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MEMORANDUM

DATE: January 18, 2011
TO: TechMIS Subscribers
FROM: Charles Blaschke and Blair Curry
SUBJ: Continuing Resolution/FY 2011 Budget; Common Core Standards Progress, Problems, and Opportunities; State Budget Gaps; New RTTT and i³ Guidance; and State Profile Updates

During the lame duck session, Congress addressed a number of high priority issues such as the tax reduction extension with the only education issue addressed being FY 2011 appropriations, which the Senate introduced as part of an Omnibus Bill. While some funding increases for several education programs were included, in the end, the bill was withdrawn and a Continuing Resolution through March 4 was passed. While there appeared on the surface some bipartisanship on the tax bill, under the new Congress, in which the House has a clear Republican majority and new leadership in key education related committees, overall bipartisanship will likely dissipate. Moreover, the leadership in both parties will have to negotiate a consensus within each party as a result of gains made by “Tea Party” candidates in the Republican Party and the loss of so-called “blue dogs” in the Democratic Party, both of which suggest any legislative initiatives will be difficult and lengthy. And, while there have been recent pundit predictions of bipartisanship on a full reauthorization of ESEA this year, it still remains unlikely, in our opinion, even though some “fix-it amendments” may be passed, as we have suggested over the last six months.

Within the above context, several developments have occurred which are addressed in this TechMIS issue:

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The Continuing Resolution (CR) through March 4th would level-fund all education programs, with the new Congress likely attempting to pass an appropriations bill after the President submits his FY 2012 budget in mid-February; the House will likely pressure the Administration for reductions in some education discretionary programs and possible rescissions of unspent ARRA funds which could result in a worsening situation for K-12 education when compared to a better alternative of a CR through September 30th, which would level-fund education programs; a CR could also include some language providing

greater flexibility in the use of the SIG transformation intervention model.

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An early report by Center on Education Policy (CEP) on states' plans to implement Common Core Standards (CCSS) identifies planned state initiatives as well as challenges; professional development and curriculum revision initiatives reportedly will be undertaken before some of the more complex initiatives related to assessments and teacher evaluations for accountability purposes. Because the survey was conducted in October-mid-November before changes resulting from the mid-term elections were made, in some states plans could change.

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The most recent National Conference of State Legislators (NCSL) survey of state fiscal directors strongly suggests that, without new funding, state and Federal reform initiatives will be difficult to implement including many changes enacted/agreed upon in states that applied for, but did not receive, Race to the Top funding. Higher state budget gaps in 2011 will take their toll and, at the least, slow down implementation in many states.

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USED has issued guidance to winning Race to the Top states on proposing amendments to state plans and the criteria which USED will use to determine whether changes are so "substantial" to possibly cause it to withhold funding until final approval; allowed changes are supposed to be posted on USED's website.

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Mass Insight's School Turnaround Group (STG) has identified lessons learned from Round 1 of the School Improvement Grants (SIG) competition and has offered its suggestions for improving its vision of "success" during Round 2, including the need for some districtwide reforms to successfully implement individual Tier I and II school reforms which will continue over time; other suggestions could increase use of "external" partners, such as the STG.

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The American Association of School Administrator's tenth survey, over the last two years, on K-12 economic recovery reports that more teachers will be furloughed next year than were laid off this year and spending for instructional materials, technology, and professional development will also be lower. About a third of districts will be using all of their Ed Jobs funds this year and a third will carry over their funds until next year, with the remaining districts using their funds over the two-year period; this should reduce pressures to use Federal ARRA Title I and IDEA funds to retain teachers, especially among rural districts.

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The Center on Education Policy reports that the movement toward end-of-course (EOC) exams continues, which could be positive for some publishers and technology vendors; because of state fiscal problems, funding for remedial and other programs for students

failing exit exams has declined in a number of states, which is having an impact on this niche market.

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USED recently proposed changes for the next i³ grant competition -- if such funds become available -- which would give the Education Secretary significantly more discretion in the areas of determining the amount of matching required and which of several selection criteria are to be used by the peer review panels.

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A number of miscellaneous items are also included, addressing:

- a) USED has announced a \$10 million grant competition for consortia of states to develop English proficiency tests to complement the Common Core State Standards assessments; the consortia will develop a common definition of English language learner and common criteria for exiting a student from English language learner status. The existing WIDA consortium is a strong candidate for funding.
- b) In an August 6th Education Daily interview, Zollie Stevenson Jr., who until recently directed the USED Title I program, recommended that Title I programs use funds for job-embedded professional development on differentiated instruction and training to use equipment purchased with stimulus funds.
- c) The National Research Council has issued its final report to USED recommending that the funding formula for Title III ELL grants incorporate both state-level counts and Census Bureau data. Currently, Federal funding to states is based solely on Census counts.

The state profile updates include issues relating to proposed state policy changes, school choice, teacher merit pay/tenure, school accountability, Race to the Top initiatives, and technology use.

