

Action Required

August 15, 2017

TO THE SUPERINTENDENT ADDRESSED:

Subject: PEG (Public Education Grant) List for 2018–19

Attached is a list of campuses identified under the Public Education Grant (PEG) program, authorized under Texas Education Code (TEC), Chapter 29, Subchapter G, §§29.201–29.205 and a description of the methodology used to identify the campuses on the list. This list, effective for the 2018–19 school year, identifies campuses with passing rates on STAAR that are less than or equal to 50 percent for any subject in any two of the preceding three years or were rated *Improvement Required* by the state accountability system in 2015, 2016, or 2017.

It is possible for a campus to be removed from the 2018–19 PEG list. This could happen to a campus that is on the PEG list only because of an *Improvement Required* rating in 2017. If such a campus appeals its accountability rating, and that appeal is successful, the campus would be removed from the PEG list. Please note that while academic accountability ratings are appealable, placement on the PEG list is not. After all accountability ratings appeals are resolved, the agency will contact the superintendent of any district that has a campus removed from the PEG list.

Under the PEG interdistrict transfer provision, a parent of a student enrolled in any of the campuses listed may apply to transfer to a campus in another school district for the 2018–19 school year. A school district chosen by a student’s parent under this statute is entitled to accept or reject the application to transfer but may not use criteria that discriminate on the basis of a student’s race, ethnicity, academic achievement, athletic abilities, language proficiency, sex, or socioeconomic status. Alternatively, a district may accept interdistrict transfers under Section 25.036 of the TEC.

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

Notification of eligibility must be provided by February 1, 2018, to parents of students currently assigned to attend a campus on the enclosed 2018–19 PEG List. Statute also stipulates that the notice must contain an explanation of the PEG program and how the parent may obtain further information about pursuing a transfer. An FAQ webpage is available to assist districts with this explanation and to guide parents through the transfer process. A link to the FAQs, along with a copy of this letter and the list of PEG-identified campuses, can be found in the Accountability application in the Texas Education Agency Secure Environment at <https://sequin.tea.state.tx.us/apps/logon.asp>.

Requirements of the PEG program are summarized below.

Requirement	Explanation
Effective Date of PEG Transfers	2018–19 school year
Parent Notification Deadline	February 1, 2018
Allotment	For interdistrict transfers, the district educating the child receives an additional weight of 0.1; limited to net students educated on PEG.
Interdistrict Transfers (across districts)	These may be refused or accepted by the district receiving the transfer request.
Intradistrict Transfers (within district)	These are explicitly permitted, although no additional funding is allotted for this type of transfer.
Continued Student Eligibility for Interdistrict Transfer	<p>Student eligibility for PEG transfers is based on assignment to attend a PEG campus in the district of residence. Student eligibility expires upon either one of the following two conditions:</p> <ul style="list-style-type: none"> • Completion of all grades offered by the campus upon which eligibility was originally based • Assignment of the student to a campus that is not on the PEG List as a result of redrawn attendance boundaries or student movement into a different attendance area <p>A receiving district is permitted to continue to treat a student as PEG eligible (and draw the PEG funding weight) after expiration of eligibility only if the student has not yet completed all grades on the campus to which the student transferred during the eligibility period.</p>
Campus Identification Criteria	STAAR passing rate \leq 50 percent for any subject in any two of the three preceding years (2015, 2016, 2017) or rated <i>Improvement Required</i> in 2015, 2016, or 2017. Please note that for 2015, assessments for grades 3–8 mathematics and all subjects for STAAR A and STAAR Alternate 2 were excluded from analysis.
Transfer Restriction	A student may only transfer from a PEG campus to a non-PEG campus.
Tuition Prohibition	Tuition may not be charged to the student's parent/guardian or to the school district of residence.
Transportation	The school district in which the student resides is not required to provide transportation free of charge from the PEG-listed campus to the new campus. The district is only responsible for providing the transportation it would otherwise provide (as if the student did not transfer).

The district providing educational services to the student will report attendance as it would for any other student. Districts may use the worksheet used to calculate state aid to determine PEG funding, which receives an additional weight of 0.1. The worksheet is available at [http://tea.texas.gov/Finance and Grants/State Funding/Foundation School Program/Foundation School Program/](http://tea.texas.gov/Finance_and_Grants/State_Funding/Foundation_School_Program/Foundation_School_Program/).

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

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

Contact Information

Texas Education Agency
Office of Academics
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Attachments

[2018–19 Public Education Grant List](#)

[Methodology for Identifying Campuses on the 2018–19 PEG List](#)

[Frequently Asked Questions](#)