

The logo for the Texas Education Agency (TEA) is displayed in a bold, white, italicized sans-serif font. The letter 'A' is stylized with a small upward-pointing arrow integrated into its top right corner. The logo is positioned in the upper left quadrant of the image.

TEA

A young Black male student is shown in profile, smiling and looking at a laptop screen. He is wearing a blue and white plaid shirt. The background is a blurred indoor setting with a window showing greenery outside. A white mug is visible on the table in front of him.

State Compensatory Education Program 2023-2024

ACET Spring Conference • 2024

Train Your Staff



*There is no “I” in
grant management,
but there is in,
compliance.*

Even the best-laid plans in grants management do not always lead to the best use of funds.

Grant expenditure transactions require the involvement of:

- programmatic/school staff,
- budget staff and accounting staff with
- additional support from human resources, board members, directors and others.

Ensuring each team member knows their role and its importance, is crucial.

A grant shouldn't be solely managed by a single individual, cross train staff on grant management practices.

Grants are constantly evolving.

- Regular attention and persistence are required to monitor and evaluate use of funds.

Agenda

- State Compensatory Education
- Changes made by HB 3 and SCE Allocation
- Changes made by the 87th and 88th Legislative Sessions
- Required use of 55% of SCE Allotment
- Supplemental Program
- Student Identification
- Supporting a Title I program
- SCE Funded Positions
- Planning and Programmatic Requirements
- Additional links



Maintain auditable documentation.
Provide justifiable rationale.

State Compensatory Education



Goal – to provide funding to reduce disparity in performance on assessment instruments or rates of high school completion between educationally disadvantaged students, at-risk students, and all other students.

Purpose – to increase academic achievement and reduce the drop-out rate for these students by providing supplemental programs and services.

TEC, Sec. 29.081 –

- Identifies the 15 at-risk criteria
- Requires LEAs to use student performance data from the STAAR tests, to design and implement appropriate compensatory, intensive, or accelerated instructional services for students in the district's schools to enable the students to be performing at grade level at the conclusion of the next regular school term.

TEC, Sec. 48.104 –

- Defines how SCE funds are determined and calculated
- Indicates who can be served with SCE funding
- **Outlines how 55% of allocated funds can and should be expended**

TEC, Sec. 11.252 –

- **Needs assessment** addressing district student performance on the achievement indicators

The logo for the Texas Education Agency (TEA), featuring the letters 'TEA' in a bold, white, sans-serif font with a stylized white outline of the state of Texas integrated into the letter 'A'.

TEA

HB 3 Impact on SCE

TAA: House Bill 3 (HB3)
Implementation: SCE
Allotment and the SCE
Advisory Committee

TEC, §48.104



SCE program as a result of the passage of HB 3:

- **Increased overall allotment:**

- From 0.20 to a range from 0.225 – 0.275 –
 - Students who are designated as educationally disadvantaged are now eligible to receive supplemental services paid for with compensatory education funds.
 - [To the Administrator Addressed: House Bill 3 \(HB 3\) Implementation: SCE Program \(July 12, 2019\)](#)

- **Established an updated allotment methodology:**

- accounts for severe economic disadvantage in a student's neighborhood based on the census block in which the student resides and the index category of the census block.

- **Changed spending requirements:**

- Added **childcare services** and **life skills programs** ([program for district's teen parents](#))
- Requires 55% of the allotment be spent on the SCE program
- Streamlined reporting
- SCE Allotment Advisory Committee

[To the Administrator Addressed: House Bill 3 \(HB 3\) Implementation: Compensatory Ed. Allotment Advisory Committee \(Nov. 7, 2019\)](#)

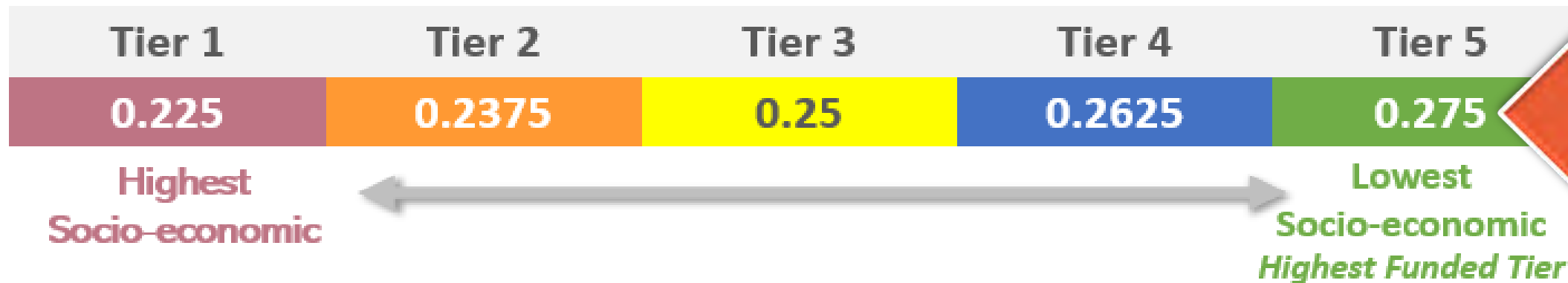
- **Can serve a Title I program; includes both schoolwide and targeted assistance programs.** Also, the program under Title I, Part D, Subpart 2, of the ESEA (20 U.S.C. §§6451-6456) regarding LEA programs for neglected, delinquent, or at-risk children and youth would constitute an eligible program under TEC, §48.104(k)(2).
- **Does not prohibit the use of SCE funds that were authorized under former TEC, §42.152 - [TEC, §48.104 \(l\)\(2\)](#)**

SCE current funding methodology:

HB 3 changes the previous funding methodology:

Was: a single multiplier (0.20 x the basic allotment) for each student eligible for the national free and reduced lunch program

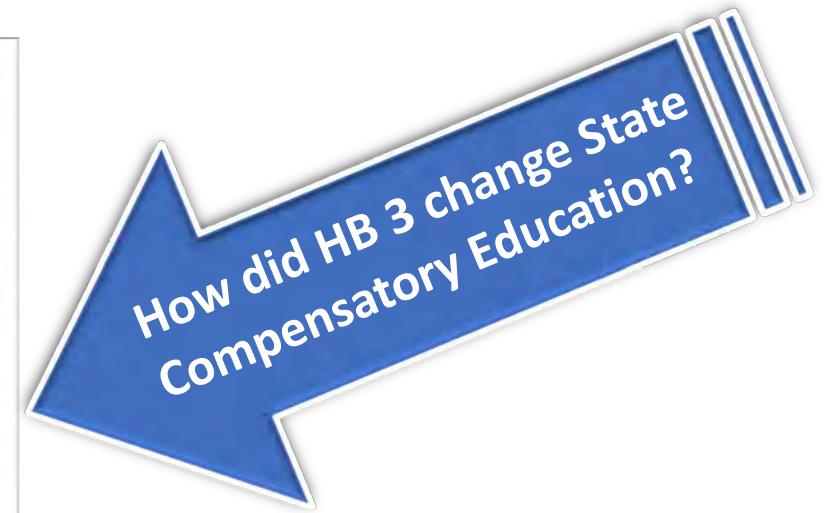
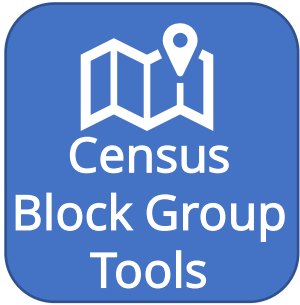
Now will be: a tiered multiplier for those free/reduced lunch students based on the tier of the student's home address census block group.



This tier also includes students experiencing homelessness.

State Compensatory Education Program

July 11th, 2019



- [Presentation on Compensatory Education](#) (PDF)
- [Census Block Group Tools](#)
- [Maps for census block groups](#) (External)
- [Socioeconomic Tiers Report](#) (PDF)
- [Census Block Tier Mapping for 2023 State Funding](#) (Excel)

This provides an update to the new assigned tiers of the census block group numbers.

Technical Assistance
If you have technical issues, please submit a [TIMS ticket](#) or email TSDSCustomerSupport@tea.texas.gov.

 Updated information on next slide.



New Information – Census Block Tools

Menu

- 1. Census Block Group Tool Final
 - 1.1. Training Navigation Tips
 - 1.2. Census Block Group Tool (CBGT)
 - 1.3. Census Block Group
 - 1.3.1. Overview
 - 1.3.2. TSDS Version of the Census Block Group Tool
 - 1.3.3. Intent for Moving Census Block Group
 - 1.4. Census Block Group Tool Instructions
 - 1.4.1. Required TEAL Roles
 - 1.4.2. Procedures – Access the Census Block Group Tool
 - 1.4.3. Demo – How to Access the Census Block Group Tool
 - 1.4.4. Procedures – Download and Install the Census Block Group Tool
 - 1.4.5. Demo – Download and Install the Census Block Group Tool
 - 1.4.6. Access for Vendors or Other Users
 - 1.5. Manual Single Entry Method
 - 1.5.1. Single Entry Method
 - 1.5.2. Tool's Input Fields & Descriptions
 - 1.5.3. Calculation Output Field
 - 1.5.4. Procedures for the Single Entry Method
 - 1.5.5. Demo – How to Use the Single Entry Method
 - 1.6. File Upload Entry Method
 - 1.7. Navigation Bar
 - 1.8. Wrap Up
 - 1.9. E-Learning

CBGT Final

TEA

Demo – How to Access the Census Block Group Tool in TEAL

Tester Wayne (0) wayne.curry@tea.texas.gov Support Help Exit

SEDS LEARNING I. (701803) GO

tsds texas student data system

Home eDM Data Loads PEIMS Core Collection Utilities Support

Welcome

The Texas Student Data System (TSDS) is a data collection and reporting system that improves and standardizes Texas education data collection and management process and equips educators with timely, actionable and historical student data to drive classroom and student success.

TSDS replaces and expands on the existing Public Education Information Management System (PEIMS)

TSDS also includes the Core Collection, which

GET STARTED

- Manage Data Loads
- Promote Loaded Data
- View Reports

If you do not see an expected function, you may have selected an organization for which you do not have the necessary permissions. Please select a different organization or visit TEAL to request new permissions.

PREV NEXT

Census Block Group Tool Overview

Why is this course important?

This tool provides you with:

1. the knowledge and skills to operate the Texas Student Data System (TSDS) version of the Census Block Group Tool.
2. the ability to obtain the Census Block Group number for each applicable student, which is required to complete your PEIMS Fall Submission.
3. helpful links, including a link for technical assistance.

