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**M E M O R A N D U M**

**DATE:** January 4, 2007  
**TO:** TechMIS Subscribers  
**FROM:** Charles Blaschke  
**SUBJ:** FY 2007 Budget Update, E-Rate Update, Commission Recommendations  
Will Impact NCLB Reauthorization, State Updates

Today the Congress is convening with the new Democratic leadership promising to pass important legislation in the first “100 hours.” The only education-related bills relate to the college student loan program. However, the President and Congressional leaders have renewed their call for reauthorization of NCLB this year. Below, are several directly-related Washington Update items:

- The Chairmen of both Education Appropriations Committees have called for a “year-long joint resolution” with some funding adjustments which could result in some increases in specific education programs for FY 2007, if all pork barrel earmarks are dropped.
- While Title II D, Enhancing Education Through Technology, will likely continue to be funded at the FY 2006 level, funding streams for other programs which could fund technology purchases are somewhat uncertain in the future: QZAB funding is okay for one more year, while funds for Medicaid reimbursements for special education-related services are uncertain.
- E-Rate Update: While the amount of E-Rate refunds through the BEAR process will generally decline in the future, we have identified a number of districts who potentially could receive E-Rate funds from “meritorious appeals” and use such refunds to purchase non-E-Rate-eligible products.
- The Institute of Education Sciences is likely to make significant changes in What Works Clearinghouse policies which could benefit many more publishers by reducing their cost of conducting evaluations and other burdens now placed on

publishers of promising “interventions.”

- A new report from the Commission on the Skills of the American Workforce recommends fundamental reforms in the governance of U.S. education in order for the U.S. workforce to compete effectively in the global economy; the state role should be strengthened with funding incentives provided to “contractors,” who increase at-risk student achievement.
- Two recent surveys of state fiscal conditions show continued improvement in state budgets for the immediate future but slower growth predicted thereafter.

In the event that some TechMIS subscribers may not have viewed our December 12 Special Report on the recommendations of the USED Office of Inspector General related to supplemental educational services policy changes, please let us know so we can re-send a copy of this important Special Report. In a nutshell, the OIG found that USED policy -- which does not allow a district identified for improvement to continue providing its own SES -- is in conflict with the intent and letter of the NCLB law and that USED should change its policy to allow more districts, which meet certain conditions, to continue providing such services. This policy change would result in a significant increase in the number of districts with whom publishers with certain types of interventions and services could “partner” in providing SES programs.

This TechMIS issue also includes State Profile Updates. Many of the new Democratic governors have already proposed their budgets for next year, which include several important initiatives. In other states, changes have occurred in the state legislative leadership which will result in new funding.

As always, please call me if you have any questions.

# *Washington Update*<sup>8</sup>

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*Vol. 12, No. 1, January 4, 2007*

## **Chairman of Both Appropriations Committees Call for a Year-Long Continuing Resolution with Some Funding Level “Adjustments” Rather Than Reopen the Debate on an FY 2007 New Appropriations Bill**

Referring to the “financial mess” left by the outgoing Republican Congressional leadership, the likely new chairmen of the House and Senate Appropriations committees --- Dave Obey (D-WI), and Robert Byrd (D-WV) -- issued a joint statement in mid-December: “Unfortunately, there are no good options available to us to complete the unfinished work of the Republican Congress. After discussions with our colleagues, we have decided to dispose of the Republican budget leftovers by passing a year-long joint resolution.” The President recently signed the third “continuing resolution” which will fund education programs at existing levels through February 15. According to the joint statement, attempts to pass appropriation bills for nine remaining agencies would take too much time and divert attention from a close look and analysis of the President’s proposed FY 2008 budget, expected in early February, and anticipated large requests for supplemental appropriations for the wars in Iraq and Afghanistan. As we noted in our December TechMIS Washington Update, there do exist some opportunities for legislative changes as riders in annual appropriations bills, a process which Obey has mastered. Even though observers feel that it is more difficult to add riders as

“adjustments” to a “continuing resolution” as Obey and Byrd called for, the joint statement opens the door for such opportunities: “We will do our best to make whatever limited adjustments are possible within the confines of the Republican budget to address the nation’s most important policy concerns.” One of the important confines are the “caps” on discretionary spending and budget resolutions passed last Spring. The joint statement suggests one possible opportunity to restore some of the program cuts may be in removing earmarks: “There will be no Congressional earmarks in the joint funding resolution that we will pass. We will place a moratorium on all earmarks until a reformed process is put in place. Earmarks included in this year’s House and Senate bills will be eligible for consideration in the 2008 process, subject to new standards for transparency and accountability.” While the amount of proposed earmarks in the education appropriation is unknown, “educated” guesses put them between \$500 and \$700 million. If such funds are freed up, then it is up to the chairmen of the committees to determine the highest priorities.

Senator Byrd earlier called for a \$6 billion increase in Title I funding which was voted down. He has also been a sponsor of bills supporting programs to teach citizenship and history. In the past, Obey has taken a leadership role in creating programs such as the Comprehensive School Reform Demonstration program and has been one of the harshest critics of the Administration for not providing enough funding to meet the mandates of both No Child Left Behind and

IDEA. In the December 14 issue of Education Daily, several Hill staffers indicated that Byrd and Obey will draft a new formula leaving the door open for possibly increasing funds for education programs. The article quotes a senior Senate Democratic aide as stating: "Decisions 'will literally be made on a case-by-case basis for every program' and 'holes might need to be filled.' This process is yet to start."

We plan to monitor closely developments in this area and will continue to share information with TechMIS subscribers.

### **While Title II D -- Enhancing Education Through Technology -- Will Likely Continue To Be Funded at FY 2006 Levels, Other Programs' Streams of Funds Which Could be Used to Purchase Technology and Related Products and Services Face an Uncertain Future**

The so-called E<sup>2</sup>T<sup>2</sup> technology state grants program will likely be continued at its current level of \$272 million in the immediate future as part of the FY 2007 appropriations bill (if passed) or at the least a joint continuing resolution through September 30, 2007. Continued funding available under other programs is less certain.

One such program is the Secure Rural Schools and Community Self-Determination Act which was created in October 2000 and administered by the U.S. Department of Agriculture. About \$200 million a year has been allocated to states and, in turn, to about

800 counties in which national forest timbering occurs. The major beneficiaries are counties in Oregon, Washington, Northern California, and Idaho, where there are national forests. Each county receiving money has a Resource Advisory Committee which decides how such funds will be used. Between 25 and 50 percent is usually allocated for education and is incorporated into local district budgets. Initially, the intent was to encourage rural districts to use these funds for connectivity, hardware purchases, and online distance learning services such as advanced placement, foreign language instruction, etc.

Officially, the amendments to extend the funding for the program failed, leaving no funds available for distribution during the 2006-07 year. However, one can expect amendments to extend the program with perhaps changes in the source of funding right after Congress convenes. Also, USDA is hoping to "find" \$350 million in its discretionary budget for the program for FY 07.

Another program facing funding uncertainty after next year is the Quality Zone Academy Bonds (QZAB) which was extended for at least one year at \$400 million of interest-free bonding to districts which apply for such loans. In some states, a large portion of the state's allocation has funded districts with high-poverty schools to purchase technology infrastructure, curriculum upgrades, and computers. For example, in 2003, Miami-Dade County received \$25 million in QZAB bonding authority, a large portion of which was used to upgrade hardware in eight schools and provide other technology upgrades in 20 schools. In 2002, Los Angeles Unified used part of its \$24 million to purchase textbooks and

instructional materials. During the early years of implementation, many states had leftover funds for which districts did not apply largely because the state office responsible for distribution of funds is seldom the State Department of Education. However, during the recent recession many more districts applied for such funds. While funding has been increased for next year, its future continues to be uncertain, especially if it is folded into a larger school construction bill which the new Chairman of the House Ways and Means Committee has proposed each year for the last five years.