I will be attending the annual National Title I conference in Tampa, Florida on January 30-February 2. If you would like to meet there, please call me to discuss time and place; otherwise, I'll be reporting on any new developments, especially related to School Improvement Grants, in the February TechMIS issue. In Tampa, you may call me on my cell -- 703/362-4689.

Washington Update

Vol. 16, No. 1, January 18, 2011

The Continuing Resolution (CR) Would Level-Fund Virtually All Education Programs Through March 4th Until the New Congress Attempts to Pass an Appropriations Bill Which Will be Hotly Contested in the House; However, Some Provisions in Existing Programs Could be Modified Which Could be Beneficial to Most TechMIS Subscribers

Failing to pass the Senate's Omnibus Bill -- which included some new funds for Race to the Top, i³, and the new Early Learning Challenge, Congress did pass a Continuing Resolution which level-funds most education programs through March 4, 2011. However, some education related programs in other agencies would receive increased funding under the CR, including the Child Nutrition Act, Temporary Assistance for Needy Families (TANF), and Child Care Consolidated Block Grant. While any funding increases for specific programs in any final education FY 2011 Appropriations Bill are not likely, some proposed changes that were included in the Omnibus Bill may be reflected in a possible appropriations bill for FY 2011, several of which could be beneficial to most TechMIS subscribers.

We and many other education policy analysts believe that the best alternative would have been a CR, as proposed by the House, through September 2011, thus postponing the budget battle until the FY 2012 budget debates. Some reductions from the March 4th Continuing Resolution levels or even rescissions of unspent Title I, SIG,

and other ARRA stimulus funding could occur in a full FY 2011 appropriations bill, especially if the House leadership does not like the Obama proposed FY 2012 budget to be released in mid-February. As reported by Alyson Klein ([Education Week](#) December 20th), Joel Packer who directs the Committee for Education Funding, reiterating points he had made over the last several months, said that the March 4th Continuing Resolution is "going to be terrible. I think we'll be negotiating between a significant cut and a freeze."

The new Congress, however, could adopt some of the proposed changes previously included in the failed Omnibus Bill affecting current programs such as School Improvement Grants, Teacher Incentive Fund, and alternative ways of certifying "highly qualified teachers" under Teacher Quality.

Perhaps the most important change would be for USED to allow greater use of the "transformation model" over the other three intervention models prescribed in the October 2010 SIG regulations, which currently allow not more than 50 percent of the schools to use the transformation model in districts with nine or more Tier I and Tier II schools. Nationwide, USED recently reported that, of the 730 Tier I and Tier II schools in 44 states, slightly over 70 percent used the transformation model because it is the most flexible model for districts to use and could become even more flexible over time (see December 2010 TechMIS). This should benefit firms wishing to become lead

or support partners or contractors for districts/schools receiving SIG funding. Expanded use of the transformation model, or other more flexible, research-based models, has been supported by both Democratic and Republican education leaders over the last year. During the March 2010 Council of the Great City Schools Legislative Conference, numerous superintendents called for greater flexibility in using the transformation model and requested serious consideration of locally developed “a fifth intervention models.”

A provision in the Omnibus Bill and in the March 4th Continuing Resolution supported a 2002 regulation which would allow teachers enrolled in “alternative route teacher training programs” to be considered “highly qualified” while they are teaching. This would benefit groups such as Teach for America and possibly firms which provide materials and support for alternative route teacher training initiatives. Senator Tom Harkin, Chairman of the Senate’s education committee, provided a statement after the Continuing Resolution was passed which said, “There is broad, bipartisan agreement among members of Congress and the Obama administration that it is the intent of Congress for alternative-route teachers to be considered highly qualified, consistent with the regulation that has been in place for several years.”

While the failed Omnibus Bill would have provided for \$300 million in funding (\$100 million less than last year) for the Teacher Incentive Fund (TIF), language would have required that at least 60 percent of teachers participating in a TIF grant indicate their support for their grantee’s TIF plan which would include pay based on gains in student achievement and use of multiple evaluations

as part of any teacher evaluation system. Such language would likely be supported by the Obama Administration and Republican leadership in Congress; Democratic support is questionable.

Even if some of these changes are not included in an FY 2011 final appropriations act, they are likely to be included in any bipartisan ESEA reauthorization proposals which could be drafted early in the next Congress. While some observers believe an early reauthorization next year is possible, another alternative could be a series of “fix it” amendments to ESEA on points where there appears to be some bipartisan support.