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TEA

**2021-2022
87th
Legislature**

[TEC, §48.104](#)



SCE funds may be used for the costs associated with services provided through a life skills program (program for teen parents). What are the specific services?



HB 3:

Educational and support services for students who are pregnant or who are parents

- individual counseling, peer counseling, and self-help programs;
- daycare for the students' children on the campus or at a day-care facility in close proximity to the campus;
- transportation for children of students to and from the campus or day-care facility;
- instruction related to knowledge and skills in child development; and
- assistance to students in the program in obtaining available services from government; agencies or community service organizations, including prenatal and postnatal health and nutrition programs



Note: This SCE-funded program is only for student parents and must be separate from the daycare arrangement for the LEA's staff and community members.

Local Funds

- Custodial supplies
- Basic daycare supplies
 - Diapers, wipes, food
 - Clothing
- Administrative costs, personnel
- Equipment, furniture

These expenditures are not recorded in financial accounting records under PICs 24, 26, 28, 29, and 30.



What is the “new” at-risk criterion?



HB 572: Additional At-risk Criterion

[HB 572](#) amended [TEC, 29.081](#) to include the additional at-risk criterion, “**is enrolled** in a school district or open-enrollment charter school, that is designated as a **dropout recovery school** under [Section 39.0548](#).”

Note: Update to at-risk criterion, reflected in [TEC, §29.081\(d\)\(O\)](#).

- [TEC, §48.153. DROPOUT RECOVERY SCHOOL AND RESIDENTIAL PLACEMENT FACILITY ALLOTMENT](#)
- TAA - https://tea.texas.gov/sites/default/files/Information-for-Districts-and-Charter-Schools-Identified-as-Having-a-High-Dropout-Rate_0.pdf



What address should be used for determining the census block group for a student who is experiencing homelessness?



HB 1525:
Authorizes
Additional Uses
of SCE Funds

Districts do not need to report a census block group for a student who is experiencing homelessness.

[TEC, §48.104\(e-1\)](#) entitles districts to the highest possible compensatory education weight of **0.275** for each enrolled student who is experiencing homelessness.



[Census Block Group Tools](#)
[Training Navigation Tips](#)

Can the position of an attendance officer, to support educationally disadvantaged students, be funded with SCE funds?



HB 1525:

Authorizes
Additional Uses
of SCE Funds

Yes, if the **chief goal** of this SCE-funded attendance officer is to assist in reducing the dropout rate by identifying situations which jeopardize student attendance so that appropriate measures can be taken.

All duties and responsibilities are

- noted in job description;
- supplemental; and
- reflected in the CNA and D/CIPs

Measurable outcomes are tied to this specific position's job duties and responsibilities should be reflected in performance evaluation.

The job description requires sufficient information to describe major responsibilities and essential functions in which decreasing the drop-out rate is the primary duty of this position.

TEC, §48.104(k)(1), states that SCE funds may be used to pay for the duties performed by attendance officers to support educationally disadvantaged students.

Note: This position does not perform the duties of an attendance clerk or a safety officer.

TEC, §48.104(j-1)(4)(A)



Comprehensive needs assessment (CNA) - is a process that is used to identify needs and performance challenges in a school or district, determine their root causes, and set priorities for future action.



Can the cost of programs that build skills related to managing emotions, establishing, and maintaining positive relationships, and making responsible decisions be funded with SCE funds?



HB 1525:

Authorizes
Additional Uses
of SCE Funds

Yes, SCE funds **may** be used to pay expenses related to programs that **build skills related to managing emotions, establishing, and maintaining positive relationships, and making responsible decisions.**

Conduct a **needs assessment** to assist in the selection of a **proven, evidence-based, student-oriented program**, one that will assist students in:

- managing their own emotions,
- forming, and maintaining healthy relationships,
- making good decisions,
- coping with everyday social and academic challenges, and
- cost is reasonable and necessary.

NOTE: Allowable services noted in rule do not equate to diagnostic and therapeutic services or computer spyware.

! The success of this program in meeting the established goals will be reflected in the annual SCE evaluation as referenced in TEC, §29.081(b-3).



Can the position of an instructional coach be funded with SCE funds?



HB 1525:

Authorizes
Additional Uses
of SCE Funds

TEC, §48.104(k)(1), states that SCE funds may be used to pay costs for services provided by an instructional coach employed to raise success in the state assessment at a campus in which at-risk and educationally disadvantaged students are enrolled.

Yes, if employed to raise success in the state assessment at a campus in which educationally disadvantaged students are enrolled.

➤ The primary goal is twofold: improved instructional practice and improved student achievement.

Position:

- supports the students and teachers by providing evidence-based practices through trainings and modeling, and
- is evaluated in meeting the established educational goals.

All duties and responsibilities are:

- noted in job description;
- supplemental; and
- reflected in the CNA and D/CIPs



Note: This position is not a supervisory position and does not include administrative duties such as the required annual evaluation of colleagues.



IMPORTANT

Note the specific allowable job titles and descriptions referenced in TEC, §48.104.



TEC, §48.104(j-1)(3)



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Identification of SCE Funded Positions



**Fairy
Godmother**
for At-Risk
Students

TEC, Sec. 29.081

- The LEA may refer to some of the positions with various titles, but all funded positions are supplemental, should be coded in PEIMS correctly, associate back to statute, and meet the intent and purpose of the SCE program.
- When faced with the question of whether certain positions may possibly be funded with SCE dollars, the LEA must keep in mind that purpose of the SCE program is to improve student performance through direct instructional services and to reduce the drop-out rate for the intended population.



As with any SCE-funded position, all duties and responsibilities are reflected in the district and/or campus improvement plan and meet a defined need or set of needs (for serving the identified the intended population) in the comprehensive needs assessment. Measurable outcomes tied to this specific position's job duties and responsibilities should be reflected in the LEA's annual SCE evaluation as referenced in [TEC, §29.081\(b-3\)](#).

Salaries for administrative positions are not allowable with the 55% (direct) portion of SCE funds.



Refer to section on funded positions for additional details.



TEA



**2023-2024
88th
Legislature**

TEC, §48.104



Can an LEA spend SCE funds to pay for accelerated instruction that is required under HB 1416?



HB 1416: Providing Accelerated Instruction

*HB 4545 was amended
by HB 1416.*

Yes. LEAs may use SCE funds described in [TEC, §48.104](#) to fund supplemental direct instructional programs and services listed in HB 1416, such as:

- targeted supplemental instruction,
- extended day and year instruction,
- tutoring, and
- transportation for extended day and year programs.

SCE funds may also be used for professional development designed to provide instructors the knowledge and skills to deliver accelerated instruction. It may also be used for the purchase of supplemental instructional materials for the provision of services for the intended population defined in the authorizing statutes, [TEC, §29.081](#) and [TEC, §48.104.](#)



Note: SCE funds may only be used to fund the cost of direct supplemental instructional programs. Administrative duties, functions, and positions can only be funded with local funds, not SCE direct funds.



If a student was enrolled in grades 1-8 during and did not advance to the next grade level solely at the request of the parent or guardian, should this student be identified as an at-risk student?



HB 3803:

allows parents and guardians to elect for a student to repeat or retake a course or grade.

SB 1697 was amended by HB 3803.

Yes. As stated in [TEC, §29.081\(d\)\(1\)\(A\)](#), **a student who was not advanced from one grade level to the next for one or more school years meets the at-risk criteria.**

- students who meet one of the listed criteria are eligible for additional academic supports to improve their learning.



Note: Legislation reinstates the language permitting parents of 4th through 12th grade students to choose to have their child repeat grades or high school level courses. As a result, for grades 1-8 the child can repeat the grade they were in the previous year.

If a student was enrolled in a course for high school credit and the parent or guardian elects for their child to retake a course, solely at their request, should this student be identified as an at-risk student?



HB 3803:

allows parents and guardians to elect for a student to repeat or retake a course or grade.

SB 1697 was amended by HB 3803.

No. A student who was retakes a course only as the result of the request of the student's parent, is not identified at risk of dropping out of school.

This rationale does not meet the at-risk criteria listed in TEC, §29.081.



Note: H.B. 3803 amends current law relating to allowing parents and guardians to elect for a student to repeat or retake a course or grade. Specifically, for high school courses, parents can choose to have their child repeat any course the student was in during the previous year.

What changes were made to the dyslexia program in 2023?



HB 3928:

States dyslexia is an example of and meets the definition of a specific learning disability under IDEA.

TAA: House Bill (HB) 3928 (texas.gov)

TEC, Section 29.0031 states dyslexia is an example of and meets the definition of a specific learning disability under Individuals with Disabilities Education Act (IDEA). There are specific evaluation domains and questions outlined in the handbook that the LEA must implement when determining the presence of dyslexia.

House Bill 3928 was passed (5.3.23) by the 88th Texas Legislature (Regular Session) and impacts dyslexia evaluation, identification, and instruction.

- Children with dyslexia should be able to get special education services and support in school, if the parent and school agree that services are needed. National special education laws cover dyslexia as a disability.
- Goal: The goal is to implement instruction that is systematic, explicit, and evidence-based to meet the educational needs of a student with dyslexia and include the requirements outlined in The Dyslexia Handbook.

LEAs must use an evidence-based dyslexia program which is a **special education service** which is **specially designed instruction provided under special education through an IEP** (an individualized education program) rather than under any other general education service.

Can a student with dyslexia meet any of the at-risk criteria?

Yes, the student with dyslexia would be in an at-risk situation if the student met one of the listed criteria, not due to the disability.

