

**Compensatory  
Education Allotment**

A district is entitled to an annual compensatory education allotment for each student:

1. Who is educationally disadvantaged; or
2. Who does not have a disability and resides in a residential placement facility in a district in which the student's parent or legal guardian does not reside.

The number of educationally disadvantaged students is determined by averaging the best six months' numbers of students eligible for enrollment in the national school lunch program of free or reduced-price lunches for the preceding school year; or in the manner provided by commissioner rule.

A student receiving a full-time virtual education through the state virtual school network (TXVSN) [see EHDE] may be included in determining the number of educationally disadvantaged students if the school district submits to the commissioner of education a plan detailing the enhanced services that will be provided to the student and the commissioner approves the plan.

*Education Code 42.152(a)–(b-1)*

Use

A district shall use its compensatory education allotment to fund supplemental programs and services designed to eliminate any disparity in performance on state assessment instruments or disparity in the rates of high school completion between students at-risk of dropping out of school, as defined below, and all other students.

Specifically, a district may use the funds, other than an indirect cost allotment established by State Board rule, to meet the costs of providing a compensatory, intensive, or accelerated instruction program under Education Code 29.081, a disciplinary alternative education program (DAEP) under Education Code 37.008, or to support a Title I program, at a campus at which at least 40 percent of the students are educationally disadvantaged.

A district may also use allocated funds for:

1. A mentoring services program under Education Code 29.089;
2. An accelerated reading instruction program under Education Code 28.006(g) for students at risk of dropping out of school as defined by Education Code 29.081(d) and (g);
3. A program for treatment of students who have dyslexia or a related disorder, as required by Education Code 38.003, for students at risk of dropping out of school as defined by Education Code 29.081(d) and (g); and

4. A program under Education Code 29.081 specifically designed to serve students at risk of dropping out of school.

*Education Code 42.152(c), (c-1), (c-2)*

Dropout Prevention  
Strategies

A district with a high dropout rate, as determined by the commissioner, shall submit a plan to the commissioner describing the manner in which the district intends to use its compensatory education and high school allotments for developing and implementing research-based strategies for dropout prevention.

If a district is required to submit both a dropout prevention strategy plan and a plan to increase college enrollment [see GNC], the district must describe in its dropout prevention strategy plan how the activities identified in both plans will be coordinated. If a district is required to submit both a school improvement plan, due to failure to meet the required performance standard regarding dropout rates or completion rates, as well as a dropout prevention strategy plan, the district may request that its school improvement plan be used to satisfy both requirements.

A district shall submit the plan not later than December 1 of each school year preceding the school year in which the district will receive the compensatory education or high school allotment to which the plan applies. The plan must meet the requirements at 19 Administrative Code 89.1701(e).

A district may not spend or obligate more than 25 percent of the district's compensatory or high school allotment unless the commissioner approves the plan.

A district's plan shall:

1. Design a dropout recovery plan that includes career and technology education courses or technology applications courses that lead to industry or career certification;
2. Integrate into the dropout recovery plan research-based strategies to assist students in becoming able academically to pursue postsecondary education, including:
  - a. High-quality, college readiness instruction with strong academic and social supports;
  - b. Secondary to postsecondary bridging that builds college readiness skills, provides a plan for college completion, and ensures transition counseling; and
  - c. Information concerning appropriate supports available in the first year of postsecondary enrollment to ensure

postsecondary persistence and success, to the extent funds are available for the purpose; and

3. Plan to offer advanced academic and transition opportunities, including dual credit courses and college preparatory courses, such as advanced placement courses.

A district may enter into a partnership with a public junior college in accordance with Education Code 29.402 in order to fulfill a plan.

Any program designed to fulfill a plan must comply with the requirements of Education Code 29.081(e) and (f).

*Education Code 29.918; 19 TAC 89.1701*

**Definition of At-Risk Student**

“Student at risk of dropping out of school” includes each student who is under 26 years of age and who:

1. Was not advanced from one grade level to the next for one or more school years, unless the student did not advance from prekindergarten or kindergarten to the next grade level only as a result of the request of the student’s parent;
2. If the student is in grades 7–12 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;
3. Did not perform satisfactorily on a state assessment instrument 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;
4. If the student is in prekindergarten, kindergarten, or grades 1–3, did not perform satisfactorily on a readiness test or assessment instrument administered during the current school year;
5. Is pregnant or is a parent;
6. Has been placed in a DAEP in accordance with Education Code 37.006 during the preceding or current school year;
7. Has been expelled during the preceding or current school year;
8. Is currently on parole, probation, deferred prosecution, or other conditional release;

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9. Was previously reported through the Public Education Information Management System (PEIMS) to have dropped out of school;
10. Is a student of limited English proficiency, as defined by Section 29.052;
11. 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;
12. Is homeless, as defined by 42 U.S.C. 11302 and its subsequent amendments [see FD]; or
13. Resided in the preceding school year or resides in the current school year in a residential placement facility in a 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.

