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MEMORANDUM

DATE: December 2, 2008
TO: TechMIS Subscribers
FROM: Charles Blaschke and Blair Curry
SUBJ: State Shortfalls/Federal Funding Opportunities; Final Title I Regulations;
New Focus for Gates Foundation; Full Funding of Special Education
Under Obama

Since the election, both the outgoing Bush Administration and the incoming Obama Administration have focused time, effort, and dollars on the financial crisis in developing several bailout and economic stimulus initiatives -- at the expense of formulating new or redirected education policies and priorities. Within this context, it appears that the new Administration and Democratic Congressional leadership will not attempt to push through, early in the 111th Congress, major new education legislation; rather, they will implement through the administrative regulatory process as many NCLB and other changes as possible, which is exactly what the Bush Administration did in its final days, particularly related to Title I. However, many of the Obama Administration's expected regulatory changes may nullify or "water down" current USED policies that are inconsistent with NCLB legislation or prescriptive Bush/Spellings policies in NCLB components. Such initiatives could include:

- Allowing districts identified for improvement to provide their own supplemental educational services, along with those provided by third parties.
- Redirecting priorities from low-reform "leveraging" activities, such as class size reduction, to initiatives which provide greater leverage, such as teacher incentives and developing the professional learning communities.
- Providing greater flexibility in several programs, including Reading First or Reading First type initiatives, for districts to rely on tutoring and the use of behavioral and instructional interventions which have proven to be effective, particularly in after-school programs.

When the Secretary of Education nominee is known, we will prepare a report on these anticipated changes -- hopefully before Christmas.

On November 6th, we prepared a detailed analysis of the new Title I regulations which have the most serious implications for most TechMIS subscribers. It is clear that these

final regulations were published earlier than planned, as USED “interpretations” and “clarifications” have been made since then; and, Non-Regulatory Guidance, especially for the determination and reporting of uniform graduation rates, is supposed to be forthcoming in the next month or so. Opposition to the implementation of these regulations is mounting among several influential education associations and groups of policy makers. There appears to be greater pessimism about new legislation regarding NCLB reauthorization with a greater focus on health, and perhaps Medicaid reform legislation, beyond the current priority focus on the financial situation. Several of these issues are explored in the Washington Update, which also includes:

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A sobering report by the Center on Budget and Policy Priorities (CBPP) which has identified revenue shortfalls (in over 40 states) and anticipated K-12 budget cuts (in at least 16 states). Such shortfalls and volatility strongly suggest that greater purchasing opportunities exist in more stable Federal funding programs, such as the Title I market niche. As 2009 funding allocations are known next spring, we will identify states, districts, and schools with likely increased funding.

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After the November 6th TechMIS Special Report on Title I Final Regulations, USED held its third and perhaps most comprehensive teleconference to clarify the regulations and provide its “interpretations.” It is very likely that districts and SEAs will be allowed, through June 30 - September 30, 2009, to reallocate unspent SES funds using existing criteria and procedures which could provide opportunities for purchasing firms’ products and services by June 30th in more than 40 states. New Non-Regulatory Guidance is likely to allow the 15 percent IDEA set-aside for Coordinated Early Intervening Services to be used in Title I schoolwide programs to purchase core instructional programs, as well as Tier 2 and Tier 3 interventions. Other opportunities for “partnering” with districts, using SES and some IDEA funding, exist for firms with programs proven effective with LEP students and those with disabilities.

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During the November 18th State Education Technology Directors Association, policy influencers and association transition team liaisons expressed cautious optimism that Congress will move quickly; however, opposition to USED’s Title I final regulations is mounting. Most policy changes could be made through the administrative regulatory process after the new Secretary is confirmed.

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The redirected Bill and Melinda Gates Foundation philanthropic strategy could create opportunities for innovative and effective remedial products and services in middle/high schools and in colleges to increase graduation or completion rates in both. A primary focus will be selected community colleges in 8-10 states which will receive Gates financial support to implement priority strategies over a three to five year period.

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With at least 60 Democratic or independent Senators, the movement to “fully fund” IDEA as a “mandatory” rather than “discretionary” budget item is gaining momentum. This is occurring as the Bush Administration attempted to achieve 40 percent full funding by reducing the number of students placed in special education programs by 30 percent through Reading First, an effort which has faltered. Senate amendments in 2004 to increase annual funding by \$2.2 billion until the 40 percent Federal contribution was attained went down to defeat by only four votes at that time. Between 45-55 percent of instructional and administrative software purchases in special education programs over the last 20 years have been made through using IDEA funds.

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The latest National School Boards Association (NSBA) survey finds that technology-related professional development is both a growing concern as budgets tighten, and a potential opportunity resulting from greater emphasis on data-driven decision-making in K-12 schools in restructuring.

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USED publishes a White Paper which touts education technology as a means to personalize education; however, its policies and priorities over the last seven years suggest the opposite. Ironically, in July, we were asked by Educational Technology publications to prepare an article on the Bush Administration’s impact on instructional technology; it was published in the September/October issue. In that article, we argued that the Administration had numerous opportunities to promote the use of technology -- in for example, formative assessments which could lead toward individualized or personalized instruction -- but failed to do so. Rather it focused its efforts on the use of data-driven decision-making to help parents select the schools, districts and states. With the publisher’s permission, the article is a separate attachment to this email (see Reader Comments-Blaschke.pdf).

- **Page 10 -- Miscellaneous**
 - A. Unlike the Reading First impact (interim) report, the final report found that, in 2007, Reading First had a statistically significant impact on the development of decoding skills among first-graders, but confirmed previous findings that Reading First had no significant impact on reading comprehension test scores in grades 1-3.
 - B. A Request for Proposal to support RTI evaluation contractors for IES will be soliciting interventions and justification for being included in a multi-year evaluation of response-to-interventions.

State profile updates address a number of issues including budget shortfalls, K-12 funding cuts, NCLB standards, November ballot measures, and virtual schools.

Washington Update

Vol. 13, No. 12, December 2, 2008

State Revenue Shortfalls and Anticipated K-12 Budget Cuts Suggest Greater Purchasing Opportunities Using More Stable Federal Funding, Especially in Title I Market Niche

The Center on Budget and Policy Priorities (CBPP) has identified at least 41 states which have faced shortfalls in budgets for this year or next year; with over half of the states already have cut budgets, used rainy day funds, or raised taxes. The current budget shortfalls are the most significant since the recession of 2001-02. Between 2002 and 2004, 34 states reduced per-pupil allocations to school districts for K-12 education which strongly suggests that the financial troubles confronting states will deepen in 2010 and 2011. According to the CBPP, currently, at least 16 states are cutting or proposing to cut K-12 and early education funding. These projections indicate that Federal education funding -- particularly in Title I which received its largest increase in its history for this school year -- will increasingly provide the best opportunities for firms which have products and services that meet the increasing needs of districts and schools which are "similarly-situated" and that are having to set aside funds specifically for certain types of instructional programs, professional development, and related services. Moreover, it is very likely that Congress and the new Administration will extend the FY 2009 Continuing Resolution (which is scheduled through March 6, 2009) to the end of the 2009 fiscal year (September 30th); this

will ensure 18-20 months of level Federal education funding.

Even though Federal funding will likely remain high in Title I, identifying specific opportunities will require close monitoring. For example, within the overall Title I budget of slightly over \$15.5 billion, allocations to states can change having even greater impacts on district allocations, which are highly dependent on the Bureau of the Census counts of students from low-income families which are based on annual surveys using new data sets. Moreover, within districts, the amounts allocated to schools will also vary between this year and next depending on the number that are identified for improvement and/or entering "corrective action" or "restructuring." In schools which are entering corrective action/restructuring for the first time, increases of 100 percent in Federal Title I funding could be anticipated. When USED's final guidance relating to the use of the 15 percent set-aside of IDEA funds for early intervening services is released, certain types of schools, such as schoolwide programs in Title I, are likely to be a major beneficiary. On the other hand, many districts may designate more Title I schools as schoolwide programs in order to have increased funding flexibility and perhaps misuse Title I funds to make up for state and local shortfalls for regular teacher salaries (see related [Washington Update](#) item).