 [TEA Dyslexia and Related Disorders Webpage](#) [HB 3928 FAQs \(texas.gov\)](#)

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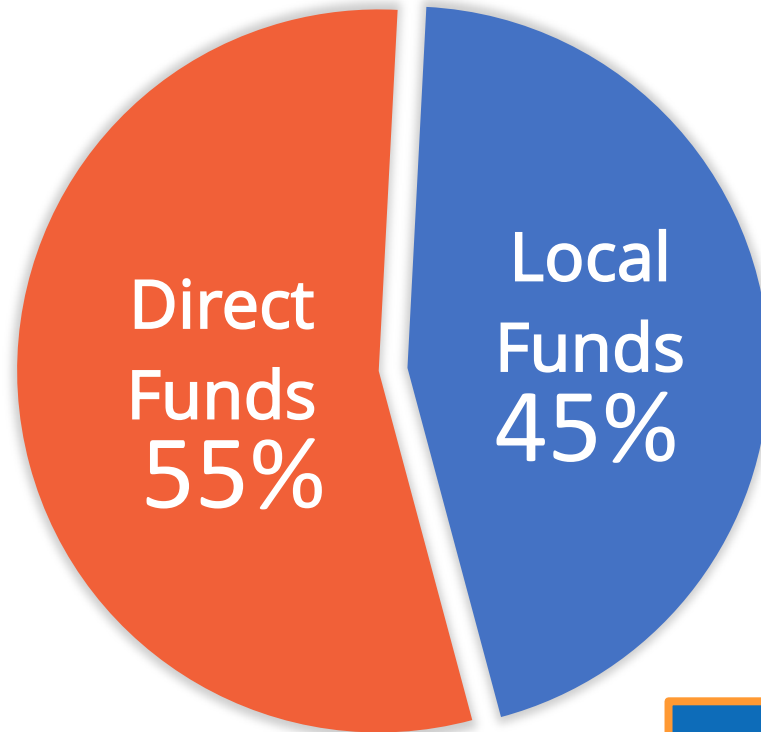
**55%
Use
of
Funds**

TEC, §48.104



SCE Allotment – Required use of 55%

55% of the SCE Allotment ... **must** be (spent) used on **allowable costs** to provide **support programs and services** that are **supplemental to the regular education program**, essential to closing the education gap between the intended beneficiaries and other students.



This portion of the allocation may fund administration, additional personnel, required positions, supervisors, deans, attendance clerks, registrars and other office personnel, non-instructional duties, general classroom equipment and materials, general travel expenses, stipends, screening services, office supplies, food & snacks, and all other **costs that are not directly accountable to the SCE program, i.e., not providing direct or allowable services to SCE eligible students.**

These expenditures are not recorded in financial accounting records under PICs 24, 26, 28, 29, and 30.



Maintain supporting documentation.



SCE Funds are Supplemental

SCE funds **may only supplement** the regular education program, as mandated and specified in [TEC, §29.081](#) and [TEC, §48.104](#).

Purpose – to ensure that SCE funds are:

- **expended to benefit the intended population** defined in the authorizing statutes rather than being diverted to cover expenses that the LEA would have paid out of other funds in the event the SCE funds were not available.
- provided as “additional resources” **to deliver targeted services beyond the basic educational program, which are allowable under SCE statutes.**

➡ Please note, funds are used to supplement the programmatic needs of identified SCE students, not the LEA’s budget, e.g., staffing ratio.



Needs must be **well-planned and identified prior** to providing the specified supplemental services.




SUPPLEMENTING TEST

- Is the position, service, or activity required by district, state and/or local policy?
- Would the position, service, or activity still take place without SCE funds?
- Is the position, service, or activity an allowable supplemental SCE expense?

If the answer to either of these questions is YES, then there is a risk of supplanting – therefore, the use of SCE funds is not advisable.

SCE is a State Mandated Program

 SCE funds may only supplement the regular education program, as mandated and specified in [TEC, §29.081](#) and [TEC, §48.104](#). Ensure that the supplemental activity is allowable under SCE statutes.

What does “basic program” mean?

All students have the right to receive an education paid for with unrestricted funds. This includes a teacher, textbooks, and instructional materials.

What does “supplement the basic program” mean?

- ➔ SCE funds are to be used to support and supplement the basic instructional program for the intended population defined in the authorizing statutes, [TEC, §29.081](#) and [TEC, §48.104](#).
- ➔ SCE funds **cannot** be used to pay for services and materials that students **must have** as a part of their basic educational program.

Regular or Basic Program



Your basic program would represent the plain cake; **every student is entitled to a regular education, in this case, an equal sized piece of cake.**

Supplemental Program



The frosting represents **additional support** for the student.

Supplemental Program Plus



The candles represent **even further additional support** for the student.



SCE funds can only supplement regular instruction, the funds cannot be used to replace required services.

SCE Expenditures

I would like to use SCE funds to buy...



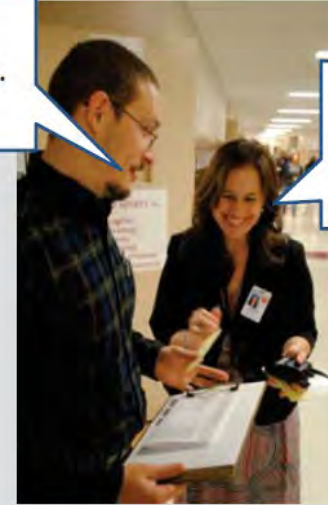
- ❑ Is it reasonable and necessary to carry out the intent and purpose of the SCE program?
- ❑ What need in our CNA does this address?
- ❑ From the CIP, can you describe the program, activity, or strategy addressed by this expenditure?
- ❑ How will this be used to ensure at-risk students and students from low-income families have opportunities to meet challenging state assessments?
- ❑ How is this expenditure supplemental to the basic instructional program?
- ❑ How will the expenditure be evaluated to measure a positive impact on student achievement and help close the academic gap?



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SCE Expenditures

Ok, forget it.



Have a great day!



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Adequate planning and documentation are required prior to spending SCE funds.

Ensure that all your SCE expenditures meet the intent and purpose of the SCE program.

- Will this request assist struggling students pass the state assessment and/or perform at grade level? If not, consider using other funds.

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SCE funds can only supplement regular instruction, the funds cannot be used to replace required services.

TEC, §48.104 TEC, §29.081



Slide Courtesy of Region I ESC
Information modified to meet the intent and purpose of the SCE Program.

One more example

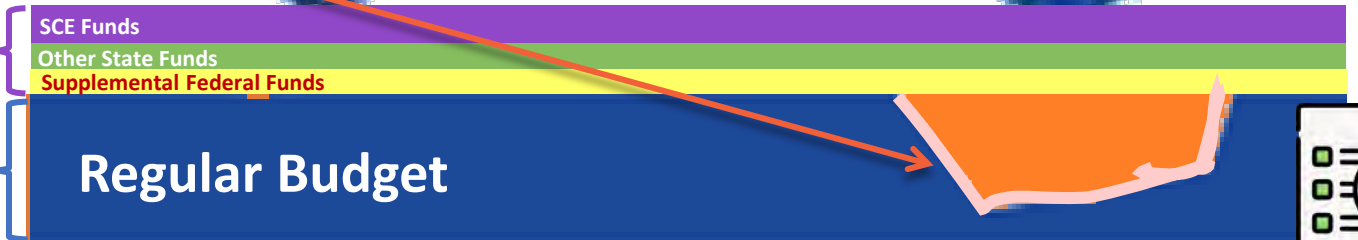


The pothole in the illustration represents a **gap** in the regular budget.

Use “other” funds, e.g., **local funds** to fill in the gap and use supplemental funds to smooth out the road. Note: the top layers aren’t vital, but they supplement the filling.

SCE funds are additional funds to the **regular budget**.

These **funds are in addition** to what all students normally receive. **SCE funds pay for “additional” allowable services.**



Each district shall provide accelerated instruction to a student who...



- Plan for **End of Course** programs and services **first**. Adopt budget and ensure you have appropriate funds.
- Ensure your LEA has enough funds for this primary and required service.

First thing, adopt a budget to support additional accelerated instruction for EOC:



A district **may not budget funds** received under TEC, §48.104 for any other purpose **until** the district **adopts a budget to support additional accelerated instruction.**

Review performance data (or any available data in our current situation) to design an accelerated program

- ✓ to students who failed to perform satisfactorily on an EOC; and
- ✓ **without cost to the student.**

Separately **budget sufficient funds** to provide **required** accelerated instruction to students **who failed to perform satisfactorily on the EOC.**



Maintain supporting documentation.

TEC, §29.081(b-3)



Evaluation and Public Hearing

Focusing effective educational interventions on the neediest students provides a way forward that is consistent with program and fiscal realities.



A district shall evaluate the **effectiveness of accelerated instruction programs** under Subsection (b-3) and **annually hold a public hearing** to consider the results.

Evaluate and document the effectiveness of the accelerated instruction in reducing any disparity **in performance on assessment instruments** or disparity in the **rates of high school completion** between the intended beneficiaries and all other district students.

- Have STAAR scores, student grades, and drop-out rates been analyzed? What were the results? How did results impact SCE expenditures?
- Have the most effective services and interventions been determined? Identify the key services.
- Which proved most effective at closing the achievement gap?
- What were the success rates?
- What are the anticipated modifications?



A public hearing is a type of open meeting at which the **public must be permitted to respond to or testify in response to the topic of the hearing**. If a district wishes to hold a public hearing outside of a formal board hearing, it may do so if the **meeting fulfills the basic requirements of a public hearing** listed above.





LEAs with an enrollment of less than 500 students

The **comprehensive needs assessment** for small enrollment LEAs may often establish class size reduction as a primary strategy for SCE program and reflect this strategy in the campus improvement plans (for school districts) or the campus instructional plans (for charter schools). **Often, class sizes for all grade levels are notably smaller than an average of 22 students per teacher for regular education.** This characteristic is the result of maintaining separate classrooms for all grade levels for academic programs (not including physical education). If an LEA had fewer than 500 students enrolled during the entire school year, **then the fiscal transactions for regular education (for regular education campus settings) may be allocated between Program Intent Codes 11 and 24, based upon the percentage of students at risk of dropping out of school on each campus to the total enrollment for each campus.**

➔ **A calculation of supplemental FTEs or fiscal resources in reference to a documented standard for regular education is not required in all LEAs covered by this special provision. Supplemental FTEs and fiscal resource amounts attributed to use of the SCE allotment will be disclosed in the district improvement plan or corresponding campus improvement plan consistent with the methodology described above for allocating costs between Program Intent Codes 11 and 24.**



Maintain supporting documentation.



LEAs with an enrollment of less than 500 students

- Analyze and determine the need
- Calculate percentage and document
- Prepare and implement program
- Evaluate periodically and document results

Example: A small enrollment LEA stated in its district and campus improvement plans, that **small class size is the primary strategy** for SCE. On one campus, the school district classified **25 percent of the students as risk**. Using State criteria and board approved local criteria. Regular education program costs under Function Code 11, Instruction, for the campus were **\$1,000,000**.

Costs allocated to **Program Intent Code, 11 were \$750,000**, and costs allocated to **Program Intent Code 24, were \$250,000**, in **proportion to the percentage of students at risk of dropping out of school**.



Maintain supporting documentation.