The First Center on Education Policy (CEP) Report on Progress and Challenges in Implementing Common Core State Standards (CCSS) Includes Findings (Some of Which Are Rather Surprising) Which Could Have Direct Implications for K-12 Market Opportunities for Firms

Based on its first CCSS survey of 42 states and the District of Columbia, conducted between October and mid-November 2010 (and many state-level changes due to the mid-term election), the Center on Education Policy has reported a number of findings gleaned from interviews with SEA deputy superintendents or their designees. These findings will affect the K-12 marketplace and could have implications for many TechMIS subscribers. Some of the planned initiatives reported by high-level SEA officials should be viewed in the context of state fiscal situations and recent changes in state political environments. When the survey ended in mid-November, 32 states (out of the current 43 states) had adopted the

Common Core Standards, including 11 of 12 Race to the Top states; four states had adopted CCSS provisionally; six states had not yet made a decision, although most expect to do so by the end of 2011; one state had decided not to adopt the standards and three others did not know when they would decide.

According to CEP, “State officials cited education quality issues more often than they cited federal Race to the Top (RttT) requirements as important factors in their state’s decision to adopt the common core state standards.” Thirty-six states considered the rigor of the new standards to be very important or important in their decisions to adopt the CCSS. Similarly, 36 states believed they would serve as a foundation for statewide education improvement. Thirty felt the standard’s possible effect on the success of their Race to the Top applications was very important or important, and 25 states felt the financial cost to the state of adopting the CCSS was very important or important. One surprising finding related to the adopting states’ option to add up to 15 percent of their own state-determined content standards on top of the core math and English/language arts standards. As CEP notes, “Twelve states do not plan to incorporate state-determined content in the new set of standards, while 11 states do plan to do so and another 11 are unsure. Of the 11 states that do intend to add content, 9 expect to add elements from their current standards in reading or English language arts, and 8 expect to add content from their current standards in math.” Many supplemental education publishers view incorporation of state-determined content as a unique opportunity for them. Some advocates of CCSS, such as officials of the Council of Chief State School Officers (see

April 2010 TechMIS Washington Update), have stated as much.

The survey also identified state plans and timelines for implementing initiatives related to CCSS. According to CEP, most complex policy changes (e.g., state assessments, education evaluation systems, curriculum guides or materials) are not expected to be completed until 2013 or later. However, almost two-thirds of the states that plan to make changes in professional development programs expect to do so by 2012 or earlier. Similarly, 11 of the 22 states that plan to ensure CCSS are fully implemented in their lowest-performing schools expect to do so in the same timeframe; fourteen of the 32 states that plan to make changes in curriculum guides and materials expect to do so by 2012 or earlier.

Thirty-one of the 36 states that have adopted CCSS intend to require districts to implement the standards; however, as CEP reported, fewer states will be requiring districts to implement specific initiatives related to the standards: providing professional development (13 states); implementing evaluation systems to hold educators accountable (11 states); and developing new curriculum or instructional practices aligned with CCSS (10 states). Most states report they are expecting rather than requiring districts to carry out CCSS-related activities such as developing new curriculum materials or instructional practices (24 states) and professional development (22 states). As CEP notes, “Fewer states are requiring districts to offer suggestions on new curriculum aligned with the standards, design and implement, teacher induction programs to foster understanding of the standards, or pilot test new curriculum and instructional practices developed by the

state or outside vendors.” A number of knowledgeable observers with whom we talked believe the “Not Invented Here” factor could affect the number of districts in some states which will adopt CCSS and implement activities as intended.

Because a main goal of CCSS is to ensure that high school students graduate with the knowledge and skills needed to succeed in college, the survey also addressed the degree and types of changes which are likely to be required in higher education policy and practices to implement the standards fully. CEP found that only seven of the survey respondents plan to align the state’s first-year undergraduate core curriculum with the CCSS and eight plan to align undergraduate admission requirements with the CCSS. Respondents in 25 states did not know if these changes would be implemented, with three or four saying such changes will not be made even though the Obama administration has placed a high priority on and proposed funding increases for such efforts to reduce the college readiness gap. It appears that the lack of current interest in changing these policies in most states will mean no reduction in the need for or cost of college remediation in any significant way. College remediation represents a niche market of between \$2 and \$3 billion annually.

CEP somewhat unexpectedly found that 31 states do not foresee any change in their decision about Common Core State Standards, at least in 2011, and only three states said they might change their decision about adopting the CCSS. States did identify some of the most important challenges they expect to encounter during implementation. Thirty states reported finding the fiscal resources needed to support implementation as a major or minor

challenge; 30 states also reported identifying or developing curriculum materials necessary to implement the CCSS as a challenge. Twenty-five states found developing teacher evaluation systems that hold teachers accountable for students’ mastery a major or minor challenge.

One knowledgeable observer, Tom Loveless, Senior Fellow at the Brookings Institution, who has tracked state assessment implementation for several decades, noted that the survey responses have limited meanings because anticipating change is a lot easier than delivering it. As reported in Education Week, Loveless said, “Anticipating change doesn’t cause even one bead of sweat to come up. It’s easy to offer a couple of days of professional development. But it’s when they have to make hard decisions, like on assessments, about where the cut points are and what they mean; that’s when there are problems. Things can be very popular at the aspirational stage, but when the rubber hits the road, that’s when people back away.” However, as Chris Minnich, a key Council of Chief State School Officers official involved in implementation of CCSS is quoted in the same education article, “Money is definitely an issue right now. We have to have states work together to realize the savings we’ve talked about all along....Saying you’re doing something is the first step in the process. At first, we had 48 states say they are going to adopt. Now, we have 44 that have actually done it.”

