



State of Washington  
Legislative Budget Committee

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# **K-12 LEARNING ASSISTANCE PROGRAM FISCAL STUDY**

## **Report 95-2**

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January 19, 1995

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for persons with disabilities.*



State of Washington  
Legislative Budget Committee

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# K-12 LEARNING ASSISTANCE PROGRAM FISCAL STUDY

## Summary

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**T**he legislature directed the Legislative Budget Committee to examine funding issues in the Learning Assistance Program (LAP), a state-funded remediation program for students in grades K-9 who need extra help in school to acquire basic skills. Program need and formula funding is based primarily on student achievement. This report describes LAP and analyzes enrollment and expenditures at the local level in relation to the factors in the state funding formula.

It found several differences between formula funding factors and program enrollment and expenditures in a selected number of local school districts. Those findings are not a criticism of district LAP programs, but rather an observation that formula factors and actual practices are not the same.

Based on these findings, the study presents four funding options for the legislature's consideration:

1. Retain the current funding formula (based on fourth and eighth grade test scores in the state evaluation program) with modifications.
2. Add to the formula poverty or demographic factors.
3. Base state allocations to school districts partly on a percentage of district enrollment and partly on poverty or demographic factors.
4. Fund LAP and special education together in a special needs formula.

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## Overview

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## Funding options

State funding for LAP has increased from \$12 million in the 1979-81 biennium to \$108 million in 1993-95. The increase reflects:

- Expansion of the program in the mid-1980s from grades 2-6 to grades K-9.
- Declining test scores, especially since 1991.

A concurrent report by the Washington State Institute for Public Policy examines funding issues in special education. LAP is intended mainly for students who are not in special education.

## FINDINGS

The report describes LAP, brings out the similarities with the federally-funded Chapter 1 remediation program, and presents data on LAP enrollment and expenditures at the district level in relation to the factors in the state funding formula. An important dissimilarity between the two programs is that funding of LAP is based on test scores (student achievement), whereas Chapter 1 funding is predicated on the incidence of poverty.

Evaluation of program effectiveness was outside the scope of the study. However, the report includes available information on LAP pre and posttest scores, which are considered an indicator of program performance.

The LAP funding formula is specified in RCW 28A.165.070. One characteristic of the formula is that it is based on test scores, not on the actual number of students served in the program by local school districts. Also, the formula is "for allocation purposes only." This means that school districts must use the allocation for LAP, but not necessarily in accord with the components or factors in the formula. The formula dates from 1979, was not based on a research study, and has remained essentially unchanged over the years.

School district expenditures for LAP are very close to the state allocations for the program. In studying LAP, however, we found differences between the factors in the funding formula and actual practices in the field. This finding is meant not as a criticism of local programs but rather is an observation that formula factors and actual practices are not the same. Those differences, in brief, are as follows:

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## LAP funding formula for allocation only

1. The fourth and eighth grade test scores, which are the basis for state funding of LAP, are not direct measures of LAP performance and are largely independent of program delivery at the local level.
2. The LAP formula bases district funding on the percent of students scoring in the lowest quartile. The achievement level of students entering LAP is sometimes higher.
3. In the 19 school districts that were studied, the estimated average enrollment in LAP for 1993-94 was less than half the number of units generated by the funding formula.
4. As a result, expenditures per student served were far higher than the formula allocations per LAP unit.
5. For purposes of calculating salary and benefit increases for LAP, the formula uses classified staff salary and benefit levels. However, school districts use both classified and certificated staff in LAP.

We also found that the funding formula in conjunction with state rules creates operational problems in the field. School districts do not know their precise allocation for LAP until near the end of the school year. They are required to spend the entire allocation by August 31 under penalty of losing the unspent portion of the LAP funding and an equal amount of Chapter 1 funding. This problem could be solved by allowing unspent LAP funds to be carried over to the next school year.

## 1. Impact of LAP on 4th and 8th Grade Test Scores

The annual test scores for fourth and eighth graders in the state testing program are the primary basis for funding LAP. Because of the funding connection, it is often assumed that these test scores are a performance indicator for LAP. In addition, some legislators are concerned that the test scores have declined in recent years and have raised questions about LAP's effectiveness.

It may be unrealistic to expect LAP to have much impact on the fourth and eighth grade scores, because of the high proportion of

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Little  
connection  
between  
formula  
factors and  
field  
practices

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Funding  
carry-over  
could solve  
one problem

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## Funding driver has little relation to LAP performance

fourth and eighth graders who are tested each year and the relatively low number of students served in LAP. On a statewide basis, over 90 percent of the fourth and eighth graders are tested each October, and LAP serves a small percentage of students—5.9 percent of the K-12 students in the districts we studied.

Thus there is little connection between the fourth or eighth grade test scores and LAP performance. The actual LAP performance indicators are the annual pre and posttests for program participants. The annual average gains on those tests provide some indication of LAP performance. However, the data may not be comparable among districts primarily because different percentages of program participants are tested.

## 2. Achievement Level of Students Entering LAP

The funding formula bases LAP funding on fourth and eighth grade students in the state testing program who score in the lowest quartile (1st-25th percentiles) compared to national norms. The LAP statutes refer to eligible students as those “below grade level,” an undefined phrase that is sometimes construed to include students scoring in the second lowest quartile (26th-50th percentiles). Nevertheless, the funding formula is based on the percentage of students scoring in the lowest quartile.

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## LAP serves some students with scores in second lowest quartile

The achievement levels of students in LAP are known through pre and posttest scores. Pretest scores indicate the achievement level of LAP students at the start of the year. The large majority of LAP students have pretest scores in the lowest quartile, but we found a significant number with pretest scores in the second lowest quartile, ranging from 13 to 39 percent of the scores in the districts from which we collected specific data.

## 3. Number of Students Served in LAP

The formula allocates funding to school districts based on a number of “LAP units.” The units are calculated based on the percentage of fourth and eighth graders who score in the lowest quartile compared to national norms on the annual state testing each October, multiplied by the district’s K-9 enrollment, less the number of Learning Disabled students (served by special education) in grades 1-9 (ages 6-14).

In the 19 school districts which provided us with enrollment data for 1993-94, the formula generated 28,853 LAP units. In contrast, the districts served in LAP an estimated average enrollment of 12,145 students. The districts appear to have served less than half the number of students, while expending more than double the state allocation per unit. The following chart shows the variances in the respective districts.

**Students Served in LAP and Unit Costs in 19 School Districts Compared with Funding Formula Factors**

District	LAP STUDENTS			DOLLARS PER STUDENT		
	1993-94 Est. Avg. Students	LAP Units in Funding Formula	Variance (Students less Units)	District Allocation per Average Student	State Formula Allocation per Unit	Variance
1 Auburn	570	1,318	(748)	\$1,062	\$470	\$592
2 Bethel	1,072	2,406	(1,334)	\$1,051	\$470	\$581
3 Cape Flattery	25	167	(142)	\$3,137	\$470	\$2,667
4 Ephrata	147	238	(91)	\$761	\$470	\$291
5 Kennewick	530	1,317	(787)	\$1,113	\$470	\$643
6 Kent	2,374	2,151	223	\$426	\$470	(\$44)
7 Longview	192	1,006	(814)	\$2,443	\$470	\$1,973
8 Mercer Island	16	30	(14)	\$903	\$470	\$433
9 Mukilteo	962	1,367	(404)	\$627	\$470	\$157
10 North Franklin	180	333	(153)	\$739	\$470	\$269
11 Pasco	650	1,580	(930)	\$1,142	\$470	\$672
12 Port Angeles	327	538	(211)	\$774	\$470	\$304
13 Quillayute Valley	100	237	(137)	\$1,114	\$470	\$644
14 Snohomish	324	771	(447)	\$1,086	\$470	\$616
15 Spokane	1,660	4,465	(2,805)	\$1,264	\$470	\$794
16 Tacoma	1,377	5,422	(4,045)	\$1,785	\$470	\$1,315
17 Vancouver	712	2,392	(1,680)	\$1,579	\$470	\$1,109
18 White Salmon	81	212	(131)	\$1,233	\$470	\$763
19 Yakima	847	2,901	(2,054)	\$1,566	\$470	\$1,096
19 District Total	12,145	28,853	(16,708)	\$1,096	\$470	\$626

Source: See charts 7, 8, and 9 in the report.

The LAP enrollment in the 19 districts amounted to 5.9 percent of the K-12 students, with a range in the districts from 0.4 percent to 10 percent, compared with 7.3 percent in Chapter 1 and 11.1 percent in special education. The figures contain some duplication, that is, students served in more than one program. (Note: While LAP applies to grades K-9, we express the enrollment as a percentage of the K-12 students so that enrollment levels can be compared to other programs.)

LAP funding is based primarily on scores in the lowest quartile, and one might expect a corresponding portion of district students to be served in LAP. The actual numbers are much lower because school

Difference between funding units and enrollment

Other programs serving low scorers

districts also provide help to low scorers through other categorical programs, including special education, Chapter 1, and the Transitional Bilingual program.

State funding for LAP does not change according to the number of students served. In contrast, special education funding is based on actual enrollment, which may provide incentives to expand enrollment in that program.

#### 4. Allocations per Student

The formula allocates \$470 per LAP unit. Estimated expenditures per student amounted to \$1,096 in the 19 districts that were studied. The chart on the previous page includes the 1993-94 allocations per average headcount in LAP. Estimated average expenditures for the Chapter 1 program were \$1,413.

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Wide range  
of  
allocations  
per student

The district allocations per average student served in LAP ranged from \$426 to \$3,137 in the various districts. The range tends to reflect simply the "caseload" assigned to the LAP staff. To analyze the differences further, we compared the programs in our sample with the five lowest and five highest allocations per LAP student. The available data showed little or no connection between LAP funding, instructional model (in-class or pull-out), and program effectiveness (average gains on LAP pre and posttests).

#### 5. LAP Staffing

For purposes of calculating salary and benefit increases, the LAP funding formula uses classified instructional staff salary and benefit levels. However, school districts use both classified and certificated staff in the program. In 1993-94 the staff funded by LAP included 714 FTE classified staff and 438 FTE certificated staff. Districts that utilized a high proportion of certificated staff as LAP instructors were somewhat more likely to serve fewer students in the program and have higher expenditures per student served, though this was not always the case.