Sample Questions discussed in the SCE FAQ – Use of SCE Funds

Q. Can SCE funds be used to fund DAEPs in a school district or in a cooperative arrangement?

A. Yes. SCE funds may be used to fund a DAEP established under the TEC, §37.008.

PIC 28 would cover the cost of the regular education program (**base-line instruction**), meaning required personnel (teachers) providing direct instruction and services to students, while PIC 29 would cover “**supplemental**” costs such as supplemental instructional aides or the cost of additional supplies and materials for supplemental instructional activities. **These costs must be described in the district or campus improvement plan.**

TEC, §37.008 (g) states, “A school district shall allocate to a disciplinary alternative education program the same expenditure per student attending the disciplinary alternative education program, including federal, state, and local funds, that would be allocated to the student's school if the student were attending the student's regularly assigned education program, including a special education program.”



Note: SCE funds may only be used to fund the cost of direct supplemental instructional programs. All administrative duties, functions, and positions **can only be funded with local funds not SCE direct funds.**






Can SCE funds be used to reduce class size?

Used only to meet guidelines established in [TEC, §48.104](#).

→ Yes. LEAs may use the SCE allotment to fund costs supplementary to the regular education program to create smaller class sizes for intended beneficiaries.

- SCE staff is supplementary to the SCE program. SCE funds cannot be used to meet the LEA's staffing ratio.
- Section(s) are created after enough staff is hired to meet the district and state guidelines.
- Annually, evaluate the class size reduction efforts to ensure that:
 - Students are achieving the State's standards and
 - LEA is closing the achievement gap.

 Maintain auditable documentation. Provide justifiable rationale.

→ Note: The SCE funds (55%) may not be used to achieve the FSP student to teacher ratio requirement of 22:1. [TEC, §29.112](#) Unless clearly specified, expending SCE funds to meet any federal or state mandate, or local board policy, would be considered a supplant.

Examples

1. Having two teachers (one required and one supplemental) to team teach in a single classroom for either part of the school day or the entire day.
2. Hiring a supplemental teacher for a grade level (e.g., providing three teachers for two 7th grade math classes) and dividing the students among the teachers.



Can SCE funds be used to cover the cost of transportation for a summer school program for at-risk students?

➔ **Yes.** The cost of transporting students to or from SCE **supplemental** program activities is an allowable SCE expenditure.

➔ *extended day, extended year, not for basic instructional services e.g., to and from academic courses*

➔ You may **not** charge the SCE program for costs incurred in transporting students to and from the **regular school day**.

👉 For audit purposes, the LEA **must maintain documentation** of the **cost of the summer program** and **provide justification linking the SCE expenses to the program objective**.





Can SCE funds be used to fund a mentoring program?



Yes. [TEC, §29.089](#) states that each LEA may provide a mentoring services program to at-risk students.



Before an LEA provides a mentoring program, **adequate planning and research must be conducted** to assist in designing and implementing a program that will **contribute to the academic success of the intended beneficiaries**.



An LEA should have **established policies and procedures related to the screening of potential mentors**, including:

- background checks;
- ongoing training and support for mentors and program staff;
- activities for mentors and students; and
- procedures for supervision and monitoring of mentoring relationships.





Can SCE funds be used to fund the cost of the GED program and testing, or the cost of AP or SAT exams?

- ➔ **No.** The GED program is not part of the regular instruction. Expenditures for activities or purposes other than regular public education may not be paid from the SCE direct cost allocation. SCE funds must be used to provide support programs and/or services that supplement the regular education program so that the intended beneficiaries can succeed in school.
- ➔ Decreasing disparity in performance on assessment instruments administered under Subchapter B, Chapter 39, between at-risk students, educationally disadvantaged students and their peers is one of the primary goals of this program.



Can SCE funds be used to fund the cost of dual enrollment or dual credit courses for which students receive both high school and college credit or college preparation tests? TSI tests?

- ➔ **No.** Expenditures for activities or purposes other than regular public education may not be paid from the SCE direct cost allocation. **SCE funds must be used to fund supplemental programs and services designed to eliminate any disparity in performance on assessment instruments** administered under [Subchapter B, Chapter 39](#), or disparity in the rates of high school completion between the intended beneficiaries (at-risk and educationally disadvantaged students) and all other students.



[Texas Education Agency Dual Credit Frequently Asked Questions](#)



Additional Questions discussed in the SCE FAQ – Use of SCE Funds

Can SCE funds be used to

- purchase incentives?
- certify, recruit or retain teachers?
- fund a crime prevention program or fund (truant) a safety resource officer?
- cover the cost of conducting the SCE program and SCE student evaluation?
- identify 504 students, fund the 504 program, fund homebound teachers?
- fund DAEPs in a school district or in a cooperative arrangement?
- fund an in-school suspension (ISS) program?
- help prepare students for the TSI* assessment or college admission preparation courses?
- fund the cost of a Junior Reserve Officer Training Corps (JROTC) program?
- fund the cost of the GED program and testing?
- fund the cost of college testing preparation, or the cost of AP or SAT exams?



Answers are based on the required use of the 55% portion of the SCE allotment.



Student Eligibility

The most current version of the law now uses “letters” to identify the at-risk criteria.

[EDUCATION CODE CHAPTER 29. EDUCATIONAL PROGRAMS \(texas.gov\)](#)

If PEIMS or TSDS is using numbers for reporting purposes, please follow their guidelines.

TEC §29.081

Amended: Acts 2023, 88th Leg., R.S., Ch. 940 (S.B. [1647](#)), Sec. 1, eff. September 1, 2023.




For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

- A. except as provided by [TEC, §29.081\(h\)](#) or if retained for prekindergarten under [TEC, §28.02124](#), was not advanced from one grade level to the next for one or more school years;
- B. if the student is in grade 7, 8, 9, 10, 11, or 12, 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;

Foundation Curriculum—

- English language arts
- Mathematics
- Science
- Social studies

The courses that are part of the foundation curriculum are as stated in [TEC 28.002](#): “(1) a foundation curriculum that includes: (A) English language arts; (B) mathematics; (C) science; and (D) social studies”. The level of the course does not affect whether it is a foundation course, so advanced foundation courses are included.

 Please note, this does not include “enrichment” curriculum.

For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

- C. did not perform satisfactorily on an assessment instrument administered to the student under [Subchapter B, Chapter 39](#) (Public School System Accountability), 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;

Note: Evidence-based Writing

Beginning with the 2022–2023 school year, RLA assessments will assess both reading and writing (grades 3–8 English, grades 3–5 Spanish, and English I and II End-of-Course) and will include new question types and an extended constructed response, or essay, at every grade level. [STAAR Redesign | Texas Education Agency](#)

NEW
UPDATE

For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

- D. if the student **is in** prekindergarten, kindergarten, or grade 1, 2, or 3, did not perform satisfactorily on a **readiness test** or assessment instrument administered **during the current school year**; *(current school year only)*



LEAs should administer a readiness test or assessment instrument as early in the year as possible in order to identify those students who are eligible for services under the SCE program.

- The aim of the readiness test is to promote school success of each child, recognize that a strong start in school can close gaps early and to prevent other gaps from starting.
- The results aid in determining the instruction and interventions students need to improve their readiness to succeed in school.

For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

E. **is** pregnant or is a parent;



- Any student who is pregnant or is a parent should be coded as at risk of dropping out of school.
- Male students who are parents should be coded at-risk and can receive services.

Note: The SCE-funded programs are designed to facilitate the well-being and self-sufficiency of student parents by providing and coordinating supplementary services to ensure that they remain in school and earn a high school diploma. Since educationally disadvantaged students (including students receiving [pregnancy related services](#)) generate SCE funds, these funds **cannot** be used to subsidize a daycare program and/or location for anyone other than the LEA’s student parents.

For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

- F. **has been placed in an alternative education program** in accordance with Section [37.006 \(Removal for Certain Conduct\)](#) during the preceding or current school year; *note specific reasons*
- G. **has been expelled** in accordance with Section [37.007 \(Expulsion for Serious Offenses\)](#) during the preceding or current school year; *note specific reasons*
- H. is **currently on parole**, probation, deferred prosecution, or other conditional release;
(current school year only)
- I. **was previously reported** through the Public Education Information Management System (PEIMS) to have **dropped out of school**;

For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

- J. is an **emergent bilingual student**, as defined by Section [29.052 \(Definitions\)](#); *(currently identified)*
- K. **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;
(currently year only) **Best Practice: Does your LEA have a process for referring a student to DFPS?** [Review: A Texas School Employee’s Guide to Reporting Suspected Abuse & Neglect](#)
- L. is **homeless**, *(current school year only –verify information with your Homeless Liaison)*
- M. 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, cottage home operation, specialized child-care home, or general residential operation; or *(currently year only)*



For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

N. **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 \(Definitions\)](#), Penal Code.

How are the terms “penal institution” and “incarcerated” interpreted in the definition of “at risk”?

➔ [Penal Code, §1.07\(a\)\(37\)](#), defines “**penal institution**” as “a place designated by law for confinement of persons arrested for, charged with, or convicted of an offense.” TEA considers the term “incarcerated” in the [TEC, §29.081](#), to mean **conviction for a criminal offense and consequent sentencing and confinement to jail or prison**. The juvenile equivalent is adjudication and consequent placement in a juvenile detention facility.

What are TEA’s general guidelines for documenting a student at risk due to incarceration (criteria N)?

- **Timeline for identification.** This begins as soon as the appropriate school staff is informed of a student’s incarceration or that a student’s parent or guardian has been incarcerated in a penal institution in the student’s lifetime.
- **Start date.** This is the date of disclosure to campus staff.
- **End date.** The student **remains identified “at-risk”** for the remainder of his/her public-school education.
- **NOTE:** Districts may legally request this information. Documentation must be maintained and may include a memo to file.
 - ▶ *Memo-to-file* details the sensitive information you gathered to maintain for documentary purposes.
 - ▶ **Conviction** - having been declared guilty of a criminal offense by the verdict of a jury or the decision of a judge.

For purposes of this section, “student at risk of dropping out of school” includes each student who is under 26 years of age and who:

- O. **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 [TEC, §39.0548](#);

What is a drop-out recovery school?

Dropout recovery schools (DRS) provide education services targeted to dropout prevention and recovery of students in grades 9–12, with enrollment consisting of **at least 60 percent of the students 16 years of age or older as of September 1**, of the current school year, as reported for the fall semester TSDS PEIMS submission. These schools must serve students at risk of dropping out of school as defined in TEC §29.081(d) and provide accelerated instructional services to these students.



**Current Link to
2023 AEA Final Campus List**

[2023 Accountability Manual](#), refer to chapter 7

For evaluation purposes: [TEC, §39.0548 \(a\)\(1\)\(A-B\) and \(2\)](#)

2023 Final AEA Campus List
April 21, 2023

The following alternative education campuses (AECs) have 2022–23 PEIMS fall enrollment data that meet the 75% at-risk and 90% grades 6–12 enrollment criteria. These AECs are registered for 2023 Alternative Education Accountability (AEA).