The proposed Bush FY 2007 budget would reduce Medicaid reimbursements to districts for certain related services by more than \$600 million annually over the next five years. Of the total \$3-\$4 billion available for districts to be reimbursed for providing related services for special education students from low-income families, the Administration proposed to change the governing regulations so that Medicaid reimbursements to districts will no longer be allowed for certain health-related transportation and administrative costs associated with identifying students who need special medical services and tracking costs for such services. The new IDEA reauthorization is very specific in that it does not allow districts to expend IDEA funds for health or related services for which districts can get reimbursed by Medicaid after filing appropriate claims. In some large districts, Medicaid reimbursements have been between \$20-\$40 million a year. Even though bipartisan legislation sponsored by Senator Edward Kennedy (D-MA) and Representative Ed Whitfield (R-KY) was introduced to stop the Administration's move, it was not passed during the last session of Congress. Advocacy groups

representing the interests of large urban districts continue to pressure Congress to provide measures that would allow continued reimbursement for specific related services. Many of the districts that responded to our 2001 Technology Use in Special Education survey, used Medicaid reimbursements for related services to free up funds for the purchase software and instructional materials. When Senator Kennedy becomes Chairman of the Senate HELP Committee and Senator Harkin becomes Chairman of the Senate Education Appropriations Subcommittee, there is a strong likelihood that future reimbursements for these related services will continue to be allowed.

### **E-Rate Update: Districts and Libraries Which Potentially Could Use E-Rate Refunds to Purchase Non-Eligible Products and Services**

Attached is a list of districts that received funding commitment letters from the Schools and Libraries Division of USAC for years 2005 through 2001. While many of the 2005 commitments might not have involved formal appeals submitted by applicants, virtually all of those commitment letters for 2004 and earlier were for appeals that were found later to be meritorious. Many of the districts and libraries which filed appeals may have purchased the products or services but their application was rejected as not being eligible, or for other reasons might have paid the full discount price for the items with the expectation that the appeal would eventually be found to be meritorious. These districts and libraries likely completed the Billed Entity Application Reimbursement form

(BEAR) and indicated whether they wanted a direct refund for the discounted amount involved with the appeal provided directly to them. Districts and libraries receiving refunds could spend the refunds on such non-eligible products and services such as computers for teachers and student use and staff development -- depending on the district policy for treating E-Rate discount refunds. Between February 2001 and February 2002, of the \$3 billion dispursed to districts and libraries under the E-Rate program, \$1.8 billion was distributed in response to refund requests through the BEAR process.

If districts on the attached list are interested in purchasing a firm's products, the vendor should contact the primary person interested in such purchases and have that district person contact the district E-Rate office to determine whether or not a refund was, as a result of an appeal, found to be meritorious. In some cases, district E-Rate offices have responded favorably and allocated such funds to a school or other district office.

The 2005 commitments would normally not be included in our periodic reports on BEAR reimbursements; however, this is the first year that the BEAR form was available online for applicants to receive discounts from the SLD. As Cory Murray, Senior Editor of E-School News, stated in his interview with Mel Blackwell who heads the SLD, "Since the program's inception, the process of contacting service providers to sign off on BEAR forms traditionally has been done through the mail and has been known to take weeks, even months, to complete. Now, using the online form which is signed by both parties using an online PIN --- applicants can approach the SLD for discounts as soon as the work is

completed." Hence, a primary reason for including the 2005 commitments is that the BEAR reimbursement process takes not nearly as long as it has in the past.

It should be noted for E-Rate year 2006, more than 200 applicants have been allowed to resubmit their applications which were turned down initially by the SLD because of clerical mistakes. E-School News reported that, under the so-called Bishop Perry rule, many more of these applicants will take advantage of the reapplication request because the application process has been simplified and many of the SLD tools are easier to use. It is not clear whether re-applicants under the Bishop Perry rule will be treated as appeals or not. If anyone has any questions, please contact me directly.

### **New National Center for Education Statistics Report Shows Growth of Internet Access in Public Schools and Classrooms over the Last Decade**

NCES has released its annual survey of schools, comparing the growth of various aspects of Internet access in schools and classrooms over the last decade. Below, we highlight some of the areas in which growth continues even though, in certain areas, growth has pretty much plateaued.

Over the last decade, public school access to the Internet has grown from 35 percent to almost 100 percent. Moreover, 94 percent of public school instructional classrooms (which includes libraries) had Internet access compared with three percent in 1994. About 97 percent of public schools with Internet access used broadband connections,

especially in large schools where nearly 100 percent broadband connectivity exists. Almost 50 percent of schools with Internet access used wireless connections in 2005, up from 32 percent in 2003. Ninety-seven percent of schools with wireless Internet connectivity used broadband connections, up from 92 percent in 2003. At the instructional classroom level, only 15 percent had wireless Internet connectivity in 2005.

The number of students per instructional computer with Internet access in 2005 was 3.8:1 down from 12.1:1 ratio in 1998. The ratio of students to computers is more positive in small schools (2.4) than large schools (4.0), in rural locales (3.0) than in cities (4.2); in schools with low minority enrollments (3.0) than schools with 50 percent or more minority enrollment (4.1); and slightly better in schools with 35 percent or less poverty (3.8) than those with 75 percent or more poverty (4.0).

Several interesting findings emerged in the area of handheld computers data for which the annual survey began compiling in 2002. For example, overall the percentage of schools providing handheld computers to students or teachers for instructional purposes was 19 percent in 2005, up from seven percent in 2002. Somewhat surprisingly, the percentage of schools with high poverty enrollments who provided handheld computers was higher than those with lower poverty enrollment (21 percent compared to 16 percent). In 2002 only five percent of high-poverty schools provided handheld computers. The rate of growth of handheld computers in city public schools grew from five percent in 2002 to 22 percent in 2005. Across all public schools, eight percent provided handheld computers to

students while 17 percent provided them to teachers. This pattern was consistent across different schools with different characteristics.

The percent of schools lending laptop computers to students in 2005 was ten percent, the same percentage reported in 2001. The length of time of loaning laptops to students has remained generally steady over the last three years, with 47 percent lending laptops for less than one week and 16 percent lending laptops to students for the entire year in 2005. Only about three percent of schools which currently do not lend laptop computers to students were planning to make laptops available for students to borrow during the next school year. Schools with high poverty enrollments were twice as likely to report they plan to lend students laptops next year.

NCES reported that, nationwide in 2005, 83 percent of public schools with Internet access indicated that professional development (which addressed the integration of the Internet into the curriculum) was provided to teachers during the 12 months prior to the survey. In 2002, the percentage of schools and districts offering such professional development was 87 percent. This decline over the three-year period was evident across schools with different sizes and other characteristics. On the other hand, during that same time frame, the percent of schools in which 76-100 percent of the teachers participated in professional development increased from 30 percent to 36 percent. The greatest growth in more Internet use for professional development -- in terms of the percent of teachers participating -- from 27 percent to 42 percent, occurred in schools with 50 percent or more minority enrollment.

For the first time, the NCES survey asked questions about how the Internet was used and for what purposes. Under the general area of providing opportunities and information for teaching and learning, across all public schools, 89 percent reported they used the Internet to obtain data to “inform instructional planning at the school level,” while 87 percent reported using the Internet to provide assessment results and data for teachers to use to individualize instruction and provide high-quality digital content (i.e., learning materials such as digital libraries, images, sounds, and videos that have been digitized). Fifty-one percent reported using the Internet for teacher professional development through online courses, while 32 percent used the Internet to allow students to access online distance learning courses that were not available at the school. Some of the differences in the use of Internet by different types of schools included:

- secondary schools were more likely than elementary schools to use Internet for providing professional development through online courses (59 percent vs. 49 percent);
- secondary schools were more likely to provide student access to online distance learning than elementary schools (57 percent vs. 24 percent);
- more rural schools provided student access to online distance learning than schools in cities or urban fringes (43 vs. 25 and 24 percent, respectively);
- schools with high (50 percent or more) minority enrollment were more likely to use assessment results and data to individualize instruction than were low-minority enrollment schools (92 percent vs 81 percent).

