Education TURNKEY Electronic Distribution, Inc.

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MEMORANDUM

DATE: January 29, 2004

TO: TechMIS Subscribers

FROM: Charles Blaschke

SUBJ: Special Reports on Opportunities Under Supplemental Education Services

and in LEP Niche Markets, and Washington Update

Included in this TechMIS mailing are two Special Reports. One provides relevant highlights of a recent USED report which describes current services for LEP students, trends in the types of LEP students served, and some opportunities in the growing LEP niche market created by No Child Left Behind, Title I, and Title III (English Language Acquisition). The other Special Report identifies alternative ways TechMIS subscribers can get their share of supplemental education services Title I funding for purchases of their products and services. Recent reports have found that the number of Title I students in schools identified for improvement who are being transferred or receiving supplemental education services is three times greater than last year and the expected growth should be even greater this coming year.

The Washington Update includes the following:

- A Democratic leadership request to USED to make regulatory changes to minimize unintended effects of NCLB implementation; it would appear that this oversight responsibility on the part of Congress will have an impact which will generally be positive for most TechMIS subscribers;
- Highlights of the FY 2004 Education Appropriations "earmarks" which total at least \$100 million for technology-related products and activities;
- An update on USED's National Education Technology plan and National Education Technology Evaluation Project which will be addressed during the March 10-12 Assessment and Accountability summit sponsored by USED; firms

interested in exhibiting should go to http://www.NCLBTechSummits.org or call (202) 628-8080 Extension 363.

- Highlights of recent reports relating to dropouts, graduation rates, alternative models and funding which suggests a growing demand for effective programs and practices at the high school level, which was addressed in President Bush's recent State of the Union address:
- A summary of advice and guidance provided to exhibitors at the FETC conference by policy influencers and district and school officials regarding how to take advantage of opportunities under No Child Left Behind.

Congress finally passed the FY 2004 appropriations for USED. Title I will receive a \$720 million increase while IDEA Special Education will receive a \$1.3 billion increase. The Math Science Partnership program will receive a 50 percent increase to \$150 million. One casualty was the PT³ program for which no funds were appropriated. Title II D Enhancing Education Through Technology was funded at the existing level. The President is supposed to release the proposed FY 2005 budget during the first week of February. After this release and our in-depth analysis, we will be providing the results of our analysis of both budgets as they will likely be related since the President for the last three years has proposed to rescind portions of the education budget which are not considered Administration priority. Expect to see a Special Report from us by the middle of February.

If you have any questions regarding some suggestions in the Special Reports or the Washington Update, please give me a call directly.