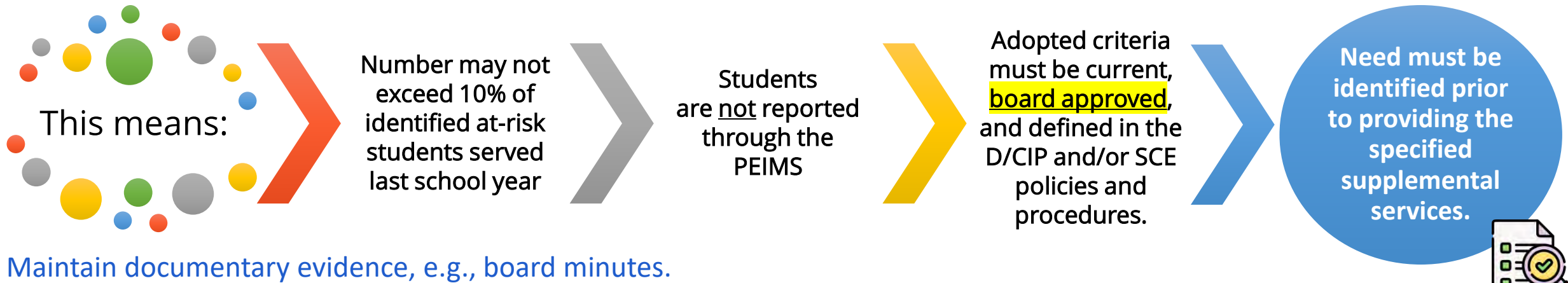
District Name	Campus Name	Campus Number	AEA Campus Type
ABILENE ISD	JUVENILE DETENTION CENTER	221901008	RESIDENTIAL FACILITY
ABILENE ISD	OCEANS BEHAVIORAL HEALTH	221901142	RESIDENTIAL FACILITY
ABILENE ISD	WOODSON CENTER FOR EXCELLENCE	221901003	DROPOUT RECOVERY SCHOOL
ACADEMY FOR ACADEMIC EXCELLENCE	DALLAS COUNTY JUVENILE JUSTICE	057814001	RESIDENTIAL FACILITY
ACADEMY FOR ACADEMIC EXCELLENCE	DRC CAMPUS	057814002	RESIDENTIAL FACILITY
ACADEMY FOR ACADEMIC EXCELLENCE	LETOT CAMPUS	057814005	RESIDENTIAL FACILITY
ACADEMY FOR ACADEMIC EXCELLENCE	MEDLOCK YOUTH VILLAGE	057814003	RESIDENTIAL FACILITY
ALDINE ISD	HALL SUCCESS ACADEMY	101902013	DROPOUT RECOVERY SCHOOL
ALDINE ISD	LA PROMESA	101902017	DROPOUT RECOVERY SCHOOL
ALVIN ISD	RISE	020901005	DROPOUT RECOVERY SCHOOL
AMARILLO ISD	NORTH HEIGHTS ALTER	188901138	DROPOUT RECOVERY SCHOOL

⇒ Campuses **must meet 15 criteria** to register for AEA. Refer to Chapter 7 in the [2023 Accountability Manual](#) for guidance.



Local Criteria

TEC, Section 29.081(g) states the following, “In addition to students described by Subsection (d), a student who satisfies local eligibility criteria adopted by the board of trustees of a school district **may receive instructional services under this section.** **The number of students receiving services under this subsection during a school year may not exceed 10 percent of the number of students described by Subsection (d) who received services from the district during the preceding school year.**”



Local Criteria – Sample Form



The adopted eligibility criteria

- meet a defined need or set of needs identified in the comprehensive needs assessment (CNA);
- are defined in the current district/campus improvement plan(s); and
- comply with the SCE purpose, goals, and statutes. TEC, §29.081 and TEC, §48.104.

Maintain all supporting documentation.

- Local criteria approved on (date) _____.
- Local criteria added to a listing of children identified under [TEC, Section 29.081](#).

The number of students receiving services during a school year may not exceed 10 percent of the number of students who met the State criteria under TEC, §29.081, who received services from the LEA during the preceding school year.

- Current supporting documentation regarding the locally identified at-risk students, documentation indicating compliance with the 10% cap addressed in the district/charter improvement plan.

Criteria as listed in D/CIP(s) - _____

- Number of at-risk students served in SY 2022-2023 _____
- 10% = _____
- What is the timeline for implementation? _____
- What is the projected improvement e.g., STAAR scores, grades? _____
- How often will the academic success of the locally identified students be evaluated for effectiveness? _____



adopted by the board of trustees

TEC §29.081(g)

TEC, §48.104



Expenditures, for this allowance, can only occur after board approval.

To achieve the goals and objectives, the program requires adherence with the following practices:

Early and accurate identification can set at-risk students on a path for success.



Identify

Routinely identify students;

Provide

Provide appropriate academic and other support services as soon as necessary;

Record

Record student at-risk status in PEIMS; and

Maintain

Maintain supporting documentation.

Processes for the above duties may be addressed and documented in the LEA's SCE administrative policies & procedures.

How it determined if a student with disabilities is also classified as an at-risk student?

- The at-risk situation cannot be due to a disability.
- The student with a disability would be in an at-risk situation if the student met one of the listed criteria, not due to the disability.
- Note: A special education student that does not perform at the level of progress established by the Admission, Review, and Dismissal (ARD) Committee may be considered at risk of dropping out of school. Afterwards, the ARD Committee will decide when the student has met the assessment goal for exiting the student from being at risk of dropping out of school based on a state assessment.



504 Students

The **Section 504 regulations** require a school district to provide a "free appropriate public education" (FAPE) to each qualified student with a disability who is in the school district's jurisdiction, regardless of the nature or severity of the disability.

May SCE funds be used to identify students for 504 services?

No. This is a federally mandated civil rights provision. Mandated civil rights provisions cannot be funded with SCE funds. The Rehabilitation Act of 1973 (Section 504) is a civil rights law that prohibits agencies that receive federal funding from discriminating against persons with disabilities on the basis of disability. Under Section 504, "free appropriate public education" (FAPE) consists of the provision of regular or special education and related aids and services designed to meet the student's individual educational needs as adequately as the needs of nondisabled students are met.

Are students who are classified as 504 students automatically considered to be at-risk students?

No, not according to state criteria.

Can a student, identified for 504 services, also meet any of the at-risk criteria?

The 504 student would be in an at-risk situation if the student met one of the listed criteria, not due to the disability.

Can SCE funds be used for a 504 coordinator?

No. This position is federally mandated, and mandated and or administrative positions cannot be funded with SCE funds.





Sample Questions discussed in the SCE FAQ – at-risk identification

- What are the state eligibility criteria for identifying students at risk of dropping out of school as listed in TEC, §29.081(d)?
- Are students identified as Title I, dyslexic, homebound, or enrolled in the free or reduced-price lunch program also reported to PEIMS as at risk based on state criteria?
- How is it determined if a student with disabilities is also classified as an at-risk student?
- Are students in a pre-K program automatically considered to be at risk of dropping out of school?
- Are students who are placed in a disciplinary alternative education program (DAEP) classified as at risk of dropping out of school?
- Is a student considered to be at risk of dropping out of school if the student was placed in the next grade but was not promoted to the next grade based upon academic performance?
- If the student has successfully exited the bilingual program and is now being monitored by the campus, is the student still considered an at-risk student?
- Are 504 students identified as at-risk students?
- Are students in foster care identified as at-risk students?

TEA

Supporting a Title I Program



TEC, \$29.081
TEC, \$48.104



Ensure the use of SCE funds are clearly addressed in the needs assessment and in the campus improvement plan.



Additional Information – Using SCE funds to support a Title I program

Must the intent and purpose of the SCE program be met when SCE funds are used to support a Title I program?

- Yes, SCE is a state mandated program.

When SCE funds are used to support a Title I program, funds must:

- be part of the campus budget,
- be tracked back to the SCE fund code,
- follow all generally accepted accounting principles, and
- be used to support a supplemental programs implemented to ensure that students, particularly those who are low achieving, demonstrate proficient and advanced levels of achievement on state academic achievement standards at any Title I funded campus, including Title I targeted assistance campuses
 - SCE funds do not become additional Title I dollars

SCE funds used to support the Title I educational program must also:

- meet guidelines required by the ESSA, e.g., all SCE funded paraprofessionals serving on a Title I campus must also meet required Title I guidelines; and
- be used to incorporate instructional strategies that evidence-based research has shown are effective with teaching low achieving students.



Simply including an activity, need, service, expense, or position in the Title I schoolwide comprehensive needs assessment or campus improvement plan, does not necessarily make it an allowable use of SCE funds. SCE funds are supplemental and must be used as specified in statute. TEC, §29.081 and TEC, §48.104

When serving a Title I Program, with SCE funds,

all SCE expenditures must be SCE allowable, supplemental and directly related to closing the education gap.



Provision of supplemental funding to state and local educational agencies

- used to improve the quality of education programs and **ensure students from low-income families have opportunities to meet challenging state assessments.**

ESSA Every Student Succeeds Act

- Provides supplemental financial assistance to LEAs with high percentages of poor children to **support the academic achievement of disadvantaged students.**
- Resources are used to improve the quality of education programs and **ensure students from low-income families have opportunities to meet challenging state assessments.**
- Priority – serve failing & or most at risk of failing.**

Title I Schoolwide



- Uses Title I funds to provide services to a select group of children--**those identified as failing, or most at risk of failing, to meet the State's challenging content and student performance standards.**

Title I Targeted Assistance





Update to Financial Accountability System Resource Guide, Module 6

Program Intent Code 30


Version 17
2020

Title I, Part A Schoolwide activities related to SCE costs on campuses with 40% or more educationally disadvantaged students

only at a current Title I, Part A schoolwide campus at which at least 40 percent of the students are educationally disadvantaged

Version 19
2024

Title I, Part A, Schoolwide Activities Related to State Compensatory Education and Other Costs on Campuses with Current Schoolwide Status



An LEA may incur SCE costs to support supplemental programs provided by federal funds at a designated Title I, Part A, schoolwide campus. Verification of schoolwide status is reflected in the most current Schedule SC5000 Title I, Part A, Campus Selection of the ESSA Consolidated Federal Grant Application. The elements of a schoolwide campus must also be addressed in the campus improvement plan. Most importantly, all students enrolled at a schoolwide Title I campus may receive allowable "supplemental" SCE funded services. Though students meeting the state at-risk criteria are still identified through PEIMS, students not meeting the state identification, i.e., students failing only one foundation course may be served.