During interviews, Jack Jennings, CEP’s President and CEO, made several important points to us, Education Week, and eSchoolNews:

- The findings illustrate “the immensity of the task” and that it “will take awhile”;
- Implementation is going to be very complicated requiring states to do everything; if not, the standards “won’t mean what they should mean”;
- While it is disappointing to learn major changes will not occur for several years, “this is probably due to the enormity of the task and the lack of new funds.”

For a copy of the report which does not include the names of individual states, go to: <http://www.cep-dc.org/>

NCSL Survey Strongly Suggests that Unfunded State and Federal Reform Mandates/Initiatives, Especially Those Related to Race to the Top, Will Be Impacted by State Budget Gaps in 2011

The most recent survey of state legislative fiscal directors by the National Conference of State Legislatures (NCSL) points to a cumulative gap of \$82 billion estimated for FY 2012 as a result of “diminishing federal stimulus funds,” slow revenue growth, and spending pressures. New budget gaps will be about \$26 billion and will be a major problem state officials will face in the new year as 31 state fiscal directors identified “budget” as the top fiscal issue for 2011 sessions followed by healthcare/Medicaid (18), and education (13). (Alabama, Florida, and Kentucky did not provide information for the report) While previous NCSL surveys identified education and healthcare/Medicaid as the top two issues

over the last several years, what is even more interesting than education dropping down to the third most important issue, is the fact that in those 13 and some other states, none of the education issues relate to implementing any of the education reform initiatives mandated by Federal education policies and/or state actions taken last year mostly in response to the state’s ability to apply for Race to the Top funds (e.g., lifting charter school “caps”). This finding strongly suggests that unfunded federal mandates and Race to the Top related state policies/initiatives “agreed-to” last year, will more than likely not be implemented in states not receiving Race to the Top funding and even in some of the RTTT states where the costs to states and districts will be more than the new RTTT funding allocations (see related Washington Update on CEP survey). This situation was likely to be most likely to occur in the 25 states in which Republicans will now control both legislative Houses (which represents an increase of 11 states) and the 23 states where Republicans now occupy the governors’ offices, especially in those states where decisions to participate in Race to the Top and make the necessary changes to become eligible were in the hands of Democratic governors last year. As William Pound, NCSL Executive Director stated in an interview with Frank Wolfe (Education Daily January 6th), “Money is starting and stopping point for virtually every state program and service. Based on our latest state budget report, we are expecting the budget cuts will again be deep, controversial, and painful.”

The report identifies some of the specific topics which would be addressed in 2011 legislative sessions in those states which ranked education among the highest three priorities: “Discussions will center on

adequate funding levels, school finance formulas, and increased student enrollment.” According to the report, the primary education related fiscal issue in ten states is attributed to the cessation of the availability of education related ARRA stimulus funding (Arkansas, Connecticut, Idaho, Indiana, Hawaii, New Hampshire, New York, Oklahoma, Iowa, and Vermont).

In Maine, Wyoming and Montana, the primary education issue will be finding state funds to implement court directed or other “funding adequacy” decrees or legislation. Finding new funds to meet increased enrollment requirements and state allocation formula will be the primary issue in Utah and Kansas. At the most, these issues relate only indirectly to some of the initiatives agreed upon by states relating to increasing teacher effectiveness, improving graduation rates and career and college readiness, implementation of longitudinal data systems, and turning around failing schools. However, in an earlier policy survey, as reported by Frank Wolfe in Education Daily January 6th, NCSL survey data found that state legislatures would likely focus on two education policy objectives in 2011: one would be secondary school reform which included reducing high dropout rates and improving student achievement, especially in failing schools. State legislators also felt another would be a priority focus would be on recruitment, preparation, and retention of effective teachers and principals, which would also include directly related professional development. State legislators are likely to support and not derail initiatives related to secondary school reform and increasing achievement in failing schools in both RTTT states and in some of those which applied for, but did not receive RTTT funding, largely because each state receives

significant increases in School Improvement Grants Part g to pay for the implementation of such initiatives. For example, almost half of all of the 730+ Tier I and Tier II schools being served this year under SIG are high schools, and over 40 states thus far have adopted Common Core Standards which are designed to not only improve high school graduation rates, but also ensure career and college readiness. While some districts in RTTT states have already announced major funding allocations toward improving teacher evaluations systems and professional development (e.g., Baltimore City Public Schools recently allocated approximately \$28 million of its \$52 million allocation for such an initiative), it is not clear as to what pots of Federal funds could be used to implement such activities in states not receiving RTTT funding. However, in our July TechMIS Special Report, we estimated that professional development will be one of the highest priorities this year in terms of the use of different federal funding pots, including almost \$2 billion under Title I 10% set-aside and ARRA funds, and about a half billion from Round 1 and Round 2 School Improvement Grant funding. As we have previously stated over the last year and a half, if firms have appropriate products and services, clearly a major target should be School Improvement Grant funding buckets.

