

## Alabama Update - December 2003

---

---

According to Title I Reports, USED is working out a compliance agreement with the Alabama Department of Education which would defer, by one year, reporting to parents on the qualifications of their students' teachers. As a result, Title I funds will continue to be allocated this school year. Because of a 1985 Federal Court Order, the State Board of Education has told districts they cannot report to parents the qualifications of their students' teachers. That ruling bars the State from using its former subject matter teacher test as a requirement for certification because of its alleged disparaging impact on black teacher candidates. While Alabama began using a basic skills competency test in 2002 for teachers, it plans to begin administering the ETS Praxis II test on a voluntary basis next year.

Education Assessment Insider reports that Alabama's State Superintendent has proposed a series of options by which school districts could cut costs in response to the State's severe budget crisis. For the 2005 fiscal year, the State will have to cut between \$140 million and \$190 million in education spending. Among the cost-cutting alternatives are imposing fees for participation in sports and music activities, reducing the length of the school day, eliminating elective courses, and lowering academic standards making it easier for students to pass the high school exit exam.

According to Education Week, Alabama has frozen all textbook purchasing for FY 2004 with the exception of disposable workbooks for students in the early grades.

USED's December 9 Final Regulations on Assessment of Cognitively-Impaired Students will not likely have a great impact immediately in Alabama because the State's final, approved plan reflected much of the content in the regulations. The State used its own alternative assessment for the first time last year and will continue doing so. Because much of the assessment is online, SEA officials seem to be pleased with the accuracy and results which have been captured through the online assessment. As a result, the State is not likely to approve any more alternative assessments. Officials believe that they will be able to cope with the one percent cap on students counted for AYP if they achieve proficient levels on the alternative assessments and are more

concerned about other special education students who are not likely to do that well on regular state assessments.

## Arizona Update - December 2003

---

---

State Superintendent Tom Horne has proposed to merge Arizona's content-based assessment -- Arizona's Instrument to Measure Standards (AIMS) -- with norm-referenced components from the Stanford-9 test. As reported in the Education Assessment Insider, the Superintendent believes the revised assessment would reduce the testing burden on teachers and students and could save \$1 million a year. If the new plan is adopted, the State would continue to break out the AIMS and Stanford-9 results separately.

Based upon an audit by the Inspector General of the U.S. Department of Education, Arizona has been ordered to return more than \$1 million in Federal Title I funds given to for-profit charter schools. As reported in the Arizona Republic, the ED Inspector General has stated that for-profit charter schools are not eligible for Federal funds. The State is arguing that, because for-profit charter schools operate under the same rules and restrictions as non-profit charter schools, they are equally eligible for Federal funds under Arizona law. Currently, 20 private firms operate about 40 for-profit charter schools in the State. The potential \$1 million refund covers the period from October 2000 to September 2001. Perhaps \$2 million more could be subject to refund when more recent charter school allocations are considered.

A recent report by the Goldwater Institute suggests that the tax credit plan designed to allow poor students to transfer to private schools has been ineffective. The report states that, since 1998, only 2,000 children have moved to private schools because of the tax credit and that the plan has diverted about \$85 million into private school scholarship funds. The report argues that the number of students transferring would have to triple before the plan would reach a break-even point.

## Arkansas Update - December 2003

---

---

During the past fiscal year, State revenues were up 4.5 percent during the July-October period over the same period the prior year.

Republican Governor, Mike Huckabee, has proposed \$368 million in new State spending. His proposal includes increased expenditures for preschool programs, performance bonuses for teachers, more professional development, and reducing class sizes (to 20 in grades K-3 and 25 in grades 4-12). As reported in Education Week, the added spending will be funded by a one percent increase in the State's sales tax. The Governor's plan would also consolidate approximately 100 of the State's 308 school districts -- those with fewer than 500 students. His plan is being considered by a special session of the legislature under a January 1 deadline set by the Arkansas Supreme Court last year when it declared the State's school system unconstitutional.

## California Update - December 2003

---

---

The Los Angeles Unified School District plans a bond issue next year for the construction of new classrooms and the renovation of existing ones. To go on the ballot on March 2, the bond issue would call for a total of \$3.87 billion, more than half of which would be used for new construction. Education Week reports that the remaining \$1.5 billion would be used to upgrade and refit existing schools. It is expected that the bond issue, when combined with \$1.5 billion in State matching funds, would add 49,000 new classroom seats, or roughly the equivalent of 50 new schools.

Under new Governor Arnold Schwarzenegger, according to the San Jose Mercury News, outreach programs to help minority high school graduates go to college would be drastically cut next year. During the boon of the 1990s, the State spent as much as \$185 million annually on its minority outreach program. Last year, funding was down to \$85 million, before a \$24 million cut earlier this year (to take effect in January). All remaining funding for the program is scheduled to be eliminated for the 2004-05 fiscal year.

According to the Sacramento Bee, California is considering a complete overhaul of the State's funding program for education. The current system is a convoluted, and often inequitable, means of allocating the State's \$41 billion in school funds. More than \$11 billion is spent on categorical programs including more than 100 earmarks for specific purposes (e.g., violence prevention, teacher training). About \$29 billion is allocated to districts for basic education costs (e.g., teachers, utilities), although this can vary from \$4,300 to \$8,200 per student. An additional \$1 billion is spent on mandates -- reimbursing schools for complying with State requirements (e.g., tenth grade biology). Under consideration by the new Republican administration is a weighted formula that provides a base State aid amount which is then supplemented by additional allocations for students with special needs.

