

## INFORMATION MEMORANDUM

**DATE:** December 11, 2003  
**TO:** MEMBERS, STATE BOARD OF EDUCATION  
**FROM:** Geno Flores  
Assessment and Accountability  
**SUBJECT:** *No Child Left Behind Act of 2001*: Program Improvement Districts

NCLB Section 1116c(3) requires that states “shall identify for improvement any local educational agency that for two consecutive years failed to make adequate yearly progress as defined in the State’s plan under Section 111 (b) (2)”. Identification as a Program Improvement LEA is a formal designation for Title I funded LEAs. Program Improvement LEAs must meet the following requirements:

- Revise the LEA Plan to include specific components.
- Set aside not less than 10 percent of the district Title I allocation for professional development.
- Allow for transfer of students with paid transportation to schools in another district that is not Program Improvement.

Three options for the Board to consider at the January meeting are discussed in the attached issue paper:

1. LEAs that do not meet all the components of AYP for two consecutive years, 2002-2003 and 2003-2004, would be identified for Program Improvement.
2. LEAs in which 75% or more of their Title I schools do not make AYP for two consecutive years would be identified as Program Improvement.
3. LEAs that failed AYP and had an LEA-wide API of less than 560 for the socioeconomically disadvantaged subgroup for two consecutive years would be identified as Program Improvement.

[Attachment 1](#): Identifying Districts for Program Improvement (Pages 4)

## Identifying Districts for Program Improvement An Issue Paper

### Purpose

The purpose of this issue paper is to describe various options for identifying districts for Program Improvement (PI) under the federal *No Child Left Behind (NCLB) Act of 2001*. The paper will discuss the impact of the various options and recommend a preferred method.

### Background

NCLB established a new definition of Adequate Yearly Progress (AYP) for all schools, local educational agencies (LEAs)<sup>1</sup>, and the state, beginning with the 2003 AYP criteria. All schools and LEAs are now required to meet all of the following 2003 AYP criteria in order to make AYP:

- Must meet Annual Measurable Objectives (AMOs), a measure of percent proficient, for English Language Arts and mathematics districtwide and for all numerically significant subgroups;
- Must meet a 95 percent participation rate on all applicable assessments districtwide and for all numerically significant subgroups;
- Must show progress on the Academic Performance Index (API) of at least one point from 2002 to 2003 or have a minimum 2003 API Growth score of 560; and
- Must show progress on one of the three options for meeting the high school graduation rate requirement:
  - Achievement of a graduation rate of 82.8 percent or above for 2003, **OR**
  - Improvement of at least 0.1 percent in the graduation rate from 2002 to 2003, **OR**
  - Improvement of at least 0.2 percent in the average two-year graduation rate from the average of 2000/2001 to the average of 2002/2003

Currently, the PI consequences of not making AYP apply only to schools and LEAs receiving federal Title I funds.

Being in PI status is a formal designation for Title I funded schools and LEAs. A school is identified for PI status if it does not make AYP for two consecutive years on the same indicator (English language arts, mathematics, Academic Performance Index [API], graduation rate). There are certain types of required services and/or interventions that

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<sup>1</sup> LEA refers to districts, county offices of education and direct-funded charter schools that receive Title I funds.

schools must implement during each year they are identified for PI. A school is eligible to exit PI if it makes AYP for two consecutive years.

NCLB Section 1116(c)(3) also requires states to identify for improvement any LEA that, for two consecutive years, failed to make Adequate Yearly Progress (AYP) as defined in the State's plan under Section 1111(B)(2). Although the previous reauthorization of the Elementary and Secondary Education Act (ESEA) of 1965 required states to identify LEAs in need of improvement, no LEA in California has ever been identified for PI. The first year in which an LEA will officially enter PI status will be the 2004-05 school year after identification in summer 2004. This PI status will be based on 2002-03 and 2003-04 AYP determinations.

### **Consequences for LEAs identified for PI**

NCLB requires the California Department of Education (CDE) to annually review the performance of each LEA receiving Title I funds to determine if the LEA has made AYP. An LEA that for two consecutive years has not made AYP as defined in the State plan will be identified as a PI LEA. PI LEAs must meet the following requirements:

- In the first year of PI, the LEA must:
  - revise its local educational agency plan to include specific components; and
  - allow for transfer of students with paid transportation to schools in another LEA that has not been identified for PI status.
  - set-aside not less than 10 percent of its Title I allocation for professional development.
- After two subsequent years in PI, if the LEA continues to fail AYP, it will be subject to CDE corrective action (Year 3).
- A PI LEA (in any year of PI) may not be a provider of supplemental educational services.