For a copy of the NCSL report go to: <http://www.ncsl.org/documents/fiscal/TopFiscalIssues.pdf>

USED Issues Guidance to Winning Race to the Top States on Submitting Amendments to State Plans; Any Approved Changes to Plans Are Supposed to Be Posted on USED's Website

In hopes of quelling criticisms of favoritism and partiality to certain states, USED has released guidance to winning Race to the Top (RTTT) states on the process and criteria for proposing/approving changes to state plans as required by USED. While the guidance hopes to ensure uniformity across states, as Sean Cavanagh reports in Education Week (January 12th), “The new guidance still seems to leave room for interpretation and negotiation between federal officials and states.” The January 5th guidance document states, “The Department will make every effort to review and make a determination on submitted amendment requests within 10 business days. In cases where a decision cannot be made without more information or clarification from the State, decision timeframes will be adjusted on a case-by-case basis.” It also states that “all approved amendments will be posted publicly on the Department’s website, along with the State’s rationale for the change.”

As the guidance states, the general types of circumstances that could require submission of an amendment request include:

- “Changes in activities: A grantee must request an amendment for any proposed revision that constitutes a substantial change in activities from the approved grant project, regardless of budgetary impacts.” (This would likely also include any substantial changes in contracts with Lead or Support Partners);

- “Changes to the list of participating LEAs:After the 90 day window, if a State chooses to add or remove a participating LEA, the State must obtain approval from the Department.”

Regarding the latter circumstance, if a state adds or removes an LEA that receives Title I funding, it must recalculate subgrant allocations to all participating LEAs. It is not clear whether a massive exodus of LEAs from participation would result in a large portion of the state’s RTTT grant being withdrawn. However, the guidance states that an LEA may choose to withdraw “as long as the terms of the withdrawal are consistent with the termination terms in the MOU” [memorandum of understanding] between the state and LEA and, where applicable, with the scope of work. The state must notify USED, but a formal amendment is not required.

In its review, the Department will assess whether any “substantial” change violates Race to the Top program principles including RTTT’s status as a “comprehensive reform that addresses all four education assurance areas” and “the requirement that states are accountable for increasing students achievement, increasing high school graduation rates, narrowing the achievement gaps, and preparing students for success in college and the workforce.” However, in a footnote, the guidance states, “The Department does not anticipate approving amendments or revisions to student outcome goals. Exceptions may include occurrence of a national disaster, ESEA reauthorization, and proportional adjustments to cut scores in statewide assessments.”

Round 2 states have a 90-day window in which they can propose changes in their scope of work documents, many of which are currently being reviewed by USED. According to USED, the January 5th guidance applies only to subsequent proposed amendments or planned changes. As reported in the Education Week article, USED's spokeswoman Sandra Abrevaya, stated that some states have asked USED for advice in a number of areas such as the use of outside contractors conducting various aspects of the work. According to Ms. Abrevaya, "This guidance is part of a major undertaking at the department to ensure that states are able to live up to their commitments for education reform." USED estimates that 34 states have changed education laws or policies in areas such as teacher evaluation, improved data systems, and the adoption of common standards, according to Education Week.

Several implications for partners and contractors could arise. For example, if a state issues an RFP based on a proposed change or amendment to its plan which has not been approved by USED, then the RFP procurement process could proceed. But, if USED does not approve the change, a contract could be withdrawn. Or, it is conceivable that if USED considers that a particular contractor, for whatever reason, is not qualified to perform a task or project based on a previous record of performance, then it could withhold approval or lengthen the approval process beyond the 10 business days called for in the guidance.

For a copy of the guidance, go to: <http://www2.ed.gov/programs/racetothetop/grant-amendment-submission-process.pdf>

Mass Insight School Turnaround Group (STG) Identifies Lessons Learned from SIG Competitive Round 1, Offering Suggestions for Improving Its Vision of "Success" During Round 2

The School Turnaround Group at Mass Insight, which Secretary Duncan has stated on several occasions developed (in 2007) the "School Turnaround Bible," has identified lessons learned based upon SEA experiences during the Round 1 SIG funding competition, including its own experience as it worked directly with several states as Lead Partner. STG offers suggestions, primarily for states, to improve the process for ensuring greater success in turning around failing schools. Several of the suggestions relate to the selection and responsibility of Lead Partners, as well as increased responsibilities on the part of districts. Many of the suggestions may be taken into account by SEAs as they begin Round 2 competitions which include \$546 million of regular SIG Part G funding for FY 2010 and \$825 million of FY 2009 funds which has been carried over to the Round 2 competition. As we previously reported, LEA applications are now being solicited by SEAs through February, with decisions scheduled to be made in April for full district implementation beginning in September 2011.