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Classified  
and  
certificated  
staff

## FUNDING ALTERNATIVES

Since the LAP funding formula is “for allocation purposes only,” the differences between the funding formula and practices in the field might be viewed as irrelevant, and simply a manifestation of local control. On the other hand, the differences might indicate a need for funding and policy changes. The report includes four funding options for the legislature’s consideration. In brief, the options are:

1. Continue to rely on fourth and eighth grade test scores as the primary funding driver. If desired, changes might be made to:
  - a. Allow carryover of unspent LAP funding to the next school year. Adjustments could also be made in the method used to calculate the percent of students scoring in the lowest quartile, the main LAP funding driver.
  - b. Modify the formula to more closely reflect the actual service pattern in the field by adjusting the number of funded units.
  - c. Clarify the target population by defining the term “below grade level” in the LAP statutes.
  - d. Develop alternative or additional measures of LAP effectiveness.
2. Add to the formula poverty or demographic measures that may be associated with low educational achievement. The main measure that could be used as a funding driver in addition to test scores is the percentage of students eligible for free or reduced lunch. This option would broaden the focus of LAP to recognize other need factors for funding purposes.
3. Base allocations partly on an assumed percentage of district enrollment (such as 5 to 6 percent of the K-12 enrollment, as found in the districts that were studied) and partly on poverty factors such as free or reduced lunch enrollment.
4. Fund LAP and special education together in a special needs formula.

The last chapter of the report explains these options and discusses some advantages and disadvantages of each approach. A summary chart appears on pages 39-40.

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### Funding options

## AGENCY COMMENTS

Appendix 2 contains a letter from the Superintendent of Public Instruction about the report. The agency strongly supports funding Option 1, with carryover of LAP funds into the next fiscal year. It also supports use of a poverty indicator, perhaps a free and reduced lunch count, in the LAP funding formula.

## ACKNOWLEDGMENTS

The report is based on research by Matt Temmel and Bert Hoff of the LBC staff, under the supervision of Ron Perry. Much of the field work for the study was conducted jointly with Edie Harding of the Institute for Public Policy at The Evergreen State College.

We appreciate the advice and assistance received from staff of the House and Senate fiscal and policy committees, Office of Financial Management, and various sections of the Office of Superintendent of Public Instruction, including Apportionment and Research, Assessment and Curriculum, and Instructional Support Services.

LAP and Chapter 1 staff in 20 school districts provided us with enrollment data and other information. We are grateful for their assistance.

Cheryle A. Broom  
Legislative Auditor

On January 19, 1995, this report was approved by the Legislative Budget Committee and its distribution authorized.

Representative Jean Silver  
Chair

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# BACKGROUND

## Chapter One

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**T**his report on the Learning Assistance Program (LAP) was mandated in the 1994 state supplemental budget because of legislative questions or concerns about the program funding basis, local operations, and program effectiveness. A concurrent study by the Washington State Institute for Public Policy addresses funding issues in special education.

LAP is a state-funded remediation program authorized under Chapter 28A.165 RCW for students in grades K-9 who need extra help to attain basic skills in reading, math, and language arts. LAP started as a state-funded program in 1979 as the Remediation Assistance Program to serve grades 2-6. The program was expanded in the mid-1980s to serve other grades. In 1987 the name of the program was changed to LAP.

According to court decisions and state law, LAP is part of basic education. LAP is intended to accomplish two general purposes. First, the legislature intended the program to increase the educational performance of students with "special needs" who are "deficient in basic skills achievement." Since the statutes include a non duplication of service provision for Learning Disabled students, it can be inferred that LAP was intended mainly for students who are not special education students. Second, LAP was intended to "enhance the ability of basic education teachers to identify and address learning problems in the regular classroom." (See RCW 28A.165.010, 012, and 070.)

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### Overview

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### LAP is a remediation program

## PROGRAM FUNDING

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### Funding trend

State funding for LAP has increased from \$12 million in the 1979-81 biennium to \$108 million in 1993-95. The trend in the appropriations reflects:

- Program expansion from the original grades 2-6 to grades K-9.
- Declining test scores, especially since 1991.

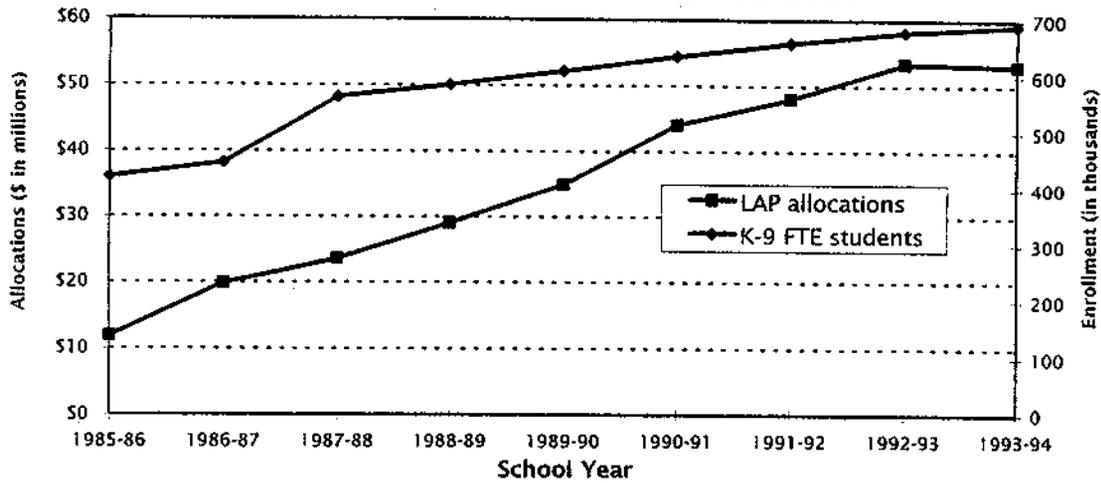
LAP funding is based primarily on low test scores (percentage in the lowest quartile) on the annual state test of fourth and eighth grade students. The charts on the next page show the trends in LAP funding, K-9 enrollment, and the fourth and eighth grade test scores.

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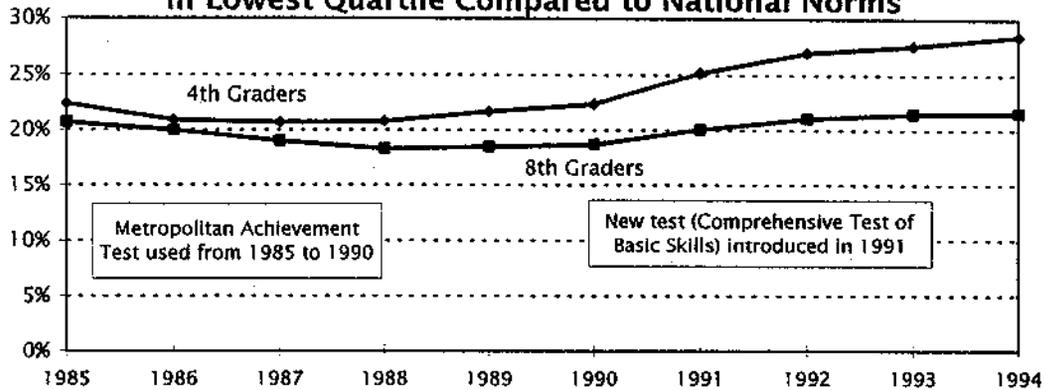
### Program needs are determined differently

Chapter 1 is a similar federally-funded remediation program, which applies to grades K-12. Unlike LAP, its funding is based on poverty factors in the decennial census, not student test scores. Federal funding for Chapter 1 is about \$168 million in 1993-95. Under the terms of the 1994 reauthorization of Chapter 1 (as Title 1), funding is expected to increase and will be targeted more closely to districts with high levels of poverty.

**Chart 1  
LAP Allocations and K-9 Enrollment**



**Chart 2  
LAP Main Funding Driver: Percent of Students in Lowest Quartile Compared to National Norms**



## STUDY APPROACH

The report is mainly a study of LAP funding issues. Some program information is included, to indicate the variety of local programs and analyze the extent to which they follow the assumptions contained in the LAP funding formula.

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## Study approach

The report briefly considers program effectiveness measures. The measures do not exist for a comprehensive program evaluation, and the available information is inconclusive as to whether LAP is accomplishing what the legislature intended when it established the program.

We studied the LAP program in 20 school districts (listed in Chart 3 on the next page), a mix of large and small districts in various parts of the state. In aggregate, they have about 25 percent of the state's public school enrollment. Most of the districts were originally selected for field work in the concurrent study of special education funding. To coordinate the studies, we focused on the same districts in the LAP study, while adding four small districts.

For the 20 school districts we did the following:

- Interviewed the LAP director, special education director, and other staff as needed.
- Reviewed test score trends, both the fourth and eighth grade scores (on which LAP funding is based) and the pre and posttest average scores for LAP students (used for program evaluation).
- Studied program and fiscal information available from the Office of the Superintendent of Public Instruction (SPI).
- Collected data from 19 of the 20 districts on the average number of students served in LAP and Chapter 1 during 1993-94. This new data permitted us to: (1) compare program enrollments, (2) calculate LAP and Chapter 1 expenditures per student, and (3) compare district enrollment and expenditures with the factors in the LAP funding formula.
- Analyzed the similarities and differences between LAP and the portion of special education that serves mildly disabled students.
- Explored new approaches to funding LAP.

Chapter 2 of the report describes LAP program characteristics and discusses program effectiveness measures. Chapter 3 considers LAP enrollment and estimated expenditures compared to the factors in the funding formula. Chapter 4 considers alternative funding approaches and presents options for the legislature's consideration.

**Chart 3**  
**School Districts Studied for LAP Report**

School District	K-12 Students (a)	LAP 1993-94 Allocation
1 Auburn	11,399	\$619,622
2 Bethel	13,387	1,130,867
3 Cape Flattery	606	78,429
4 Ephrata	2,065	111,853
5 Federal Way	19,634	1,004,681
6 Kennewick	12,855	619,175
7 Kent	23,623	1,010,924
8 Longview	7,498	472,814
9 Mercer Island	3,461	13,990
10 Mukilteo	11,884	642,419
11 North Franklin	1,823	156,669
12 Pasco	7,310	742,514
13 Port Angeles	5,070	253,006
14 Quillayute Valley	1,719	111,430
15 Snohomish	7,880	362,458
16 Spokane	31,218	2,098,402
17 Tacoma	31,191	2,544,692
18 Vancouver	18,329	1,124,452
19 White Salmon	1,325	99,867
20 Yakima	13,218	1,363,551
20 District Total	225,494	\$14,561,817
Percent of State Total	24.8%	27.4%
State Total	909,528	\$53,135,012

(a) Average headcount, 1993-94.

*Source: SPI apportionment data as of November 1994.*

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# PROGRAM CHARACTERISTICS

## Chapter Two

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**T**his chapter describes the Learning Assistance Program and discusses program effectiveness. Two findings are made regarding the LAP funding formula:

1. The fourth and eighth grade state test scores, which are the basis for state funding of LAP, are not direct measures of LAP performance and are largely independent of program delivery at the local level.
2. The funding formula bases district funding on the percent of students scoring in the lowest quartile, but the achievement level of students entering LAP is sometimes higher.