We will continue to monitor these and other areas to ensure that TechMIS subscribers are kept abreast of developing opportunities.

As TechMIS subscribers know, we will continue to monitor these funding allocations closely. For a copy of the latest CBPP reports go to: www.cbpp.org

Final Title I Regulations Update

On November 6th, we sent TechMIS subscribers a special report on *Substantive Changes in Title I Final Regulations* which have implications for most subscribers, based on a review of the 400+ page regulations document and a USED teleconference held on October 28th. USED held a second two-hour teleconference on November 13th to expand and clarify the final Title I regulations and some of USED's "interpretations."

Our November 6th special report identified the minimum criteria that LEAs must meet before they can reallocate unspent SES/choice 20 percent set-aside funds on other allowable products and services, which over the last several years have amounted to between \$500 and \$700 million. Generally, these funds have to be spent by June 30th in more than 40 states or carried over and added to the 20 percent SES set-aside the next year. One important question not addressed in the regulations was whether the reallocation provision applied to the 2008-09 Title I allocations or to the 2009-10 allocations as the effective date. In response to that question shortly after the teleconference, USED officially stated that the regulation would not affect the reallocation process until 2009-10 school year. Hence, whatever procedures are currently being used by SEAs and LEAs with respect to reallocating unspent SES set-aside funds would affect the potential end-

of-year spending by June 30, 2009.

In response to a question, USED officials reiterated their interpretation of a policy requiring LEAs to provide SES for limited English proficient (LEP) and/or special education students who are eligible for SES. A new provision in the final regulations requires SEAs to post on their website whether an approved provider is "able" to serve eligible students in one or both of these subgroups. USED emphasized that, if the LEA finds that the firm who reportedly is "able" to serve these students, but in fact is unwilling or does not have the capability to do so, the LEA does not have to list that provider as an option for parents of such students. However, if there do not exist any providers in the area that are willing to and capable of serving these students, the LEA must provide such services directly, or under contract, for these students. Moreover, the LEA does not have to be approved by the SEA as a service provider to do so. This clarification could provide an opportunity for firms with programs proven effective with LEP and special education students to partner with districts who can spend, not only the Title I allocation for eligible students, but also IDEA funds or a portion of the early intervening services 15 percent set-aside for the SES. This is particularly true if the school which is identified for improvement for two consecutive years is a Title I schoolwide program.

Although not addressed directly in the November 13th teleconference, USED officials reaffirmed that guidance provided unofficially to state Title I directors last July will be published shortly on allowable uses of Early Intervening Services (now referred to as Coordinated Early Intervening Services -- CEIS) under the IDEA 15 percent set-

aside funds that are allocated to Title I programs. This guidance is very likely to state that, Title I schoolwide programs that “consolidate” CEIS IDEA set-aside funds with Title I and other Federal funds, can use such funds to purchase “core instructional programs,” and Tier 2 and Tier 3 interventions. Moreover, these consolidated funds can also be used to serve special education students in these Title I schools. However, in schoolwide programs that do not consolidate or commingle CEIS funds with Title I and other federal funds, these funds can be used to purchase only “interventions,” not “core instructional programs” nor can they be used to serve special education students. The updated schoolwide program plan, in its annual needs assessment, must clearly indicate whether all Federal funds are to be consolidated and describe the school’s strategies and activities. While slightly over 80 percent of all Title I students who are served with Title I are in schoolwide programs, only about half of all Title I schools are designated as schoolwides.

As we have noted in the past, Title I schoolwide programs that consolidate all Federal state and local funds have much more flexibility than other Title I schools in the use of such funds. However, because these schools do not have to report how each of the Federally-funded pots were spent, there are mounting pressures on districts to use Title I funds in schoolwide programs to “make up for shortfalls” in state and local funds in violation of Title I supplement-not-supplant provisions.

Education Policy Influencers Express Cautious Optimism About Obama’s Education Priorities Being Implemented in Light of the Economic Crisis; Opposition to USED Title I Final Regulations is Mounting Which Could Force it to Become the First Order of Business

During the Annual Education Forum on November 18th, as part of annual meeting of the State Education Technology Directors Association (SETDA), policy influencers and transition liaisons from several key associations expressed cautious optimism about the feasibility of President-elect Obama’s Administration to move quickly in Congress, and more critically, to generate increased funding to implement priorities in the context of the current economic crisis. However, as a result of mounting opposition to the recently announced Title I final regulations, the “first order of business” is likely to be seeking their withdrawal or being put on hold even though the November 28th effective date is close at hand.

Lois Adams-Rodgers, transition liaison for the Council of Chief State School Officers, reported that chief state school officers attending the CCSSO policy meeting on November 15-16th had “lots of questions” about the implications and consequences of the regulations and generally agreed that, if they are too “complicated” to implement, they should be put “on hold.” Noting that key Obama policy advisors attended that meeting, Adams-Rodgers felt this should be one of the “first orders of business” for the education transition team and the new secretary of education. When we asked whether there were any indications from the

Obama advisors that this would be the case, she noted that their response was “We hear you loud and clear.” In an earlier SETDA session that day, Susan Gendron, Commissioner of Education in Maine, implied that some states may be taking even stronger legal action.

As reported in Education Daily a day later, a key education advisor to Chairman Ted Kennedy of the HELP Committee said there is “quite a bit of work that our committee is going to have to do to come together around a comprehensive early childhood plan,” which was one of Obama’s highest priorities. However, as reported in the Education Daily article, “He suggested Congress may push the Obama Administration to implement some of that flexibility through administrative changes rather than legislation once a new education secretary is confirmed.” He also indicated that key committee members were pushing for more flexibility and accountability for schools identified for improvement.

An offline discussion with Adams-Rodgers indicated that the CCSSO appears to be taking a lead role in pushing the new Administration to review the Title I final regulations, as well as other regulations, particularly the Non-Regulatory Guidance policies of the Bush Administration. One such policy change, which could increase dramatically the opportunities for firms to “partner” with districts, is the one that precludes a district which is identified for improvement from providing its own supplemental educational services. This policy has been declared to be “illegal” by the USED Office of Inspector General who stated that state education agencies have the sole authority and responsibility to approve or disapprove any providers of supplemental

educational services, including districts. Taking copious notes, Adams-Rodgers indicated that this policy would receive a priority review.

As we have noted in previous TechMIS reports, the Council of the Great City Schools has also recommended that one of the first orders of business by the transition team and the new Secretary should be to make null and void any USED policy and/or regulation, including non-regulatory guidance, which goes beyond the letter of NCLB legal provisions. Other associations such as AASA and NSBA will shortly be publishing their position statements on USED’s final Title I regulations as well as other recent regulatory provisions; they argue the Secretary of Education does not have authority to promulgate rules in certain areas.

Redirected Gates Foundation Strategy Could Create Opportunities for Innovative and Effective Remedial Products and Services in Middle/High Schools and in Colleges to Increase Graduation Rates in Both

Under the redirected high school philanthropic strategy of the Bill & Melinda Gates Foundation, there could be opportunities to develop and demonstrate innovative approaches for remediation in middle schools and high schools, as well as in colleges, to increase high school and college graduation rates, particularly for disadvantaged students. These opportunities would fall under two of the three pillars of the Gates strategy: promoting higher standards for college readiness and fostering innovations to support and engage students.

The third pillar would focus on empowering excellent teachers by identifying effective teaching tools and providing financial incentives to teachers who are successful in improving student performance.

The Gates Foundation has invested nearly \$2 billion in K-12 over the last eight years which, according to the strategy document, “has opened or improved 2,602 schools, engaged 40 school districts and reached at least 781,000 students.” The strategy emphasizes, “As a private foundation, we are uniquely positioned to launch and test new reform approaches, make long-term investments that require steady work and a clear-eyed evaluation of the evidence, and make adjustments based on what we are learning....We pledge to work with partners large and small, including governments school districts, nonprofits, and other foundations. We will hold ourselves accountable and expect others in the field to do the same. If reforms are not resulting in dramatic gains in student achievement, then we are doing something wrong.”