*Education Code 29.081(d)–(d-1)*

Local Eligibility  
Criteria

In addition to students described above, a student who satisfies local eligibility criteria adopted by a board may receive compensatory education services. The number of students receiving services under local eligibility criteria during a school year may not exceed ten percent of the number of students described above who received services from the district during the preceding school year. *Education Code 29.081(g)*

**Compensatory,  
Intensive, and  
Accelerated  
Instruction**

A district shall use student performance data from state basic skills assessment instruments and achievement tests to design and implement appropriate compensatory, intensive, or accelerated instructional services for students in the district's schools that enable the students to perform at grade level at the conclusion of the next regular school term. *Education Code 29.081(a)*

Accelerated  
Instruction

A district shall provide accelerated instruction to an enrolled student who has taken an end-of-course assessment instrument and has not performed satisfactorily or who is at risk of dropping out of school.

A district shall offer before the next scheduled administration of the assessment instrument, without cost to the student, additional accelerated instruction to each student in any subject in which the student failed to perform satisfactorily on an end-of-course assessment instrument required for graduation.

A district that is required to provide accelerated instruction must separately budget sufficient funds for that purpose. [See CE]

A district shall evaluate the effectiveness of accelerated instruction programs and annually hold a public hearing to consider the results.

*Education Code 29.081(b), (b-1), (b-2), (b-3), 39.025(b-1)*

Each time a student fails to perform satisfactorily on an assessment instrument administered under Education Code 39.023(c), the district in which the student attends school shall provide to the student accelerated instruction in the applicable subject area, using funds appropriated for accelerated instruction under Education Code 28.0211. Accelerated instruction may require participation of the student before or after normal school hours and may include participation at times of the year outside normal school operations.  
*Education Code 28.0217*

*Effectiveness*

A district shall evaluate and document the effectiveness of the accelerated instruction in reducing any disparity in performance on state assessment instruments or disparity in the rates of high school completion between students at risk of dropping out of school and all other district students. *Education Code 29.081(c)*

**Dropout Recovery  
Education Programs**

A district may use a private or public community-based dropout recovery education program to provide alternative education programs for students at risk of dropping out of school. The program may be offered at a campus or through the use of an online program that leads to a high school diploma and prepares the student to enter the workforce. A campus-based dropout recovery education program must meet the criteria set forth at Education Code 29.081(e-1)(1)–(5). An online dropout recovery education program must meet the criteria set forth at Education Code 29.081(e-2)(1)–(8).

Students in attendance at a dropout recovery education program shall be included in a district's average daily attendance for funding purposes.

*Education Code 29.081(e)–(f)*

Communities in  
Schools

An elementary or secondary school receiving funding under Education Code 33.156 shall participate in the Communities in Schools (CIS) program if the number of students enrolled in the school who are at risk of dropping out of school is equal to at least ten percent of the number of students in average daily attendance at the school, as determined by TEA. *Education Code 33.157*

**Optional Extended  
Year Program**

If a district provides an optional extended year program, it shall adopt a policy designed to lead to immediate reduction and ultimate elimination of student retention. *Education Code 29.082; 19 TAC 105.1001*

**Optional Flexible  
Year Program**

A district may provide an optional flexible year program (OFYP) for students who did not or are not likely to perform successfully on state assessment instruments or who would not otherwise be promoted to the next grade level.

Program Criteria

An OFYP must meet the requirements set forth at Education Code 29.0821 and 19 Administrative Code 129.1029.

*Education Code 29.0821; 19 TAC 129.1029*

**Optional Flexible  
School Day Program**

Notwithstanding Education Code 25.081 or 25.082, a district may apply to the commissioner to provide a flexible school day program (OFSDP) for students, in accordance with 19 Administrative Code 129.1027. *Education Code 29.0822*

A board must approve the application. The board must include the OFSDP as an item on the regular agenda for a board meeting providing options for public input concerning the proposed application before applying to operate an OFSDP. The application shall include the information described in 19 Administrative Code 129.1027. *19 TAC 129.1027(c)*

Program Criteria

A district that meets application requirements may:

1. Provide flexibility in the number of hours each day a student attends;
2. Provide flexibility in the number of days each week a student attends;
3. Allow a student to enroll in less than or more than a full course load; or
4. Allow a student to enroll in a dropout recovery program in which courses are conducted online.