Ken Futernick, a professor of education at California State - Sacramento, has designed an index to measure the quality of schools' teaching staffs. Called the California Teacher Qualification Index, the system provides an online rating of the State's schools based on a range of

characteristics, prominent among which are the qualifications of the teaching staff. Education Week reports that the Index suggests that the Federal goal of having a “highly qualified” teacher in every core-subject classroom by the 2005-06 school year is not attainable. Currently, the State reports that 48 percent of classes are taught by “highly qualified” teachers. Moreover, the Index estimates that 20 percent of California’s teachers are not qualified in at least one of the subjects they taught in 2002-03. Projecting improvement in this measure, the Index estimates that in three years, the percentage of unqualified teachers would still be at about 15 percent.

## Colorado Update - December 2003

---

---

For 2004-2005 school year any districts with eight or more low-performing schools must allow eligible students to attend a participating non-public school. Eligible students are those who are Title I-eligible and who received satisfactory ratings on the State reading and math assessment.

The State is forecasting revenue growth of 5.8 percent for FY 2005 (which begins next July). Education Week reports that the Colorado Department of Education is being urged by two Republican legislators to consider the elimination of 12<sup>th</sup> grade. They argue that seniors take few critical courses, often work at jobs, and occasionally drop out. They argue that the State's high dropout rates and the \$21 million it spends for college remediation could be better spent on early childhood intervention. Although the idea is unlikely to be taken seriously, it has sparked some interesting debate about the value of twelfth grade education.

In early December, a Denver District Court judge ruled that Colorado's new voucher program violates the State Constitution by "depriving local school boards of control over instruction in the public schools." As reported in the Rocky Mountain News, the program was intended to give public vouchers to low-income students who attend private schools. The judge's ruling is almost certainly only the first skirmish in what will be a long battle between defenders of the voucher program and its detractors which include the State teacher's union.

## Connecticut Update - December 2003

---

---

More than half of Connecticut's public school districts, including some of the most affluent and high-performing, have failed to make adequate yearly progress under the No Child Left Behind Act. A total of 92 out of the State's 166 school districts failed to meet Federal proficiency standards. Many of the districts found themselves on the list only because too few students took the tests. In addition, 43 districts fell below standards because at least one subcategory of students -- students with disabilities, limited-English proficient students, minority students -- failed to make AYP.

## Florida Update - December 2003

---

---

While the number of Florida schools identified for improvement for having failed to meet AYP for two consecutive years vacillates around fifty as appeals are being decided, there is a concerted effort at the state level to “encourage” districts to use a tutoring program developed in Brazosport, Texas, which reportedly has been successful in increasing student performance in basic skills. Telephone discussions with Title I officials in at least one district in Florida and another in Texas (which uses the program), confirms that the program appears to be successful in improving student scores. On the other hand, both officials acknowledge that any intensive one-on-one tutoring program similar in nature to, for example, Reading Recovery, is very costly.

Ever since the December 2002 “State Department of Education massacre,” when the SEA terminated employment of virtually all staff in the Title I SEA office, numerous state officials have picked up some of the responsibilities of the SEA in implementing major NCLB Title I provisions. The person who is handling most of the financial and grant matters, including funding allocations, is Lou Morris, who was the State Title I director over a decade ago. The person responsible for program management appears to be Angel Stafford. The Florida Committee of Practitioners (an entity which each state is required to have), is made up of local Title I directors and continues to be influential in guiding statewide policy for Title I.

At the end of October, USED announced that Florida would be the first state to receive state Ed Flex status, a new status under NCLB. State Ed Flex status allows states, and between four and ten districts, even more flexibility in transferring Federal funds from one program to another in return for increased accountability for student achievement. The three goals of Florida’s Ed Flex plan are:

- to ensure students below proficiency will become proficient within four years;
- to ensure parents are aware that the status of their students in terms of proficiency advancement on an annual basis;
- to ensure teacher-initiated separations from districts within the first five years will decrease by 50 percent.

The participating districts are Broward, Escambia, Hillsborough, Jefferson, Lake, Marion, Putnam, and Volusia. Discussions with several officials in these districts suggest that the increased consolidation of different Titles under No Child Left Behind will be minimal as most feel they already have adequate flexibility under the 50 percent transferability provision which allows districts to transfer 50 percent of any Title (except Title I and 21<sup>st</sup> Century Community Learning Centers) out of such programs into other programs such as Title I.

The State Ed Flex initiative, which received national acclaim prior to the passage of NCLB, did not reflect individual states' desires for greater flexibility as reflected by the fact that Florida is the only state to have applied and been approved for such status. The time between the state's announcement that it would be applying for state Ed Flex and invitations to selected districts to participate and when the districts finally were persuaded to participate, were many, many, months. It is not clear how many states, other than Florida, will be applying for State Ed Flex under No Child Left Behind as some states continue their status as State Ed Flex under previous legislation.

Despite its advertising claims, the Florida State lottery has received a great deal of recent criticism for its meager support of education. In 1986, when the lottery was first instituted, education received about 61 percent of the State's general revenue; currently, it receives only 63 percent. Funds from the lottery comprise only a small part of the State's budget for education and, since 1997, some lottery money has been used for construction.