## PROGRAM DESCRIPTION

The Learning Assistance Program and the Chapter 1-Regular program exist in about 283 of the state's 296 school districts. Program enrollment (annual total served) is about 64,000 in LAP and 62,000 in Chapter 1. In each program 56 percent of the students are male. Ethnic or racial minority students, who comprise about 19 percent of K-12 students in the state, are 27 percent of the LAP enrollment and 33 percent of Chapter 1 pupils.

Within a district the typical practice is to identify the schools eligible to use Chapter 1 funding<sup>1</sup> and then to operate LAP in the remaining schools. Some districts also have LAP in the Chapter 1 schools. Many districts concentrate their LAP and Chapter 1 funding in the elementary grades.

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<sup>1</sup> Chapter 1-Regular funding may be used in schools with higher concentrations of poverty, measured by the percentage of students eligible for a free or reduced lunch. If the school percentage of such students is higher than the district average, that school is eligible to use Chapter 1-Regular funding.

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## Overview

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## LAP and Chapter 1

Most districts offer LAP reading, math, and language arts. Some districts offer LAP in only one subject, such as math, while leaving reading and language arts to Chapter 1.

LAP and Chapter 1 staff include classified (paraprofessional) instructional assistants and certificated teachers. Each school district decides the type and mix of program staff, which are sometimes supplemented by volunteer tutors. The LAP and Chapter 1 staff work with small groups of students or with individual students to teach them reading, math, or language arts. Kindergarten programs focus on readiness skills.

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## Two main service models

The two main service models are the "in-class" model, in which the student receives extra help in the regular classroom, and the "pull-out" model, in which the student is removed for a short time from the regular class to receive assistance. According to the SPI annual report, the in-class model was used in 1992-93 to serve 50 percent of the LAP students, while 41 percent were served in a pull-out model. Most of the remaining students were served in a "replacement" model, which is an extended pull-out that replaces a regular class period.

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## Similarities between LAP and Chapter 1

Overall, we found a high degree of coordination between LAP and Chapter 1. Although LAP and Chapter 1 have different funding sources and formulas, program operations are similar in the following respects:

- **Similar instructional models.** In-class and pull-out models are used to serve similar percentages of students in each program.
- **Similar results,** as measured by pre and posttest average gains. This is discussed in the following section on program effectiveness.
- **Similar staffing patterns.** On a full-time-equivalent basis, classified staff (instructional assistants) outnumber certificated teachers in LAP by a margin of 1.63 to 1 and in Chapter 1 by 1.21 to 1.
- **The same process of identifying students.** Low achievers are identified by local needs assessments, which usually include a combination of placement testing and teacher

recommendations. The students are then "rank ordered" on a "greatest needs list," so that the lowest-ranked students can be served first. Local school officials determine a cut-off score, which amounts to a decision as to how many students can be served with the available funding.

- **Locally-determined exit criteria.** LAP and Chapter 1 students are officially reselected each year. The highest achievers may leave the program, and those who have not improved significantly may remain in the program or are referred to special education.
- **Similar program guidelines.** LAP and Chapter 1 have program guidelines that are often identical, if not similar. For example, LAP uses the Chapter 1 standard for the number of instructional hours offered to students.

Actual data are not available on student length of stay in LAP. Our information is based on (1) program exits reported annually to SPI, (2) discussions with local staff, and (3) review of several "sustained gains" studies that track LAP student achievement scores over several years.

In 1992-93 about 18 percent of the students served by LAP that year exited the program. Of those who left LAP, a little more than one-third did so because they no longer needed services, while the others left for "other reasons," such as moving to another school or being referred to special education. Discussions with local staff suggested much variation in "typical" student length of stay in LAP, such as one or two years in some districts and longer in others. Length of stay is heavily influenced by local philosophy.

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Length of  
stay varies,  
influenced  
by local  
district  
philosophy

## PROGRAM EFFECTIVENESS

LAP and Chapter 1 have procedures to evaluate program effectiveness on an annual basis. Each school assesses the achievement level of program participants by giving standardized norm-referenced tests at two points twelve months apart, either fall-to-fall or spring-to-spring. The differences between average pretest and posttest scores are an indicator of program effectiveness during the year.

## Pre and posttest data

Under the reauthorization of Chapter 1 (as Title 1), the process of assessing student gains is expected to change from the current pre and posttest approach. Similar changes in LAP might occur as well.

Pre and posttest scores can be analyzed in a measure called normal curve equivalent (NCE), an equal interval scale from 1 to 99.<sup>2</sup> Normal growth over a year on the NCE scale is assumed to be 0. In other words, a student can be expected to have the same score a year later if normal learning occurs. Changes exceeding 0 are attributed to program intervention.

According to the latest annual reports, the statewide average NCE gains were as follows:

Chart 4

### 1992-93 Average Gains for LAP and Chapter 1 Students

	Number with Pre and Post Test Scores	Percent of Students Served	Weighted Average NCE Gain
LAP Reading	14,856	44%	5.17
Chapter 1 Reading	20,182	45%	5.69
LAP Math	14,488	49%	4.89
Chapter 1 Math	8,788	49%	5.44
LAP Language Arts	4,285	50%	4.83
Chapter 1 Language Arts	3,582	47%	4.96

*Source: 1992-93 SPI annual reports on LAP and Chapter 1, combining fall-to-fall and spring-to-spring results.*

The statewide data indicate that students served in a pull-out model have had consistently higher average gains than students served in an in-class model, by a margin of one to one-and-a-half points on the NCE scale. This applies to LAP over the last three years and to Chapter 1 over the last five years. The difference in gains is probably not large enough to be conclusive.

<sup>2</sup> Percentiles are not equal-interval measures. For example, the difference between the 10th and 20th percentiles is not the same as the difference between the 20th and 30th percentiles. On the NCE scale each unit is an equal interval, thus the NCE scale is used to analyze changes in scores over time. The 25th percentile is equivalent to 35.8 on the NCE scale. Each scale goes from 1 to 99, with a mean of 50.

We reviewed annual average gains in selected school districts over the last three years and found that the data generally mirrored the statewide results mentioned above. While the results are useful at the local level to indicate student growth, we also learned that the results might not be comparable across districts. The percent of LAP and Chapter 1 students tested varies by district, and districts use different tests.

The test score gains represent LAP or Chapter 1 student achievement over one year compared to the students on whom the test was normed (a national or regional sample). If one accepts that the norms are a valid reference point and that the changes in student scores over one year are attributable exclusively to program intervention, then LAP and Chapter 1 may be considered as effective programs.

We are not fully comfortable with the notion that average gains should be attributed solely to intervention by LAP or Chapter 1. The gains might reflect other factors, and other (non-remediation) students in the district might make equal or larger gains. To explore this idea, we tried to gather test scores from other populations besides LAP and Chapter 1 students who were given the same pre and posttests. Such data is difficult to obtain because few districts test large groups of students at succeeding grade levels with standardized norm-referenced tests.

Of the 20 districts in our sample, Vancouver had relevant information in a form that could be readily studied. The Vancouver data included reading and math pre and posttest data for large populations. The average gains for LAP and Chapter 1 students clearly exceeded those of other students in the district.

Problems with the current approach to evaluating LAP and Chapter 1 can be summarized as follows:

- Overall, pre and posttest data are available for less than half of the program participants.
- School districts use different norm-referenced standardized tests, which tends to complicate comparisons among districts.
- Few districts have annual pre and posttest data for students other than LAP and Chapter 1 participants.

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Gains are compared to test norms

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Problems with pre and posttest data

- There are few good studies of “sustained gains” over several years.

Despite these limitations, school districts can and do modify their LAP and Chapter 1 programs based on the results of the annual testing.

Changes in pre and posttesting requirements can be expected to occur because of new student assessment provisions in the recent federal reauthorization of Chapter 1 (as Title 1). If there is a desire for better information on LAP effectiveness, alternative or improved ways to evaluate the program should be developed, as will be required in Chapter 1.

## FOURTH AND EIGHTH GRADE TEST SCORES

LAP is funded based on the annual test results for the fourth and eighth graders in the state evaluation program. Because of the funding connection, it is often assumed that the fourth and eighth grade test scores are a performance indicator for LAP. This is implicit in the statement of legislative intent for LAP (RCW 28A.165.100) and was explicitly stated in legislative debate in 1987, when the current statutes were adopted.<sup>3</sup> In addition, some legislators are concerned that the test scores have declined in recent years and have raised questions about LAP’s effectiveness.

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Funding  
driver has  
little  
relation to  
LAP  
performance

It may be unrealistic to expect LAP to have much impact on the fourth and eighth grade scores, because of the high proportion of fourth and eighth graders who are tested each year and the relatively low number of students served in LAP. On a statewide basis, over 90 percent of the fourth and eighth graders are tested each October. LAP serves a small percentage of students—5.9 percent of the K-12 students in the districts we studied, as shown in the next chapter of the report—and thus cannot be expected to have a major impact on the fourth and eighth grade scores.

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<sup>3</sup> See *Journal of the Senate*, 1987, page 779. The prime sponsor of the bill referred to “constant evaluation and monitoring” of LAP through the state testing program results in the lowest quartile compared to national norms.

The LAP performance indicators are the annual pre and posttests discussed above, not the fourth and eighth grade tests.

Other issues regarding the fourth and eighth grade test scores can be briefly considered. Chart 5 summarizes the test score data since 1988. Mean scores have declined. The percentage of students scoring in the lowest quartile has increased by a larger margin.

Chart 5

### State Results: 4th and 8th Grade Test Scores

	Grade 4 Battery		Grade 8 Battery	
	Mean NCE*	% in Lowest Quartile	Mean NCE*	% in Lowest Quartile
Fall 1988	53.4	20.8%	54.8	18.3%
Fall 1989	53.1	21.7%	54.8	18.5%
Fall 1990	52.6	22.4%	54.7	18.7%
Fall 1991	51.1	25.2%	52.8	20.1%
Fall 1992	49.9	27.0%	52.5	21.1%
Fall 1993	49.7	27.6%	52.2	21.5%
Fall 1994	49.5	28.5%	52.2	21.6%

Test was Metropolitan Achievement Test until 1990 and Comprehensive Test of Basic Skills from 1991.

\* NCE, or normal curve equivalent, an equal interval measure used to analyze scores in place of percentiles (unequal intervals).

The state testing program used the Metropolitan Achievement Test until 1990 and switched in 1991 to the Comprehensive Test of Basic Skills. Average scores declined with introduction of the CTBS and were attributed at the time to the "new test effect." However, as shown above, the statewide scores continued to decline in later years. It is also notable that the fourth grade scores have been consistently lower than the eighth grade scores, dating back to at least 1985. The reasons are unclear.

