

## **Texas Education Agency Administrator's Statement, 2012-2013**

Texas public schools are delivering high academic achievement across all student groups and age levels. The graduation rate continues to steadily increase, rising from 78 percent for the Class of 2007 to 80.6 percent for the Class of 2009. In actual numbers, 21,788 more Texas students graduated from the Class of 2009 than from the Class of 2007. The longitudinal dropout rate went down over these same two years, and almost 700 previous dropouts have completed requirements for graduation through aggressive recovery strategies.

More students are meeting state performance standards and more are demonstrating readiness for college and career. The percentage of students passing the first administration of the Texas Assessment of Knowledge and Skills (TAKS) in 2010 increased in almost every subject and every grade. For the Class of 2010, record numbers of students took the ACT, a college entrance exam, and students earned the highest math and science scores posted on the test in the last decade. More students are also gaining advanced placement or college credit. In 2008-09, the percentage of students taking Advanced Placement exams and scoring high enough to earn college credit increased for all ethnic groups, and the number of students successfully completing dual credit courses is rising each year.

I am proud of the students and educators in Texas for their commitment to high standards and for the consistent gains of the past two years. But, we know we have more to do. Students in Texas are competing in a global economy, one in which the majority of new jobs created will require at least some training beyond high school. To compete in this international marketplace, Texas children need to enter kindergarten ready to learn and exit high school with a robust knowledge of science, technology, and mathematics. Every student must graduate from our high schools prepared to enter college, technical school, the military or professional training without the need for remediation, and under-educated adults in Texas must acquire literacy and job skills.

### **Implementation of Key Education Reforms**

We have set the bar high for Texas students and educators. Last session, the Legislature passed a landmark education bill, HB 3, which placed Texas in the forefront of states working to ensure students graduate college and career ready. Beginning in the 2011-12 school year, the state will adopt a new, more rigorous assessment system. The new testing system, called State of Texas Assessments of Academic Readiness (STAAR), will place greater emphasis on alignment of the assessments across grades and alignment to college and career readiness. Although the tests in grades 3 through 8 are on the same subjects as in the previous TAKS, the new assessments will mirror a national trend in which skills are being tested in a more focused and meaningful way. In grades 9-12, students will be assessed through a series of twelve end-of-course tests that will measure either a student's readiness for advanced high school courses or readiness for college or career. Developing this new assessment system and preparing administrators, teachers, and students for its implementation has been—and will continue to be—one of the most substantial undertakings at the agency.

HB 3 also requires the state to design a new accountability system, one that rewards schools and districts for preparing students for college and career but also allows schools to earn distinctions in other categories, such as performance in fine arts, 21<sup>st</sup> century workforce development, and second language acquisition programs. Establishing the new accountability system, which goes into effect in 2012-13, follows closely behind the development of the new assessment system. Together these two major education reforms will reshape the Texas public education system.

This year marks the fifth year of implementation of HB 1 (79<sup>th</sup> Legislature, Third-Called Session). As a result of college and career readiness legislation in that bill, students entering their senior year in the fall of 2010 will be the first students required to graduate with four credits in each of the four foundation curriculum areas: English language arts, math, science, and social studies. That bill also required the agency to work with the Texas Higher Education Coordinating Board to develop college and career readiness standards. Those standards were developed and incorporated into the state curriculum for all four foundation areas.

Prior to the 2009 legislative session, I asked for additional funding to develop teacher training and resources to ensure that teachers understand the skills and expectations in the new state standards and how to prepare students for the new more rigorous end-of-course assessments. The agency developed and began delivery of training in science, mathematics, and English language arts in the summer of 2010. Training included strategies for assisting English language learners and strategies to improve reading among secondary school students. Professional development in mathematics focused on key skills students need to know to be successful in Algebra I, one of the first end-of-course exams students must master. With the delivery of these training modules, we have taken critical steps toward preparing Texas students for the new tests they will be taking next school year.

This year the agency also unveiled an exciting interactive platform called Project Share. This web-enabled platform allows teachers to join online professional learning communities, participate in professional development courses, and search rich data repositories, such as the New York Times archives. Already, more than 120,000 Texas teachers have joined this web-enabled learning environment. Going forward, most of the training developed to help educators prepare students for the changing state standards and end-of-course assessments will be delivered via Project Share, at tremendous cost savings to the state.

The Legislature provided \$20.3 million in funding in 2010-11 to support the Texas Virtual School Network (TxVSN). The first high school courses were offered for students in grades 9-12 in the spring semester of 2008-09. Dual credit courses were offered through the TxVSN beginning in the fall of 2009. Enrollment in virtual courses accelerated rapidly, and in summer 2010 there were 2,130 high school course enrollments and 466 dual credit enrollments.

Funding increased for both quality early childhood programs and for the adult education program. The additional \$25 million in early childhood program funding allowed 154 school districts that had previously not had access to prekindergarten grant funding since the program's inception in 1999 to access additional state funds to support quality early childhood programs. In adult education, Texas was recently recognized by the U.S. Department of Education for praiseworthy practices, and the state continues to see across-the-board increases in adult learner achievement.