The Palm Beach Post reports that Florida's McKay voucher program is not providing effective services for disabled students in non-public schools. Created in 1999, the McKay program gives vouchers worth between \$5,000 and \$21,300 (depending on the severity of the disability) to more than 12,000 students across the State to enroll in private school. The Program does not, however, require that the schools provide classes specifically to meet the needs of the students with disabilities and procedural safeguards in IDEA no longer apply to students and parents. Indeed, more than three-quarters of the State's 641 private schools do not have any specific classes. Critics of the McKay vouchers argue that the program has no requirement for State

curriculum oversight and the private schools are not required to have IEPs for each child. A Task Force is considering revisions that would improve the program.

The Florida legislature is, in fact, planning a “voucher reform” bill that will close many loopholes in the current law. The revised voucher program will almost certainly include some testing provisions. Currently, the performance of voucher recipients are not required to be tested so there is no measure of whether or not vouchers are effective. Proponents of the voucher programs -- both McKay vouchers for disabled students and the corporate tax credit program for poor students -- are urging implementation of a requirement that all schools receiving vouchers must administer a national standardized test.

In partnership with the College Board, Florida has undertaken a plan to increase the number of minority students in the State who take Advanced Placement classes. As reported in Stateline.org, the legislature has appropriated \$5.5 million per year for the past four years in support of the plan known as College Board’s Florida Partnership. Since the plan’s establishment in 1999, the number of students taking the SAT has increased 32 percent, which the numbers of black and Hispanic seniors taking the SAT have increased by 23 percent and 33 percent respectively.

On December 16, 100 private schools that accept corporate tax credit vouchers and McKay vouchers for students with disabilities were put on probation for failure to comply with State laws. According to the Palm Beach Post, these schools are required to develop “corrective action plans” and repair any legal problems. Practically, because the next voucher payment is not due until February, schools that come into compliance in the next month will not lose any funding.

## Georgia Update - December 2003

---

---

Georgia's Hope Scholarship program is at risk because of revenue shortfalls. Over the past ten years, more than 700,000 students from Georgia high schools have received scholarships to in-State institutions of higher education. Within three years, the program will have to tap into its reserves and is projected to be operating at a \$434 million deficit by 2008. The HOPE scholarship program is funded by money from the State lottery. The Atlanta Journal-Constitution reports that the State is seeking a 14 percent -- \$61 million -- increase in funding for the program. It is hoped that the request will be dealt with early in General Assembly session which convenes in January.

State Superintendent Kathy Cox is creating a new State curriculum intended to raise test scores. As reported in the Atlanta Journal Constitution, she expects the new curriculum--which will be available on the Internet in January -- to be considerably more rigorous and focused than the standards currently in use. Among the important changes embodied in the new curriculum would be shifts in when some subjects are taught. Such subjects as geography, economics, and geometry would be introduced in the fourth grade or earlier.

Georgia's program that pays bonuses to teachers who earn national certification has become far more expensive than anticipated. The Atlanta Journal Constitution reports that, last year, 513 Georgia teachers gained certification at an average bonus of nearly \$6,000. It is estimated that, in the long run, the program will cost the State about \$60 million per year. Opponents question the cost in light of State cuts in funds for basic services to local school districts of as much as \$410 million.

Recent months have shown an increase in tax collections. Between July and October, revenues have increased by 4.7 percent.

Houston County is planning to implement a fully wireless system next year. A service called WiMax, developed by Intel Corp., is being considered. It would allow all district subscribers -- students, parents, and staff -- to access the Internet from anyplace in the County without the need

for telephone, cable, or other non-mobile connections. If the system is successful in Houston County, it could be expanded throughout the State in future years.

## Hawaii Update - December 2003

---

---

A report from a State advisory committee has made a number of recommendations for major reforms of Hawaii's education structure that correspond with the stated agenda of Governor Linda Lingle. Among the recommendations are elimination of the Board of Education in favor of local school districts, holding principals accountable for their schools' finances and test scores, and providing parents and students greater options for school choice. As reported in the Honolulu Advertiser, Democrats in the State legislature are opposed to the establishment of local school boards, but favor a number of other provisions including a revision in the State's education spending formula.

## Illinois Update - December 2003

---

---

In November, the State Department of Education made available a list of 581 schools, or 14.8 percent of the almost 4,000 schools statewide, that have been identified for school improvement. The failure rate for schools can, in large part be attributed to the low participation rate in testing for low-income students. Illinois' school report card can be seen at [www.isbe.net/research/pdfs/2003\\_StateReport\\_E.pdf](http://www.isbe.net/research/pdfs/2003_StateReport_E.pdf). In a number of districts, in addition to Chicago, a number of schools that have been identified for school improvement for two or more years are likely to be putting into the Title I reserve up to 20 percent to cover potential costs of parent choice transportation and/or supplemental education services, depending upon the parents' decision regarding their students who are in these schools. Those districts with five or more schools that have been identified for improvement for two or more years include Aurora District 131, Chicago Heights District 170, Cicero School District 99, Decatur District 61, East St. Louis District 189, Harvey School District 152, Joliet School District 66, Maywood-Melrose School District 89, Peoria District 150, Rockford District 205, School District 46, Springfield District 186, Harvey-Dixmoor District 147, and Waukegan District 60. Over 300 schools in Chicago Public Schools have also been identified for improvement for two or more years with several having failed for four consecutive years and therefore are under "corrective action." While the districts will likely be spending some of their supplemental education services earmark, it is likely that much of the reserve will be unspent by June which means the district will likely be expending such funds during the summer by September 30, the end of the Federal fiscal year. Some of the funds may be carried over to next school year, depending upon the FY 2004 appropriations level allocated for Chicago.