### **Alternative Options for Identifying LEAs for PI**

#### ***Principles Underlying a Method to Identify LEAs for PI***

Any option for identifying PI districts must meet the following principles:

- Be consistent with the API measures of the Public Schools Accountability Act (PSAA) and the new definition of AYP as required by NCLB;
- Be straightforward and easily understood by LEAs, schools, and the general public;
- Be fairly applied to all LEAs, with no LEAs unfairly affected; and

- Provide for a manageable number of PI LEAs so that LEAs and CDE have the time to build the technical assistance capacity to effectively support school and LEA improvement.

**The following three options for identifying LEAs for PI are proposed to the State Board of Education for consideration:**

**Option 1: LEAs that do not meet all the components of AYP for two consecutive years, 2002-03 and 2003-04, would be identified for PI.**

Beginning in 2002-03, all LEAs received an AYP determination (in August 2003) based on all components of the AYP, which included:

- meeting Annual Measurable Objectives (AMOs) – a measure of percent proficient for English Language Arts and mathematics district-wide and for all numerically significant subgroups;
- meeting a 95 percent participation rate on all applicable assessments district-wide and for all numerically significant subgroups;
- showing progress on the Academic Performance Index (API) of at least one point from 2002 to 2003 or have a minimum 2003 API Growth score of 560; and
- showing progress on one of the three options for meeting the high school graduation rate requirement:
  - achievement of a graduation rate of 82.8 percent or above for 2003, **OR**
  - improvement of at least 0.1 percent in the graduation rate from 2002 to 2003, **OR**
  - improvement of at least 0.2 percent in the average two-year graduation rate from the average of 2000/2001 to the average of 2002/2003

Any LEA not meeting the aforementioned components of AYP in 2002-03 and 2003-04 would be identified for PI status. Based on a preliminary data run for 2002-03, 42 percent of LEAs would meet the criteria above, while 58 percent would be at risk of being identified for PI status for failing to make AYP for a second consecutive year in 2004.

### **Pros**

- This option uses the definition of AYP that currently applies to all LEAs and will be the same for 2002-03 and 2003-04 so that it can be consistently applied.
- Although some components of the AYP, such as participation rate, were particularly difficult for many LEAs to meet and resulted in the identification of a high number of LEAs that did not make AYP in 2003 (see numbers above), most LEAs are projected to meet the participation rate in 2004. Given this projection, the data indicate that 68

percent of LEAs would make AYP, while 32 percent would be identified for PI in 2004.

### **Cons**

- CDE and the technical assistance support systems at the State and LEA levels currently do not have the capacity to provide quality assistance to such a large number of LEAs.

**Option 2: *If 75 percent or more of an LEA's Title I-funded schools do not make AYP for two consecutive years, the LEA would be identified for PI.***

### **Pros**

- The smaller number of LEAs identified for PI allows CDE additional time to more gradually build the capacity to work with PI LEAs and to put in place the technical assistance networks and systems needed to assist LEAs in need of improvement.

### **Cons**

- This option would result in a disproportionate number of small LEAs being identified for PI.
- Urban school districts would have a very high threshold to meet before being identified for PI, and, as such, might never be identified, despite the fact that they receive the most Title I funds and serve the highest number of Title I students in the State.
- LEAs would be held accountable only for the achievement of their students enrolled in Title I schools and not all schools, which is contrary to the commitment to a single statewide accountability system and the NCLB requirement that the State develop a single system of rewards and sanctions for all schools and LEAs.

**Option 3: *LEAs that failed AYP and had an LEA-wide API of less than 560 for the socio-economically disadvantaged subgroup for two consecutive years would be identified for PI status.***

### **Pros**

- This option would result in a better mix of LEAs, both small and mid-size, with the largest LEA having an enrollment of approximately 30,000 students.
- The number of LEAs identified would be a manageable number for CDE to provide support and technical assistance.
- This option would hold LEAs accountable for the achievement of all of its students in English-language arts and mathematics, including the socio-economically disadvantaged students who are eligible for or being served by Title I services.

- Using the API allows CDE to use an accountability measure that is accepted statewide and which focuses on growth in student achievement from year to year. The API includes all State tests, including the California High School Exit Exam (CAHSEE) and the California Standards Tests in English-language arts, math, social studies, and science.
- The API threshold of less than 560 could be increased in the future to reflect general improvement by all LEAs and would result in a fair application across small, middle-size, and large school districts. The 560 threshold has been established as the 20th percentile of API scores and is parallel to the percentiles used to establish the percentiles for the AMOs.

### **Cons**

- Large LEAs, initially, would not be identified using this option.
- The API portion of the criteria is based only on the achievement of the socioeconomically disadvantaged subgroup and does not include other numerically significant subgroups.