In October, Tom Greaves presented the results of a survey, conducted by the Greaves Group and others, which addressed among other things the current and projected use of online course delivery (see November 2006 Washington Update). While the survey samples of the most recent NCES survey and the Greaves survey were different, as were the types of questions asked, some of the findings corroborate each other. For example, the percentage of schools offering online courses -- 32 percent in the NCES survey -- was similar to the corresponding percentage of schools in the Greaves survey. However, the Greaves survey asked questions about the online courses offered in eight main subject areas (e.g., reading, among others) and reported that only 3.8 percent of students actually took such courses and completed them for credit. Neither of the studies addressed the issue of online distance learning used for remediation and tutoring, which data in studies conducted by groups such as the Center on Education Policy suggests the number of participants receiving types of online instruction is significantly higher by a factor of five or more. For a copy of the NCES Internet survey go to:

<http://nces.ed.gov/pubs2007/2007010.pdf>.



## **Education Week Reports that 15 Percent of Schools and 12 Percent of Districts That Are Rated for AYP Purposes Are in Need of Improvement**

As reported in Education Week (December 13), its Editorial Projects and Education Research Center found that 12 percent of districts and 15 percent of schools are reported by SEAs as being in need of improvement. And on a state-by-state basis, according to the Research Center, nine percent of schools have entered “restructuring” for having been identified for five or more consecutive years, while one percent of districts nationwide are in “restructuring.” In many states, many more schools have failed to make AYP for two consecutive years, but are not rated for the purpose of SEA imposition of NCLB sanctions. The states with the highest percentages of schools identified for improvement include Hawaii (61 percent), New Mexico (43 percent), District of Columbia (50 percent), Alaska (39 percent), Alabama (34 percent), Massachusetts (35 percent), and Nevada (36 percent). States with the lowest percent of schools identified for improvement include Kansas (2 percent), Minnesota (3 percent), Nebraska (2 percent), North Dakota (4 percent), Oregon (4 percent), Texas (4 percent), and Wisconsin (2 percent). Not unexpectedly, the districts with the largest percentage of schools identified for improvement for five or more years (in restructuring) are in those states which had “acceptable” accountability and assessment systems in place at the time of NCLB passage, including California (16 percent), Colorado (13 percent), Georgia (16 percent), Hawaii (29 percent), Maryland (30 percent), North Dakota (42 percent),

Pennsylvania (20 percent), and Tennessee (21 percent). States which are likely to experience large increases in schools leaving “corrective action” and entering restructuring next year are Alaska, California, Colorado, District of Columbia, South Carolina, South Dakota, Vermont, and Wisconsin. Schools which are currently in corrective action and/or restructuring face a number of options, including state takeover and conversion to charter schools. A recent survey of 36 member districts of the Council of Great City Schools found that schools’ restructuring methods were: receiving greater technical assistance from the district; replacing curriculum or other curriculum reforms; and increasing the amount of professional development for staff.

In light of the recent USED Office of Inspector General report’s recommendations to allow more districts identified for improvement to continue providing their own SES programs (and therefore represent good prospects for partnering with firms), districts in need of improvement could be of increased interest to most TechMIS subscribers. States in which prospects look particularly good include:

- Florida, in which 95 percent of the districts have been identified and are required to earmark not only 20 percent for SES, but also ten percent for staff development;
- Alaska, in which over half of the districts have been identified, with half of those about to enter the second year of corrective action;
- California, in which 34 percent of districts have been identified, with

60 additional districts likely entering restructuring next year;

- Kentucky, with 52 percent identified for improvement this year;
- Massachusetts, with 42 percent of districts identified;
- New Mexico, in which 38 percent of districts have been identified;
- North Carolina, where slightly over half the districts have been identified for improvement for at least three years;
- South Carolina, in which a third of the districts have been identified, with almost three-quarters of those likely entering corrective action next year; and
- West Virginia, in which 38 percent of districts have been identified.

In some states, the number of districts identified for improvement has changed dramatically. For example, Education Week reported over a year ago that more than half of the districts in Virginia were identified (for improvement), while this year none were so identified. While USED guidance and regulations have spelled out the nature of sanctions/options for schools that enter corrective action or restructuring, such guidance has been very limited with respect to districts that have been identified for improvement for four or more years. The only guidance is that these districts must continue to earmark the 20 percent for SES and ten percent for staff development as

they did when the district was initially identified for improvement.

The Education Week article also identifies states with the largest percentage increases in districts making AYP from 2005 to 2006, which include Alabama (32 percent), New Jersey (10 percent), Virginia (12 percent), among others. Many of these changes can be attributed to increased flexibilities approved by USED for states in their accountability plan, either through increases in the N size for subgroup calculations, confidence intervals, or requirements that schools must fail at all grade levels in reading and/or math before the district can be identified for improvement. These flexibilities are one of the primary reasons that the number of districts across the country that have been identified for improvement have dropped a couple of percentage points over the last two years.

### **Recent Surveys of State Fiscal Conditions Show Continued Improvement in State Budgets**

In the past two months, two regular surveys have been conducted of the fiscal conditions of the states -- one by the National Conference of State Legislatures (NCSL) and the other by the National Governors Association (NGA) and the National Association of State Budget Officers (NASBO). Both surveys show improvement during FY 2006 and the expectation of continued improvement in FY 2007.

Entitled *The Fiscal Survey of States: December 2006*, the NGA/NASBO survey indicates an increase in general fund spending by 8.7 percent in FY 2006 largely

as a result of states replacing funding for programs cut in recent years and the rebuilding of budget reserves that had been drawn down. The NGA/NASBO report found that:

- FY 2006 revenues exceeded expectations in 46 states and were on target in the other four states.
- FY 2006 revenues were 5.9 percent higher than originally estimated.
- States have budgeted for slower budget growth in FY 2007 -- about three percent above FY 2006.

During FY 2006, only two states -- Indiana and Louisiana -- enacted mid-year budget cuts. To date, no states have cut their FY 2007 budgets. In FY 2003, 37 states made mid-year budget cuts.

State spending within the FY 2006 general fund -- totaling \$602 billion nationwide -- was allocated as follows: Elementary/secondary education (35.1 percent); Medicaid (18.1 percent); Higher education (11.4 percent); Corrections (17 percent); Transportation (0.8 percent); Public Assistance (2.1 percent); and all other expenditures (25.5 percent). In terms of expenditure growth, 13 states reported growth in excess of ten percent, 34 states experienced growth between zero and ten percent, and three states (Nevada, New Jersey, and Wyoming) have negative expenditure growth.

The NCSL survey focused primarily on FY 2007 budgets. Of the 48 states reporting revenue performance (Arkansas and Texas did not report), 23 reported revenue

collections above forecasts, 22 reported collection on target, and three states -- Maryland, Michigan, and Tennessee -- reported revenue collections below estimates. State budget officials are generally positive about revenue performance for the remainder of FY 2007, with 16 states optimistic and 28 expecting stable revenue performance.

In terms of spending overruns through the first quarter of FY 2007, only 14 states reported overruns compared with 19 states last year and 23 the year before. A total of eight states face overruns in corrections spending mostly for overtime and inmate medical expenses. Five states reported overruns in Medicaid spending.

Thirty states have made revenue forecasts for FY 2008, with an average estimate of growth at 3.1 percent. Generally, growth estimates range from a low of 0.5 percent (New York) to 6.5 percent (Georgia). The large exception is Oregon which predicts an 11.1 percent decline in revenues due to \$1.3 billion in refunds resulting from the State's 2 percent Surplus Kicker provision. Without Oregon, the average revenue growth would be 3.6 percent.

According to NCSL, at least 29 states expect education issues to be a matter of serious legislative discussions during FY 2007. Among the important K-12 concerns to be addressed include "overall funding levels, equity and adequacy as defined by court rulings in response to litigation, modifications to funding formulas, teacher salary increases and school facilities. Among specific state K-12 initiatives:

- Florida, in response to a voter mandate, will further reduce class sizes;
- The Indiana legislature will give consideration to all-day kindergarten; and
- South Dakota will be examining its school aid levels and considering technology upgrades.