A recent audit has found that close to 90 percent of the teachers in Chicago Public Schools are considered "highly qualified" under the No Child Left Behind Act. For kindergarten through fifth grade, 93 percent met the "highly qualified standards; 91 percent in grades 6 through 8; and 85 percent in high school. As reported in the Chicago Tribune, the first audit in April 2003 found far fewer highly qualified teachers. However, since then, the State has modified its standards, tightening the guidelines for high school teachers and loosening them for teachers in middle schools.

## Iowa Update - December 2003

---

---

Controversy has emerged over the Iowa Virtual School Program which began operation this Fall. The Des Moines Register reports that the State has determined that the new school is not eligible to receive the State's full per-pupil financial aid. A partnership of the Pocahontas Area School District and K12, Inc., the virtual school allows parents to download instructional material for their children and permits students to take online courses. Currently enrolling only kindergarten students, the virtual school has about 70 applications from students who plan to enroll in Fall 2004.

Iowa is considering a proposal to raise the academic requirements for participation in high school athletics. Education Week reports that the State Board will ask for proposals on the issue in January, despite strong feelings across the State that such decisions should be made locally. Current State requirements call for high school athletes to pass four classes with at least a D minus grade.

A group called The Greater Des Moines Partnership has proposed a program that, over the next two years, would provide laptop computers to all Des Moines-area students. The Des Moines Register reports that the plan is opposed by the Des Moines Superintendent who believes any available funding should be used to offset the \$46 million cut from State education funds this year. It has been estimated that to provide laptops to all students in the State would cost \$15 million; this estimate seems unrealistically low.

## **Kansas Update - December 2003**

---

---

A district court in Kansas has ruled that the State's method of funding K-12 education is in violation of the Kansas and U.S. Constitutions. According to the ruling, as reported in the Topeka Capital-Journal, the State's \$2.6 billion in State aid is inadequate. A consultant's analysis drew the conclusion that the current base State aid of \$3,863 per pupil should be increased to \$4,650 per pupil. This would increase the State's total spending to \$3.45 billion. The ruling gave the State seven months to eliminate the \$852 billion gap.

## Maine Update - December 2003

---

---

Maine's State Superintendent, Susan Gendron, has established two new committees. The first will clarify the Federal definitions of disabilities used to identify special needs students. The second committee will create a standard pre-referral system for students prior to their assignment to expensive special education services. The Bangor Daily News reports that, beginning in 2005, Maine's special education program will be funded through Essential Programs and Services (EPS) which seeks to ensure that all students have access to the services necessary for them to meet the State's academic standards. These committees expect to reduce the number of Maine students in special education -- now more than 17 percent of all children aged 3 to 21. Maine's high special education participation rate and increasing cost of special education has caused the special education share of the budget to increase from 11.7 percent to 14.7 percent in the last decade.

## Maryland Update - December 2003

---

---

Maryland has become the 19<sup>th</sup> state to require students to pass standardized tests as a requirement for high school graduation. The Washington Post reports that, beginning with the Class of 2009 (students currently in seventh grade), high school students must pass Maryland's High School Assessments in order to graduate. Under this new plan, students must pass end-of-course exams in English, algebra, biology, and government -- courses usually taken in eighth through tenth grades. Students could retake the tests as many as ten times in order to pass and will be offered remedial classes or tutoring to help them. The State expects to devote additional funds for teacher training to ensure coursework corresponds to the State assessments.

Maryland's plan mandating all-day kindergarten beginning in 2007 has created considerable uproar. Some suburban parents are resisting the requirement. Although the State is providing funding for the new kindergarten teachers, it is provided no money to build additional classroom, the capital expense burden falling on the local districts. Some legislators are considering an amendment to the kindergarten requirement -- known as the Thornton Plan -- that would allow districts to opt out. As reported in the Baltimore Sun, State Superintendent Nancy Grasmick has offered an alternative which would allow districts to send kindergarteners to licensed private childcare providers for at least part of the day.

The Technology in Maryland schools program, which has been used to fund over the last five years, initiatives to install infrastructure and cover some of the cost of professional development has been completed because the legislature has not appropriated any new money to extend the project. State officials indicate that they will have to rely on a portion of the Title II D E<sup>2</sup>T<sup>2</sup> funds to make up for some of the reductions in state funds. Last year, Maryland received a PT<sup>3</sup> grant which is likely to be reduced in the Federal budget for FY 2004 or possibly even eliminated. As a result of the Thornton Commission recommendation, most of the county districts with high rates of poverty will be receiving portions of the \$1.3 billion appropriation over the next five years. Much of the Title I funding typically used for purchasing instructional technology will likely be used by the state and districts this year to set up accountability infrastructure, reporting, and administrative systems to comply with NCLB. The State

assessment system underwent a major change in order to be able to report disaggregated data on subgroups of students and recently discussions with Maryland State Department of Education officials strongly suggest that additional assessment changes, perhaps including out-of-level testing, will likely be required to implement the USED Final Regulations published on December 9.

The State of Maryland has announced a shift in correctional policy toward more rehabilitation and education. Despite the State's revenue shortfall, Maryland will adjust its correctional payroll, filling 218 correctional officer vacancies with 210 teachers and counselors. According to Correctional Education Bulletin, the plan will avoid laying off any staff. Among the features of the plan will be: (1) expanding drug treatment from 552 inmates to more than 2,500 over the next three-years; (2) implement a new 12-week behavior modification program for 5,220 inmates each year; and (3) increase the number of inmates provided basic adult education (including remedial reading and vocational training) from 250 to 1,800 over the next three years.