Pointing to the fact that 33 states have pledged to adopt college-ready graduation standards and tests as part of the American Diploma Project -- which Gates has supported financially -- the Foundation has, as one of its planned investments, identification of interventions and measures of student progress that focus on skills students need to succeed in higher education. Another investment focuses on the development, identification, and dissemination of academic supports that motivate and engage students and ease transition into high schools. Yet another investment would include leveraging new technology to better motivate and education students and then support the development

of next generation school models that can take advantage of the technologies and realize the benefits. The overall goal of these investments is to ensure that 80 percent of students graduate from high school prepared for college, with a focus on low-income and minority students reaching the target.

At the post secondary level, a number of investments are planned with a goal of doubling the number of young people who complete college. As reported in Education Week, some of the early grants will support efforts “to improve remedial, or developmental, education, dramatically accelerating the rate of academic catch-up for poorly prepared young students and improving the first-year experience.” Gates also plans to promote new technology products which can improve learning and college completion rates and support the development of new incentives reinforcing students’ motivation to succeed.

According to ESchool News (November 24th), while several rounds of grants will be made in December, 8-10 states will be selected for a more focused set of initiatives over a three to five year period. Overall efforts could be in the neighborhood of \$3 billion. One priority reported in the article is targeting community colleges to increase not only enrollment, but also college completion rates. One foundation’s strategy is likely to be a performance-based incentive program similar to one tried in Louisiana, according to Ms. Pennington. For full-time students received incentive payments for registering then based on mid-course grades and completion of the semester.

Knowledgeable observers believe that John Deasy, the current superintendent of the

Prince George's County Maryland Public Schools, who announced he would be joining the Gates Foundation early next year, will direct many of the pre-college initiatives. Since joining Prince George's County, Deasy has successfully implemented a *teacher pay based on performance* initiative which had strong teacher buy-in and has implemented other creative interventions to improve the achievement of minority students. The new post-secondary initiative will be headed by Hilary Pennington, a co-founder of Jobs for the Future. The overall education effort is being directed by Vicki Phillips, former state superintendent in Pennsylvania and more recently superintendent of Portland (Oregon) Public Schools.

For a copy of the foundation strategy go to: <http://www.gatesfoundation.org/united-states/documents/college-ready-complete-education-success-strategy-november-2008.pdf>

Movement to Fully Fund Federal IDEA Mandate is Being Revitalized as Bush Administration Initiative Falters Due to Reading First Cutbacks

A coalition of education groups led by the American Association of School Administrators (AASA) have argued for "full funding" of IDEA's Federal portion of the cost of special education to 40 percent as mandated in PL 94-142 (now IDEA), and making such funding "mandatory" (versus "discretionary") has met stumbling blocks in the Senate over the last decade. However, the addition of six new Democratic Senators and the promises of the Obama Administration mean the opportunity for

passage during the next Congress is encouraging. In 2004, the proposed amendment to the IDEA reauthorization, sponsored by Senators Hagel and Harkin, to increase IDEA funding by \$2.2 billion each year until the 40 percent Federal contribution was achieved went down to defeat by four votes at that time. In a recent conversation, Bruce Hunter, chief Lobbyist for AASA, who has taken on the personal initiative, felt optimistic that 60 or more Senate votes could be garnered next year. Moreover, Hunter noted, the 40 percent Federal contribution to the cost of special education nationwide is likely somewhat lower than the actual costs now incurred by districts out of local funds to provide services to "high cost" groups of students with disabilities, such as autism, the number of which have increased dramatically over the last decade. In 2005, several studies (including our own) estimated that the cost of regular and special education for the average student with disabilities in 2005 was approximately \$12,000 compared to the average non-special education cost per pupil of about \$8,000. Nationwide, the cost of special education services in 2005 was between \$45-55 billion with the Federal contribution at almost \$10 billion. Current estimates are that the Federal contribution to the cost of special education is about 18 percent, far below the 40 percent mandated in 1976. Over the last 20 years, our surveys of the Use of Technology in Special Education -- conducted every five years -- have found that between 45-55 percent of instructional and other software purchases by districts were paid for out of IDEA.

The "full funding" for IDEA movement is in stark contrast to the Bush Administration's stymied policy initiative which began in 2002-03 and which was further reflected in

the 2004 IDEA reauthorization. One of the goals of Reading First, funded initially at \$1 billion, was to address reading problems students were having in grades K-3 through the use of research-based interventions and professional development to ensure all participating students were proficient in reading by the end of the third grade. The architects of NCLB and Reading First felt the number of students identified and thought to have “learning disabilities” -- and thereby placed in costly special education programs -- would be reduced by 30 percent. Moreover, initial drafts of IDEA would have required that “pre-referral intervention services” (a term which was later changed to “early intervening services”) would have to be provided, by districts with overrepresentations of minorities in special education, to at-risk students in order to prevent them from having to be placed in special education. Initially, the interventions would have had to include all five of the “essential elements” in programs which would be approved for Reading First. Administration officials were hoping that some of the 15 percent set-aside for early intervening services in districts with overrepresentation would fund the purchase of interventions very similar to those used in Reading First.

The final IDEA regulations in 2006 provide greater flexibility to states and districts in selecting appropriate interventions; however, in other areas there currently remains confusion and a need for clarification through guidance on issues such as the conditions regarding purchases of interventions in districts in which states “permit” RTI purchases versus require” EIS/RTI. Beginning in 2006, states began to formalize policy and guidance and, as a result, the amount of funds earmarked under

the 15 percent set-aside for early interventions has increased from about \$500 million in 2006-07 to \$1.3 billion in 2007-08 school year (see TechMIS Washington Update May 20, 2008). Perhaps the largest stumbling block confronting the Bush initiative to reduce the number of students placed in special education programs through the Reading First program was last year’s reduction in Reading First funding from slightly over \$1 billion to slightly less than \$400 million by Congress because of the Reading First controversies and allegations of conflict of interest and mismanagement.

The extent to which Reading First districts have reduced the number of students placed in special education and the number of minority students inappropriately placed in special education, a result which has occurred in districts implementing early intervening services/RTI, is not clear. On the other hand, in the limited numbers of districts with a history of using Reading First type interventions and EIS/RTI significant reductions in the number of special education students placed in special education programs have occurred. It is likely that the AASA coalition, which is revitalizing the full-funding-for-IDEA movement, will have one additional new argument to justify increasing IDEA funding -- even though IDEA funding has generally increased in recent years, so has the amount of the 15 percent set-aside which in effect has reduced the amount of funding for special education programs for students who have been appropriately placed in costly special education programs. Unless Congress creates a special funding stream for early intervening services/RTI outside of IDEA or even Title I, a stronger argument for full and mandatory Federal funding

under IDEA can be justified.

Latest National School Boards Association Survey Finds Technology-Related Professional Development a Growing Concern, as Well as a Potential Opportunity to Meet a Growing Need Resulting From Greater Emphasis on Data-Driven Decision Making in K-12 Restructuring

NSBA conducted a survey of registrants for its recently held Technology and Learning (T+L) Conference, and Seattle and superintendents and technology directors in member districts of NSBA's Technology Learning Network. Survey results identified technology-related professional development as a current problem, as well as a potential opportunity for firms, as the emphasis on data-driven decision-making in K-12 education has created a need to train teachers in how to use student assessment data accurately. Regarding the impact of current economic conditions on district technology programs, more than a third of respondents felt "fewer professional development opportunities existed," second in importance only to "delays in hardware purchases/upgrades" identified by 65 percent of respondents. On the other hand, if districts were to receive additional technology funding, slightly over 70 percent would invest such funds in "professional development for staff/teachers;" the same percentage would invest in "classroom devices." Over two-thirds of the respondents felt that the increased emphasis on data-driven instructional decision-making created the need for professional development to ensure that "data are

accurately interpreted and analyzed." This finding corroborates those of other recent reports -- studies conducted by SRI and the Center on Education Policy -- as noted in the last two TechMIS Washington Updates.

Not surprising was the result that almost 50 percent of respondents felt the biggest challenge facing their district in the area of technology was the "lack of funding," followed by "integrating technology into the classroom" (40 percent) and "replacing/upgrading outdated equipment" (31 percent).