Except in the case of a course designed for a student who will be denied credit as a result of attendance requirements or enrolled in an online dropout recovery program, a course offered in a program under this section must provide for at least the same number of instructional hours as required for a course offered in a program that meets the required minimum number of minutes of operation under Education Code 25.081.

*Education Code 29.0822(b)–(c)*

- Student Eligibility      A district may provide an OFSDP for students who:
1. Have dropped out of school or are at risk of dropping out of school, as defined above at Definition of At-Risk Student;
  2. Attend a campus that is implementing an innovative redesign;
  3. Attend a community-based dropout recovery education program, as defined by Education Code 29.081(e-1) and (e-2);
  4. Attend an early college high school under a plan approved by the commissioner; or
  5. As a result of attendance requirements under Education Code 25.092, will be denied credit for one or more classes in which the students have been enrolled.

A student under 18 years of age is eligible to participate if the student and the student's parent, or person standing in parental relation to the student, agree in writing to the student's participation. A student that is 18 years of age or older or has otherwise attained legal status as an adult by reason of marriage or court order may agree in writing to participate.

*19 TAC 129.1027(b); Education Code 29.0822(a)*

A student who will be denied credit for one or more classes as a result of attendance requirements may enroll in a course in a OFSDP offered during the school year or during the period in which school is recessed for the summer to enable the student to earn class credit that the student would not otherwise be able to receive without retaking the class. *Education Code 29.0822(e)*

Extracurricular Participation      A student enrolled in an OFSDP may participate in a competition or activity sanctioned by the University Interscholastic League (UIL) only if the student meets all UIL eligibility criteria. *19 TAC 129.1027(f)*

Annual Performance Review      Annually, each school district shall review its progress in relation to the performance indicators as required by 19 Administrative Code 129.1027(h). Progress should be assessed based on information that is disaggregated with respect to race, ethnicity, gender, and socioeconomic status. *19 TAC 129.1027(h)*

**Tutorial Services**      A district may provide tutorial services at district schools. If a district provides tutorial services, it shall require a student whose grade in a subject for a reporting period is lower than the equivalent of 70 on a scale of 100 to attend tutorials. [See EC for provisions on loss of class time.]

A district may provide transportation services to accommodate students who are required to attend tutorials and who are eligible for regular transportation.

*Education Code 29.084*

**Basic Skills  
Programs**

A district may apply to the commissioner for funding of basic skills programs for students in grade 9 who are at risk of not earning sufficient credit or who have not earned sufficient credit to advance to grade 10 and who fail to meet minimum skills levels established by the commissioner.

With the consent of a student's parent or guardian, a district may assign a student to the basic skills program.

A basic skills program may not exceed 210 instructional days and must meet the requirements set forth at Education Code 29.086.

*Education Code 29.086*

**After-School and  
Summer Intensive  
Mathematics and  
Science Programs**

A district may provide an intensive after-school program or an intensive program during the period that school is recessed for the summer to provide mathematics and science instruction to:

1. Students who are not performing at grade level in mathematics or science to assist those students in performing at grade level;
2. Students who are not performing successfully in a mathematics course or science course to assist those students in successfully completing the course; or
3. Other students as determined by the district.

Before providing a program, a board must adopt a policy for:

1. Determining student eligibility for participating in the program that:
  - a. Prescribes the grade level or course a student must be enrolled in to be eligible; and
  - b. Provides for considering teacher recommendations in determining eligibility;
2. Ensuring that parents of or persons standing in parental relation to eligible students are provided notice of the program;
3. Ensuring that eligible students are encouraged to attend the program;



4. Ensuring that the program is offered at one or more locations in the district that are easily accessible to eligible students; and
5. Measuring student progress on completion of the program.

*Education Code 29.088, .090; 19 TAC 102.1041*

**Mentoring Services Program**

A district may provide a mentoring services program to students at risk of dropping out of school. A board may arrange for any public or nonprofit community-based organization to come to the district's schools and implement the program.

A board shall obtain the consent of a student's parent or guardian before allowing the student to participate in the program.

*Education Code 29.089*

**Accelerated Reading Instruction Program**

A district shall implement an accelerated reading instruction program that provides reading instruction that addresses reading deficiencies to each student in kindergarten, first grade, or second grade who is determined, on the basis of reading instrument results [see EKC], to be at risk for dyslexia or other reading difficulties. The district shall determine the form, content, and timing of the program.

A district shall provide additional reading instruction and intervention to each student given the seventh grade reading assessment [see EKC], as appropriate to improve the student's reading skills in the relevant areas identified through the assessment instrument.

Limitation

A district may implement an accelerated reading instruction program only if the commissioner certifies that funds have been appropriated during a school year for administering the program.