## Massachusetts Update - December 2003

---

---

As reported in the Boston Globe, an interim report on the State's performance under the No Child Left Behind Act showed that 94 percent of the State's 294 public school districts -- and 85 percent of 1,694 schools -- made adequate yearly progress for all students on the Massachusetts Comprehensive Assessment System exams. On the other hand, Hispanic students, although showing some improvement, made less progress than other minority students. There are 110,000 Hispanic students in Massachusetts (about 11 percent of all students); they scored significantly lower than all students, as well as other minorities, in both English and math and they also missed the State's attendance cut-off (although by only a small amount). The report also focused on the 38 Massachusetts schools -- all located in cities -- who have failed to make adequate yearly progress for five years and are thus identified for "corrective action."

A recent report by the Center for Education Research and Policy at MassInc. Shows that urban high schools are consistently failing to meet the needs of minority and low-income students. The report, entitled "Head of the Class: Characteristics of Higher Performing Urban High Schools in Massachusetts," identified one Massachusetts high school as "high-performing" and eight others as showing progress. The report, which can be found at [www.massinc.org](http://www.massinc.org), details common practices of these nine schools.

## Michigan Update - December 2003

---

---

Michigan is considering the replacement of its traditional state assessment -- the Michigan Educational Assessment Program (MEAP) -- given in grades four, five, seven, eight, and 11. State officials are concerned that the MEAP, originally intended as a student evaluation tool, is being used as a means of labeling schools under NCLB. State legislators are considering the use of commercial, off-the-shelf assessments which could save the State a considerable amount of money. A legislative committee is holding public hearings to get input from educators, parents, and others.

Michigan education officials are expected shortly to release a new set of standards for reading, writing, and mathematics that are more rigorous than the measures now in use. These new standards will emphasize more teaching of spelling, grammar, and writing mechanics. They will form the revised basis for the MEAP, the State's principal assessment measure.

According to the National Conference of State Legislatures, Michigan faces the largest FY 2004 deficit of any state. For FY 2004, Michigan has a \$505 million (5.6 percent) general fund deficit and a \$361 million (2.9 percent) School Aid Fund deficit. Weak budget projections will, according to Education Week, cause an automatic reduction of \$196 per-pupil (out of a planned total of \$6,700) in State aid.

In September, Michigan appointed Lloyd Bingman as a special assistant to the State Superintendent with responsibility for closing the achievement gap between white and minority students. Minority students have consistently performed more poorly on the MEAP than have white students. At the fourth grade level, 73 percent of white students were rated "proficient" in math compared to 43 percent of black students and 51 percent of Hispanic students. In the seventh grade; 69 percent of white students were proficient in reading; only 35 percent of black and 47 percent of Hispanic students were so rated. Funded by NCLB funds, Mr. Bingman will be seeking practices that will improve minority performance both within Michigan and across the country.

In November, the State released results of the high school Michigan Educational Assessment Program (MEAP). The numbers of students who met or exceeded State standards dropped in reading (60 percent down from 67 percent), writing (61 percent down from 68 percent), and math (67 percent down from 71 percent) from last year's results. Fewer students (51 percent down from 54 percent) also qualified for the Michigan Merit Award Scholarship than last year. On the other hand, there were small improvements in the number of students meeting standards in science (61 percent up from 59 percent) and social studies (26 percent up from 24 percent) over 2002. More students in the Class of 2003 in Michigan high schools than ever before took the MEAP. More than 101,000 high school seniors took the MEAP tests last year, an increase of nearly six percent over the Class of 2002.

Michigan has undertaken a program, called "Freedom to Learn," which would provide laptop computers, along with training, support, and insurance, to sixth-grade students across the State. As reported in e School News, Hewlett-Packard won the bid on the \$39 million program, agreeing to charge no more than \$275 per student each year. However, Michigan's \$800 million budget deficit is likely to have significant impact on the program. The legislature is apparently poised to cut all State funding (\$22 million) from the program, leaving only \$17 million in Federal funds. The Federal component, however, can only be used by about a quarter of the State's schools, those with high concentrations of low-income students (a total of about 38,500 sixth-graders).

Michigan has received two three-year grants of \$300,000 each from the Hudson-Webber Foundation to provide a distance learning program for inmates in State correctional institutions. As reported in Correctional Education Bulletin, community colleges are offering various courses for nearby correctional facilities. Macomb Community College offers non-credit courses in computer repair, automotive service, and business for Macomb Correctional Facility in Warren. Similarly, woman inmates at Camp Brighton can take such courses as introduction to health careers offered by the local community college through distance learning.

Despite increased demand -- particularly for English-as-a-Second Language classes -- funding for adult education programs in Michigan has been cut by 75 percent in the last year. As reported in The Grand Rapids Press, the cut has caused many programs to close or limit enrollment. In Grand Rapids, for example, the district's adult education budget was cut from \$3.4 million to \$1.2 million this year, resulting in an enrollment drop from 1,700 to 950 students.

## Mississippi Update - December 2003

---

---

According to The Clarion-Ledger, last year, three-quarters of Mississippi's public schools made adequate yearly progress under the Federal No Child Left Behind Act. Earlier in the Fall, the State estimated that only about half of the State's 870 schools met the standards; however, a revision in the State's performance algorithm resulted in more favorable results. Currently, 89 percent of the State's schools met one of the academic standards -- 87 percent in language arts and 79 percent in mathematics. Elementary and middle schools must have a 94 percent attendance rate and high schools must graduate 72 percent of their seniors.