We reviewed available data on participation rates to see if the declining trend in test scores was associated with testing a larger percentage of students, including those who could not be expected to perform well. This does not appear to be a widespread practice.<sup>4</sup>

<sup>4</sup> The CTBS scores in some districts with large Hispanic populations may reflect overtesting. The state evaluation testing is done only in English. We found a few districts which enroll many students in the transitional bilingual program and also test 90 to 97 percent of the fourth and eighth graders in the state testing program. The result is that high percentages of the students have scores in the lowest quartile.

## 4th and 8th grade test score trends

According to SPI staff, the participation rate on a statewide basis has remained steady since 1991. Yet the percentage of students scoring in the lowest quartile has increased. One option that could be taken so that funding factors better reflect the school population is to change the method by which the percent of students scoring in the lowest quartile is calculated. It could be expressed as a percent of total reported enrollment (or those grade levels) rather than as a percent of students tested.

The main point established above is that the fourth and eighth grade test scores are largely independent of LAP. The test score trends are apparently influenced by many other factors, which would require a separate study.

The state testing program could change substantially once the Commission on Student Learning completes its work. The Commission is charged under the education reform legislation of 1993 with developing essential academic learning requirements, performance standards, and an assessment system to be phased in between 1995 and 2000. The assessment methods are to include criterion-referenced testing, which could replace or complement the norm-referenced tests used in the state assessment program.

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Commission  
on Student  
Learning  
could  
change  
testing  
program

## ACHIEVEMENT LEVEL OF STUDENTS ENTERING LAP

The funding formula bases LAP funding for students in grades K-9 on the percentage of fourth and eighth grade students who score in the lowest quartile (1st-25th percentiles) compared to national norms on the annual state test. The LAP statutes refer to eligible students as those "below grade level" [RCW 28A.165.030(4)], which is sometimes construed to also include students scoring in the second lowest quartile (26th-50th percentiles).

We explored the issue of how many LAP students have scores in the lowest and second lowest quartile. The achievement level of LAP students is measured by annual pre and posttesting on standardized norm-referenced instruments similar to or the same as those used for the fourth and eighth graders in the state assessment, except that LAP students are tested at the appropriate grade level. The annual pretest scores are the best available indicator of the

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LAP pretests

achievement level of students entering LAP or of those continuing in the program.

We found that the large majority of LAP students have pretest scores in the lowest quartile, but with a significant number in the second lowest quartile. Eight districts provided us with specific data. LAP pretest scores in the second lowest quartile ranged from 13 to 39 percent in the various districts.<sup>5</sup> Other districts provided more general information.

The LAP statutes allow services to students "below grade level," but do not define the phrase. Some districts hold that eligible students include those below the 50th percentile on standardized testing if the classroom teacher believes that remediation is needed. Some districts use a cut-off point around the 30 to 35th percentile, depending on the availability of funding. Other districts assume that "average" scores are in the band between the 25th and 75th percentiles and generally, with some exceptions, limit LAP services to students below the 25th percentile.

If there is interest in further identifying the target population of LAP, one option is to amend statute by defining the phrase "below grade level."

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Some  
students  
have pretest  
scores in  
second  
lowest  
quartile

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<sup>5</sup> The percentages of LAP pretest scores in the second lowest quartile in the various districts were as follows: Port Angeles, 13%; Federal Way, 14%; Bethel, 15%; Yakima, 20%; Longview, 25%; Spokane, 28%; Tacoma, 34%; and Ephrata, 39%.

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# ENROLLMENT AND ALLOCATIONS

## Chapter Three

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**T**his chapter discusses estimated enrollment and expenditures per student in LAP and Chapter 1, based on original data collected from 19 school districts. Three findings are made regarding school district practices compared to the LAP funding formula:

1. Lower enrollment than the units generated by the formula.
2. Higher expenditures per student than allocated by the formula.
3. A different staffing pattern than embodied in the formula when calculating state allocations for salary and benefit increases.

We also found that the funding formula in conjunction with program rules creates operational problems in the field, as explained later. To place these findings in context, we first give an overview of the funding formula.

### LAP FUNDING FORMULA

The LAP funding formula dates from 1979 when the program started. It was not based on a research study and has remained essentially unchanged over the years. The formula appears in the program statutes (RCW 28A.165.070), with further details in the state budget. The main aspects of the formula are as follows:

- Funding needs are predicated largely on student achievement levels. School districts receive LAP funding based on the percentage of fourth and eighth grade students in the district

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### Overview

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## Funding formula

who score in the lowest quartile compared to national norms, multiplied by the district's K-9 enrollment. To smooth out annual fluctuations in the test scores, allocations are based on the average percentage in the lowest quartile over the preceding five years.

- The 1993-95 state budget made an adjustment because of questions about the number of students scoring in the lowest quartile compared with national norms. Recent percentages of students scoring in the lowest quartile are multiplied by 0.86 before the five-year average is calculated.
- Since Learning Disabled students are funded through special education, the formula deducts the number of LD students age 6 to 14 (grades 1-9).
- The above calculations result in the estimated number of students in grades K-9 to be served in LAP. The number of "LAP units" is multiplied by \$470 (in 1993-95) to produce the allocation for each district.
- According to the LAP statute, the formula is "for allocation purposes only." This means that school districts must spend the allocation for LAP, but may exercise local control in determining program specifics.

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## "For allocation purposes only"

Under RCW 28A.165.070 the Superintendent of Public Instruction is required to recommend to the legislature a new LAP funding formula for use in the 1995-97 biennium that contains additional elements consistent with performance-based education and the new assessment system being developed by the Commission on Student Learning. However, the statute authorizes a delay if the commission's new assessment system is not available for use in the 1995-97 biennium.

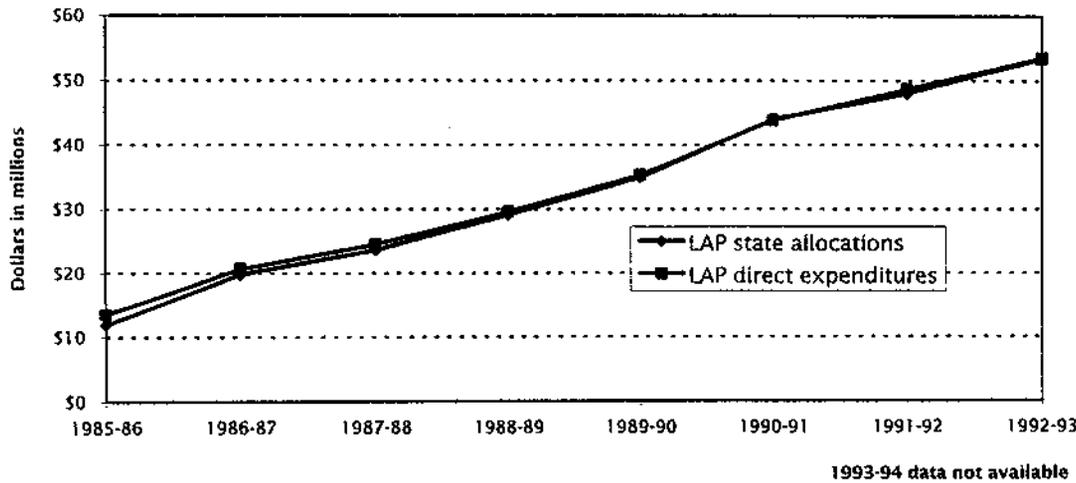
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## LAP expenditures match appropriations

## ALLOCATIONS AND EXPENDITURES

School district expenditures for LAP have been very close to the state allocations since the mid-1980s. In 1992-93, the latest year for which expenditure data are available, the direct expenditures charged to LAP were 100.1 percent of the allocations on a statewide basis. Chart 6 compares the allocations and direct expenditures in recent years.

**Chart 6**  
**LAP Allocations and Expenditures**



The next section of the report considers LAP estimated enrollment and allocations per student, to see to what extent they match the factors in the funding formula.

## PROGRAM ENROLLMENT

Because of the allocation nature of the funding formula, school districts receive LAP funding without regard to the number of students served in the program. LAP funding is based primarily on low test scores in the fourth and eighth grade tests, as explained above. Chapter 1 funding, which is based on poverty factors in the decennial census, is also unrelated to program enrollment.

This section addresses the basic question of how many students are served in LAP and Chapter 1. The information is needed to: (1) compare program enrollments, (2) calculate LAP and Chapter 1 expenditures per student, and (3) compare enrollment and expenditures with the factors in the LAP funding formula.

LAP and Chapter 1 enrollment data are reported annually to SPI by each participating school district. From this source it is known

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**Enrollment  
data**

that LAP provides services to about 64,000 students during the course of the year, while about 62,000 are served in Chapter 1. However, the figures reported to SPI are annual headcount totals, without regard to whether a student was in the program for a few weeks or the entire year. The data are not comparable to the known special education enrollment for 1993-94 (101,108, or 11.1 percent of the K-12 enrollment), which is the average monthly headcount.

We asked school districts to count or estimate average monthly enrollment in LAP and Chapter 1 for 1993-94, so that data are available for comparison with special education enrollment. Nineteen of the 20 districts selected for study provided us with their counts or estimates. In aggregate, the enrollment data indicated that:

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LAP enrollment was 5.9% of K-12 students in sample districts

- About 5.9 percent of the K-12 students in those districts were served in LAP, including students also served in another categorical program. (The LAP figures are expressed as a percentage of K-12 enrollment in order to be able to compare categorical program enrollments. On a K-9 basis, the LAP enrollment was about 7 percent.)
- We analyzed the LAP enrollment to take account of students also served in Chapter 1 or special education. The unduplicated LAP enrollment was 5.2 percent of the K-12 enrollment. The unduplicated figure would have been a little lower if we had been able to take into account the LAP students also served in the Transitional Bilingual Program.

Chart 7 includes the enrollment data collected from the 19 school districts. The figures contain some duplication (students served by more than one program). However, the column at the right, unduplicated total, is our estimate of the unduplicated percentage of students in the district served in special education, LAP, or Chapter 1.

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Difference between funding units and enrollment

The numbers served in LAP are much lower than the number of units generated by the funding formula. The units are based on the percentage of fourth and eighth graders scoring in the lowest quartile, multiplied by the K-9 enrollment, minus the Learning Disabled students served in special education. In the 19 districts that were studied, the funding formula generated 28,853 units, while we found an average LAP enrollment in the districts of 12,145 students. Details are shown in Chart 8.

## ALLOCATIONS PER STUDENT

The LAP and Chapter 1 enrollment data are potentially useful for calculating expenditures per student. The funding formula uses a budget rate of \$470 per unit per year. Actual expenditure data per student are not yet available for 1993-94. As a proxy, we worked with the district allocations, which have been very close to actual expenditures in recent years. We calculated district allocations per average student in LAP and Chapter 1, based on the estimated average enrollment data reported above.