For firms wishing to participate as Lead or Support Partners, some of STG's suggestions to states and, in turn, to districts, about selecting and using lead partners and district-wide reform initiatives are worth noting.

According to School Improvement Grants: Take 2, "Round 1 demonstrated that LEAs

require additional support in attracting, selecting, and using Lead Partners.” The report notes, “While partners have been unsuccessfully utilized in many school improvement efforts, Lead Partners offer a new type of support. Unlike the partners of the past, Lead Partners receive significant autonomy over school design and operations and in exchange are held accountable for gains in student achievement...Lead Partners can and should be used to great effect under the Turnaround, Restart, and Transformation models.”

In terms of helping LEAs “select” Lead Partners, the report cites Illinois and Colorado as two which have used the RFP route to pre-approve a list of partners “...making the vetting process easier for districts. States also can provide support in matching these qualified partners to schools and districts.” The STG report suggests, “...states can also stimulate a market place of effective supporting partners who can provide expertise in a specific function (e.g., data-driven instruction, staffing support, curriculum development). However, states should play a role in managing the quality of the provider market and in ensuring that LEAs don’t overload on partnerships, thus causing alignment and coordination problems.”

While the School Turnaround Group recommended early on that Lead Partners sign a three- to five-year performance contract with districts or states to increase student gains, the most recent report appears to suggest Lead Partners should have more authority over “key elements of the school,” including hiring a new principal or approving the current one and assuming decision-making authority over other school staffing, money, and programs.

While such delegation of governance responsibility can be allowed under the Restart and Turnaround models, it is not clear whether such delegation can be made under the Transformation model unless the state and/or district provide waivers to individual schools.

In another area, STG’s suggestions appear to go beyond what is allowed in the School Improvement Grant Non-Regulatory Guidance released in October 2010 (i.e., to use SIG (g) funds to implement a coherent district-level strategy). One lesson learned from Round 1 is that many districts did not describe “how the district would also transform itself in order to support these schools. Schools that have failed to improve for multiple years do not have the capacity to do this alone; the district must be a key player.” Most district superintendents and School Improvement Grant officials with whom we or clients have talked agree with the report’s statement, “District reform is crucial not only for the early success of the SIG recipients but also to ensure that these efforts are sustained and scaled up over time. SIG is a finite funding stream: schools receive this infusion of cash over a maximum of three years. In order for schools to maintain and increase gains after the grant period, the district must build capacity to manage and support these and other low-performing schools in the long run.”

A recent report from West Ed entitled “Achieving Dramatic School Improvement” found in 11 case studies that school improvement did not occur in a vacuum. It noted (page xix), “While much of the recent literature on turning around the achievement of low-performing schools focuses on changes at the school level, we found few

examples of schools that improved in isolation. Respondents in our study rarely mentioned districts as inhibiting reform efforts (as is implied in some of the literature on turnaround schools), and they often identified districts as being key initiators and supporters of school reform.”

The West Ed exploratory study also found that the instructional strategies were used to modify instruction (e.g., focus on subject areas of weaker student performance) and/or to identify and target individual students or groups of students for remediation or interventions which included professional development to strengthen “teachers’ comfort levels with ongoing use of data especially in the rapid-improvement schools.”

However, the initial SIG guidance a year and a half ago, and subsequent interim versions through November 2010 appear to discourage the use of SIG funds for district-wide reform initiatives and the development of capacity to support Tier I and Tier II schools receiving funding. Among the exceptions to this perception of the guidance is the use of early warning systems to identify potential dropouts, but the guidance appears to limit such capacity-building to helping the Tier I and Tier II schools involved. Indeed, many district superintendents want to use some SIG funds for district-wide capacity-building and reform in support of lowest-performing schools. The STG report suggests that SEA Round 2 applications should require LEAs to discuss the role of the district and its comprehensive plans to support performing schools which should be “given significant weight in funding decisions.”

In an interview with Education Daily

(December 17, 2010), Justin Cohen, President of the School Turnaround Group, stated that relations between Lead Partners and SEAs and LEAs be viewed as “sophisticated partnerships” and that Lead Partners “need to be held accountable for student achievement...If you don’t want partners to be accountable for some outcome results, then why are you spending money on them?” Cohen noted that the Round 2 School Improvement Grants competition will bring “bolder changes” compared to Round 1, but that it is important for some USED policies to change: “Despite the fact there is a group of us making noise on this, there hasn’t been a policy change for the lowest-performing schools....Given SIG’s new magnitude and the rules around it, this is the first opportunity to do something meaningful on the federal level.”