### **New Request for Proposal by Institute of Education Sciences for Continued Operation of the What Works Clearinghouse Suggests Significant Changes Which Could Benefit Many More Publishers and Reduce Costs and Other Burdens Placed on Publishers**

The Statement of Work released as part of an RFP released on December 19 by the Institute of Education Sciences strongly suggests that the WWC is planning a number of significant changes that should benefit many more publishers who submit evaluation reports and reduce the cost and time burdens placed on publishers and developers. Some of the most likely changes are highlighted below.

Following very closely the initial description of the Promising Practices Initiative (PPI) announced last summer by then Assistant Secretary Tom Luce, the new Statement of Work calls for the contractor to develop WWC Practice Guides which are based on “the best available evidence;” this represents a significant departure from the rigorous randomized trial design evidence which

WWC initially focused upon. As the RFP states, “The contractor shall develop Practice Guides to provide guidance to practitioners based on the best available evidence, and indicating the varying quality of that evidence. A Practice Guide provides a coherent set of recommendations on practice with respect to a particular issue, problem, or challenge that schools face, such as the need for high school reform to increase graduation and college readiness.” This was an example Assistant Secretary Luce used in initially describing the PPI. Noting that the Practice Guide will supplement the WWC’s systematic review of scientifically-based research by using a hierarchy that “identifies the full range of evidence quality to formulate coherent ‘how to’ guidance, as opposed to identifying effective, specific interventions.” The types of evidence which will be considered may come from correlation studies, case studies, “beat-the-odds” studies without matching, and expert opinion supported by conceptual models without direct support evidence. The latter example would support the use of technology to implement proven effective practices or facilitate its implementation in a more cost-effective manner which had been proposed in the past but had been turned down by WWC. The Guides would include about 50 pages of narrative with suggested sequences of activities and procedural details on how to implement recommendations and descriptions of supporting evidence.

The new contractor would address the “fidelity” of the implementation problem which has affected the nature of effectiveness data on many technology-based interventions. For each intervention proven to be effective, the RFP states school personnel “need to understand what

particular interventions require for implementation so they can decide if their school's particular conditions will allow for replication of the interventions." Frequently, studies of effectiveness do not provide this type of detail. Publishers and developers would have to submit brief videos and related downloadable materials on how a school or district would implement an intervention that has otherwise proven to be effective. In addition, the WWC contractor would also conduct "cost of implementation" analyses for the interventions that "capture the potential costs and risks from the school perspective." And finally the RFP calls for the contractor to conduct "48-hour-turn-around reviews" of "single, typically newly-published, evaluations of education interventions....This will be a new product development that features a single study of an intervention that the contractor quickly rates by applying the WWC Study Review Evidence Standards to rate the study's strength of evidence."

The proposed changes in WWC operations implicit in the RFP reflect a continuing trend on which we reported earlier this Fall. There will be more reports on the quality of studies and effectiveness of interventions along, with evidence of different levels of quality, allowing the readers to judge how strongly the presented evidence supports using the interventions. By increasing the number of evaluation reports based on alternative research designs, costs to publishers should be reduced. Moreover, with the 48-hour-turn-around evaluation by the WWC operator, feedback for those submitting evaluation reports regarding the rigor and quality of the evidence should be more insightful and useful to publishers/developers in deciding whether

replications should be conducted. The contractor is also asked to complete the development of the current intervention studies underway which focus on character education, updated middle school math, elementary school math, early childhood education, beginning reading, English language learning, and dropout prevention. The contractor will also be required to add a minimum of at least five special education topic reviews of educational interventions which are specifically designed to help students with disabilities. Examples include education interventions with autistic students; math, reading, and science programs for elementary, middle, and high school students with disabilities; and preschool programs for students with disabilities.

For a copy of the work statement go to [http://fs2.fbo.gov/EPSTData/ED/Synopses/3286/ED-06-R-0027/RFI\\_SOW.doc](http://fs2.fbo.gov/EPSTData/ED/Synopses/3286/ED-06-R-0027/RFI_SOW.doc).

### **New Commission Report Concludes that US Education Has to undergo Fundamental Changes if our Workforce is to Compete in the Global Economy, Recommending New Roles for States and Teachers**

A new report from the Commission on the Skills of the American Workforce concludes that U.S. education has to undergo fundamental changes if our existing and future workforce is to remain competitive in the world economy and recommends vastly different roles for the states and even teachers. The report, entitled: "Tough Choices Tough Times," published by the National Center on Education and the Economy, would significantly reduce the

role of school boards and district offices as more power would be delegated to appropriate state agencies and to local mayors. Actual schools would be operated by Limited Liability Corporations (LLCs), many of which would be owned and operated by teachers. The primary role of the school district central office would be to write performance contracts with the operators of these schools, monitor their operations, cancel or decide not to renew the contracts of those providers who did not perform well, and find others that could do better. Local boards would be responsible for “collecting a wide range of data from the operators specified by the state, verifying these data, forwarding them to the state, and sharing them with the public and with parents of children in schools.” Local district offices would also be responsible for providing individual students liaison with other local social agencies which would provide services to students in need. This could be facilitated more easily and efficiently if districts were under the responsibility of mayors.

A separate Fordham Foundation report recently recommended, state funds would be distributed on a formula which is weighted so that students from high-poverty families or otherwise at risk would be allocated more per-pupil and such funds would “follow the child” to the school in which the parent wishes to enroll the child. By doing so, school contractors would have a greater incentive to increase the performance of low-achieving students than they do under the current system and the likelihood of high-quality teachers being used in that process would increase significantly. Such incentives are also recommended by the Commission which calls for providing even

stronger support for students who need it most.

The Commission also recommended that the state create Teacher Development Agencies and Regional Economic Developmental Authorities. The former would be responsible for paying, recruiting, training and certifying teachers, including developing performance contracts with schools of education and other groups capable of training teachers. The report argues that most existing government-funded job training programs are designed to provide relatively unskilled individuals with the skills to get “any job” -- which usually means those that are short term or dead-end; the Regional Authorities would ensure that all education training programs are tied directly to economic development in their region. Arguing that most of the existing workforce will be in the workforce 20 years from now, the Commission calls for a new GI bill, costing about \$30 billion a year, to provide ongoing training for the workforce and funded by “personal competitiveness accounts” that, over time, could be used at the discretion of the individual for determining what their educational training needs are.

The Commission also recommends that standards, assessment, and curriculum undergo major changes with the focus on the skills the workforce in the future will need, including creativity and innovation, self-discipline and organization, and the ability to function as a team member. Many of these traits have also been identified by the 21<sup>st</sup> Century Partnership (see October 2006 Washington Update). Finally, the Commission recommends a national proficiency test, referred to as “a board exam,” which if passed by a student by the

end of the tenth grade would allow that student to enroll in college immediately.

It should not be surprising that many of the recommendations in the new Commission report have also been included in other recent reports as many of the Commission members and advisors were also involved in Fordham Foundation and other recent reports. Some of the recommendations are similar to existing NCLB provisions or at least USED interpretation of policies and law, including SES. However, one critical difference is that the contractors operating schools, including groups of teachers, would be paid based, in part, on student performance as opposed to seat time and attendance in tutoring sessions. The school choice option goes even further by specifying that all funds, not just some Federal funds, be based upon student needs and follow the child. Several of the major proposed role changes will most likely be opposed, or supported half-heartedly, by school boards, district administrations, and the associations representing them. For a copy of the report go to [www.skillscommission.org](http://www.skillscommission.org).

### **New Report Identifies New Roles for District Professional Staff in Implementing Response to Intervention (RTI) Approaches: In Approaching Districts One Has to Take Into Account Which District Office or Professional Group is Taking the Lead Role**

A new report, entitled “New Roles in Response to Intervention: Creating Success for Schools and Children,” has been

prepared through a collaborative project involving twelve national associations representing different professionals who would be involved in implementing or otherwise participating in RTI approaches in districts. The roles perceived by the various associations representing member professionals differ with regards to priorities, areas of emphasis, and other factors which should be taken into account by firms approaching districts with potential RTI solutions and services. As the report acknowledges, “We didn’t seek an agreement on specific text; rather we sought to describe how professionals could take active roles to contribute their unique knowledge and perspective in new ways for each child’s needs.” Below, we note some of the differences in approaches and recommended roles for types of professionals which could have overall responsibility for implementing district and school RTI approaches.