In terms of the top priorities that the new Administration and Congress should be addressing related to education technology: 52 percent of respondents checked off "assessing 21st century skills," while almost 44 percent identified "supporting increased professional development," followed by "focusing on STEM subject areas" (38 percent). In terms of how respondents felt districts have revamped their academic curriculum to provide students more 21st century learning opportunities, 43 percent indicated that new assessment measures in areas of problem solving, teamwork, and critical thinking have been included or emphasized more, while 38 percent felt standards for math, science and technology had increased, with 34 percent indicating that Career Tech Readiness programs have been revised. Those who said technology has played a part in supporting revising curriculum to include more 21st century learning opportunities, a surprising 81 percent felt the most important role for technology will be providing "tools for project-based learning," while 54 percent felt "distance or online learning" played a significant role.

In one important area -- the sufficiency of existing bandwidth -- the NSBA survey findings appear to be somewhat at odds with another recent survey conducted by Tom Greaves, et.al. for Market Data Retrieval (perhaps because of different time frames). In response to a question as to whether the respondents' schools' bandwidth was "sufficient to accommodate activities without lapses in instructional time," slightly over three-quarters of respondents felt that existing bandwidth was sufficient "always" or "frequently" with only seven percent indicating that it was "rarely accommodating without lapses in instructional time." The 2007 Greaves survey found "a surprising 36.7 percent of districts foresee a problem obtaining sufficient bandwidth regardless of their ability to pay...An astonishing 67 percent of polled districts report they were using an application restriction policy to conserve bandwidth, including banning streaming video." Both surveys found that the E-Rate program has been very important in meeting district technology goals, while Greaves reported that most respondents foresaw a problem with E-Rate funding levels due to the \$2.25 billion cap as the aggregate demand for E-Rate discounts continues to increase. (See November [Washington Update](#))

For a copy of the T+L Conference Annual Survey, go to: www.nsba.org

USED White Paper Touts Education Technology as a Means to Personalize Education, but its Policies and Priorities Over the Last Seven Years Suggest the Opposite

In October, in what some call the Secretary's "swan song," USED released a White Paper called "Harnessing Innovation to Support Student Success: Using Technology to Personalize Education." Despite the title, over the last seven years, USED's priorities and policies say otherwise and several examples cited are contradictory. The document, which according to knowledgeable officials was not prepared by the Office of the Director of Education Technology within USED, does speak to the potential of education technology to personalize education or otherwise promote individualized instruction. To its credit, the White Paper does state, "Over the past decade, the federal investment in technology has not been well targeted, resulting in islands of innovation, not a sea of change."

One of five key areas of change in which technology investments should increase in order to reform education is online learning and virtual schools. One example cited in the White Paper is that, in 2004, of the 15 most widely-approved SES providers, six used distance learning technology in a significant way. This occurred in spite of Secretary Paige and Deputy Secretary Hickok's initial policies and priorities which supported only online assessment, not online tutoring.

Another key area is transforming data into knowledge and action. For example, USED points to numerous projects and centers

which were created to capture data on individual schools' progress in boosting student achievement. However, the objective here was not to use data initially for formative assessment to individualize instruction, but rather to compare states to states, districts to districts, and schools to schools to inform parents so they could decide what schools they wanted to enroll their students in. The paper also points to the USED investment of approximately \$115 million in helping states improve their data systems which could be used to increase the state's capacity to "report data to the general public and USED."

Yet another key area for technology investment is with broadband connectivity, as indicated by the success of the E-Rate program. However, the 2003 Presidential budget would have allowed professional development and other instructional applications to become eligible for E-Rate discounts. This would have created significant opposition from telecom firms which would have killed the program. Senator John McCain was able to strip such language from the proposed Department of Commerce budget.

And last, the White Paper calls for more investments in research on the efficacy and impact of education technology. Here, the paper points to the newly authorized, but not yet funded National Center for Research in Advanced Information and Digital Technology which was created by the recently reauthorized Higher Education Act. Over the last six years, USED has conducted several large-scale studies mandated by Congress to assess the impact of technology-based interventions on math and reading achievement. As noted in a related item noted below, only the first year results --

which were both positive and negative -- were released. USED has yet to release the second year results, three years later. Numerous groups faulted the initial study design and the failure to take into account implementation variables.

While some have felt the White Paper is a mea culpa, others believe that someone may be looking for a job in a technology firm. To elaborate on some of the alleged contradictions, we have included a recent Education Technology article published in September/October (2008) on some of the setbacks to the education technology field caused by the Bush Administration's policies and priorities.

The White Paper is at: www.ed.gov/about/offices/list/os/technology/reports/roundtable.html

MISCELLANEOUS DEVELOPMENTS

Final Report of Reading First Impact Study Reiterates Interim Findings that Reading First Did Not Produce a Statistically Significant Impact on Student Reading Comprehension Test Scores in Grades 1, 2 or 3; However, in 2007, the Reading First Program Had a Statistically Significant Impact on the Development of Decoding Skills Among First Graders

The interim findings from the Reading First Impact Study (reported in the June TechMIS Washington Update) were largely corroborated in the Final Report released on November 18th. The study found that Reading First did not help the development

of reading comprehension skills; however, as we suggested in June, Reading First was likely to have been somewhat effective in developing other skills. Indeed, the Final Report states, "Reading First produced a positive and statistically significant impact on decoding among first grade students tested in one school year (spring 2007). The impact was equivalent to an effect size of 0.17 standard deviations." As Secretary Spellings stated on November 19th, "Reading First had a significant impact on students' decoding, phonics, and fluency skills -- three of the five basic components of reading. This impact means that scores of students in Reading First schools were higher by the equivalent of 3 months in a 9-month school year."

As we and other groups, including the Fordham Foundation and Dr. Reid Lyon, the architect of Reading First, have argued the overall study design had several serious flaws. One of these was the "contamination" of non-Reading First comparison schools which, as early as 2005 according to the Center on Education Policy, had begun to adopt many of the principles, interventions, and even assessments used in Reading First schools. Education Week's Kathleen Kennedy Manzo, who has conducted the most in-depth analysis and reporting on the Reading First program (including audit reports' findings of conflicts of interest and mismanagement during the early years) in her November 19, 2008 article referring to Grover Whitehurst, outgoing Director of the Institute of Education Sciences which funded and directed the study, stated, "But Mr. Whitehurst dismissed those claims yesterday, saying that although there may be some 'bleed over' into non-Reading First schools, the classroom observations and

survey data show that the schools are not so similar." According to Whitehurst, "There were differences in professional development, there were differences in the use of reading coaches,...and there were significant differences in classroom practices."

The findings in the final Reading First impact report are somewhat different from an earlier report entitled *Reading First Implementation and Evaluation Final Report*, which did find some statistically significant differences in reading gains of students in the third- and fourth-grade in Reading First schools when compared with counterpart non-Reading First Title I schoolwide programs (see October 2008 TechMIS Washington Update).

The bottom line question is whether the somewhat positive, yet limited, findings in the latest report will move Congress to restore the two-thirds budget reduction for Reading First this school year or even continue the program. During a Meet the Press interview on September 28th, David Axelrod, a key advisor to President-elect Obama stated that Reading First was "not helping any kids learn. We ought to say, 'That it doesn't work; let's get rid of it.'" On the other hand, Jack Jennings, president of the Center on Education Policy which has conducted ongoing implementation studies of Reading First over the last four years, in a recent interview with Education Daily stated, "The study doesn't remove the cloud for the funding... Decoding is important, but comprehension is also important. Hopefully, the report will help Congress to see there are some positive impacts, and with President Bush out of office, hopefully politics won't be involved." If the FY 2009 budget Continuing Resolution is extended

beyond March 6, 2009 to September 30th, then Reading First funding should remain at the current level which is slightly below \$400 million. As we have reported in recent Washington Updates, the rate of adoption of Reading First principles, assessments, and interventions by non-Reading First schools continues with funding coming from a myriad of sources ranging from Title I to the Daily Intervening Services 15 percent IDEA set-aside and even local funds where high-level district officials perceive the success of Reading First.