All funded SCE services must be described in the comprehensive needs assessment and in the campus or district improvement plan. SCE funds must be part of the campus budget, and all SCE expenditures must track back to the general fund. Title I [S]schoolwide campuses must continue to receive state and local funds for conducting the regular, or basic, education program. SCE expenditures must enhance, or supplement, the basic educational program and must support programs that are eligible under Title I, Part A (ESSA as amended) to ensure students from low-income families have opportunities to meet challenging state assessments.

In addition, SCE expenditures must support the intent and purpose of the SCE program, which is to reduce the disparity between students at risk of dropping out of school and all other district students in:

- performance on assessment instruments administered under the [TEC, Chapter 39, Subchapter B](#), or
- rates of high school completion.

Draft

Program Intent Code 30

Title I, Part A, Schoolwide Activities Related to State Compensatory Education and Other Costs on Campuses with a Current Schoolwide Status

Your district may incur SCE costs to support supplemental programs provided by federal funds at a designated Title I, Part A, schoolwide campus. Verification of schoolwide status is [reflected in the most current Schedule SC5000 Title I, Part A, Campus Selection of the ESSA Consolidated Federal Grant Application](#). The elements of a schoolwide campus must also be addressed in the campus improvement plan. Most importantly, all students enrolled at a schoolwide Title I campus may receive allowable “supplemental” SCE funded services. Though students meeting the state at-risk criteria are still identified through PEIMS, students not meeting the state identification, i.e., students failing only one foundation course, may be served.

- Schoolwide reform strategies that provide opportunities to meet state academic standards, particularly addressing the needs of low-achieving students, such as:
 - accelerated curriculum and enrichment services
 - extended day or year academic services
 - transportation costs for the provision of extended day or year services
 - credit recovery tutoring
- Guidance counselors and social workers providing supplemental services (e.g., extra duty) or supplemental positions
- Programs to build skills related to managing emotions, establishing, and maintaining positive relationships and making responsible decisions
- Instruction by supplemental teachers
- Supplemental instructional materials, equipment, and software (as described in the CNA and D/CIP)
- Instructional coaches providing high quality, school-based professional development pursuant to the TEC, §48.104(j-1)(3)
- High quality and ongoing professional development for instructional staff members that add new competencies specific to the instructional needs of students at risk of dropping out of school
- Salaries for instructional staff for the second half of a pre-K program
- Provision of effective, timely additional assistance and activities to students, particularly those most at risk, who have difficulty mastering the proficient or advanced levels of academic achievement standards
- Increased amount and quality of learning time, and help provide an enriched and accelerated curriculum





SCE Funded Payroll Costs





Payroll Costs Attributed to SCE:

- ➔ must be shown at the summary level (total number of FTEs) in plans;
- ➔ have payroll documentation, such as class schedules (including the number of students and number of minutes), job descriptions, or time and effort* to support charges; and
- ☞ maintain supporting documentation to substantiate the cost of all SCE-funded FTEs, supplemental contracts, and extra duty pay.

*Note: The federal time-and-effort reporting requirement applies only to employees who are funded in part with federal funds.





Job descriptions attributed to SCE must:

- meet the intent and purpose of the SCE program.
- summarize the essential responsibilities, activities, qualifications and skills for a role.
Ensure the job description matches the actual job duties.
- be accurate and up-to-date.

The job description must meet the following requirements:

- Include sufficient information to describe major responsibilities and essential functions as they exist today – list of current duties and responsibilities
- List of all program or cost objectives under which the employee works
- Dated signature of both employee and employee's supervisor

Follow district procedures and signature may be in electronic format.

Periodic updates should be performed when duties or responsibilities are modified or changed.





Funding substitutes:

What are the guidelines when using SCE funds to cover the cost of substitutes?

Substitute pay is an allowable activity that may be funded with SCE funds. Substitute costs should be supplemental, reasonable, and necessary and meet the intent and purpose for the SCE program and program allowable professional development. Substitute costs must be necessary, meet your campus project objectives and identified in the campus improvement plans.

Substitute pay should not exceed the amount determined by local district policy. Pay for substitute teachers is allowable in the following activities:

- Replacing SCE grant-funded staff in the classroom who are absent
- Allowing staff, e.g., teachers, to participate in SCE grant-funded professional development activities

Note: SCE funds are supplemental and professional development activities and substitute costs must be addressed in the campus improvement plan (CIP).





Can SCE funds be used to fund “other” duties, such as lunch duty, hall duty, or bus duty assigned to paraprofessionals (supplemental educational aides)?

- ➔ **No.** The use of SCE funds for this type of service is not consistent with the intent and purpose of the SCE program.
- ➔ Care must be taken to ensure that SCE funded positions do not perform administrative duties in the school building and positions e.g., paraprofessionals, **funded with 100 percent SCE funds, may NOT perform functions that are not allowed with the direct cost allocation for the SCE program.**

***Note: The federal time-and-effort reporting requirement applies only to employees who are funded in part with federal funds.**





Can SCE funds be used to pay the salary for a school social worker?



Yes...if

Yes. SCE funds may be used to pay the salary for a school social worker. In accordance with [TEC, §29.081](#), SCE funds may be used for costs of a school **social worker to assist a school in meeting the goals and objectives outlined in TEC, §48.104.**

- Social workers funded with 100 percent SCE funds **may NOT** perform functions that are not allowed with the direct cost allocation for the SCE program.
- SCE funded social workers provide services to the intended population defined in the authorizing statutes, [TEC, §29.081](#) and [TEC, §48.104](#)



maintain supporting documentation to substantiate the cost of all SCE-funded FTEs, supplemental contracts, and extra duty pay.

***Note: The federal time-and-effort reporting requirement applies only to employees who are funded in part with federal funds.**





When supporting a Title I program, should SCE **funded staff** (hired to assist in meeting student's educational goals) **follow the same Title I requirements?**

➔ **Yes.** If the Title I program requires that paraprofessionals meet specific guidelines for employment, SCE funded paraprofessionals, performing the same duties, must also meet the Title I requirements. <https://tea.texas.gov/sites/default/files/T1AParaOnePager.pdf>

 **maintain supporting documentation to substantiate the cost of all SCE-funded FTEs, supplemental contracts, and extra duty pay.**

***Note: The federal time-and-effort reporting requirement applies only to employees who are funded in part with federal funds.**





Sample Questions discussed in the SCE FAQ – Carryover Amounts

Q. What happens if the required 55% is not completely spent by the end of the fiscal year?

At least 55% of the SCE allotment is to be spent on direct costs each year.

- If a disproportionate amount of the allotment is received at the end of the year, carry over amounts may result if expenditures are less than 55 percent of the SCE allotment for the school year. In this instance, carry over amounts are to be budgeted in the first or second subsequent fiscal year.
- In calculating the carry over amount, the portion would be how much the LEA was short in meeting the 55% requirement, based on comparing the actual expenditures to the state allotment reflected on the LEA's near final summary of finances (SOF).





Updated Information- TEA Special Allotment Monitoring Program



We will be sending out letters late spring regarding the LEAs not meeting the spending requirements for fiscal years 20, 21, and 22.



ESSER 1, 2, and 3 – are included in our analysis to determine spending requirements.



It's only a notification letter and requires no LEA response.



The additional amount needed to meet the spending requirement expected to be included in the 2024 SY.



[The J-4 is required to be included in the annual financial audit report for Charter Schools and ISDs. It is compliant with Texas Education Code, §48.104 and §48.105.](#)



Continued: Updated Information- TEA Special Allotment Monitoring Program

NOTE: The ESSER funds were included with the general funds in calculating spending compliance.

How are districts notified when they do not meet the 55% for SCE?

TEA sent out notifications based on our review of PEIMS and state funding information in May 2023.

How can the LEA determine if the 55% required spending has been met?

The LEA can pull reports from Mid-year PEIMS (example PDM2-101-004) and compare it to the amount they received in funding as reflected on the near-final summary of finances. When pulling the information from PEIMS they (the LEA) should use the allocated amounts because that is what TEA uses. Also, TASBO has created a tool to help districts predict if the spending requirements were met.