## Missouri Update - December 2003

---

---

The Missouri State Department of Education has proposed to increase eligibility requirements for preschool students to be placed in special education programs. It would increase the “developmental delay” of 1.5 standard deviation to 1.75 in two of the following development areas, including sensory, motor, language, social, and emotional areas. The subgroup which would be particularly affected would be students with speech and language impairments. State Department officials report in Education Daily (November 3), that special education costs have increased at 14 percent annually since 1995, totaling over \$110 million in 2004 and that tight State funding contributed to this new proposal for which the Department is seeking public comment. This action, if approved and implemented, would appear to be in conflict with the intent of pre-referral intervention provisions in the proposal reauthorization of IDEA.

Missouri is facing a \$240 million budget gap for the current fiscal year -- about 3.5 percent of its total budget. The State plans to address the gap by withholding funds from a number of programs including education. K-12 education (\$190 million) will bear the brunt of the withholding, with higher education losing \$20 million. In addition, expenditures for early childhood education are running well above projected levels at \$20.6 million.

During the SETDA National Leadership Institute, discussions were held with several of the education technology staff in the Missouri Department of Education. In the prior two years, \$15 million was appropriated by the legislature for education technology, funding large projects such as EMINTS. However, last year, funding was cut to \$7.8 million and for FY 2003 no state funds were appropriated.

## **Montana Update - December 2003**

---

---

In November, Montana announced the distribution of its \$2.7 million in Federal technology funds. A total of \$1.75 million will be allocated to the State's public schools, on a formula basis, to be used for technology programs. The remaining funds -- approximately \$950,000 -- will support a number of State initiatives including K-3 reading, Indian education curriculum development, and vocational training.

## **Nevada Update - December 2003**

---

---

The State legislature has more than reinforced reporting requirements under No Child Left Behind by requiring districts to collect and report on additional information, including students retained by grade, student mobility rates, amount and sources of money provided for remediation, percentage of previous year's graduates needing remediation in post-secondary institutions, and number and percentage of students who failed to receive a diploma because they failed the State exit exam.

Last biennium, \$10 million was cut out of State funding for educational technology. However, current projections of revenues from sales and gaming taxes suggest revenues at least \$10 million above initial projections, so adjustments appear in order.

During SETDA National Leadership Institute, State Department officials confirmed that approximately \$11 million has been appropriated for districts to use to purchase technology and that grants were in the process of being awarded to districts. During the previous two years, the legislatures appropriated a similar amount of State funds but the funds were never allocated to districts and lapsed. In addition, the legislature has appropriated more than \$16 million (or about \$50/pupil) to be used for textbooks and instructional materials which could include software.

## New Jersey Update - December 2003

---

---

Education Daily reports that New Jersey is testing a two-year pilot initiative, called “12<sup>th</sup> Grade Option,” which would allow some high school seniors to use twelfth grade to earn college credits or serve apprenticeships. Although there are a number of dual enrollment programs across the State, the new initiative will expand the availability of these options and allow the State to collect data on the program’s effectiveness so that a determination can be made about whether it should be formalized and/or expanded.

The New Jersey Department of Education has posted on its website two interesting tables. One lists schools in need of improvement as of April 2003 with details on their performance in language arts and mathematics. The second list identifies authorized supplemental educational service providers, including a significant number of districts and individual schools. Nearly all of the districts designated as supplemental service providers have at least one school that failed to make adequate yearly progress. The following districts have at least one school failing to make AYP.

<u>District</u>	<u>Number of Schools</u>
Atlantic City	3
Bayonne	2
Clifton	1
Elizabeth	12
Irvington	8
Jersey City	15
Lindenwold	1
Neptune Township	2
Pemberton	3
Pennsauken	2
Phillipsburg	2
Perth Amboy	2
Trenton	11
Union City	1
Willingboro	4

An additional interesting case is Howell Public Schools which has no schools identified for improvement, but which has 12 schools designated as supplemental education service providers.

Mount Laurel is one of the first school districts in the State to use districtwide computerized testing. Its students are taking the Measures of Academic Progress tests in language arts and mathematics using laptop computers. A number of other districts in the State will soon follow suit, including districts in Camden County, Burlington County, Montgomery County and Delaware County. As reported in the Philadelphia Inquirer, Mount Laurel chose the MAP for economic reasons. Its predecessor, the Terra Nova cost about \$84,000 each time it was administered. The MAP, given four times a year costs the district about \$24,000 a year (plus a \$2,700 start-up fee). Statewide utilization of the MAP is still some time away, requiring coordination of hardware, software, and security for more than 600 school districts.

## **New York Update - December 2003**

---

---

New York City Mayor Michael Bloomberg has proposed an ambitious school construction and repair plan costing \$13.1 billion over the next five years. The New York Times reports that the plan calls for about half of the funds coming from the City's capital fund with the remaining half coming from the State. Resistance can be expected at the State level. If approved, the plan would use about \$4 billion to build or lease 76 new schools; \$4.6 billion to upgrade schools (including new science labs and wireless computer networking); and \$4.5 billion for building repairs

## North Carolina Update - December 2003

---

---

The State legislature is requiring the State Board of Education identify best practices in high-performing schools and create technical assistance models based on best practices for use in districts with large numbers of failing schools.