For a copy of the report go to: <http://ies.ed.gov/ncee/pdf/20094038.pdf>

Request for Proposals for Publishers to Proceed to Response to Intervention Programs for Evaluation is Expected to Become Available in December

The National Center for Education Evaluation and Regional Assistance (NCEE) -- within the U.S. Department of Education's Institute of Education Sciences -- will be sponsoring a multi-year evaluation

of different Response to Intervention (RTI) systems and their impact on student reading performance and eligibility for special education. In December, NCEE's evaluation contractors, MDRC and SRI International, will issue a Request for Proposals asking firms to provide:

- an evidence-based supplemental reading program appropriate for Tier 2 intervention for struggling readers in grades 1 and 2;
- a description of how the RTI intervention will be implemented; and
- professional development and technical support for school staff;
- a system for measuring student reading performance, including evidence of reliability and prediction validity, tracking software, and rules for student placement decisions.

Proposals will be due in late March, with the three-year project slated to begin in July 2009.

Alabama Update

December 2008

According to the Montgomery Advertiser, the Alabama State Board of Education has approved a proposal to increase funding for the State's Education Trust Fund in FY 2010 by \$334.3 million to a total of \$6.7 billion. The funding is \$52.2 million more than the legislature appropriated for FY 2009. Under the plan, the Alabama Reading Initiative and the Alabama Math, Science and Technology Initiative would receive funding in excess of appropriated levels. The plan includes \$22.6 million for hiring 370 additional middle school teachers and \$4 million for gifted education and autism education specialists. The legislature will address the proposal when it returns in February.

In the November election, Alabama voters approved State Amendment 1 which reestablishes the Education Trust Fund Rainy Day Account and allows the State to borrow funds for education from the Alabama Trust fund.

Education Week reports that the state has developed a program to train teachers about instruction for the growing number of autistic students in the State's public schools. Like Pennsylvania, Alabama will train teachers using the State's distance learning network.

According to The Birmingham News, Alabama's proposed education budget for next year will include a \$6 million pilot program for teacher merit pay in poor districts. A similar initiative failed in the legislature last year. Under the proposed pilot, merit pay would be used as an incentive for high-quality teachers to work in underserved areas. The funds would be allocated through competitive five-year grants to hard-to-staff school districts. Eligible districts would have to have at least half of its enrollment on the free/reduced price lunch program. The Montgomery Advertiser reports that Alabama has expanded its free online tutoring program -- www.homeworkalabama.org -- provided through the Alabama Public Library Service. The cost of the program is \$500,000 a year in Federal and State funds. To date, there have been 200,000 online tutoring sessions, saving Alabama parents an estimated \$7 million. Students access the

system by entering their zip code, grade level, and subject; they are then connected to a tutor. The average session lasts 20-25 minutes.

Alaska Update

December 2008

The Anchorage Daily News reports that Alaska's high school dropout rate, at eight percent, is double the national average. State data indicate that 38 percent of this year's ninth-graders will not have a high school diploma ten years from now and that Alaska ranks last among states in the number of ninth-graders who are likely to have bachelor's degrees within ten years. State officials have called for more Federal assistance to fund more pre-kindergarten programs, to support more vocational and technical classes in high schools, and to continue providing special grants for Native Alaskan students.

Arizona Update

December 2008

As reported in The Arizona Republic, more of Arizona's poorer students are doing better on State middle school assessments despite more rigorous standards. Arizona has instituted tougher high school graduation requirements in math and science to prepare students better for college and the workplace. The higher standards have put more pressure on middle schools to go beyond getting their students to pass the Arizona Instrument to Measure Standards (AIMS). More than half of middle-schoolers passed the 2008 reading test -- far better than 2006 -- and the percentage passing the math test showed significant improvement as well. These increases occurred despite a higher required passing score.

Facing a \$1.1 billion budget shortfall, Arizona is expected to make cuts in State aid to schools. As reported in Education Week, many districts are considering shifting to four-day weeks. More than 100 Arizona schools have already done so. Although the State mandates a certain number of instructional hours per year, it does not specify the number of days schools must operate. Districts estimate that reduced costs for transportation, utilities, and food service could save between 15 and 18 percent of their overall costs.

Arkansas Update

December 2008

The Arkansas News Bureau reports, in 2007-08, 25 of Arkansas' 245 school districts failed to make adequate yearly progress (AYP) under the Federal No Child Left Behind Act -- up from 11 last year. Twenty districts missed AYP for the first time, four missed for the second consecutive year, and one missed for the third year in a row. State data also indicate that 375 of the State's 1,087 public schools are identified as "in need of improvement" -- up from 50 the year before.

In the November election, Arkansas voters approved an authorization for a State lottery to fund college scholarships. The procedure, however, for implementing the lottery requires the legislature to enact legislation and then develop mechanisms for the actual operation of the lottery and allocation of proceeds. State officials have, perhaps optimistically, said sales of lottery tickets could begin within a year.

California Update

December 2008

According to [Education Week](#), a County Superior Court has postponed California's controversial requirement that all eighth-graders take algebra. The State school board had approved the requirement in July; it was opposed by the State Superintendent and education groups who argued it was too expensive and could increase the dropout rate. Currently, half of all California eighth-grade students take algebra -- up from 34 percent four years ago -- but only about 25 percent of those who take the course score at "proficient" or higher on State tests. The State has been under pressure from the U.S. Department of Education to make its eighth-grade math test more rigorous; the Superintendent proposed a new test that incorporated some, but not all, algebra concepts.

As reported on [SFGate.com](#), two years ago, California was awarded \$250 million as part of the \$1.1 billion settlement of a class-action lawsuit against Microsoft. But, to date, only about \$50 million of the settlement has been spent. With the prospect of getting even more money when the final part of the suit is settled, districts are waiting to see how much they will finally receive before deciding how to spend it. The Los Angeles school district, for example, was given vouchers worth \$32 million targeted at low-income schools; the district has, over the last two years, spent less than \$6 million of it. LA has placed the highest priority on upgrading outdated computers, buying new software, and providing training and support.

The [Los Angeles Times](#) reports that Governor Arnold Schwarzenegger will ask for an increase in California's State sales tax and a \$2-4 billion cut in education funding. Education leaders say such a decrease in State money would be catastrophic for all districts. The Los Angeles school district, already in the process of identifying \$400 million in cuts for next year, will have to cut \$200-\$400 million this year. Among the moves considered for addressing the shortfall are larger class sizes, layoffs, and early retirement incentives. One proposal calls for an increase in K-3 class size from 20 to 25 students. The cuts are expected to be particularly painful because the school year would be half over before the cuts could be implemented.

A study by the California Charter Schools Association has found that 12 of the top 14 California public schools focusing primarily on low-income students are charter schools. The study looked at the more than 3,000 schools Statewide with at least 70 percent enrollments of poor students (those qualifying for free or reduced price lunch). The CCSA is an advocacy group for California's charter schools.

As reported in Education Daily, California has approved grants to seven charter schools as part of the Federal Public Charter Schools Grant program. Receiving a total of \$6 million, the seven grantees are expected to share information with other charter and non-charter schools, including best practices for significantly improving student academic performance.

In the November elections, Los Angeles voters approved, by a 69 percent vote, a \$7 billion bond to repair and upgrade district schools. The bond funding will, in addition to fixing 800 older facilities, be used to replace older buses and improve air quality and energy efficiency. Opponents of the measure argue that the spending is unnecessary because the district's enrollment is declining, but bond supporters say that enrollment is expected to begin increasing again in 2015.

Colorado Update

December 2008

In the November election, Colorado voters rejected -- by a narrow 51-49 percent margin -- a proposal to ban State affirmative action programs. Had the ballot measure passed, according to Education Week, it would have implemented a Constitutional ban on considering race or gender in State hiring, contracting, and college admissions.

Florida Update

December 2008

The South Florida Sun-Sentinel reports that, in an effort to save money, Florida has eliminated summer retestings of the Florida Comprehensive Assessment Test (FCAT). High school students are required to pass the FCAT's reading and math sections in order to receive a standard diploma. It is possible that district graduation rates will suffer because students will have fewer chances to retake the FCAT. The State is also planning to eliminate an Internet service that lets parents check their children's FCAT results.