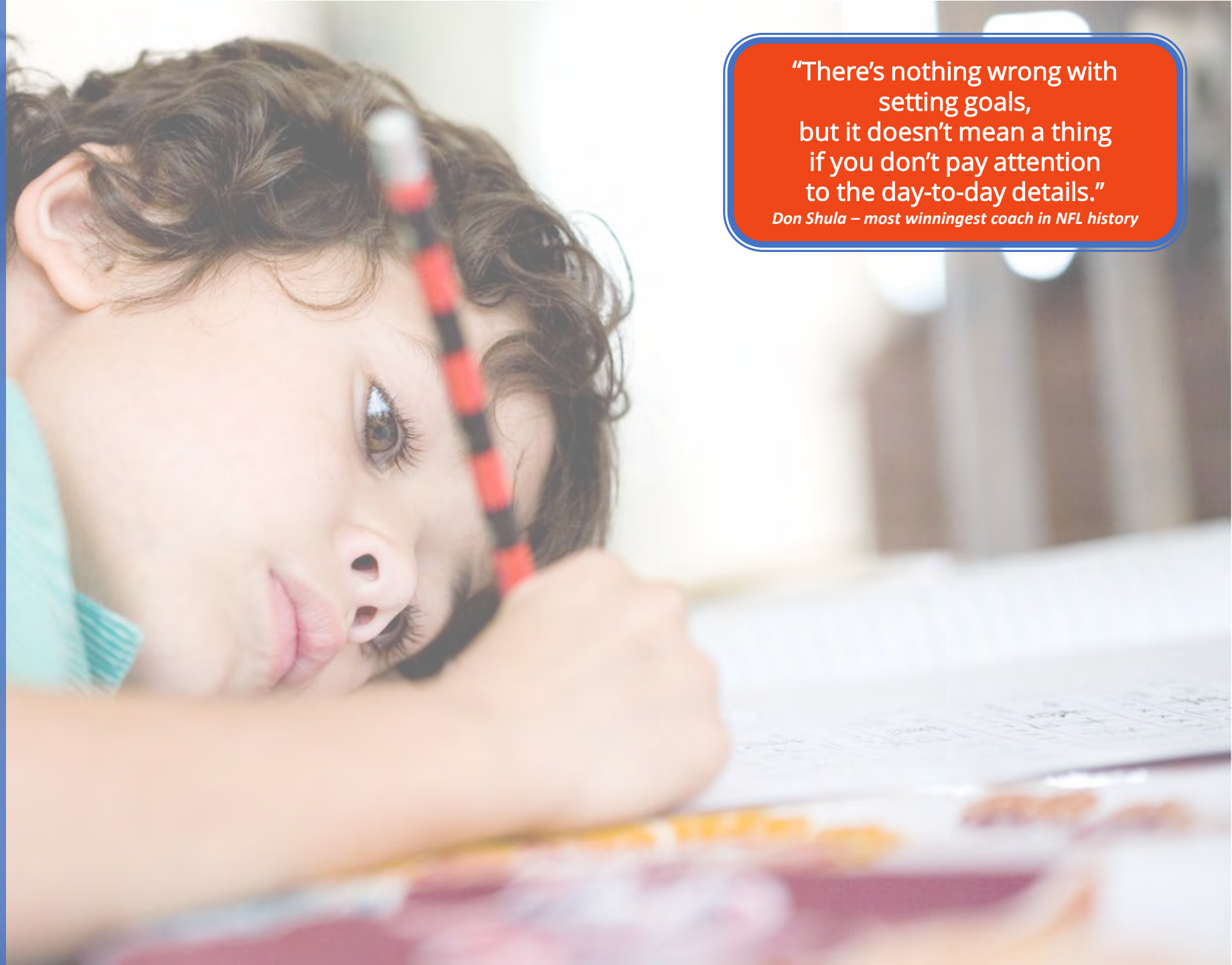


Required Planning

TEC, Sec. 29.081, requires LEAs to create a SCE program and to develop plans for providing accelerated or intensive instruction to at-risk students based on student performance data.

TEC, §§11.251–11.253

TEC, §29.081(a-c)



"There's nothing wrong with setting goals, but it doesn't mean a thing if you don't pay attention to the day-to-day details."

Don Shula – most winningest coach in NFL history

Comprehensive Needs Assessment:

First part of Planning



Analyze needs before expending funds.



Without data you are just another person with an opinion!
W. Edwards Deming

Before expending SCE funds, LEAS must utilize a CNA to identify areas of strength and weakness in the specified student population, and then take steps to implement reform strategies, to improve access to quality instruction, and to support students in achieving proficiency.

- process is the prework to the district and campus improvement plans and decisions regarding use of funds.
- data helps schools monitor and assess the impact of programs
- identifies strengths and weaknesses and
- specifies priorities for addressing student achievement and meeting challenging academic and performance standards.

Do you have documented evidence of planning prior to expending SCE funds?



“... ensure that a district improvement plan and improvement plans for each campus are developed, reviewed, and revised annually for the purpose of improving the performance of all students.” TEC, §11.251

Planning the use of SCE funds is required.

Verify that SCE funds:

- ✓ are used for intended and allowable purposes,
- ✓ are in accordance with laws and regulations, and
- ✓ will lead to planned results.

Plan before you spend.



READ NOW

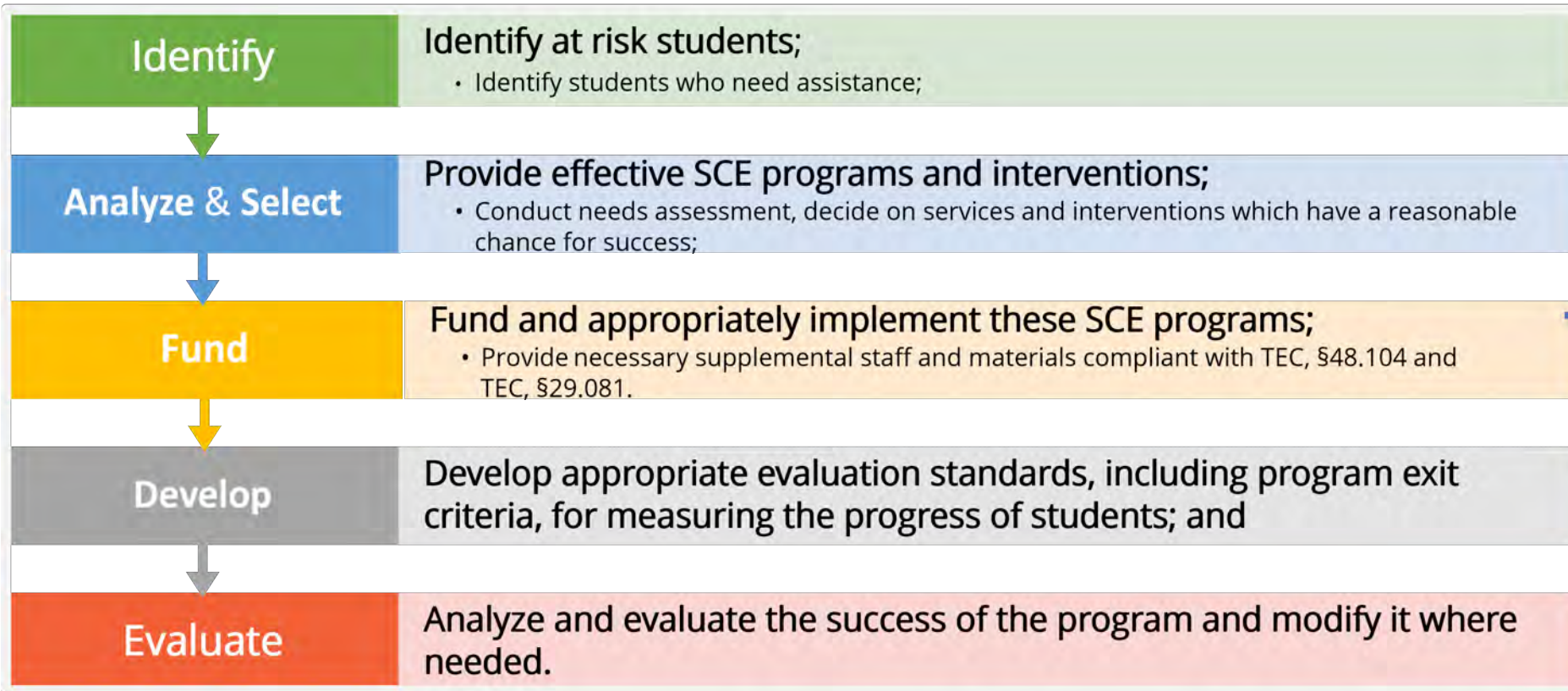
TEC, §§11.251–11.253



TEA

Do you have documented evidence of planning prior to expending SCE funds?

Is data used to make informed choices related to learning gaps and funding effective services?



Establish procedures to identify at risk students, provide effective SCE programs, fund and appropriately implement beneficial SCE programs, use proficiency standards that include exit criteria, and evaluate SCE programs to determine changes where deficiencies are discovered.

Consider redirecting SCE resources when evaluations indicate that programs and/or services are unsuccessful in producing desired results for students at risk of dropping out of school.



Document the use and implementation of SCE funds

Maintain information regarding the planning, use, implementation and evaluation, of SCE funds, in the required D/CIPs and in the LEA's SCE policies and procedures.

- The plans are one of the primary records supporting expenditures attributed to the SCE program. Maintain documentation ensuring all planning occurred prior to spending.
- Required elements of the **SCE Policies and Procedures** may be included in the district or campus plans. [New Required Schedule J-4](#)
- Electronic posting of required documents is not required; however, this information should be made readily available upon request.
 - ⇒ A condensed list of required information is noted on slide 82.



TEA

Electronic Submission of Plans



Module 6: State Compensatory Education, Guidelines, Financial Treatment, and an Auditing and Reporting System, Section 6.2.3.

Instructions for Submitting the PDF Documents

For instructions for submitting the PDF documents, see [Electronic Report Submission Standards \(PDF, 1,057 KB\)](#).



**Texas Education Agency
Financial Compliance Division**

**ELECTRONIC REPORT
SUBMISSION STANDARDS**

Revised October 2022

Version 12.6

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District personnel with TEAL Audit application access can:

1. View a listing of submitted files with submission dates and times
2. View status of data feed, and
3. Immediately open submitted PDFs and data feed files.



Note: TEA approval of a submitted PDF does not certify that submitted documents include various report requirements, but only that documents were received for public viewing.

Who, What, When, and How?

<https://tea.texas.gov/finance-and-grants/financial-compliance/state-compensatory-education>



Who?	All school districts and open-enrollment charter schools, whose SCE allotment is \$750,000 or more for the previous fiscal year.
DIP	LEAs are no longer required to submit their DIPs with their Annual SCE Submissions unless your LEA is only one campus and that is your only plan.
CIP (2022-2023)	<p>A <u>minimum of two plans</u> for the campuses that had the <u>highest percentage of students at risk of dropping out of school.</u> Of the two CIPs that must be submitted:</p> <ul style="list-style-type: none"> ● At least one must be for the non-Title I campus, if any, that had the highest percentage of students at risk of dropping out of school during the school year. ● One plan for each campus that received a low-performance rating (an F-Unacceptable Performance rating) in the Texas Accountability Rating System for the previous school year (2021-2022).
Evaluation (2022-2023)	<p>Local evaluation of SCE strategies, activities, and programs is required for a school district or an open-enrollment charter school that:</p> <p>a. had any F -Unacceptable Performance campuses based on state academic accountability ratings; or b. reported more than 59 percent at-risk students during the previous school year (2021-2022)</p>
Due Date	on or before the date that falls 150 days after the final PEIMS midyear collection resubmission date. The 150th day typically falls mid-to late-July. July 12, 2024
Format	<ul style="list-style-type: none"> ● Submitted electronically in Adobe Acrobat® pdf file through a TEA Login Environment (TEAL) AUDIT account. Access to the TEAL system's AUDIT application is required to upload plans. ● File naming and submission instructions - in the Electronic Reports Submission Standards document located on the Division of Financial Compliance web page on the TEA website. ● For technical assistance, contact TEA's Financial Compliance Division at audits@tea.state.tx.us.



For the 2022-2023 CIPs submit:

- A **minimum of two plans** for the campuses that had the highest percentage of students at risk of dropping out of school. Of the two CIPs that must be submitted → At least one must be for the non-Title I campus, if any, that had the highest percentage of students at risk of dropping out of school during the school year.
- One plan for each campus that received **a low-performance rating** (an F-Unacceptable Performance rating) in the Texas Accountability Rating System for the previous school year.