For a copy of the STG report go to: www.massinsight.org/publications/stg-resources/125

AASA Reports that Next Year, Even More Teachers Will Be Furloughed or Laid Off Than This Year; Instructional Materials and Professional Development Spending Will Also Be Lower

According to its 10th survey since Fall 2008, the American Association of School Administrators has found that, despite large numbers of furloughs and lay-offs this year, more teachers will be furloughed or laid off next year; in addition, more districts will be reducing expenditures for instruction, including materials, technology and contracted professional development. More districts will also be eliminating summer school programs and more districts will be

conducting four-day school weeks. More than three-quarters of the districts reported state and local revenue cuts this year.

Conducted in December 2010, the survey, which involved nearly 700 school administrator respondents, found that nearly half of the districts laid off staff this school year, with two-thirds anticipating additional teacher lay-offs next year as well. About a third of districts expect to furlough teachers next year compared to 16 percent who did so this year. Such anticipated furloughs and layoffs are occurring within the context of the \$10 billion EduJobs stimulus funding passed last September. As we reported in our last TechMIS issue, as of early December, only about one-fifth percent of the EduJobs funding had been outlaid by districts in about 25 states. Many districts in approximately half the states had to await “reappropriations” of such funds by state legislatures, most likely in January, before EduJobs funding could be spent on retaining teachers. Thirty-six percent of respondents indicated such EduJobs funds were being used in the current school year, while 25 percent reported planning to use those funds next school year, with the remaining indicating funds would be used over this year and next.

Seventy-seven percent of districts reported state and local revenue cuts for education between 2009 and 2010 school years; 82 percent are expecting further cuts between this year and next year. While some purchases of instructional and related products and services come from state and local revenues, most purchases in Title I, School Improvement Grants, IDEA, and related programs come from Federal funding sources which are currently level-funded under a Continuing Resolution through

March 4th; funding levels for the remainder of the year, through September 2011, remain unclear.

Other AASA findings related to instruction and curriculum include:

- More than one-third (37 percent) of responding districts froze outside professional service contracts for the 2010-11 school year; more than 55 percent anticipate doing so in 2011-12.
- Half of respondents reduced outside staff development consultants for the 2010-11 school year; 61 percent anticipate doing so in 2011-12.
- More than one-third (37 percent) eliminated/delayed instructional improvement initiatives for the 2010-11 school year; 49 percent anticipate doing so in 2011-12.
- More than one-quarter (29 percent) reduced academic programs (academic interventions and Saturday classes) for the 2010-11 school year; 45 percent anticipate doing so in 2011-12.
- One-half (51 percent) deferred textbook purchases for the 2010-11 school year; 59 percent anticipate doing so in 2011-12.
- Nearly half (49 percent) reduced instructional materials for the 2010-11 school year; 55 percent anticipate doing so in 2011-12.
- More than half (58 percent) reduced consumable supplies for the 2010-11 school year; 65 percent anticipate doing so in 2011-12.
- Almost half (44 percent) deferred technology purchases for the 2010-11 school year; 56 percent anticipate doing so in 2011-12.

- More than half (58 percent) joined bulk-purchasing groups/co-ops for the 2010-11 school year; 54 percent also anticipate doing so in 2011-12.

Compared to last year, districts this year are more likely to be considering other ways to reduce spending according to the AASA survey. Twenty-seven percent reported having to do away with summer school programs during this school year, and 40 percent anticipate doing so next school year. Similarly, while six percent initiated four-day school weeks this year, almost three times that percentage expect having to do so next year. Such policy shifts at the district level conflict with the Administration's priorities of increasing learning time during the school day or school year, as well as with such new initiatives, as reported in the last TechMIS report, by the three afterschool advocacy organizations to emphasize STEM literacy skill development during summer school and after school programs.

The survey also sheds light on the views of superintendents, mostly from rural districts with less than 10,000 enrollment, on the Administration's proposed policy changes and funding allocations. The vast majority (87 percent) favor full funding through IDEA of the additional costs of educating special education students. This would require an annual additional \$20-25 billion for IDEA to meet the mandated Federal contribution of 40 percent of the total cost of special education. Although 65 percent of districts favor an ESEA reauthorization in 2011, if that is not likely to occur, AASA reports that almost 60 percent favor "regulatory relief" from ESEA provisions. Almost 70 percent of respondents favored distributing Federal funds through formula grants; nearly 90 percent disagree or

strongly disagree with the statement that "Competitive grants should compose the majority of federal education funding." The Administration has proposed that any new funding for large formula programs, such as Title I, be allocated under a competitive grant basis in order that four of the Administration's prescriptive activities are implemented. In other areas, superintendents also disagreed with Obama priorities, including:

- 32 percent favor distributing ESEA funds based on percentage of poverty students who are enrolled in districts rather than numbers of poverty students, which currently favors large, urban districts over rural districts.
- 22 percent favor requiring school districts to use common evaluation rubrics for teachers and principals and only 11 percent favor having teacher and principal evaluations based primarily on quantitative measures of student outcomes.