The International Reading Association, an umbrella organization under which the National Association of State Title I Directors is housed, emphasizes the role of “reading specialist” in the RTI process. Noting that early reading failure contributes to misbehavior that often leads to special education referrals, the IRA states, “The Role of Reading Specialists in the RTI Process will be to fulfill a number of responsibilities, and many may have a specific focus that further defines their duties. For example, a reading specialist can serve as a teacher for students experiencing reading difficulties; as a literacy or reading coach; or as a supervisor or coordinator of reading/literacy. The reading specialist must be prepared to fulfill the duties of all three of these.” In designing an overall RTI approach, reading specialists would take a

lead role in identifying and analyzing literature on scientifically-based literacy assessments and instructional approaches, especially at the kindergarten and first-grade levels. Moreover, reading specialists will have to likely alter their traditional roles by providing intensive instruction to struggling readers directly; and observing students in the instructional environment in order to help identify appropriate intervention strategies and to collect response-to-intervention data. The reading specialist/literacy coach should also strengthen the role of a principal or other person who has budgetary power and “the ability to bring special education, Title I reading specialists, and general educators to the same table to share professional development, children, time, space, money, and curriculum resources.” In October, the IRA went live with its new website which serves as a clearinghouse on effective practices to help reading coaches select appropriate interventions and to serve other purposes directly related to improving the effectiveness of reading coaches.

The National Association of School Psychologists, which includes school social workers, counselors, and psychologists, places a heavier emphasis on behavioral interventions. The Association feels, “Such challenges include the shift from a ‘within child’ deficit paradigm to an eco-behavioral perspective; a greater emphasis on instructional intervention and progress monitoring prior to special education referral; an expansion of the school psychologist’s assessment ‘toolkit’ to include more instructionally relevant ecologically based procedures; and possibly the need for additional training in all of the above.” Some of the new roles which are envisioned include:

- identifying important stakeholders and key leaders to facilitate buy-in;
- developing local norms for academic achievement and subsequent monitoring of the reliability and validity of these local norms over time;
- implementing and evaluating pilot projects;
- serving as liaisons to community providers and agencies and briefing them on new intervention models;
- evaluating individual student’s academic, behavioral, and mental health functioning; and
- analyzing multiple sources of data to address students’ cognitive functioning, which will minimize the impact of cultural biases and limitations of standardized norm-referenced IQ measures.

While the new IDEA provisions do not preclude the use of the discrepancy model (i.e., the use of IQ tests), the strong “urging” to use the RTI model in some districts may threaten traditional school psychologists, implying a new role with likely requirements for additional training and support. This association was very upfront in calling for the reallocation of 15 percent of IDEA funds in districts with over-representation of minorities and up to 50 percent of any increased IDEA funding received by the district also to be reallocated for RTI implementation.



Some of the new roles envisioned by the National Education Association for regular teachers reflect the organization's call for increased funding for, among other things, professional development. New or expanded roles for general educators are anticipated in the areas of team collaboration and implementing new strategies to serve small groups and individual students. The NEA has called for additional resources on several occasions to be used to help teachers identify, implement, document, and analyze evidence-based academic interventions, to allow time for effective team collaboration, and to purchase technology which can reduce staff time and paperwork. The primary areas of perceived needs of regular teachers in the area of professional development include:

- differentiating instruction for a diverse classroom;
- ongoing curriculum-based data collection and analysis; and
- methods to facilitate data-based instructional decision-making.

While many districts are creating new offices and/or assigning existing district offices primary responsibility for early intervening services and RTI implementation, in most districts, RTI implementation is at the school level and is the primary responsibility of the "child study" or "intervention team" in which regular teachers are very influential.

In addition to the above associations, other national organizations such as American Speech-Language-Hearing Association, International Dyslexia Association, Learning

Disabilities Association of America, and the School Social Work Association of America developed sections of the report. For a copy of the report, go to:

[www.interdys.org/npdf/rti-rev.pdf](http://www.interdys.org/npdf/rti-rev.pdf).

## **Alabama Update - January 2007**

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The Education Commission of States reports that Alabama voters have approved a constitutional amendment that will require every school district in the State to allocate at least 10 mills of property taxes for public education.

According to The Birmingham News, Alabama is interested in using the “growth model” approach to measuring student performance under the Federal No Child Left Behind Act. The U.S. Department of Education approved the “growth model” for at least five states. However, State officials estimate that it will take at least two years of accumulating data before the State will be ready to implement the approach.

## **Alaska Update - January 2007**

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Education Daily reports that Alaska has introduced a new online tool that gives the State's teachers on-demand access to student assessment results. The Alaska Department of Education has contracted with Data Recognition Corporation to provide the State with the online tool that offers on-demand results of student assessments, information on student development, and feedback on lessons in progress. Known as the Alaska Computerized Formative Assessment (ACFA), the tool will provide frequent and rapid monitoring of student progress in a form that will allow teachers to adjust their instruction to meet the needs of individual students.

According to the Juneau Empire, the Alaska State legislature is considering a bill that would increase the State's mandatory school attendance age from 16 to 18. Alaska has one of the highest dropout rates in the nation; three years ago, 3,000 high school students left the State's public schools without graduating. Proponents of the bill believe it would, in addition to keeping students in school longer, cut down on youth violence in Anchorage.

## **Arizona Update - January 2007**

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Governor Janet Napolitano has proposed that the State require students to stay in school until they are at least 18 years old (or earn a diploma). Her plan would also require students to take three years of math (versus the current two years) and increase the requirement to four years by 2012. Her State Superintendent, Tom Horne, has reservations about the higher math standard, noting studies that have shown that more years of math correlate with a drop in graduation rates. He wants students and/or parents to be able to opt out of the additional year of math.

## California Update - January 2007

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According to the San Francisco Chronicle, a combination of lower K-12 enrollment over the next five years and rising State revenues could generate a windfall of as much as \$6 billion for schools in the State. Various vested interests are already lobbying for a piece of the action. The State Superintendent believes that State should expand standards-based accountability systems in high schools. The California School Boards Association says that more resources should be devoted to urban districts that have seen the largest enrollment declines. And the State Teachers Association wants more money for teachers' salaries.

Eight of California's county education agencies will receive a total of \$6.3 million in Federal Reading First Regional Technical Assistance Centers grant, according to Education Daily. The grant recipients are: Alameda County (\$756,000); Butte County (\$703,000); Los Angeles County (\$794,000); Sacramento County (\$999,000); San Bernardino County (\$788,000); San Diego County (\$779,000); San Joaquin County (\$799,000); and Santa Barbara County (\$753,000).

The California Department of Education has given \$23.7 million -- through 67 grants -- to charter school developers and operators to develop new charter schools. Almost half of the grants went to operators in the Los Angeles metropolitan area. Ranging from \$150,000 to \$450,000, the grants are intended to create competition for underperforming public schools. The source of the funding is the Federal Public Charter Schools Grant Program.

Education Week reports that, following the November election of Governor Arnold Schwarzenegger, the State's education secretary, Alan Bersin, stepped down. The Governor has not yet announced a replacement.

## **Colorado Update - January 2007**

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The Denver Post reports that a State audit of the online education system in Colorado has found poor student performance, a lack of financial controls, and inadequate State oversight of online programs. Among the audit team's 16 recommendations was a moratorium on new public online schools until the problems identified can be corrected. There are now 18 online schools in Colorado serving about 6,200 students. The audit was instigated by Denver metropolitan area school districts who found they were losing students -- and millions of dollars in State per-pupil funding -- to such online schools as A Hope Co-op Online Learning Academy and the Vilas school district online program. The audit was based on a sample of 12 online schools with \$32.5 million in funding this year. According to the audit, online students, when compared with regular students, perform worse on State tests, drop out at a higher rate, and are required to repeat grades more often. The audit claims inadequate monitoring has allowed State funds to be allocated to private and religious schools housing online schools.