For the 2022-2023 Local SCE Evaluation:

Local evaluation of SCE strategies, activities, and programs is required for a school district or an open-enrollment charter school that:

- a. **had any F** - Unacceptable Performance campuses based on state academic accountability ratings; or
- b. **reported more than 59 percent at-risk students** during the previous school year



Naming the Files

- The CIP should have the file name beginning with the school's six-digit county-district number plus the three-digit campus number, followed by the letter "p", and end with the last digit of the fiscal year (i.e., 123456789p3).
- The SCE evaluation is named with the school's six-digit county-district number, followed by the letter "e", and end with the last digit of the fiscal year (i.e., 123456e3).

LEA Documentation – SCE Administrative Policies and Procedures

Compensatory, Intensive, and Accelerated Instruction

TEC 11.253(a) states that each LEA **must** maintain **current policies and procedures** to:

- ensure that **effective planning** and site-based decision-making occur **at each campus and**
- direct and support the **improvement of performance for all students.**

Specific requirements must be addressed.

- ☑ For accountability and the purpose of transparency, **ensure** this information is **currently maintained.**
- ☑ Many districts include this information on their **district webpage**, or in their **district/campus plan**, or include with their **local fiscal policies and procedures.**



Supporting documentation provides auditors adequate detail to ensure a transaction is reasonable and accurate and helps to satisfy audit requirements.

J-4 Schedule

Review TEC, §48.081.

Ensure your SCE administrative policies and procedures address how your SCE funds are used meet any of the allowances listed in statute.

Include documentation detailing how SCE funds are used to supplement any of the instructional strategies, such as :

- those noted in H8 1416
- teen parent services
- mentoring program
- reading academies
- evaluation services
- professional development
- PK services

List is not all inclusive



Remember, SCE administrative policies and procedures allow the LEA to commit to writing, their values and mission in raising student educational standards for the intended population defined in the authorizing statute. TEC, §29.081 and TEC, §48.104.



Suggestion- maintain each required section electronically – see next slide

School districts and open-enrollment charter schools are required to have local policies and procedures related to:

1. Identifying and documenting students who are at risk of dropping out of school

2. Identifying and documenting locally classified at risk students in compliance with 10% cap

3-4. How students are entered and exited into the SCE program

5. Methodologies - calculation of 110% satisfactory performance on all assessment instruments

6. Methodology used to evaluate and document the effectiveness of the SCE program

7. Frequency and use of the completed evaluation of the SCE program and data related to the effectiveness of the SCE program

8. Annual public hearing - the evaluation results and effectiveness of the SCE program

9. Cost of the regular education program in relation to budget allocations for compensatory, intensive, and or accelerated instruction, and or alternative education per student and or instructional staff per student ratio. Maintain supporting justifiable documentation for each funded position and service. Link this information to your needs assessment & CIP.



Do you know how much of the SCE (55%) funds are allocated to your district and campus?
Is supporting documentation maintained for all SCE expenditures?



Module 6: State Compensatory Education, Guidelines, Financial Treatment, and an Auditing and Reporting System, Section 6.2.2.2.

- Program Description:** Included in both DIP/CIP
- Board Approval:** Annually to ensure SCE goals are mutually supportive, follow district procedures
- Comprehensive Needs Assessment (CNA):** provides identified strengths, weaknesses and specifies priorities for developing and revising plans which address student achievement outcomes through challenging academic standards and performance expectations to determine appropriate allocations and expenditures of funds
- Strategies:** Specific strategies aligned the CNA
Each CIP should:
 - identify how the campus goals will be met for each student;
 - identify staff needed to implement the plan; and
 - set timelines for reaching the goal.
- Local Criteria:** State local at-risk criteria in DIP, if applicable; this may appear in the policies & procedures

- Funds:** Total amount of SCE allocated for resources /staff
- Amounts:** Approximate SCE dollar amounts for activities and strategies
- FTEs:** Listed supplemental SCE funded FTEs for personnel (district and campus) where appropriate and brief justification
- Measurable Objectives:** Identify performance objectives for academic improvement
- Monitoring Guidelines:** Specific schedule for data collection
- Formative & Summative evaluation

Do your campus plans include this information?

SCE Administrative Policies & Procedures

- ID At-Risk (State Criteria)
- ID At-Risk (Local Criteria)
- Entry Process
- Exit Processes
- 110% Methodology
- Strategic programs & services
- Overall Program Evaluation – Formative & Summative Evaluation [\(not just STAAR results\)](#)
- Annual Evaluation
- Cost of regular program in relation to per pupil or instructional staff per pupil ratio – **Auditable justification of SCE funded expenditures**

Module 6, 6.2.2.3

So, when asked whether a certain position, program, item, or activity may possibly be funded with SCE funds, ask and consider the following:

TEC, §48.104

TEC, §29.081

GOAL- Are funds targeted to closing the achievement gap?

- Are funds targeted to closing the achievement gap?
- Have the most effective interventions been determined?
- Will the request support the SCE needs in the CNA and will it support the strategies identified in the campus improvement plan?
- Will the request further the goals of the SCE program?
- Will a reasonable number of students benefit from this request?
- Does the request have a clearly demonstrative and legitimate purpose?
- Can it be evaluated to measure a positive impact on student achievement?
- Is the cost reasonable and necessary?

The more removed services are from the student, the more the resources are diluted and the more difficult it becomes for the school district to defend the use of the grant funds and **justify the effectiveness of the program in improving student performance**. Link the need to SCE goal and purpose. (See slide 4.)



Focusing on **effective educational interventions**, on the **neediest students**, provides a way forward that is consistent with program and fiscal realities.



SCE funds can only supplement regular instruction, the funds cannot be used to replace required services.



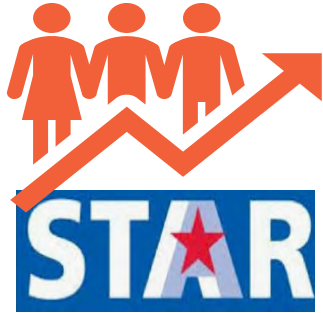
CNA- Comprehensive needs assessment

TEC Section 11.251(b), 11.252 (s)(1) and 11.253 (b)



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State Compensatory Education



Improved academic success.
Close the achievement gap.



Improved graduation rate.
Reduce the dropout rate.

Delivery of effective supplemental programs and services.

Links to Additional SCE Guidance

State Compensatory Education



[Texas Education Code, Section 29.081](#)
[Texas Education Code, Section 48.104](#)



Financial Accountability System Resource Guide, Update 19 Module 6
<https://tea.texas.gov/finance-and-grants/financial-accountability/fasrg/fasrg19-module6.pdf>



[State Compensatory Education Frequently Asked Questions](#)



[Webpage - State Compensatory Education](#)

Includes information regarding the submission of campus plans.



[Alternative SCE Allotment Reporting Procedures](#)

→ *Sample Letters & Forms and Instructions*

[Texas Dept. of Agriculture - 2023-2024 Application for Free and Reduced-Price School Meals](#)

→ https://squaremeals.org/LinkClick.aspx?fileticket=YV9WpqXF_5s%3d&portalid=8 and

<https://squaremeals.org/LinkClick.aspx?fileticket=5RBgho83dpA%3d&portalid=8>



Links to State Funding Guidance

State Funding

Contact

State Funding

with any questions concerning your state allotment, census information, summary of finances, or for questions for the Forecasting & Fiscal Analysis Division.



[State Funding Division](#)



sfinance@tea.texas.gov



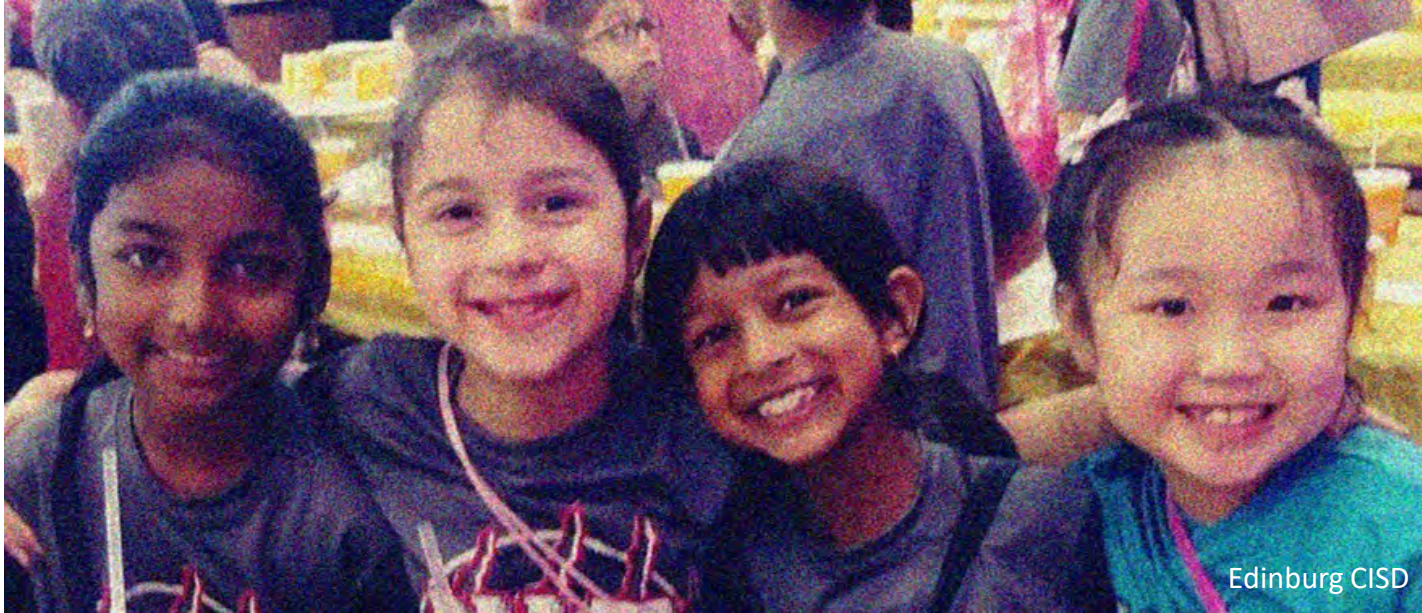
(512) 463-9238



[Census Block Group Tool Overview](#)



[Summary of Finances](#)



Additional Questions:

State Compensatory Education Webpage

<https://tea.texas.gov/finance-and-grants/financial-compliance/state-compensatory-education> - **SCE FAQ is located on this webpage**



State Compensatory Education

Statewide Coordinator:

Dahlinda Alaniz

512-463-9366

dahlinda.alaniz@tea.texas.gov