*Education Code 28.006(f), (g), (g-1), (k)*

**Intensive Program of Instruction**

State Assessments

A district shall offer an intensive program of instruction to a student who does not perform satisfactorily on a state assessment instrument or is not likely to receive a high school diploma before the fifth school year following the student's enrollment in grade 9, as determined by the district.

The program shall be designed to:

1. Enable the student to:
  - a. To the extent practicable, perform at the student's grade level at the conclusion of the next regular school term; or
  - b. Attain a standard of annual growth specified by a district and reported by the district to TEA; and

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2. If applicable, carry out the purposes of Education Code 28.0211. [See EIE]
- Students Receiving Special Education Services
- For a student in a special education program who does not perform satisfactorily on an assessment instrument administered under Education Code 39.023(a), (b), or (c), the student's admission, review, and dismissal committee shall design the program to:
1. Enable the student to attain a standard of annual growth on the basis of the student's individualized education program (IEP); and
  2. If applicable, carry out the purposes of Education Code 28.0211. [See EIE]
- Graduation Requirements
- A district shall use funds appropriated by the legislature for an intensive program of instruction to plan and implement intensive instruction and other activities aimed at helping a student satisfy state and local high school graduation requirements.
- No Cause of Action
- A district's determination of the appropriateness of an intensive program of instruction for a student is final and does not create a cause of action.

*Education Code 28.0213*

**Maximum Allowable Indirect Cost**

A district may expend no more than the following percentages of the district's Foundation School Program (FSP) special allotments under Education Code Chapter 42, Subchapter C, for indirect costs related to the following programs:

1. No more than 48 percent for indirect costs related to:
  - a. Compensatory education,
  - b. Bilingual education and special language programs, and
  - c. Special education.
2. No more than 45 percent for indirect costs related to gifted and talented education programs.
3. No more than 42 percent for indirect costs related to career and technical education programs.

Beginning with the 2012–13 school year, a district may choose to use a greater indirect cost allotment under Education Code 42.151, .153, .154, and .156, to the extent the district receives less funding per weighted student in state and local maintenance and operations revenue than in the 2011–12 school year. The commissioner

shall develop a methodology for a school district to make this determination and may require any information necessary to implement this rule.

*19 TAC 105.11*

**College Preparatory Courses**

Each district shall partner with at least one institution of higher education to develop and provide courses in college preparatory mathematics and English language arts. The courses must be designed:

1. For students at the twelfth grade level whose performance on:
  - a. An end-of-course assessment instrument required under Education Code 39.023(c) does not meet college readiness standards; or
  - b. Coursework, a college entrance examination, or an assessment instrument designated under Education Code 51.334 [Texas Success Initiative (TSI) assessment] indicates that the student is not ready to perform entry-level college coursework; and
2. To prepare students for success in entry-level college courses.

A course must be provided on the campus of the high school offering the course or through distance learning or as an online course provided through an institution of higher education with which the district partners.

Faculty

Appropriate faculty of each high school offering courses and appropriate faculty of each institution of higher education with which the district partners shall meet regularly as necessary to ensure that each course is aligned with college readiness expectations.

Notice

Each district shall provide a notice to each eligible student and the student's parent or guardian regarding the benefits of enrolling in a course.

Credit Earned

A student who successfully completes an English language arts course may use the credit earned toward satisfying the advanced English language arts curriculum requirement for the foundation high school program under Education Code 28.025(b-1)(1). A student who successfully completes a mathematics course may use the credit earned in the course toward satisfying an advanced mathematics curriculum requirement under Education Code 28.025 after completion of the mathematics curriculum requirements for the foundation high school program under Education Code 28.025(b-1)(2).

Dual Credit	A course may be offered for dual credit at the discretion of the institution of higher education with which a district partners.
Instructional Materials	Each district, in consultation with each institution of higher education with which the district partners, shall develop or purchase instructional materials for a course consistent with Education Code Chapter 31. The instructional materials must include technology resources that enhance the effectiveness of the course and draw on established best practices.  <i>Education Code 28.014</i>
End-of-Course Exam	A student enrolled in a college preparatory mathematics or English language arts course under Education Code 28.014 who satisfies the TSI college readiness benchmarks on an assessment instrument administered at the end of the course satisfies the requirements concerning and is exempt from the administration of the Algebra I or the English I and English II end-of-course assessment instruments, as applicable, as prescribed by Education Code 39.023(c), even if the student did not perform satisfactorily on a previous administration of the applicable end-of-course assessment instrument. A student who fails to perform satisfactorily on the assessment instrument may retake that assessment instrument or may take the appropriate end-of-course assessment instrument. <i>Education Code 39.025(a-1)</i>