The 81<sup>st</sup> Legislature also passed SB 174, a bill expanding accountability requirements for educator preparation programs. Administrative rules that govern the implementation of this legislation were adopted by the State Board for Educator Certification (SBEC) in February 2010. Implementation of four standards for educator preparation programs and the assignment of an accreditation status for educator preparation programs are underway.

The standards are being raised for Texas schools, teachers, and students. At the agency and in the education community, we have begun the hard work of preparing students for these higher expectations. As we move into the upcoming biennium, my aim will be to take the appropriate

next steps to continue to implement the reforms that were set forth in the last and in previous biennia.

#### Priorities for the 2012-13 Biennium

The state, school districts, and students in Texas are preparing for major shifts in education, including an assessment and accountability system that will demand higher levels of achievement for all students and greater accountability for administrators and teachers. At the same time, the state faces a record budget shortfall. As a result, the agency has taken a very deliberative approach to this request. Agency priorities and recommended reductions were designed specifically to maximize fiscal resources without comprising the agency's ability to execute on the state's ambitious education agenda. The agency's three major priorities:

1. Maintain focus on the goal of preparing all students in Texas for success in college and career;
2. Pursue policies and strategies to help Texas school districts and campuses succeed in a tough fiscal environment; and,
3. Support innovative teacher recruitment, retention, and reward policies to ensure all Texas students have access to effective teachers.

#### *Preparing Students for College and Career*

First, I am committed to ensuring that all students graduate from Texas high schools ready for postsecondary success. To meet this goal, it is imperative that we prepare administrators, teachers, and students for the changes to our standards and our assessment system. As a result, teacher and administrator training continues to be a top priority of the agency to ensure that our teachers understand what students need to know and be able to demonstrate to be successful. However, by using our online interactive platform, Project Share, to deliver the majority of this training, the agency proposes to save the state millions of dollars in face-to-face training costs.

Gaining college experience before getting out of high school has been demonstrated to be an effective college and career readiness strategy, and I fully support giving more students access to these kinds of opportunities. I strongly recommend retaining full funding for the TxVSN. A virtual learning environment gives small and rural school districts that may not have an institution of higher education nearby the ability to connect students with college faculty and makes distance less of an impediment. In addition, I recommend retaining full funding for the Advanced Placement Initiative, and I continue to support leveraging state resources by working with private foundations on the implementation of Early College High Schools and effective practices from these models.

We have also recognized the importance of a strong foundation in math, science, and technology for college preparation. Unlike students in most other states, students in Texas on the Recommended High School Program take four years of math and four years of science to graduate. The Student Success Initiative (SSI) rider retains the Algebra Readiness Initiative, which provides funding to school districts to implement middle grade interventions to ensure that students are ready to succeed in Algebra I, the first high school math course and one that is often a stumbling block for students. Additionally, the High School Completion and Success rider maintains level funding for the Science, Technology, Engineering, and Math (STEM) Initiative.

### *Policies and Strategies to Support Direct Services to Students and Maximize School District Resources*

My second major priority is to pursue policies and strategies that support direct services to students and help school districts meet our state's education goals within a constrained resource environment. A first step is to ensure continued funding for programs that provide essential services to students. For this reason, I recommend retaining full funding for the Regional Day School Programs for the Deaf. Providing appropriate services to meet the unique needs of students who are deaf and hard of hearing often requires resources beyond those that can be provided by many school districts.

I am also requesting full funding for two critical programs that support student progress from prekindergarten through grade 12. Research confirms the importance of early education, particularly for young children who are learning English as a second language and children from economically disadvantaged backgrounds. The Prekindergarten Early Start Grant program not only provides much needed funding to ensure the quality of prekindergarten programs, but also leverages state dollars to serve more eligible children across the state by requiring districts to partner with other providers of early childhood education, including Head Start and licensed child care providers. Flexible funding that can be used to intervene with struggling students is also a high priority for districts aiming to meet the state's higher education goals over the next biennium. The SSI rider retains funding that can be used to provide accelerated instruction to students who are unlikely to achieve passing standards on the new, more rigorous state assessments.

To support school districts in their efforts to operate efficiently and effectively, I intend to provide school districts with more streamlined funding opportunities. This legislative appropriations request eliminates a number of duplicative grant programs and certain grant programs that are not related to the agency's core mission of serving school districts. Other programs, like the High School Completion and Success Initiative, will leverage funding to more students by extending high school initiatives to the middle grades, working with private funders, and allowing districts to support multiple effective dropout strategies within one funding source.

### *Supporting Innovative Teacher Recruitment, Retention, and Reward Policies*

My third major priority is to support innovative teacher recruitment, retention, and reward policies to ensure that every student in Texas has access to an effective teacher.

First established in 2005, the state's education pay-for-performance program has received considerable interest from districts and campuses seeking to make systemic change in the way they recruit, retain, and reward the most effective teachers. Currently, over half of Texas's teacher and student population participate in the District Awards for Teacher Excellence (D.A.T.E.) grant program. This flexible funding source allows school districts to develop their own system of awards for educators based on the unique needs of the district. I continue to be a strong supporter of this program and the innovation in educator quality initiatives that it has generated across the state.