North Carolina is under a State Ed Flex authority obtained in December 2000. The State has sought and been given approval by USED for two “waivers”: (a) one which allows the State to approve schools with less than 40 percent poverty enrollment as schoolwide programs; and (b) another to allow Title I schoolwide programs to hire teachers this year who do not meet State and Federal high quality requirements. These teachers, in turn, have to meet these requirements by 2005-06.

North Carolina is a good example of unintended consequences surfacing in the assessment arena. On the State assessment, approximately 115 of 117 schools districts, mostly county systems, failed to meet AYP under the State’s rigorous criteria; if these criteria remain unchanged, well over 100 districts could be identified for improvement next year. In some cases, however, while the district failed to meet AYP, all of the schools in the district met AYP because of the small number of students in subgroups in some schools. While fewer than 40 schools have been identified for improvement, including many non-Title I schools and many charter schools for having failed two consecutive years, almost 500 schools who didn’t meet AYP this year could be identified for improvement next year, again, if the State’s AYP criteria remain unchanged.

The irony is that on the 2003 NAEP reading assessment, North Carolina fourth graders and eighth graders did much better in terms of those students achieving basic levels or above (well over half), even though the state assessment results noted above indicated that almost all districts failed to meet new state and AYP criteria.

The major reason why districts and schools failed to meet AYP has been the numbers of exceptional children who fail to make adequate yearly progress, followed by the number of limited-English-proficient students who also failed to meet AYP. This has created serious

programs among principals, some of whom are indicating that would like to have exceptional children transferred by parents to another school or who are not willing to accept any additional funding for expanding special education programs in their schools. At least one school district in the State has discussed the possibility of transferring all cognitively-impaired exceptional children to one school in order to reduce the number of schools identified for improvement.

North Carolina is experiencing a significant overrun in its budget for teacher ABC bonuses. As the National Conference of State Legislatures reports, the State legislature appropriated \$96 million in FY 2004 to cover bonuses earned in FY 2003. The estimate was low by \$44 million with the shortfall covered by reversions from the State Department of Public Instruction.

Despite efforts to eliminate social promotions, large percentages of students who fail State tests are still being promoted. More than two-thirds of the State's third grade students who failed the end-of-year tests were promoted to fourth grade anyway. More than 80 percent of the fifth and eighth grade students who did not pass their exams were also promoted. School officials argue that other factors are used to evaluate students for promotion. Moreover, the number of students who passed both reading and mathematics exams increased in all three grades between 2002 and 2003.

## Ohio Update - December 2003

---

---

Education Week reports that Ohio recently called off the use of a primary-grades assessment after teachers in Cleveland refused to administer the test. The diagnostic test for students in kindergarten through third grade is, according to the teachers, too cumbersome to administer. The State plans to provide teachers with training on how to administer the assessment, as well as develop a resource manual and test guidelines, and try again.

Ohio's Technology Academic Content Standards Advisory Committee has developed a set of standards to help local schools design computer literacy programs. The Cleveland Plain Dealer reports that Ohio received more than \$19 million in Federal technology funding for FY 2002. Close to \$21 million is expected for FY 2003 and \$22 million is expected for FY 2004. Ohio districts must spend FY 2002 funds by September 2004 and FY 2003 funds by September 2005. Among the Ohio districts receiving grants this year are Cleveland, Canton, East Cleveland, and Euclid. Cleveland, among other districts, intends to wait until the State defines final guidelines before making a determination of their ability to comply with NCLB requirements by the 2005-06 school year.

## Oregon Update - December 2003

---

---

The North Clackamas school district has proposed the establishment of the Oregon Web Academy as an online charter school. The Oregonian reports that the new virtual school would provide a complete online curriculum correlated with State academic standards, supported by online and in-person monitoring and guidance from teachers. The multimedia curriculum would be OdysseyWare from Pathway Publishers. The Texas-based publisher would include software for third-grade through twelfth grade in language arts, mathematics, science history, and geography, as well as a number of electives. The software, which can monitor student “seat time,” as well as administer and grade tests, can be licensed for \$500 to \$1,500 per student. The concept of the virtual school was formulated by a pair of parents who were home-schooling their children. They were concerned about State paperwork and the fact that home-schooled students cannot receive regular high school diplomas. The new virtual school would cost from \$295 to about \$500 per course and each student would be provided with a computer.

## **Pennsylvania Update - December 2003**

---

---

On December 18, the Governor and the legislature reached an agreement on the State's budget for next year. The Philadelphia Inquirer reports that the agreement would raise about \$1 in new revenue. An income tax increase (from 2.8 to 3.07 percent) would generate about \$700 million; the remainder would be generated by a four percent gross receipts tax on cell phone carriers and a hike in the cigarette tax. The new revenues would give the Governor \$175 million for new education initiatives next year, as well as \$35 million for tutoring and \$15 million for Head Start this year. The agreement eases the pressure on local school districts many of which, because of skipped state school aid payments in August and October, had to borrow money to operate. Philadelphia, for example, has had to borrow \$325 million in the past three months.

In 2002, the Pennsylvania legislature passed a law requiring virtual schools to be approved at the State level. Local school districts have argued that, because they have no control over these schools, there is little accountability. As reported in the Pittsburgh Post-Gazette, the State Supreme court has declined to hear an appeal, filed by the Pennsylvania School Boards Associations, of the ruling that on-line charter schools are legal.

The U.S. Department of Education has agreed to provide a \$300,000 grant to support the development of inmate education programs at Lackawanna County Prison. The program will provide courses covering academic skills as well as stress and anger management. The Correctional Education Bulletin reports that an additional \$600,000 will be provided over the next two years if the program proves successful.