For the 19 districts, in aggregate, we found district allocations per average student of \$1,096 in LAP, \$1,413 in Chapter 1, and \$1,271 for the two programs combined. The difference in program expenditures may be due to staffing patterns used in the two programs (see page 8).

Chart 9 shows the allocation details. The district figures have a wide range for each program and the combined programs. For LAP the figures range from \$426 to \$3,137 per average headcount.

From a purely statistical point of view, the variation tends to reflect simply the "caseload" of the LAP staff, whether classified or certificated. In addition, districts that utilized a high proportion of certificated staff as LAP instructors were somewhat more likely to serve fewer students in the program, though this was not always the case.

To explore the differences further, we selected the districts in our sample with the five lowest and five highest district allocations per LAP student and assembled other program information that might help to explain the differences. See Chart 10. The data reveals little or no connection between program cost, instructional model (in-class or pull-out), and program effectiveness (average gains on the LAP pre and posttests). The only clear difference among the programs is the heavy caseload per staff (average headcount per instructional staff) in the one set of districts and the light caseload in the others.

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Wide range  
of  
allocations  
per student

**Chart 7**  
**1993-94 Average Enrollment for Special Education, LAP, and Chapter 1**  
 Note: Program headcounts contain some duplication (students served by more than one program)

School District	1993-94 AVERAGE HEADCOUNT				PERCENT OF K-12				Unduplicated TOTAL
	(a)	(a)	(b)	(b)	(c)	(c)	(c)	(c)	
	K-12	Special Ed.	LAP	Chapter 1	TOTAL	Special Ed	LAP	Chapter 1	TOTAL
1 Auburn	11,399	857	570	720	2,147	7.5%	5.0%	6.3%	18.8%
2 Bethel	13,387	1,391	1,072	810	3,273	10.4%	8.0%	6.1%	24.4%
3 Cape Flattery	606	99	25	52	176	16.2%	4.1%	8.6%	28.9%
4 Ephrata	2,065	278	147	172	597	13.5%	7.1%	8.3%	28.9%
5 Kennewick	12,855	1,185	530	550	2,265	9.2%	4.1%	4.3%	17.6%
6 Kent	23,623	2,555	2,374	2,163	7,091	10.8%	10.0%	9.2%	30.0%
7 Longview	7,498	1,286	192	598	2,076	17.1%	2.6%	8.0%	27.7%
8 Mercer Island	3,461	263	16	112	390	7.6%	0.4%	3.2%	11.3%
9 Mukilteo	11,884	1,044	962	596	2,602	8.8%	8.1%	5.0%	21.9%
10 North Franklin	1,823	175	180	280	635	9.6%	9.9%	15.4%	34.8%
11 Pasco	7,310	728	650	1,145	2,524	10.0%	8.9%	15.7%	34.5%
12 Port Angeles	5,070	573	327	302	1,202	11.3%	6.4%	6.0%	23.7%
13 Quillayute Valley	1,719	222	100	210	532	12.9%	5.8%	12.2%	31.0%
14 Snohomish	7,880	876	324	280	1,480	11.1%	4.1%	3.6%	18.8%
15 Spokane	31,218	3,021	1,660	1,341	6,021	9.7%	5.3%	4.3%	19.3%
16 Tacoma	31,191	4,358	1,377	2,664	8,399	14.0%	4.4%	8.5%	26.9%
17 Vancouver	18,329	2,242	712	1,182	4,136	12.2%	3.9%	6.4%	22.6%
18 White Salmon	1,325	192	81	118	391	14.5%	6.1%	8.9%	29.5%
19 Yakima	13,218	1,472	847	1,716	4,035	11.1%	6.4%	13.0%	30.5%
19 District Total	205,860	22,815	12,145	15,011	49,971	11.1%	5.9%	7.3%	24.3%
State Total	909,528	101,108	-----no data-----	-----no data-----	-----no data-----	11.1%	-----no data-----	-----no data-----	-----no data-----

**Notes**

- (a) K-12 and special ed. data are from district monthly reports to SPI.
- (b) LAP and Chapter 1-Regular average headcounts were counted or estimated by the districts, at request of LBC staff. Some figures contain duplication (students served by more than one program). All figures exclude summer school.
- (c) Figures contain duplication (students served by more than one program).
- (d) Unduplicated estimate, that is, if student is served by more than one program, student is counted once.

Source: LBC staff analysis of SPI and district data, August-October 1994.

## Chart 8

### Students Served in LAP and Formula Units

<u>District</u>	<u>1993-94 Est. Avg. Students</u>	<u>LAP Units in Funding Formula</u>	<u>Variance (Students less Units)</u>
1 Auburn	570	1,318	(748)
2 Bethel	1,072	2,406	(1,334)
3 Cape Flattery	25	167	(142)
4 Ephrata	147	238	(91)
5 Kennewick	530	1,317	(787)
6 Kent	2,374	2,151	223
7 Longview	192	1,006	(814)
8 Mercer Island	16	30	(14)
9 Mukilteo	962	1,367	(404)
10 North Franklin	180	333	(153)
11 Pasco	650	1,580	(930)
12 Port Angeles	327	538	(211)
13 Quillayute Valley	100	237	(137)
14 Snohomish	324	771	(447)
15 Spokane	1,660	4,465	(2,805)
16 Tacoma	1,377	5,422	(4,045)
17 Vancouver	712	2,392	(1,680)
18 White Salmon	81	212	(131)
19 Yakima	847	2,901	(2,054)
19 District Total	12,145	28,853	(16,708)

*Source: Average enrollment from districts, formula units from SPI.*

**Chart 9**  
**LAP and Chapter 1 District Allocations per Student Served, 1993-94**

School District	1993-94 Estimated Average Headcount (a)		1993-94 Allocations (b)		District Allocations per Average Headcount Student		
	LAP	Chapter 1	LAP	Chapter 1	LAP	Chapter 1	Combined
1 Auburn	570	720	\$605,575	\$629,031	\$1,062	\$874	\$957
2 Bethel	1,072	810	1,127,083	898,350	1,051	1,109	1,076
3 Cape Flattery	25	52	78,429	115,607	3,137	2,223	2,520
4 Ephrata	147	172	111,853	178,277	761	1,036	909
5 Kennewick	530	550	590,138	1,047,260	1,113	1,904	1,516
6 Kent	2,374	2,163	1,010,924	1,103,668	426	510	466
7 Longview	192	598	469,082	1,055,358	2,443	1,765	1,930
8 Mercer Island	16	112	13,990	128,472	903	1,147	1,117
9 Mukilteo	962	596	603,251	503,832	627	845	710
10 North Franklin	180	280	132,969	291,625	739	1,042	923
11 Pasco	650	1,145	742,514	1,523,922	1,142	1,330	1,262
12 Port Angeles	327	302	253,006	436,982	774	1,447	1,097
13 Quillayute Valley	100	210	111,430	270,017	1,114	1,286	1,230
14 Snohomish	324	280	351,958	318,034	1,086	1,136	1,109
15 Spokane	1,660	1,341	2,098,402	3,902,022	1,264	2,910	2,000
16 Tacoma	1,377	2,664	2,457,932	4,765,310	1,785	1,789	1,787
17 Vancouver	712	1,182	1,124,452	1,654,954	1,579	1,400	1,467
18 White Salmon	81	118	99,867	150,550	1,233	1,276	1,258
19 Yakima	847	1,716	1,326,576	2,229,877	1,566	1,299	1,388
19 District Total	12,145	15,011	\$13,309,433	\$21,203,147	\$1,096	\$1,413	\$1,271
State Total			\$53,135,012	\$79,686,314			

**Notes**

(a) Same data as in Chart 7. Average headcounts were counted or estimated by districts at request of LBC staff. Some figures contain duplication (students served by both LAP and Chapter 1). All figures exclude summer school.

(b) Allocations are adjusted to exclude budgeted amounts for summer school and Chapter 1 nonpublic school instructional programs. Chapter 1 allocations include regular grants plus concentration grants if applicable.

Source: LBC staff analysis of SPI and district data, August-October 1994.

Chart 10

# Profile of Selected "Low" Expenditure and "High" Expenditure LAP Programs

## FIVE "LOW" EXPENDITURE PROGRAMS

School District	1993-94 District Allocation per Avg. Headcount	Average Headcount per Instructional Staff	Total LAP Staff (FTE)	Certificated Portion of Total LAP Staff		Instructional Models	Pre and Post Test Gains (last 3 years) **
				Number	Pct. of Total		
Kent	\$426	92.5	26.62	2.50	9%	mostly in-class	average to high
Mukilteo	\$627	51.5	17.11	0.20	1%	mostly pull-out	low to average
North Franklin	\$739	65.7	2.99	0.75	25%	mostly in-class	low
Ephrata	\$761	50.0	3.11	0.85	27%	in-class	average
Port Angeles	\$774	58.6	6.16	3.24	53%	pull-out & in-class	average to high

## FIVE "HIGH" EXPENDITURE PROGRAMS

Yakima	\$1,566	29.1	29.72	11.59	39%	mostly pull-out	usually high
Vancouver	\$1,579	32.7	23.50	9.10	39%	pull-out & in-class	usually high
Tacoma	\$1,785	29.6	48.48	32.40	67%	pull-out & in-class	low to average
Longview	\$2,443	29.9	6.94	5.03	72%	pull-out & replacement	high
Cape Flattery	\$3,137	10.0	2.50	1.00	40%	pull-out & in-class	low
<b>19 District Total</b>	<b>\$1,096</b>	<b>40.4</b>	<b>313.21</b>	<b>115.27</b>	<b>37%</b>	<b>mostly in-class and pull-outs</b>	<b>average</b>

\*\* "Average" means a gain of about 5 points per year (state average). Caution: the test gains data may not be comparable across districts, because several different tests are used and because different percentages of LAP participants are tested.

Source: Allocation per average headcount from chart 9. Other data from district reports to SPI.

## OPERATIONAL PROBLEMS

The LAP funding formula, along with state rules, creates operational problems in the field. The problems involve LAP's relationship with Chapter 1, use of current year district enrollment factors in the funding formula, and no provision for carrying over LAP funding from one year to the next. The problems are interrelated and appear to be as follows:

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### Budget problems in the field

- Federal funds (Chapter 1) must supplement, not supplant (i.e., replace), state funds (basic education and LAP). Under the current arrangements, LAP funding must be fully expended each year. If this does not occur, the district loses the unspent LAP funds and an equal amount from the following year's Chapter 1 allocation (known in the field as the "double whammy").
- The precise total amount of a district's LAP allocation is not known in advance because the funding formula includes two *current year* factors: (1) annual average K-9 enrollment, and (2) annual average Learning Disabled enrollment. The projected averages fluctuate during the school year, and the precise LAP allocation is not known until June, which may create a last-minute rush of program reductions or expenditures.
- End-of-year LAP expenditures typically include computers, instructional materials, and summer school, in order to spend the entire LAP allocation and not lose Chapter 1 funding.