## **Delaware Update - January 2007**

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The Delaware legislature has mandated that, by the 2008-09 school year, each of the State's 15 school districts must offer full-day kindergarten programs. According to Education Week, parents will have the option of enrolling their children in full- or half-day programs. The State has promised to reimburse districts for the cost of establishing full-day kindergarten programs.

## **District of Columbia Update - January 2007**

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As reported in Education Daily, the Superintendent for District schools has outlined a plan to improve the District's chronically low-performing schools. The four basic plan components are:

- Six schools will be overhauled during the current (2006-07) school year, including replacement of some or all of the staff. The changes will be supported by centralized assistance, professional development, and possibly additional funding.
- Five schools will be re-created as year-round schools.
- Ten schools will participate in a pilot program by which school staff will have more flexibility and greater accountability.
- Ten other schools will participate in a negotiated incentive pay program.

Some of the changes may have been prompted by suggestions from the incoming Mayor, Adrian Fenty, that the City might take over the school system.

The Washington Post reports that, last school year, only 28 of the 146 public schools made adequate yearly progress under the Federal No Child Left Behind Act (NCLB) and only nine percent of the ninth-graders in D.C. will complete college within five years of graduating from high school. This past August, the District hired America's Choice to provide teacher training, extended class time, and tutoring in seven low-performing high schools and 13 feeder schools. The District has also received a \$4.8 million grant from the Bill & Melinda Gates Foundation to fund school improvements including an expansion of remedial reading and math programs and conversion of some senior high schools into career academics.



## **Florida Update - January 2007**

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As part of Florida's A++ Plan for Education, high school freshmen, starting next Fall, will be able to select areas of major study-- including such fields as aerospace/aviation, math/science, education, biotechnology, and entrepreneurship—from a list of as many as 400 majors. As reported in Education Daily, the program is intended to increase the rigor and relevance of the State's high school curriculum. The State plans to maintain its core academic requirements which include four credits each of English and mathematics, three credits each of social studies and science, one credit of fine arts, and one credit of physical education and health.

The Florida Department of Education has issued guidance to publishers under the 2007-09 Reading adoption. This guidance requests that publishers submit materials which are based on current research regarding the teaching and learning of reading for English language learners (ELLS). The State is not calling for a separate core reading program specifically for ELLS but wants a comprehensive and integrated pedagogy that facilitates the use of a core reading program for both ELLs and non-ELLs. Among the features called for in the guidance are resources for assisting teachers in understanding the role of an ELL's first language in the acquisition of the second language (English) and classroom assessment methods that periodically measure student progress according to predetermined criteria.

As reported by the Associated Press, school district proposals under Florida's Special Teachers Are Rewarded (STAR) program were due to the State by December 31. STAR is intended to provide bonuses to the top 25 percent of teachers in each district, based on instructional performance and student achievement on standardized tests. As of mid-December, 20 district proposals have been ruled in compliance with State law. The remaining 47 districts had not submitted their proposals. The STAR program was established by the legislature for one year through a budget proviso. To continue the program, the legislature would have to pass substantive new law or include funding in the budget every year.

A State review of charter schools in Florida shows that charter school enrollment last year was 92,000 students -- three percent of all students in the State. It is estimated the number will grow

to 100,000 in the current school year. The research found that Hispanic students comprise 29 percent of the State's charter school enrollment, up from just three percent a decade ago. Moreover, Hispanic students in charter schools showed higher proficiency in reading and math than public school Hispanic students. The charter school report is at [www.floridaschoolschoice.org/information/charter\\_schools/files/Charter\\_10Year-Book.pdf](http://www.floridaschoolschoice.org/information/charter_schools/files/Charter_10Year-Book.pdf).

## **Georgia Update - January 2007**

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The Macon Telegraph reports that Georgia is in the process of aligning State rules for special education students with the Federal Individuals with Disabilities Education Act (IDEA). As many as 17 rule changes have been proposed and the State will be conducting a series of public meetings to discuss the changes. The most significant of these changes involve early intervening services and evaluating students properly so as to reduce the number of special education referrals.

Taking a firm stand against illegal immigration, Georgia has passed SB 529 which requires all State agencies and institutions to be in compliance with all Federal immigration laws. The Atlanta Journal-Constitution reports that Georgia's public universities have been advised to stop granting tuition "waivers" to high-performing students who do not have legal resident status, requiring them to pay much higher out-of-State tuition rates.

## **Illinois Update - January 2007**

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As reported in Education Week, the reporting delay for Illinois 2005-06 assessment scores continues -- eight months after the test was given. As a result of incomplete materials and scoring problems, close to one million students do not know how they scored on the Illinois Standards Achievement Test (ISAT). The long delay means that the State is unable to identify which schools have failed to make adequate yearly progress under the No Child Left Behind Act (NCLB). This, in turn, means that no one knows which students are eligible for free tutoring or school transfer under NCLB. The test results are not expected to be available until January at the earliest.

As reported in Education Daily, Illinois has signed a \$2.2 million deal with Gateway part of which will provide notebook computers and support services for five Illinois school districts as part of the State's Technology Immersion Pilot Project.

## Kentucky Update - January 2007

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The Associated Press reports that Kentucky has launched an Internet-based program, called Individual Learning Plans, to help students chart their academic careers. The program will include a student survey that will give teachers a better idea of each student's academic needs. It will also help students to find an appropriate career path, as well as to write a resume and apply for financial aid. The new program will begin in the sixth grade.

As reported in School Reform News, a Kentucky State legislator has proposed a school choice plan for special needs students that would allow parents to use scholarships to send their children to other public or private schools. If passed, the plan would go into effect in the Fall of 2007. A recent analysis by a free-market think tank (Bluegrass Institute for Public Policy Solutions) estimates that such a plan could save the State as much as \$200 million over the next ten years.

## **Louisiana Update - January 2007**

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Studies in Louisiana show that, during the 2005-06 school year, about 17 percent of the State's ninth-grade students had to repeat the grade. And, 77 percent of the students who repeated ninth grade failed to graduate from high school. The Advocate reports that the State is finalizing a \$5 million program that would provide each of 50 Louisiana schools with \$100,000 to revamp their eighth- and ninth-grade curriculum in an effort to reduce high school dropout rates. Under the program, eligible schools would receive \$40,000 in Year 1, another \$40,000 in Year 2, and \$20,000 in Year 3.

Education Week reports that Louisiana's State Superintendent, Cecil Picard, plans to step down next Spring. Mr. Picard has been diagnosed with Lou Gehrig's disease.

## Maryland Update - January 2007

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According to the Baltimore Sun, a task force of educators and business leaders prepared a report to address academic achievement for black males in the State, over the last two years. One recommendation is that school systems should stop placing large numbers of black males in special education classes, especially in districts where there currently exists an over-representation of black males in EMR programs. It also recommends “street-level fixes” which would pair ex-convicts with young black men, and to find other black mentors.

The Washington Post reports that more than half of the 24,000 freshmen and sophomores in Prince George’s County (suburban D.C.) are at risk of failing to graduate. Beginning with the Class of 2009, all Maryland high school students will be required to pass exams in algebra/data analysis, English, government, and biology to receive a diploma. Last year, the district’s pass rate on the High School Assessments (HSAs) were: algebra – 46.1 percent; English – 45.9 percent; government – 55.5 percent; and biology – 42.5 percent. The district has instituted a new afterschool program, known as the Twilight Academy, to help students pass the HSAs. Participation in the Academy has been disappointing with only about half of the program’s 2,400 slots filled.

Education Daily reports that, during the 2004-05 school year, more than two-thirds of the Maryland students eligible for supplemental educational services (SES) actually took advantage of the tutoring assistance, compared with only 19 percent nationwide. The State reports that 15,837 students were eligible for SES, 11,441 registered, and 10,718 participated.