Additionally, the agency is committed to holding the educator preparation programs that it oversees accountable for preparing high quality effective teachers for our state's schools. Over the course of the next four years, the agency will faithfully implement the four required standards of accountability for SBEC-approved teacher preparation programs and in 2011 will begin to award accreditation status to programs based on the phase in of the first standard.

Maintaining high quality educator preparation programs is vital to ensuring that every student is taught by an effective teacher.

Earlier, I wrote about how the TxVSN allows rural districts to access college faculty and college coursework. Offering electronic courses through the TxVSN is a cost-effective way to bring teaching expertise in all subject areas to remote parts of the state. In fall 2010, more than 31,000 course seats will be available for courses at grades 9-12, including a number of Advanced Placement courses and courses in languages other than English. I recommend full funding for this innovative program.

Finally, since its inception in 1990, Teach for America (TFA) has become one of the largest providers of teachers for low-income communities. A growing body of research shows that corps members are having a positive impact on student achievement across subject areas and grade levels. Beginning in the 2010-11 school year, TFA members will be teaching in four regions in Texas: Houston, Dallas, San Antonio, and the Rio Grande Valley. I am a strong supporter of their continued presence and growth, and I am respectfully requesting no reduction in funding for the program.

#### Ten Percent Reduction Proposal

The Texas Education Agency has a reduction target of more than \$260 million. With a reduction of this size, we had to make tough choices. The priorities and reduction recommendations before you reflect the agency's best ideas about how to ensure continued gains in the Texas public education system.

The agency tried to limit the impact of the reductions by first proposing to eliminate programs that are not related to the agency's core mission, do not have significant statewide impact, or can be funded through other school district funding sources. Those programs include AVANCE, Texas Humanities, Steroid Testing, Extended Year Programs, Rural School Technology, and Science Labs. Additionally, the agency proposes a reduction to the Texas High School Completion and Success Initiative to eliminate duplicative programs and allow districts to use one funding source to support multiple research-based dropout prevention strategies.

Next, the agency considered where cuts to essential programs might be made with the least consequence to student achievement. Textbook and Instructional Materials were reduced, but the remaining funding will provide adequate resources to support continuing contracts. For the upcoming biennium, we also expect a full \$1.2 billion disbursement from the Permanent School Fund, which could support future contracts. It should be noted for your consideration that full funding of approved proclamations would require an additional \$495 million beyond what is included in this appropriations request.

The reduction to D.A.T.E. largely represents those funds that are returned to the agency each biennium when educators fail to meet performance goals or district participation fluctuates. Implementation of D.A.T.E. remains a top agency priority, and the remaining funding will allow school districts currently pursuing innovative recruitment, retention and reward strategies through the program to continue at current funding levels.

Much of the reduction to the SSI rider comes from cost savings related to online delivery of professional development and elimination of some smaller programs. Next biennium, teacher training will transition from face-to-face delivery to online courses, modules, and online support for professional learning communities. Stipends for attending teacher training would be significantly reduced or eliminated. The online platform, Project Share, which debuted last year,

will be fully deployed beginning in 2010-11. Through Project Share, more teachers will have access to high-quality training provided more economically and sustained through online professional learning communities. The agency also proposes to eliminate a one-time college readiness pilot program that was implemented during the 2010-11 biennium. No funds that support direct interventions for struggling students were eliminated from the rider.

Although individual teachers benefited from the Teacher Mentor Program, for the past two biennia that program has been consistently undersubscribed. School districts preferred the flexibility of D.A.T.E funds and other local funds to the more prescriptive requirements of this program. The agency proposes to eliminate this program.

Statutory authority to implement the Texas Principal Excellence Program (formerly the School Leadership Pilot Program) has expired, and funding for that program was also eliminated.

Finally, the agency proposes a \$15 million agency administrative budget reduction and small reductions to the following programs: Funding for Education Service Centers, Technology Allotment, and Communities In Schools. While the reductions to these programs will impact some schools, the remaining funds will preserve the statewide impact of these programs.

#### ARRA

Texas public schools received over \$5.8 billion in ARRA funds during the biennium. Over \$2.2 billion of this amount represents one-time increases in federal No Child Left Behind programs. Those funds will not be replaced. School districts are well aware that these were one-time increases and have planned accordingly. Another \$3.25 billion of ARRA funds, through the State Fiscal Stabilization Fund, were distributed through the state funding formula. These funds will have to be replaced as a MOF in the Foundation School Program. An additional \$361 million in ARRA funds were allocated to textbooks. As described above, the base funding level in this request will cover current contracts for textbooks, absent the federal funds.

As Commissioner of Education, I respectfully submit the recommendations in the TEA's 2012-2013 Legislative Appropriations Request for your consideration. There is no doubt that this legislative session presents fiscal challenges for state government in general and for public education in particular. I appreciate your stewardship and your commitment to doing what is best for the students in Texas of all ages, and I look forward to partnering with you through the legislative appropriations process.

Robert Scott  
Commissioner of Education