As reported last month, a new State law will require every Florida school district, starting next fall, to establish an online school for K-8 students. The new online schools are designed to give parents more choice over their children's education -- like home schooling, charter schools, and vouchers. The State would pay about \$6,000 a year for each online student. The virtual school program requires students to sign up full time or not at all; they must take their full course load online and cannot participate in organized sports. Virtual school students must take the Florida Comprehensive Assessment Test (FCAT) like regular students. State officials do not know how many students will enroll in the online schools, but the Florida Virtual School's online courses for high school students has grown in number from 6,767 half-credit courses in 2001 to 137, 450 courses in 2007-08.

Hawaii Update

December 2008

The Honolulu Star-Bulletin reports that, facing an expected \$70 million budget shortfall, Hawaii is entertaining a number of options for cutting costs. Among the cost-cutting initiatives proposed are shutting down schools for six days (\$25 million), closing State offices for four days (\$18.3 million), and requiring all State education employees to work four days without pay (\$18.9 million).

Idaho Update

December 2008

The Idaho Statesman reports that Idaho will award \$1.25 million in grants to operate after-school programs during the 2009-10 school year. Funded by the Federal 21st Century Community Learning Centers program, the grants will be available for school districts, as well as community- and faith-based organizations. During November, workshops for prospective applicants were held in Twin Falls, Pocatello, Nampa, and Coeur d'Alene.

According to the Idaho Mountain Express, a two-language program operating in the Blaine County School District has produced results showing that both Hispanic and non-Hispanic students who participate in the Dual Immersion program perform better than their counterparts in regular classrooms. District data indicate that 83.3 percent of the Hispanic sixth-graders in the dual Immersion program read at proficiency on the 2008 Idaho Standard Achievement Tests, compared with a Statewide average for sixth-grade Hispanic students of 39.4 percent. All of the non-Hispanic sixth-graders in the program read at proficiency compared with 84 percent Statewide.

Illinois Update

December 2008

According to the Illinois State Report Card, elementary and middle school students have showed steady improvement on State assessments over the past five years, but high school scores have remained flat or even dropped. New research from the Consortium on Chicago School Research at the University of Chicago indicates that there is a significant disconnect between the two tests. Expectations on the elementary test are so low compared with expectations for high school that students who barely pass the eighth-grade exam have little chance of earning even a minimal score in the eleventh grade college entrance exam.

The Chicago Tribune reports that this year, for the first time, Illinois' bilingual students were required to take the same exams as other students. According to the 2008 Illinois School Report Card data, the passing rate for bilingual students on the reading test dropped from 61 percent to 37 percent. The passing rate for math fell only one point to 61 percent. As a consequence, 66 schools failed to meet progress goals under the Federal No Child Left Behind Act, based solely on the scores of English language learners, up from only eight such schools last year.

Indiana Update

December 2008

The views of Indiana's newly elected Superintendent of Public Instruction, Republican Tony Bennett, follow closely those of Republican governor, Mitch Daniels. As reported in Education Week, both support expansion of full-day kindergarten and a proposal to restore classroom discipline. During his campaign, Bennett expressed support for school vouchers and school district consolidation.

According to the Chicago Tribune, the Indianapolis school district is making some drastic cuts because of its difficult financial situation. In addition to staff reductions in the central office, the district plans to lay off as many as 400 teachers and close six schools.

Kansas Update

December 2008

With the Kansas legislature looking at a \$137 million budget shortfall for FY 2009 -- a deficit that could reach \$1 billion without State action -- Governor Kathleen Sibelius has ordered a three percent across-the-board cut for all State agencies. Despite hiring freezes and halted capital projects, State agencies can expect to see further cuts.

Kentucky Update

December 2008

According to the Louisville Courier-Journal, the Kentucky Teacher Internship Program (KTIP) is a State-mandated program that provides training and mentoring for new teachers to ensure they have the skills to succeed. Because of the State's precarious economic situation, KTIP's planned annual budget of \$3.7 million is likely to be cut by \$1.5 million this year. A total of 400 teachers scheduled to begin in January will have to wait until September to participate in the mandatory program. The bulk of KTIP's budget -- 85 percent -- is planned to serve resource teachers.

Louisiana Update

December 2008

Data from the National Center for Education Statistics (NCES) predict that Louisiana's public school enrollment will drop by 12 percent in the next decade and the number of high school graduates will drop 43 percent. These drops are expected despite projected increases in public school enrollment (up 19 percent) and high school graduates (up 18 percent) for Southern states as a whole. Other data show that Louisiana's public high school graduation rate is 62 percent, among the lowest in the nation.

According to The New Orleans Times-Picayune, Louisiana is considering a new funding formula that would give more money to State colleges and universities with better graduation rates, as well as to those with programs in high-demand fields like science and nursing. Currently, Louisiana's institutions of higher education receive a total of \$1.5 billion in State funding. The State, facing a possible \$1.3 billion budget shortfall for FY 2009-10, could make cuts in higher education of as much as 20 percent.

Beginning in January, Louisiana's community colleges will be offering courses on cell phones. The Louisiana Community and Technical College System (LCTCS) will allow students with iPhones or Blackberries to take 21 pilot program classes in business and general education. Designed to provide educational access to students who work or who are geographically limited, the program will be available at www.lctcsonline.edu. LCTCS hopes eventually to make entire associate degrees available both online and on cell phones.

Maryland Update

December 2008

According to The Baltimore Sun, the Maryland Board of Education has voted not to delay a requirement that students in the Class of 2009 pass a series of subject-specific High School Assessments (HSAs) in order to graduate next June. State data indicate that 90 percent of seniors have passed the HSAs in algebra, biology, English, and government. To date, of the Class of 2009, 79 percent of Black students have passed their HSAs, as have 87 percent of Hispanic students. Targeted exemptions still could be available for special education students and English language learners.

In the November election, Maryland voters approved a measure that would allow five gambling halls throughout the State, including 15,000 slot machines. It has been estimated that the gaming revenues from this initiative could provide as much as \$660 million per year for the State's public schools.

Massachusetts Update

December 2008

As reported in the Boston Globe, the plan of Governor Deval Patrick to provide students with a free education, from preschool through community college, has become a victim of the State's budget problems. Known as the Readiness Project, the Governor's ten year plan is intended to prepare students better for Massachusetts' future economy. Starting in January, some components of the plan will be implemented -- expansion of universal preschool, full-day kindergarten, longer school days and years, and free community college for some students -- but funding for the activities will be scaled back. Expansion grants for full-day kindergarten have been reduced by \$3 million to \$31 million. Funding for early education and care has seen a \$14 million budget cut. There has been speculation that Governor Patrick could be part of the incoming Obama administration in Washington.

Governor Patrick has established a State leadership team -- the Child and Youth Readiness Cabinet -- focused on improving services for children, youth, and families. The Cabinet's priorities will be:

- developing a sophisticated data system to store and report child data across State agencies;
- creating a Readiness Passport that documents key elements of a child's educational experiences and service interventions;
- launching a pilot early warning data system to identify students at risk of dropping out of school; and
- supplying student support coordinators to help schools connect students and their families to appropriate health and human services.

In December, the Boston City Council will consider a proposal to provide free, online access to SAT preparatory programs. The Boston school district is seeking to improve its combined average SAT scores by 300 points (to 1,650) by 2012 and to narrow the achievement gap between students from well-to-do and poorer families. The proposed program would allow

Boston's public and private school students to connect to the SAT prep program through the Boston Public Library website.

Michigan Update

December 2008

As reported in the [Detroit Free Press](#), the financially troubled Detroit school district has agreed to a plan that would avert an impending takeover by the State. The district has approved a consent agreement that requires the district to submit, by early December, details as to how it will deal with its projected FY 2008 budget deficit of \$124 million through reduced staffing, wages, and purchasing. At least one Detroit school board member has expressed doubt about whether the district can meet the terms of the consent agreement.

