Students by Performance Level in Reading Language Arts (Grades 3-8, English I & II)