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### Carryover could address problems

Many LAP directors told us they would prefer budget stability, even if it means less funding by basing the allocation on the prior year's K-9 and LD enrollment. The same objective could be achieved by continuing to base allocations on the current year enrollment but allowing unspent LAP funding to be carried over to the next year. Up to 15 percent of the Chapter 1 allocation may be carried over. State basic education funding also does not have to be fully spent during the year when it was allocated.

## CONCLUSIONS ABOUT THE FUNDING FORMULA

In this chapter and the previous one, we described LAP and analyzed program enrollment and other data in relation to the

funding formula. We found that school district expenditures are very close to the state allocations. We also found the following variances between funding formula factors and actual practices in the school districts.

1. The fourth and eighth grade test scores, which are the basis for state funding of LAP, are not direct measures of LAP performance and are largely independent of program delivery at the local level.
2. The LAP formula bases district funding on the percent of students scoring in the lowest quartile. The achievement level of students entering LAP is sometimes higher.
3. In the 19 school districts that were studied, the estimated average enrollment in LAP for 1993-94 was less than half the number of units generated by the funding formula.
4. As a result, expenditures per student served were far higher than the formula allocations per LAP unit.
5. For purposes of calculating salary and benefit increases for LAP, the formula uses classified staff salary and benefit levels. However, school districts use both classified and certificated staff in LAP.

In addition, we found that the formula in conjunction with state rules creates operational problems by not allowing unspent LAP funds to be carried over to the next school year.

These findings are not a criticism of district LAP programs, but rather an observation that formula factors and actual practices are not the same.

Since the funding formula is "for allocation purposes only," these differences between the funding formula and practices in the field might be viewed as insignificant, and simply a manifestation of local control. On the other hand, the differences might indicate a need for funding and policy changes. The next chapter presents funding alternatives.

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## Differences between formula factors and actual practices

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# FUNDING ALTERNATIVES

## Chapter Four

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**I**n previous chapters we showed that the current LAP funding formula is generally unconnected to school district practices in operating the program. This chapter proposes four funding alternatives for the legislature's consideration. The first option retains the framework of the current system, while the other options are new approaches. In brief, the options are:

1. Continue to rely on fourth and eighth grade test scores as the primary funding driver. If desired, changes might be made to:
  - a. Allow carryover of unspent LAP funding to the next school year.
  - b. Modify the formula to more closely reflect the actual service pattern in the field by adjusting the number of funded units.
  - c. Clarify the target population by defining the term "below grade level" in the LAP statutes.
  - d. Develop alternative or additional better or more consistent measures of LAP effectiveness.
2. Add to the formula poverty or demographic measures that may be associated with low educational achievement. The main measure that could be used as a funding driver in addition to test scores is the percentage of students eligible for free or reduced lunch.
3. Base allocations partly on an assumed percentage of district enrollment (such as 5 to 6 percent of the K-12 enrollment, as found in the districts that were studied) and partly on poverty factors such as free or reduced lunch enrollment.

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### Overview

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### Four options for legislative consideration

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## Court decisions affect legislative options

4. Fund LAP and special education together in a special needs formula.

The legislature's choice of options should take into account court decisions on school funding. Court decisions have found that remedial education is part of basic education, that the legislature is obligated to define basic education, and that basic education must be fully funded. The decisions place some conditions on how the legislative definition of basic education may be changed.

The options are explained below. A chart at the end of the chapter lists some pros and cons for each option.

### **Option 1: Continue to Fund LAP Based on Test Scores**

- a. With Carryover
- b. With Modifications to Reflect Actual Service Level
- c. Defining the term "below grade level"
- d. Developing measures of program effectiveness

The current funding system has one conceptual advantage over other approaches—it bases LAP funding on low test scores, which in theory are the most direct measure available of the need for remediation funding. The theory has limited practical application in that school districts do not follow the enrollment units in the formula and serve fewer students than anticipated, at a higher cost per student.

Nevertheless, if the legislature wishes to make no major changes in LAP, the differences between the formula factors and school district practices might be explained on the grounds that the formula is "for allocation purposes only." Some adjustment to the current formula could be made by calculating the lowest quartile (i.e., percent of students scoring in the lowest quartile on state tests) as a percent of reported enrollment rather than as a percent of students taking the test (current process). The rationale for this change is that it would be more representative of the total student population, rather than just those taking the fourth and eighth grade tests.

Option 1.a. would make a minor change to solve an operational problem in the current system. School districts do not know their precise LAP allocation until the end of the school year, and they are required to spend it all by August 31, under penalty of losing the unspent portion and an equal amount of Chapter 1 funding. This situation encourages end-of-year expenditures in order not to lose the funds. State rules should be modified to allow carryover of unspent LAP funds to the next school year, at least until the end of the federal fiscal year (September 30). The change would provide budget stability for school districts.

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## Allow carryover

Thus, Option 1.a. would continue the current system of funding LAP based on fourth and eighth grade test scores but allow carryover of LAP funding, as described above. Carryover should also be allowed under all options discussed below.

Option 1.b. would retain the framework of the current system but make adjustments so that the formula "units" more closely approximate the number of students actually served in LAP. The number of LAP "units" was *more than twice* the number of students that we found served in the 19 districts that were studied.

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## Adjust formula units

The formula bases funding on the percentage of students scoring in the lowest quartile, then backs out the Learning Disabled students. However, low achieving students can also be found in other categories of special education as well as in Chapter 1 and in the Transitional Bilingual program.

Therefore, if the legislature wishes to more closely approximate the actual service pattern, it could calculate LAP units by backing out more or all of the students in those programs. This approach would recognize that school districts receive funding for special education, Chapter 1, and transitional bilingual students through other funding formulas.

Adjusting the number of funded LAP units has disadvantages. It could decrease school district flexibility to serve students who need help in acquiring basic skills and increase the number of referrals to special education. According to the Office of the Superintendent of Public Instruction, corresponding adjustment in the dollar allocation per funding unit might also be necessary to maintain funding levels for LAP.

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## Define "below grade level"

Option 1c. involves more clearly identifying the population to be served by LAP, by defining the term "below grade level" in the LAP statutes. As discussed on pages 14-15 of this report, the LAP statutes allow services to students "below grade level" but do not define the phrase. Some districts serve a significant proportion of students scoring in the second-lowest quartile, depending on funding availability. The LAP funding formula calculates "LAP units" for each district based on the percentage of students scoring in the lowest quartile. If more specificity as to who is to be served by the program is desired, this could be accomplished by defining the term "below grade level" in the LAP statutes.

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## Develop better effectiveness measures

Option 1d. focuses on measuring program effectiveness. As we discussed at pages 11-12 of this report, fourth and eighth grade standardized test scores, used in calculating the "LAP units" for each district, are not used directly to evaluate the effectiveness of the LAP program. Pre and posttest scores for program participants are used. As discussed, there are problems with this approach. If it is desirable to provide better measures of program effectiveness, one way to do this would be to explore alternative assessment methodologies.

Option 1 would retain the current fourth and eighth grade test results as the primary basis for funding LAP. This approach might be short-lived in that standardized norm-referenced testing in the state evaluation program could substantially change within the next few years under the provisions of the education reform legislation now being developed by the Commission for Student Learning.

### **Option 2: Add Poverty or Demographic Measures to the LAP Formula**

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## Other states consider demographic factors

This option is suggested by the approach taken in other states and by the federal government in the Chapter 1 program. Seven other states appear to have state-funded remediation programs similar to LAP: Illinois, Michigan, Minnesota, New York, Ohio, Texas, and Wyoming. Wyoming bases program funding on low test scores (20th percentile or less). The other states allocate funds based on measures such as the school district's number of students on welfare, those eligible for free lunch, and/or limited English proficient students. Appendix 3 includes more detailed information about the programs in other states.

We studied poverty and other demographic measures thought to be associated with low educational achievement, to see if they might provide a reasonable basis for allocating LAP funding. The data included census data (available every ten years) by school district on many factors, such as children below the poverty level, school drop outs, and low household income. We also analyzed SPI annual data by school district on student participation in the free or reduced lunch program and also minority enrollment.

Our basic question was whether any of these factors correlate highly with the percentages of students scoring in the lowest quartile on the fourth and eighth grade tests. In an analysis of 20 districts, we found that SPI data on free or reduced lunch eligibility was as closely related to the test score percentages as any other single factor that was considered. Just under 70 percent of the variation in the test score percentages in the lowest quartile could be “explained” by the variation in the free or reduced lunch percentages. When we analyzed all districts, the correlation fell to below 50 percent.<sup>1</sup>

We concluded that test scores and poverty or demographic data are different ways of measuring need, and that both might be included in the LAP formula.

Option 2 is to retain test scores in the LAP funding formula but reduce their influence by adding one or more demographic factors to the formula, such as the district percentages of free or reduced lunch students, minority students, or other variables. This approach, while complex, might provide a fair and reasonable approximation of district need for remediation funding. Further technical work is needed on this option, such as the precise funding components to be used and the weight given to each.

The disadvantages of this approach include: (1) continued reliance on standardized norm-referenced scores, which may change under Education Reform; (2) use of additional factors that are beyond the legislature’s control; and (3) complexity.

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<sup>1</sup> When additional factors such as minority enrollment and census data on poverty were added to the analysis of 20 districts, the correlation increased somewhat, by about 10 percentage points.

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Test scores  
and poverty  
data are  
different  
measures of  
need

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## Reasons for a more general funding approval

### Option 3: Base LAP Funding on a Percentage of District Enrollment and on Poverty Factors

The LAP statutes base program funding on the percentage of students scoring in the lowest quartile, but they do not require such students to be served in LAP. In addition, some LAP programs serve students scoring in the second lowest quartile. In short, program funding and operations are not tied to exclusively particular students or a distinct population. This suggests that a more general funding approach may be advisable, without using test scores as funding drivers.

The legislature could fund LAP *in part* based on a set percentage of district enrollment, such as 5 to 6 percent of the K-12 population (or the corresponding percentage of the K-9 enrollment), at a flat rate per unit. In the 19 districts that were studied, the total average enrollment in LAP was 5.9 percent of the K-12 enrollment, with a range from 0.4 to 10 percent.

A system that allocates funding based only on a set percentage of district enrollment would have the advantage of simplicity. It would have the disadvantage of equalizing funding among districts on a per student basis, whereas under the current system the districts receive LAP funding which ranges from \$4 to \$190 per K-12 student. To be consistent with previous court decisions on school funding, it is probably necessary to also include some factor that recognizes a higher need for remediation in some districts.