Minnesota Update

December 2008

Minnesota has set a goal of having 25 percent of all credits earned through Minnesota State Colleges and Universities (MnSCU) to be taken online by 2015. Last year, 66,000 MnSCU students (26 percent) were enrolled in at least one online course; 9.2 percent of all MnSCU credits were awarded through online courses. Among the proposed steps announced to help reach the goal are:

- requiring some online academic experience for high school graduation;
- awarding a \$150 bonus to students who earn the State's new ACHIEVE scholarship while completing at least one online course in high school; and
- conducting in an online survey to determine students' potential to succeed in online courses.

Mississippi Update

December 2008

According to the Hattiesburg American, at least 20 of Mississippi's 152 school districts are looking at possible budget deficits because of the State's requirement that they cut their budgets. According to the Tupelo Daily Journal, for the current fiscal year, Governor Haley Barbour has made budget cuts of \$41.9 million -- two percent -- across most State agencies including higher education, but K-12 education has been spared. The cuts cover only the first four months of the fiscal year when revenues were 2.3 percent below expectations. The Governor has cautioned that further cuts, including K-12 education -- can be expected in January. If the cuts become real, districts would have to use their "rainy day" funds. Some legislators have proposed a four-percent budget cut for next year (FY 2010).

The Hattiesburg American also reports that Mississippi is considering the use of an Internet-based program to allow teachers to register for their licenses and to store teacher licenses. The online program, like those in Georgia and Texas, would allow parents to see information about their children's teachers, including type of degrees, subjects of certification, and expiration date.

Montana Update

December 2008

As reported in the Billings Gazette, Montana's newly-elected Superintendent of Public Instruction, Denise Juneau, takes office in January. The first American Indian woman to be elected to Statewide office in Montana, Ms. Juneau has said she will argue that the Federal No Child Left Behind Act has had a negative effect on rural states like Montana and will seek more Federal funding to address the effects of the national economic crisis on the State.

The National Indian Education Association has cited Montana for its efforts to integrate Indian culture into mainstream education. As reported in the Missoulian, 90 percent of Native American students attend public schools. The schools are the places where improvements in Indian education must be made and where mainstream students can best gain awareness of tribal culture.

New Hampshire Update

December 2008

A committee established by the New Hampshire legislature has issued a draft report on ways by which the State could help schools provide high-quality, efficient special education. As reported in the Concord Monitor, among the group's recommendations are more training programs at local colleges by creating an associate degree in low-incidence disabilities at community colleges and creating a State license program to encourage educators to become skilled in adaptive technology for students with disabilities. Currently, there are an estimated 4,900 children classified as having "highly challenging" or "low incidence" disabilities -- autism, traumatic brain, injury, sight-impaired, hearing-impaired.

New Jersey Update

December 2008

The Newark Star-Ledger reports that, this year, 646 New Jersey public schools -- nearly 30 percent of schools in the State -- will fail to make adequate yearly progress (AYP) under the Federal No Child Left Behind Act -- 66 schools more than last year. The Federal Government has approved a slow-down in the escalating AYP requirements for the State. For example, the State has lowered the requirement that middle schools must have 82 percent of their students pass the language arts portion of the State assessment to 73 percent. Similar adjustments were made in required passing rates for elementary and math. Actual school-by-school results will be available in December.

As reported in The New York Times, a U.S. Circuit Court has ruled that parents cannot sue the low-performing Newark school district to force compliance with the Federal No Child Left Behind Act. The plaintiffs argued that the district did not notify them of their right to transfer their children out of failing schools. But the Court ruled that enforcement of the Act is the responsibility of the State Education Agency.

New York Update

December 2008

New York University, in partnership with Microsoft Research and other New York colleges, has established Games for Learning Institute (G4LI), a research project designed to provide evidence that computer games can be successful learning tools. Funded at \$3 million for its first three years, G4LI will be located at NYU. Its first phase will focus on evaluating computer and video games as potential learning tools in the areas of science, technology, engineering, and mathematics (STEM) for students in grades 6-8. G4LI plans to evaluate game prototypes, introduce them into 19 New York City schools, and track the results. For more information, go to: <http://research.microsoft.com/ur/us/gamesinstitute.aspx>

A group of ten small New York school districts is planning to sue the State for more education funding. Facing a \$47 billion deficit over the next four years, the State is considering cuts in all programs. The small city districts participating in the lawsuit argue that the State had failed to fund schools adequately -- despite having among the highest per-pupil spending in the nation -- thus driving up local tax rates. The participating districts are: Albany, Beacon, Jamestown, Kingston, Mount Vernon, Newburgh, Niagara Falls, North Tonawanda, Port Jervis, and Tonawanda.

North Carolina Update

December 2008

According to the Winston-Salem Journal, North Carolina's school districts will be required to return a total of \$58 million in State funds to help address a \$119 million budget cut for education. The largest hit will be taken by Wake County which will lose \$5.48 million. Charter schools will see reversions totaling \$1.4 million.

Oklahoma Update

December 2008

The Oklahoma Board of Education has asked the legislature for a FY 2010 budget that is \$480 million higher than the current year. Included in the budget for the fiscal year that starts next July 1 is \$36.5 million to extend the school year by two days to 177 days. Last year, the legislature rejected a proposal to add five days to the school year. Another \$20 million would be allocated for the hiring and training of graduation coaches to help at-risk students meet graduation requirements. A similar request was also rejected by the legislature last year.

Oregon Update

December 2008

As reported in Education Week, Oregon voters defeated two controversial ballot questions. One would have put severe limits on the amount of time (two years) English language learners could be taught in a language that is not English. The second defeated ballot measure would have explicitly tied teacher pay raises to student performance.

An Oregon jury found the Oregon Department of Education liable for the State's 2007 testing fiasco and awarded \$3.52 million to the testing contractor, Pennsylvania-based Vantage Learning. State officials had sharply criticized Vantage for poor service that resulted in a stoppage of computer testing and a switch to paper-and-pencil tests. In 2007, the State switched its online testing to the American Institutes for Research. The trial found that the State, not Vantage, had operated in bad faith and had violated its contract with Vantage.

Pennsylvania Update

December 2008

A new report by the Pennsylvania Partnerships for Children shows that twice as many high school dropouts are unemployed and living in poverty than are those with diplomas. Entitled “Dropping Back In: Re-engaging Out-of-School-Youth,” the report made a number of recommendations for reducing the State’s 20 percent dropout rate. Among the recommended options are:

- support to advance the literacy skills of struggling students;
- accelerated learning and credit recovery for students who are over-age;
- evening/online courses to address the needs of out-of-school youth.

As reported in the Times Leader, the State is replacing its existing elementary certificate for K-6 teachers with two new certificates -- PreK through 4 and 4 through 8. The new guidelines will impose more rigorous credit requirements on education majors but is considered by some Pennsylvania colleges as an infringement on their ability to determine their curriculum. Proponents of the change say the new requirements will force the State’s 93 teacher-preparation programs to better prepare teachers for the classroom. Critics argue the new standards may discourage students from pursuing education degrees.

According to the Pittsburgh Post-Gazette, the Pittsburgh school district is considering the possibility of offering bonuses to attract better teachers to low-performing schools. Under collective bargaining agreements, senior teachers have greater influence over where they are assigned. The bonuses could be given to high-performing teachers who agree to teach at low-performing schools or could be awarded based on the teachers’ success in raising student performance at those schools. The district is currently using a five-year, \$7.4 million grant that provides bonuses to principals who raise student performance at schools in disadvantaged neighborhoods.

A financial analysis by the Philadelphia school district determined that the cost of the City’s

charter schools will be \$105 million for the 2008-09 school year. The district's total 2008-09 budget of \$2.3 billion includes \$320 million for charter schools -- including State funds. There are 63 charter schools in the district (up from four in 1997-98) enrolling 34, 400 students at an average tuition cost of \$8,088 for every regular education student and \$17,658 for every special education student. For each charter school student, the district's cost is only \$1,719 due to savings from teacher salaries and instructional materials.