As reported in Education Week, Maryland is one of a handful of states facing financial troubles in their education program. Incoming Governor Martin O’Malley, in his campaigning, proposed hiring bonuses for principals in hard-to-staff schools, fully funding and equalizing the State aid formula, and contributing \$80 million for school construction. With the State looking at a budget deficit that could reach \$1 billion over the next two years, it is unlikely these campaign promises can be met in the short term.

## Massachusetts Update - January 2007

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A new report from the Massachusetts Department of Education indicates that the State's dropout rate for the 2004-05 school year increased by 3.8%, slightly higher than the year before. The reasons given for dropping out are most often family problems or academic issues. Interestingly, 48% of the 11th-graders and 69% of the 12th-graders had already passed both English and math sections of the State standardized assessments. The report may be seen at: [www.doe.mass.edu/info services/reports/dropout/0405/summary.doc](http://www.doe.mass.edu/info services/reports/dropout/0405/summary.doc).

The Boston Globe reports Massachusetts gap statewide teachers unions proposed a plan by which teachers who work in high-poverty schools would receive extra incentive pay. Details of the plan had not been worked out

As reported in Education Week, the Massachusetts State budget for K-12 schools (Chapter 70) for FY 2007 will be \$3.5 billion, a \$216 million increase (6.6 percent) over the previous year. Included is a \$2 million line item for recruiting mathematics and science teachers.



## **Michigan Update - January 2007**

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Education Week reports that Michigan continues to face a deficit in its school aid fund with midyear funding cuts possible for some school districts. The state's current FY 2007 education spending plan calls for \$12.1 billion, a 2.6 percent increase over the previous year. The budget's allocations include: (1) \$20 million for districts with declining enrollments; (2) \$20 million to cut the gap between wealthy and poor districts; (3) \$100 million for early childhood and preschool programs; (4) expanded middle school math and science programs; and (5) extra training for new teachers are reading.

## **New Jersey Update - January 2007**

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Education Daily reports that 54 New Jersey school districts and six charter schools failed to make adequate yearly progress (AYP) under the Federal No Child Left Behind Act. This is a slight improvement over the year before. Another 19 districts are in the State's "hold" status, meaning they can be removed from Federal status if they make AYP next year. On the other hand, 13 districts have missed AYP for four consecutive years and face severe sanctions. In January, the State will implement a new program to allow the State to monitor districts more closely and to intervene more quickly when needed. The list of identified districts is at: [www.state.nj.us/njded/title1/accountability/dini/prelim0607.pdf](http://www.state.nj.us/njded/title1/accountability/dini/prelim0607.pdf).

The Newark Star-Ledger reports that New Jersey's new school funding formula is likely to have differential effects on the State's school districts, with urban school districts (those under the Abbott ruling which have received significant increases over the past five years) receiving little or no increases and some lower- and middle-class districts getting large State aid increases. The change in the funding formula is intended to ease property taxes and distribute aid more equitably; some estimates say it could cost the State as much as \$1 billion a year more. Although details of the new formula are not clear, it is expected that the formula will provide funds based on specific district needs (additional weighting for poor, limited-English-proficient, and special education students) and will include \$100 million more for expanded preschool programs in non-Abbott districts.

Education Week reports that New Jersey's FY 2007 budget for K-12 education is \$10.4 billion, 11 percent higher than the year before. However, a large portion of the increase will be devoted to pension-fund contributions, leaving school districts with little increase in State aid. The legislature has passed a bill that allows the State to identify school districts with financial problems and to appoint a monitor to oversee such districts.

## **North Carolina Update - January 2007**

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The North Carolina Department of Public Instruction has contracted with the Center for Research in Education Policy (University of Memphis) to evaluate the 50 tutoring companies that have failed to meet Federal testing standards. As reported in the News-Record, the \$94,000 contract, which expires next Fall, will be used to identify poor performing providers of supplemental educational services in the State's application process. The information may be provided to district Title I directors and probably to the public as well.

## **North Dakota Update - January 2007**

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As reported in the Grand Forks Herald, Governor John Hoeven's new budget for the next biennium includes an additional \$82.5 million for K-12 education -- \$76 million in general funds and \$4.5 million from the Common Schools Trust Fund. The budget called for an additional \$7 million to cover the costs of about half of the at-risk children in the State to participate in all-day kindergarten. There was no additional funding for special education.

## Ohio Update - January 2007

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The Cincinnati Enquirer reports that the Ohio legislature has a new, more rigorous high school “core curriculum.” The new curriculum will require four years of math (including Algebra II), three years of lab science, and five electives (down from six) chosen from foreign language, fine arts, business, technology, or technical courses. A foreign language requirement is also under consideration. The changes kick in for freshmen entering high school in 2010 and will be graduation requirements for these students (the Class of 2014).

Education Week reports that an Ohio task force has called on State educators to improve public education through a five-point policy approach, including: (1) resolution of the State’s long-term funding crisis; (2) a more coherent preK through college structure; (3) stronger academic standards; (4) a better pool of principals and teachers; and (5) uniform accountability standards for all schools. The task force, known as the Ohio Grantmakers Forum, represents organizations that donate \$300 million a year to education initiatives in the State.

The Ohio legislature has approved a measure that could expand Ohio’s voucher program to include schools in Canton, Alliance, and Akron. The legislature did not enlarge the voucher program from its current maximum of 14,000 students per year -- a total that has not yet been reached. The bill also includes a provision that would allow the State to close low-performing charter schools, after July 1, 2008, if the school: (a) serves grades K-3 and has been in academic emergency for four consecutive years; (b) serves grades 4-9 and has been in academic emergency for three consecutive years and showed less than one year of growth in either reading or math for two of those years; and (c) serves grades 10-12 and has been in academic emergency for three consecutive years and showed less than two years of academic growth in reading or math for two of those years.

## **Oregon Update - January 2007**

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The Portland school district has received a second grant from the Bill & Melinda Gates Foundation to improve the district's high schools and to raise graduation rates. This \$2.6 million award will be used to pay for staff to: (1) evaluate high school options for students; (2) analyze student performance in more depth; and (3) help students create individual graduation plans. The earlier Gates Foundation grant gave Portland \$9 million over three years to improve the curriculum and to provide professional development for middle and high school teachers.

## **Pennsylvania Update - January 2007**

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As reported in Education Daily, Pennsylvania has established the Office of Child Development and Early Learning intended to enhance educational opportunities for young children through age 5. Operated by the departments of Education and Public Welfare, the new office is now in a six-month transition phase as it takes over the education department, early childhood, Head Start, kindergarten, pre-kindergarten, and preschool early intervention programs. The office will also take over the department of public welfare's child care, early intervention, and family support programs.

According to Education Week, Pennsylvania's FY 2007 budget for precollegiate education is \$8.8 billion -- an eight percent increase over the year before. Among the areas receiving the biggest increases are:

- the accountability block grant program (increased from \$200 million to \$250 million) which districts may use for such school improvement initiatives as full-day kindergarten and smaller class sizes);
- State Head Start funding (increased from \$30 million to \$40 million) which is intended to raise enrollment from 4,800 to 5,800 children;
- Project 720 (increased from \$4.7 million to \$8 million) to increase academic rigor in high schools;
- the laptop program (\$20 million for the first year) which will provide laptop computers for every student in 103 high schools; and
- improving science education in 78 elementary schools (\$10 million).

## **Tennessee Update - January 2007**

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The Tennessean reports that Tennessee will receive \$30.6 million as its part of the 2003 settlement of the Microsoft class action lawsuit. Half of the settlement -- \$15.3 million – will be used to support the State's Connect Ten program which provides Internet access for all of the schools in the State. The other half will go to school districts for software upgrades at a rate of \$16.40 per student. The State has issued guidelines as to the types of software districts can purchase with their Microsoft funds. Districts are required to pay for their purchases and submit claims for reimbursement to the State by April 2007.



## Texas Update - January 2007

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The Houston Chronicle reports that some State legislators, as well as Lieutenant Governor, have proposed replacing the Texas Assessment of Knowledge and Skills (TAKS) for high school students with end-of-course exams and, for seniors, the SAT or ACT. Some in the legislature want to revamp the testing for elementary and middle schools as well.