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## Recognize higher funding need in some districts

Option 3 is to equalize LAP funding among districts to a limited extent and base the remainder of the funding on measures that reflect the higher incidence in some districts of educationally-disadvantaged students. This option could include one or more of the following poverty or demographic factors: district percentage of free or reduced lunch students, limited English proficient students, and minority students.

This option is suggested by the approach used in the Illinois Reading Improvement Program. Seventy percent of the award is based on district enrollment, and 30 percent is based on Chapter 1 poverty criteria. A 70-30 weighting would result in a large redistribution of LAP funding among school districts. If more weight is given to poverty or demographic factors, the allocations would more closely resemble the current allocations.

## Option 4: Fund LAP and Special Education in a Special Needs Formula

One of the alternatives suggested in the concurrent study of special education funding by the Institute for Public Policy is a "special needs" formula to distribute funding for special education and LAP. The current funding formulas recognize a connection between the programs in that Learning Disabled students are backed out of the formula calculation of LAP funding units. The purpose of the current backout is to recognize that Learning Disabled students are funded in the special education program. An alternative would be to fund LAP and special education in one formula.

In a special needs formula, the special education funding could be based generally on a set percentage of district enrollment, such as the 1993-94 state average of 11.1 percent of the K-12 (headcount) enrollment. The legislature could fund LAP in the same formula using any one of the three options suggested above.

A main issue that could be addressed in a special needs formula is the rising enrollment in special education, as detailed in the Institute's study. A special needs formula could provide funding for early intervention and increase district flexibility to serve students without labeling them as disabled. The approach would recognize that LAP students have similar characteristics to some of the students served in special education.

Special education is not mentioned in the LAP statutes, nor is there any reference to LAP in the special education statutes. Yet many school districts operate LAP as an early intervention program to provide services for low achievers and delay or prevent the need to refer them to special education.

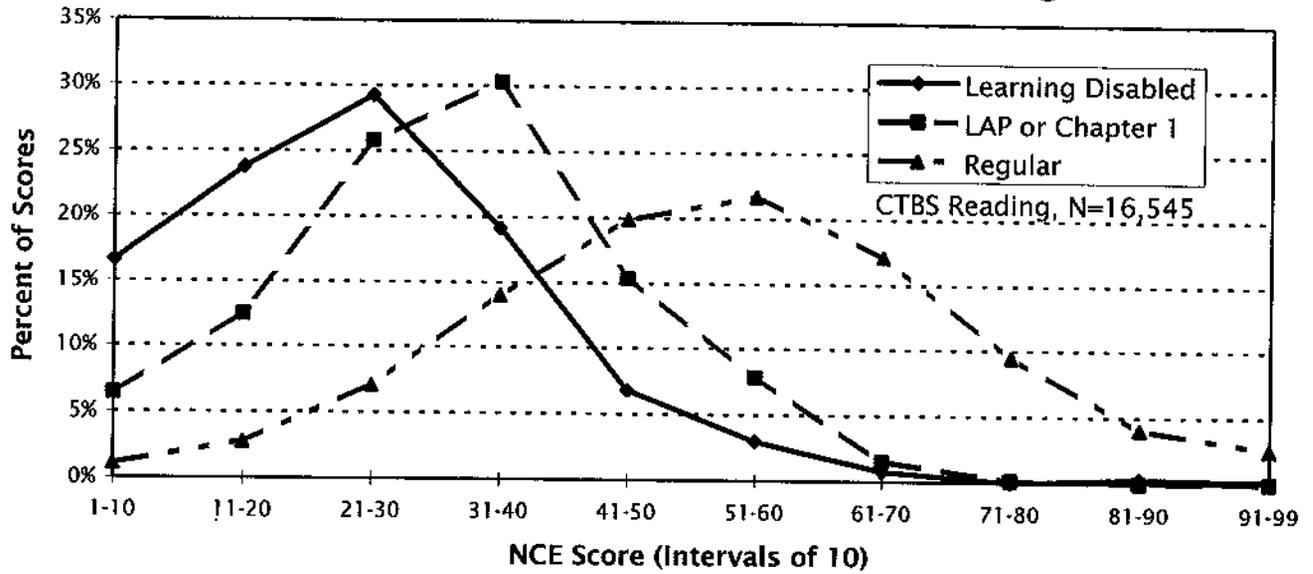
In our field interviews we discussed with program directors the similarities and differences between LAP students and mildly disabled students usually served in the Learning Disabled and Health Impaired categories of special education. There is no consensus on this topic and very little data.

The main source of data is the annual testing of fourth and eighth graders for the state evaluation program. On average, the scores of Learning Disabled students are about 5 points lower than the LAP/Chapter 1 students. However, the score distributions have overlap, as shown in Charts 11 and 12 on the next page. The scores of Health Impaired students are not separately identified.

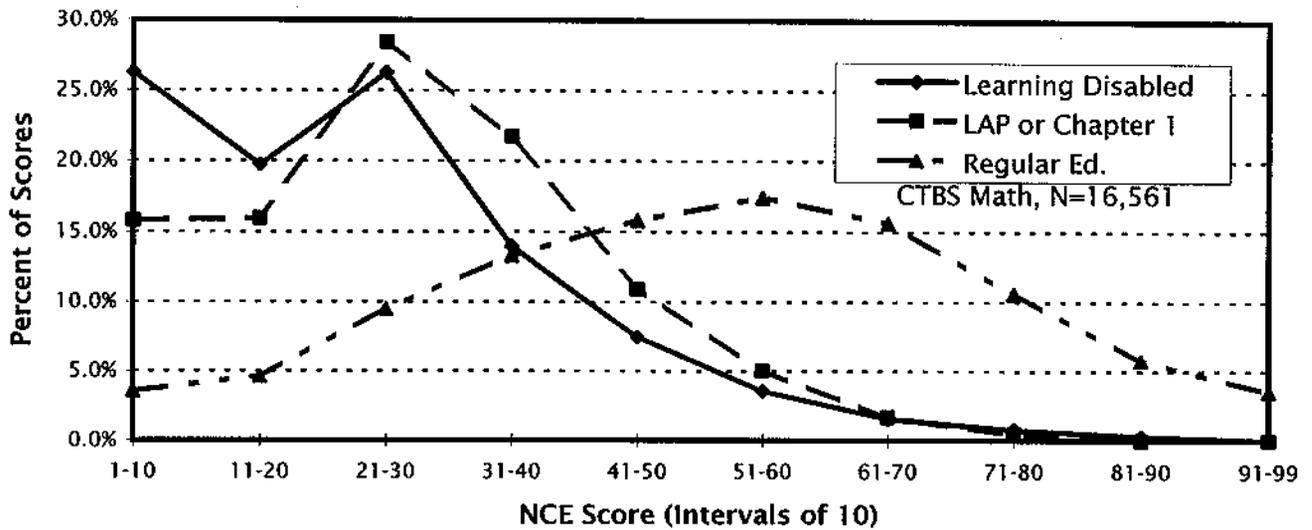
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Special  
needs  
formula  
could  
provide  
early  
intervention,  
flexibility

**Chart 11**  
**1993 State Test Scores, 4th Grade Reading**



**Chart 12**  
**1993 State Test Scores, 4th Grade Math**



In terms of service hours per week, there is some similarity between LAP and special education, as discussed below.

The special education fiscal study assembled a large data base on student hours per week in special education, as recorded in the individual education plan. From this source it is known that *about half* of all special education students receive up to 6 hours of service per week. The data can be broken out into hours of service for students in the various disability categories. We found that about 54 percent of the students classified as Learning Disabled and 50 percent of those considered Health Impaired receive up to 6 hours per week.

Data on actual service time in LAP are not available, and the following impressions are based on discussions with program directors. A LAP student may receive a maximum of 6 hours and 15 minutes per week (75 minutes per day) in remedial help from LAP, according to the program guidelines.<sup>2</sup> Typical times appear to be about half an hour a day per subject (reading and/or math), or a total somewhere in the range of 2 1/2 to 5 hours per week. There is much variation by district.

Some students receive services from special education and LAP or Chapter 1. In 1992-93, according to the SPI annual reports, 8 percent of the participants in both LAP and Chapter 1 were also in special education.

Special education has complex, costly procedures for identifying students as eligible for the program.<sup>3</sup> By comparison, the LAP process for identifying students by local needs assessments (pages 8-9 above) is inexpensive and a normal part of educational planning. LAP and Chapter 1 students often have individualized objectives, but not as detailed or complex as an individual education plan for special education.

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<sup>2</sup> The LAP statutes do not limit the hours of service. The maximum of 6 hours, 15 minutes per week appears to have originated as an SPI interpretation of federal rules that require Chapter 1 to supplement, not supplant, state funding. The same standard was applied administratively to LAP.

<sup>3</sup> See Washington State Institute for Public Policy, Special Education Fiscal Study, final report, January 1995, page 22, which estimates up front costs of \$1,500 per student, with a range from \$300 to \$2,400 in various districts. See also Legislative Budget Committee, K-12 Learning Disability Program Issues, Report 91-1, January 1991, page 12.

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Typical LAP  
time  
estimated  
at 2 1/2 to  
5 hours a  
week

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LAP  
eligibility  
procedures  
simpler  
than special  
education

Funding special education and LAP through one formula could have far reaching implications in the field. One disadvantage is that LAP students, while similar to some mildly disabled students, are clearly not similar to all students in special education. Special education students as a whole also receive more hours of service and more specialized services than LAP pupils.

The chart on the following pages summarizes the four options.