The classification of a number of its schools as "failing" under the No Child Left Behind Act (NCLB) has led the Reading School District to sue the Pennsylvania Department of Education. The suit asks that the State not impose any sanctions under NCLB unless the district receives funding to offset the cost of complying with NCLB requirements. Specifically, 13 of Reading's 19 schools failed to meet NCLB's academic standards. Nearly two-thirds of the district's enrollment is Hispanic and about 11 percent are not native English speakers. The lawsuit also asks that no sanctions be imposed until Spanish language State assessments are available. The

State is concerned that, if the Reading suit is successful, other districts will take similar legal action.

## **South Dakota Update - December 2003**

---

---

On June 9, the U.S. Department of Education announced that South Dakota had become the 31<sup>st</sup> state or territory to gain approval for its accountability plan under the No Child Left Behind Act.

On October 8, the U.S. Department of Education announced that South Dakota would receive its Reading First grant of about \$14.5 million over the next six years, with \$2.4 million allocated in the first year. Most of the first year funding will be given in subgrants to eligible districts in February 2004.

## Texas Update - December 2003

---

---

The legislature has given the TEA Commissioner the power to establish a Statewide standard to certify school districts that train and recruit teachers, including training to help limited-English-proficient students meet state performance expectations.

Dallas Superintendent, Mike Moses, unhappy with his district's performance on State assessments, has established a committee of administrators and teachers to develop a new evaluation system for the district's teachers. According to The Dallas Morning News, only 53.5 percent of Dallas third through tenth grade students passed all portions of the new Texas Assessment of Knowledge and Skills, compared with 58 percent in Houston and 61 percent in Fort Worth. The new evaluation would not directly tie teachers' salaries to their students' performance, but at least a quarter of the evaluation would be based on student performance on standardized tests.

The Dallas school system is providing financial incentives for its high school students to take Advanced Placement exams. The cash incentives program provides \$100 to each student passing an Advanced Placement exam and \$150 to teachers for each of their students who pass such exams. The Houston Chronicle reports that, in the past five years, the number of students passing Advanced Placement exams has increased from 130 to 754 and the pass rate among minority students is ten times greater than the national average.

Education Daily reports that the State has launched a new initiative, called the Texas High School Project, intended to cutting dropout rates and increasing college attendance rates. At risk students will be able to receive added basic skills training and after-school programs. About half of the project's \$130 million budget will come from the State with the remainder donated by the Susan Dell Foundation and the Bill and Melinda Gates Foundation.

## Utah Update - December 2003

---

---

About a third of Utah's 800 public schools failed to make adequate yearly progress under the No Child Left Behind Act. In some urban districts and many rural districts, all schools made AYP. Some other districts -- Ogden (52 percent) and Jordan (49 percent) -- had considerably higher failure rates for their schools. As reported in [The Salt Lake Tribune](#), of the 244 schools that failed to make AYP, 87 percent had low pass rates for students with disabilities. At least 75 schools missed the mark because of low pass rates for English learners.

## Vermont Update - December 2003

---

---

Vermont has received a \$2.5 million Innovative State Alignment Grant to help youth with disabilities seek and maintain employment or enter post-secondary education. Vermont is one of several states (see October TechMIS article on Social Security Administration Initiative) to receive funds or waivers to assist more individuals with disabilities transition into successful employment opportunities under the Bush Administration's New Freedom's Initiative announced within weeks after President Bush took his oath of office. This new emphasis on transition-type programs was also designed to increase school graduation rates and facilitate education attainment for students with disabilities who are incarcerated.

The legislature has established a No Child Left Behind legislative oversight committee which will be responsible for reviewing any NCLB-related RFPs and to recommend to the legislature ways to ensure that neither State nor local funds are used to implement any of the NCLB Federal provisions, where Federal funds are not adequate.

## Virginia Update - December 2003

---

---

Governor Warner has proposed an increase in K-12 spending by \$760 million over the next two years and would pay for the increase through a number of tax increases. His proposal is likely to create a showdown with the Republican-controlled legislature. Many observers have called the Virginia State system of taxation as abominable.

## Washington Update - December 2003

---

---

As reported in Education Daily, more than a third of the schools in Washington failed to make “adequate yearly progress” based upon NCLB standards. A total of 436 schools (out of 1,172) failed to make AYP; 50 schools have failed to make AYP for at least two years in a row.

In November, the Seattle school district became the first in the nation to gain approval of its plan for the Local Flexibility Demonstration Program (Local-Flex). Local-Flex gives school districts the ability to consolidate many Federal formula funds (including Innovative Programs, Education Technology, Safe and Drug-Free Schools, and Teacher Training). Among the strategies enumerated in Seattle’s plan are: using data to improve instruction, upgrading instructional technology, providing reading and math coaches, mentoring beginning teachers, providing support for students on long-term suspension as they re-enter school, and extra counseling and tutoring for Hispanic students.

## Wisconsin Update - December 2003

---

---

Wisconsin Virtual School (WVS) provides online courses and other resources for students Statewide and partners with 70 school districts across the State. Last summer, 77 students enrolled in online courses; WVS officials project that as many as 350 students will take courses next summer. This Fall semester, 230 high school students are enrolled in WVS with that number expected to double by next year. WVS provides 60 high school courses and some middle school programs as well. Although most WVS students take online courses to make up high school credits, many high-performing students are also enrolled.