South Carolina Update

December 2008

The Charleston Post and Courier reports that district and school report cards -- scheduled for release in mid-November -- will not be available until January due to an error by the test scoring contractor. It is expected that the \$300,000 cost of recompiling the report cards will be absorbed by the vendor.

According to South Carolina State data, 80.8 percent of the State's tenth-graders passed both sections of the high school exit exam on their first try -- a 3.7 percentage point increase over 2007. On the State's High School Assessment Program (HSAP), 87.7 percent of those tested scored Level 2 or higher in English Language Arts (down from 88.1 percent in 2007) and 84.6 percent scored Level 2 or higher in math (up from 79.8 percent in 2007). Passing the HSAP is required for students to receive a high school diploma. This is the third consecutive year of improvements in HSAP scores and some of the biggest gains were among English language learners.

In an effort to deal with the State's slumping economy, and a \$9.1 million cut to the education budget, the South Carolina Department of Education has implemented mandatory furloughs for all staff requiring them to take five days of unpaid leave between now and the end of the fiscal year (June 30, 2009). The furloughs, which do not apply to teachers or other school district staff, are expected to save the State \$569,000. In addition to the \$9.1 million cut to K-12 education, the legislature cut \$123 from the State's public university and technical colleges.

South Dakota Update

December 2008

For the past three years, South Dakota has been implementing South Dakota Counts, a professional development and mentoring program designed to build teachers' confidence and content knowledge in math. Each summer, according to Education Week, math specialists from around the State meet with selected elementary teachers for a week long seminar. Then, throughout the year, the specialists meet with smaller groups of teachers on a regional basis. Funded by a \$900,000 per year grant from the Federal Title II program, South Dakota Counts has 180 participating teacher-leaders/specialists who have provided support for teachers in 100 school districts.

Tennessee Update

December 2008

As reported in Education Week, this past summer, the academically struggling Nashville school district was largely reorganized by the State. The State appointed three new associate superintendents to oversee instruction at the elementary, middle, and high school levels, as well as new directors of the district's Federal, special education, and gifted programs. The State also replaced 60 ineffective principals and assistant principals, changed the curriculum to emphasize literacy and numeracy, established small learning communities within some high schools, and expanded career and technical programs. The district is now in the midst of a six-month trial period to see if the reorganized district can improve student performance. If not, further changes can be expected.

Texas Update

December 2008

As reported in the Houston Chronicle, the highly touted Texas Early Education Model (TEEM) is an \$80 million program designed to prepare low-income preschoolers for school and to improve pre-kindergarten coordination among public schools, Head Start, and other child-care centers. Critics of TEEM point out that the first-year cost of a TEEM classroom -- including materials, mentoring, and licensing fees -- is \$11,175; this is far more than the \$4,000 cost of a typical pre-K classroom. Questions have been raised about the \$500,000 in royalties received by staff members of the State Center for Early Childhood Development from vendors and book publishers.

The Dallas Morning News reports that the Dallas school district has, for a number of years, falsified social security numbers in order to hire foreign nationals as teachers through an alternative teacher certification program. The district continued the practice even though it was warned by the State. Investigations are under way by the Federal Social Security Administration and the State Attorney General's Office.

A new higher education plan, to go into effect in 2010, would include rigorous academic standards in addition to economic need as requirements for students to get financial aid (worth \$2,640 per semester) in college. As reported in the Houston Chronicle, the Texas Grants program will also receive an additional \$77 million for community college scholarships if the legislature approves the plan. The new standards would require students, in addition to demonstrating financial need, to meet two of four academic requirements: (1) graduate from high school with a 3.0 GPA; (2) score at least 1590 on the SAT or 23 on the ACT; (3) graduate in the top third of their high school class; and (4) graduate with an International Baccalaureate or Distinguished Curriculum.

As reported in Education Week, September's Hurricane Ike has wreaked havoc with the Galveston school district and not just in terms of physical destruction. By forcing hundreds of

students out of the district, the hurricane has caused a large drop in State funding which is based on student enrollment. Moreover, the lower values on homes and businesses mean lowered local tax revenues. Having lost 30 percent of its students, the district does not have the money to repair the schools that were seriously damaged by Ike. Insurance will not come close to covering the damage to facilities and, even with the Federal Emergency Management Agency (FEMA) covering 75 percent of rebuilding cost, the district -- with a \$6 million shortfall before the hurricane -- cannot afford the remaining 25 percent.

Utah Update

December 2008

The Salt Lake Tribune reports that Utah's public schools have seen an increase in K-12 student enrollment of 2.5 percent over last year -- to a total of 551,013 students. The enrollment of minority students in Utah schools has increased at more than double the rate of general enrollment. Minority enrollment increased by 5.8 percent to 113,066. Hispanic students represent the largest minority at 14.4 percent of the State's public school enrollment.

The Salt Lake Tribune reports that the Utah Board of Education has approved four new charter schools and the expansion of four existing charters by the 2010-11 school year. This would bring the total increase in charter school slots for 2010-11 to more than 12,000. Currently, 27,369 students attend Utah's 66 charter schools.

According to The Salt Lake Tribune, a Utah State Board of Education committee has approved a new rule that would require school districts and charter schools in the State to have one counselor for every 350 students in grades 7 through 12. The current Statewide ratio is one for every 378 students, with 19 of the State's 40 districts already meeting the proposed requirement. The full school board is expected to approve the requirement next month.

As reported in The Salt Lake Tribune, the U.S. Department of Education has refused to allow two Utah school districts to experiment a new adaptive testing system. The Sevier and Juab school districts had planned to implement a system of giving computer-adaptive tests several times a year instead of the end-of-year Criterion Referenced Tests (CRTs). The adaptive testing is thought to provide more useful, immediate results to teachers and students. Now the districts will have to give up on parts of the new system or administer both tests. State officials have been sharply critical of USED over this and other Federal rulings.

Vermont Update

December 2008

Vermont's new State Superintendent will be Armando Vilaseca, the current superintendent of the Franklin West Supervisory Union school district. Vilaseca has been an educator in the State -- as teacher, principal, and superintendent -- for nearly 30 years.

Virginia Update

December 2008

The Washington Post reports that Virginia's high-stakes testing program for elementary students has caused many districts to assign math specialists or coaches to help often-undertrained elementary school teachers. The math specialists work with teachers to improve their skills and sometimes take over math instruction. In Arlington County and Alexandria, for example, at least one part-time math specialist is assigned to every elementary school. Fairfax County, the State's largest district, has more than 70 math specialists in elementary and middle schools.

The Washington Post reports that Virginia has proposed a number of major revisions to the State's mathematics standards. This would be the second revision since the standards were introduced in 1995. A draft of the proposed revisions is available on the Virginia Department of Education website (www.doe.virginia.gov). Hearings on the proposed revision will take place during December; final revisions are expected by the end of December.

Washington Update

December 2008

Randy Dorn, a State legislator, has defeated three-term incumbent, Terry Bergeson, for the post of Superintendent of Public Instruction. Dorn, a former principal and Executive Director of Public School Employees of Washington, has promised to conduct a comprehensive review of the Washington Assessment of Student Learning (WASL) which he has argued is too long and too expensive.

A new report by the Washington State Family Policy Council cited three communities for their success in reducing truancy and cutting dropout rates. The report, “School Dropout Reduction in Washington State” recognized the efforts of Walla Walla, Northshore/Shoreline, and the Port Gamble S’Klallom Tribe for reaching students before they become at risk of dropping out of school.

Wisconsin Update

December 2008

According to the Milwaukee Journal-Sentinel, Wisconsin's State superintendent, Elizabeth Burmaster, has decided not to seek a third elected term when her current term ends next June. It is expected that her current deputy, Tony Evers, will run in the election next Spring.

According to the Milwaukee Journal Sentinal, the number of students in Milwaukee's voucher program has reached 20,000, while the enrollment of the Milwaukee public school district has decreased for the tenth straight year -- to less than 80,000. Under the voucher program, low-income students who live in the City can attend private schools in the City. It is estimated the 127 private schools that enroll voucher students will receive \$128.8 million this year -- up from \$119.5 million last year. With Democrats gaining control of the State legislature, it can be expected that efforts will be made to impose more regulations on schools with voucher students.