Chart 13

## Alternatives for Funding the Learning Assistance Program

<u>OPTION</u>	<u>ADVANTAGES</u>	<u>DISADVANTAGES</u>
<p><b>1 Maintain current formula (based on low test scores) with adjustments a., b., c., and/or d. below</b></p> <p>Consider changing method of calculating percent in the lowest quartile.</p>	<p>In theory, test scores are a direct measure of district need for remediation funding. Formula assumes 4th and 8th grade scores in lowest quartile are similar to percent of low scores in grades K-9.</p>	<p>District practices are different from the formula.</p> <ul style="list-style-type: none"> <li>&gt; Serve fewer students in LAP</li> <li>&gt; Higher unit costs</li> <li>&gt; Serve some students above 25th percentile</li> </ul> <p>4th &amp; 8th grade scores are not direct indicators of LAP performance and are affected by many other factors.</p> <p>State testing may change under Ed. Reform.</p>
<p><b>a. Allow carryover of unspent LAP funding</b></p> <p><i>Note: allow carryover in all options</i></p>	<p>Provides budget stability and avoids pressure to spend funds before end of the year.</p>	<p>Ends reversion of unspent LAP funding.</p>
<p><b>b. Reduce LAP units by backing out special education, Chapter 1, &amp; Transitional Bilingual students.</b> (Learning Disabled students are now backed out. Others are not.)</p>	<p>Aligns funding formula closer to actuals.</p> <p>Avoids double funding of students in other categorical programs.</p>	<p>Tends to change funding formula from an allocation model to a service model.</p> <p>May decrease district flexibility to serve students and encourage categorical approach.</p>
<p><b>c. Define "below grade level" in LAP statutes to clarify who may be served in LAP.</b></p>	<p>Would clarify target population.</p>	<p>Could decrease district flexibility if "below grade level" is defined to include only students in the lowest quartile.</p>
<p><b>d. Develop alternative or additional measures of LAP effectiveness.</b></p>	<p>Could improve understanding of program need and accomplishments.</p>	<p>Could be technically difficult if not done in context of other changes in student assessment.</p>

Chart 13

## Alternatives for Funding the Learning Assistance Program

<u>OPTION</u>	<u>ADVANTAGES</u>	<u>DISADVANTAGES</u>
2 Add poverty or demographic measures to formula, such as free or reduced lunch enrollment.	Adds to formula other measures of district need. Reduces reliance on test scores to drive funding.	Complicates the formula by adding other factors. Retains test scores, which may change under Education Reform.
3 Base LAP funding on combination of (a) district enrollment, and (b) poverty or demographic factors.	<p>Amounts to a grant for remediation based on an assumed percentage of district students, such as 5% to 6% of K-12 enrollment.</p> <p>Would tend to equalize district LAP funding (range is now \$4 to \$190 per K-12 student), but retain some difference through use of poverty or demographic factors such as free or reduced lunch enrollment.</p>	Unclear how much weight should be given to poverty/demographic factors. Depends on how much the legislature wants to equalize LAP funding per K-12 student or retain current funding differences.
4 Fund LAP and special education in a special needs formula. Special education funding would be based on a set percentage of district enrollment. LAP funding would be based on options 1, 2, or 3.	Could provide flexible funding to serve students without labeling, encourage use of funding for early intervention. Would recognize that many special ed. and LAP students are not distinct populations. Current formula recognizes some similarity by backing out LD students.	<p>All special ed. and LAP students are not alike.</p> <p>Would require major changes in program rules as to how special ed. students are identified.</p>

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# SCOPE AND OBJECTIVES

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## Appendix 1

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### *SCOPE*

The study concerns the Learning Assistance Program, a state-funded remediation program similar to the federally-funded Chapter 1-Regular program (recently reauthorized by Congress as Title 1).

The study is required by the 1994 supplemental appropriations act and was conducted in conjunction with a mandated study of special education funding by the Washington State Institute for Public Policy.

### *OBJECTIVES*

#### **Program Characteristics**

1. What are the similarities and differences between LAP and Chapter 1?
2. Are there significant student and program differences between LAP or Chapter 1 and the portion of special education that serves mildly disabled students?

#### **Other States**

3. How does the Washington enrollment in special programs (remediation and special education) compare with that in other states?
4. How many other states have programs similar to LAP? How do they compare with LAP, especially the basis for allocating state funds?

#### **Funding**

5. The current LAP funding formula is based primarily on low test scores. What are the test score trends and the resulting LAP allocations to school districts? How do the allocations compare with expenditures?

6. What are the options for allocating LAP funds on another basis?

What other factors could be considered as budget drivers?

What is the potential for merging LAP into another funding formula?

### **Regulatory Issues**

7. What are the impending changes in federal law for Chapter 1? How will they affect LAP? Should LAP be tied to Chapter 1? What are the trade-offs between state/federal regulation and local program efficiency and effectiveness?

### **Performance and Accountability**

8. How could LAP operate in a performance-based environment? What changes would be needed? How would student outcomes be evaluated? Current testing (norm-referenced, multiple-choice, machine-scored tests) is inexpensive. Would performance-based testing be cost-effective?

### **NOTE on Objectives 7 and 8**

Objective 7 cannot be addressed until more information is available about the 1994 reauthorization of Chapter 1 (as Title 1), to be implemented starting in 1995. Objective 8 cannot be addressed until the Commission on Student Learning proposes changes for the K-12 system.

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# **AGENCY RESPONSE**

## **Appendix 2**

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- **Superintendent of Public Instruction**



# SUPERINTENDENT OF PUBLIC INSTRUCTION

JUDITH A. BILLINGS

OLD CAPITOL BUILDING • PO BOX 47200 • OLYMPIA WA 98504-7200

January 19, 1995

RECEIVED

JAN 23 1995

LEGISLATIVE  
BUDGET COMM

TO: The Honorable Val Ogden, Chair  
Legislative Budget Committee

FROM: Judith A. Billings *J. Billings*  
State Superintendent of Public Instruction

RE: Legislative Budget Committee Report

Thank you for the opportunity to respond to the Legislative Budget Committee report entitled, *K-12 Learning Assistance Program (LAP) Fiscal Study*.

I want to register my strong support for Option 1 as presented in the Executive Summary. This option recommends retaining the current funding formula with modifications. The modification recommend is to allow for the carryover of LAP funds at the end of each fiscal year to provide for better program continuity and improved fiscal procedures. I also support a poverty indicator (perhaps a free and reduced lunch count) in the funding formula. This would assist in a more accurate identification of those students who should be a part of the student count in the formula.

I appreciate the efforts of the Legislative Budget Committee in its review of the funding process for this very important and much needed academic assistance program for low performing students.

Should you need any additional information, please contact either Mike Roberts, Policy Director, Governmental Relations, at (360) 586-9056; or Mary Elizabeth Beach, Director, Chapter 1/LAP, at (360) 753-3220. Both staff members may also be reached at TDD (360) 664-3631.

JAB:jc

c: Senator Nita Rinehart  
Representative Jean Silver  
Mary Elizabeth Beach  
Mike Roberts

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# OTHER STATES

## Appendix 3

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### SPECIAL NEEDS ENROLLMENT

On a K-12 headcount basis, 11.1 percent of students in Washington were in special education as of 1993-94. Perhaps another 5 to 6 percent received services from LAP, according to the data from the districts studied in this report. Thus the available data suggest that 16 to 17 percent of students in Washington receive services from special education or LAP.

We were unable to find comparable data from other states on special education enrollment as a percentage of K-12 enrollment. Federal reports show special education students as a percent of the state population in that age group, based on census figures. The Washington figures are somewhere in the middle, which is apparently the basis for the common view that Washington special education enrollment is "about average."

We found that only seven other states have a state-funded remediation program similar to LAP, as detailed below. We can deduce that the combined number of students in Washington served in special education and LAP is probably high compared to most other states, because few other states have a state-funded remediation program.

### PROGRAMS IN OTHER STATES SIMILAR TO LAP

The chart starting on the next page has information about state-funded remediation programs in other states similar to LAP.

## State-Funded Remediation Programs

### Similar to Learning Assistance Program in Washington

<u>State</u>	<u>Program Name and 1994-95 Funding</u>	<u>Program Description</u>	<u>Basis for Allocating State Funds to Districts</u>
Washington	"Learning Assistance Program." \$55 million (= \$58 per K-12 pupil).	Remedial reading, math, language, readiness, and study skills for grades K-9.	Five-year average of 4th and 8th graders scoring in lowest quartile on state achievement test, less number of special education LD students.
Illinois	"Reading Improvement Program." \$45 million (= \$20 per K-12 pupil).	Remedial reading and study skills, grades K-6.	70% of award is based on district enrollment in prior year, 30% on Chapter 1 poverty criteria.
Michigan	"Section 31 a." \$230 million (= \$144 per K-12 pupil). The program began in 1994 and replaced one with funding of \$23 million per year.	Supplementary instruction for low achievers and at risk students. Also medical services and counseling. Grades K-12. In some districts funding may be used to reduce K-6 or K-3 class size to 17 students.	Funding is based on free lunch count. In the old program, allocations were based on low test scores. Abandoned because of wrong incentives (funding fell when scores went up, and vice versa). The new program is part of state reform effort to raise achievement scores, so students can pass 11th-12th grade proficiency test and earn state endorsement on high school diploma.
Minnesota	"Compensatory Revenue." \$102 million (= \$125 per K-12 pupil).	K-12 remedial reading, math, and language, plus bilingual programs, anti-truancy, and social services.	Aid is based on the number of AFDC cases. Minneapolis (44,000 students, 37% AFDC) receives \$807 per K-12 student. Nearby suburban district (4,500 students, 7% AFDC) receives \$87 per pupil.
New York	"Extraordinary Needs Aid" (ENA). \$350 million (= \$117 per K-12 pupil).	Improve achievement to above the "state reference point" (roughly 23rd percentile on a state test), which changes each year. All students scoring below reference point must be served.	Free and reduced lunch count, plus number of LEP students, times a multiplier for remote areas. In the old system, funding was driven by low test scores. The tests, while no longer the basis for funding, are still important. Districts scoring in low 25% must apply for ENA and are monitored by state. Other districts get ENA w/o strings.

## State-Funded Remediation Programs

Similar to Learning Assistance Program in Washington

<u>State</u>	<u>Program Name and 1994-95 Funding</u>	<u>Program Description</u>	<u>Basis for Allocating State Funds to Districts</u>
Ohio	"Disadvantaged Pupil Program Funds." About \$40 million.	Improve achievement of disadvantaged pupils, K-12.	AFDC child count (age 5-17) in the district. Funded at rate of \$131.38 per AFDC count.
Texas	"Compensatory Education." \$425 million (= about \$120 per K-12 pupil).	Help for low achievers. Funding is also used for pregnancy/parenting classes.	Free and reduced lunch count. Comp. Ed. is somewhat aligned with the state testing program (3rd-10th graders are tested) in that low scores determine program focus.
Wyoming	"Compensatory Education." \$1 million (= about \$100 per K-12).	Compensatory education for low achievers.	Students below 20th percentile on standardized test. District receives \$59.82 per eligible pupil.

### OTHER PROGRAMS

California	"Economic Impact Aid." \$324 million (= about \$61 per K-12 pupil).	Help students below grade level. By district choice, 80% of funding is used for ESL/bilingual programs. May be similar to Trans. Bilingual Program in Wash.	AFDC child count, adjusted by other factors (census # of children in poverty, ethnicity, and transiency). Further adjustments so that districts receive at least \$130 per educationally disadvantaged student (AFDC + LEP students).
Arkansas	Unknown name. \$12.4 million.	Mostly to reduce drop-outs. Also remediation grades 1-3.	Unknown.

### REMEDIATION PROGRAMS ENDED RECENTLY

Pennsylvania	TELLS (Testing of Essential Learning and Literacy Skills) was phased out. Maximum funding was \$28 million per year. Program ended in 1991.	Program intent was to improve scores on state tests (3rd, 5th, & 8th graders).	Funding was based on low test scores. When scores did not improve, the legislature asked "Why continue to reward non-performance?" and ended program funding.
New Jersey	Program eliminated		
Nebraska	Program eliminated		