



To the Administrator Addressed

Commissioner Mike Morath

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| DATE: | August 15, 2019 |
| SUBJECT: | 2020–21 Public Education Grant (PEG) List Available |
| CATEGORY: | Notice |
| NEXT STEPS: | Share with appropriate staff |

The purpose of this communication is to provide information about 2020–21 Public Education Grant (PEG) List.

Attached is a list of campuses identified under the 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 2020–21 school year, identifies campuses that received an *F* rating in both the Student Achievement and the School Progress domains in 2019 accountability.

It is possible for a campus to be removed from the 2020–21 PEG List. This could happen to a campus that appeals its accountability rating, and, if 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 2020–21 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 TEC §25.036.

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, 2020, to parents of students currently assigned to attend a campus on the attached 2020–21 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 FAQ webpage, along with a copy of this letter and the list of PEG-identified campuses, can be found in the TEA Login (TEAL) Accountability application at <https://tealprod.tea.state.tx.us/>.

Requirements of the PEG program are summarized below.

| Requirement | Explanation |
|--|--|
| Effective Date of PEG Transfers | 2020–21 school year |
| Parent Notification Deadline | February 1, 2020 |
| 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 | Campuses that received an <i>F</i> rating in both the Student Achievement and the School Progress domains in 2019 accountability |
| 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 State Aid Template 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. Keep 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.

Contact Information

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 or performance.reporting@tea.texas.gov. Questions about funding implications should be directed to the State Funding Division at (512) 463-9238.

Sincerely,

Mike Morath

Commissioner of Education