The Texas legislature, in preparation for its new session which begins on January 9, has been taking testimony on the constitutionality of publicly funded voucher programs, as well as on the advantages and disadvantages of school choice programs and charter schools. As reported in School Reform News, the interest in school choice has been spared by a mandate from Lieutenant Governor David Dewhurst to evaluate the impact -- on students, parents, and educators -- of successful school choice initiatives.

Education Daily reports that the State's first release of its evaluation of schools making adequate yearly progress (AYP) shows that, based on appeals, 79 more schools met AYP targets (out of 233 that filed appeals), as did 16 school districts (out of 58 that appealed). The State's final AYP ratings are at: [www.tea.state.tx.us/ayp/2006/index.html](http://www.tea.state.tx.us/ayp/2006/index.html).

Education Week reports that budget estimates show Texas could have a \$7.4 billion surplus at the end of FY 2007 and a \$7.6 billion surplus in the budget for the 2008-090 biennium. It was expected that the surpluses would cover the loss of \$11.4 billion in local tax revenue stemming from the May 2005 tax cut passed by the legislature. However, constitutional spending limits -- passed in 1978 -- could put a cap of \$7-9 billion on increased State spending. The legislature could approve a one-time override of the budgetary spending cap for FY 2008 and FY 2009.

The Houston Chronicle reports that about 90,000 of Texas' 4.5 million public school students -- two percent -- attend the State's 358 charter schools. The State has found that charter schools are serving poor, minority, and at risk students. Nearly 16 percent of the State's charter systems were rated as "acceptable" compared with only three percent of traditional school districts. However, the State has found it extremely difficult to close low-performing charters. In an effort

at charter school reform, a bill is expected to be introduced in the legislature in January to revoke all charter school licenses in the Fall and immediately reopen strong schools with perpetual licenses. It is expected that the process will eliminate between 20 and 30 struggling schools.

The Dallas Morning News reports that a report from the Texas Education Agency has identified 924 schools in the State – about 12 percent of the total number of schools – in which students will be offered a transfer option. This represents an increase of 12.5 percent over last year. Houston had 112 of the identified schools, Dallas has 78, and Fort Worth had 30. The report suggests that the science portion of the Texas Assessment of Knowledge and Skills (TAKS) was the biggest problem for schools trying to meet State standards. Although transfers are available to students in these schools, few are expected to avail themselves, largely because neither the State nor the school district is required to provide transportation for the student to his/her new school. Last year, Statewide only 321 students took advantage of the transfer option.

Education Daily reports that the Bill and Melinda Gates Foundation will allocate \$12.1 million in Texas Education Service Center (ESC) Region One for the redesign of programs in 18 high schools in the Rio Grande Valley. By 2011, Region One will serve 30,000 students along the Texas-Mexico border. High School graduation rates in the region averaged 56 percent in 2005. Combined with the Foundation's \$671,000 grant to ESC-1 a year ago, the new funds will be used to begin the high school redesign at seven schools in 2007 and expand to 18 schools over the following two years. It is hoped that the expertise ESC-1 develops through this grant will allow still further expansion of the redesign effort.

As reported in The Dallas Morning News, the Forney school district is planning to become the first Texas school district in which all students use electronic textbooks. The overcrowding in the district's elementary schools is likely to result in a "computers on wheels" concept that will tie into a rollout of the e-books by the end of the 2008-09 school year. The e-books concept began three years ago in Johnson Elementary which has since attracted 123 transfers who wish to take advantage of the program. Eventually, the district expects to use e-books for every class from grade 5 through grade 12 -- a total of 4,000 laptop computers.

## **Utah Update - January 2007**

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The Salt Lake Tribune reports that Governor Jon Huntsman, Jr., in his FY 2008 budget request, has proposed the largest per-pupil spending increase in 17 years -- seven percent. The Governor's proposal includes \$4.6 billion (43 percent of the total budget) for education, \$454 million of which is new money including funds for class-size reduction, all-day kindergarten, and classroom technology. The budget request also provides teachers with a one-time bonus of more than \$1,000 and allocates \$22 million for Pro Excel, a program to attract, train, and retain high-quality teachers.

## **Virginia Update - January 2007**

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The Richmond Times-Dispatch reports that the Virginia Board of Education has approved an alternative assessment that allows limited-English-proficient students to submit work portfolios rather than taking the regular State reading exam, a test which has not been approved by USED for NCLB use. The portfolio approach replaces the Stanford English Language Proficiency Test. The change could affect as many as 72,000 LEP students.

The Washington Post reports that Governor Tim Kaine has proposed a significant increase in K-12 education spending. Based on an estimated \$550 million surplus in the State's FY 2007-08 budget, the plan would allocate \$64 million for a three percent increase in teachers' salaries, \$8 million for elementary reading programs, and \$7.5 million to fund the first phase of the State's preschool initiative.

## Washington Update - January 2007

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The Seattle Times reports that a large number of this year's eleventh-graders have not passed the math portion of the Washington Assessment of Student Learning (WASL) and are at risk of not graduating on time in 2008. Governor Christine Gregoire has proposed postponing the math requirement until 2011, leaving it up to the legislature to act. Passing the science portion of the WASL is slated to become a graduation requirement in 2010 and, to date, only about a third of last years tenth-graders have met the standard.

Also according to The Seattle Times, Governor Gregoire has proposed a broad range of education initiatives to help students struggling in mathematics and science. The Governor's plan includes:

- hiring more math and science teachers for middle and high schools (\$90 million);
- providing more professional development (\$62 million);
- hands-on science instruction in K-8 through the Leadership and Assistance for Science Education Reform (LASER) (\$12 million);
- extra tutorial help for students struggling to pass the WASLs (\$12 million); and
- standardizing math curricula across the State.

The Seattle Times reports that Washington State plans to allocate \$197 million to hire more mathematics and science teachers and to provide more academic assistance to students who are struggling in these subjects. The plan proposed by the Governor also calls for an expansion of hands-on science education, the integration of math, science, and technology curricula, and more tutoring to help students on the State assessment. The Governor also wants to revise the math component of the State's standardized test because nearly half of the tenth-graders who took it last Spring failed.

## Wisconsin Update - January 2007

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The Milwaukee Journal Sentinel reports that Wisconsin's plan to meet the "highly qualified teachers" requirement of the Federal No Child Left Behind Act (NCLB) has been approved. Overall 99.3 percent of the State's public school teachers are considered "highly qualified" under NCLB -- only 346 out of 51,862 teachers failed to meet the definition.

As reported in Education Week, general State support for K-12 education in Wisconsin will be \$5.25 billion for FY 2007 as determined in January 2006. The new legislative session begins January 3, 2007. Under a new law from the current session, the State is no longer required to approve school districts special education plans; rather, they merely determine the districts' eligibility for special education funding.

Education Week also reports that come a under an agreement between the Democratic Governor and the Republican-controlled legislature, the enrollment cap on the State's voucher program in Milwaukee has been lifted. Previously, the cap on the number of vouchers -- worth as much as \$6,300 per year -- was 15,000 students. As of the current school year, it is 22,500 students.

Education Daily reports that Wisconsin will allocate \$3.9 million in Federal funds for a second round of planning and implementation grants for new charter schools in the State. The funding will be used for: (a) 22 charter school planning grants (\$220,000); (b) four implementation grants to cover operating expenses for first-year charter schools (\$600,000); (c) 16 renewal grants for the operation of second-year charter schools (\$2.35 million); and (d) five dissemination grants to implement model programs in established charter schools (\$750,000).

## **Wyoming Update - January 2007**

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The Association Press reports that Wyoming will be joining the State Scholars Initiative, a Federally-supported program designed to include high school students to take more rigorous courses. The program asks students to take at least three years of math (algebra I, algebra II, geometry), three years of science (biology, chemistry, physics), three and half years of social studies (U.S. history, geography, economics, government) and two years of a foreign language. The State's new "success curriculum" (required for the State's new Hathaway Scholarship) is to be phased in between 2008 and 2011. The exact components of the "success curriculum" will be considered in the January session of the Wyoming legislature.