As we have stated in the past and as AASA notes in its report, the findings do not reflect a "representative sample;" however, 91 percent of the respondents were superintendents and were geographically dispersed across 44 states. About 80 percent of respondents work in districts enrolling fewer than 5,000 students, while only three percent work in districts enrolling more than 25,000 students.

For a copy of the report go to: http://www.aasa.org/uploadedFiles/Policy_and_Advocacy/files/AASAThousandCutsFINAL121610.pdf

Center on Education Policy Reports that the Movement Toward End-of-Course Exams Continues, Which Could be Positive for Some Publishers; Remedial and Other Programs for Students Failing Exit Exams Have Declined in a Number of States

Since 2002, the Center on Education Policy (CEP) has conducted annual surveys of state high school exit exams. In this year's survey, CEP has identified trends in the use of other state assessments and reports that the movement toward end-of-course (EOC) exams will continue to grow in states with and without exit exams. The report also addressed the impact of shrinking state budgets on related initiatives including state funds for remediation, test prep, and related activities for students who initially fail state exit exams, which is having an impact on this niche market.

In its 2008 report, focusing only on states with high school exit exams, CEP identified the EOC exams movement which assess the mastery of specific courses and are administered to students as they complete each course. A year later, the number of states requiring passage of EOC exams to earn a diploma increased to seven, while an additional ten states will begin phasing in EOC exams soon, or have plans to implement them in the future. Six other states administer EOC exams, but do not require passing scores for graduation. This brings to a total of 23 the number of states administering state-developed EOC exams. When the first CEP survey was conducted in 2002, only two states -- New York and Texas -- of the 18 states at that time with exit exams, administered end-of-course exams.

As CEP's most recent report states, "The Education Testing Service, Pearson Education, Inc. and the College Board (2010) suggests that education stakeholders often prefer EOC exams to comprehensive exams due to a number of advantages. Because EOC exams can be more closely aligned with curriculum and instruction and are typically administered closer in proximity to when the curriculum is taught, proponents consider these exams to be a more accurate assessment of student knowledge and therefore able to more directly inform curriculum development. Additionally, the College Board reports that EOC exams can be aligned to college-level courses and possibly used as placement or pre-qualification for college." Within the context of more than 40 states adopting the Common Core State Standards and most likely realigned assessments being developed by two state consortia, the report quotes nationally recognized expert on college readiness assessments, David Conley, as saying that the Common Core Standards were developed with the goal of connecting K-12 standards with post-secondary education. But states often stop short of "measuring important skills that are difficult to assess on exit exams with traditional types of assessments but are important for college and career readiness....As a result, states can and do neglect to assess more cognitively complex standards they have set for students." The movement toward EOC exams should increase the demand for curriculum products that are closely aligned with the EOC exams and which are accompanied by embedded formative assessments and supplemental materials that can be used as immediate interventions for students making inadequate progress in individual courses.

Following the scope of its previous surveys, CEP also asked states to identify the impact that funding pressures have had on initiatives directly related to the use of exit exams, including remediation or test prep for students initially failing such exams or portions thereof. As the report states, “In two states, California and Idaho, more local flexibility was allowed so that local school districts could make best use of what limited funding was available. In four additional states (Louisiana, Massachusetts, Nevada, and South Carolina), programs associated with high school exit exams were cut completely. For example, whereas in 2008-09, \$72 million was provided to districts to pay for remediation services for students who failed to pass the California High School Exit Exam, in 2009-10 only \$52 million was apportioned. However, California guidelines say these funds can be used in a flexible manner for “any education purpose” and will remain in effect until 2012 unless legislation is amended. In Idaho, districts were given \$350 for each student who scored in the “below-basic” range on the Idaho Standards Achievement Test for two consecutive years. However, this amount has subsequently been rolled into a discretionary fund to provide more funding flexibility for districts. As late as 2008-09, more than \$2 million was allocated for remediation for students who did not pass the Louisiana Graduation Exit Exam. These funds have subsequently been cut from the budget. In 2007-08 South Carolina spent slightly over \$80 million on intervention and assistance to schools with below average or unsatisfactory ratings. The next year, funds were reduced to \$60 million. As the report notes, “Due to the increased number of eligible schools and the reduction of funds available for intervention and assistance, the schools that did receive

funding for remediation received the minimum dollar amounts specified for the past two years. Schools with ratings of ‘below average’ received \$75,000 per school, and schools with ratings of ‘unsatisfactory’ received \$250,000 per school.”

CEP identified other important trends related to exit exams and additional state assessment developments. The number of states with exit exams has increased from 26 to 28, with the addition of Oregon and Rhode Island. Approximately three-fourths of all high school students are enrolled in states with exit exams. CEP also reported that, “States with and without high school exit exams are moving toward policies that require students to take college entrance exams.” Eight states without exit exams require students to take the ACT, SAT, or Work Keys college entrance exams. Also, at least three states which do not have exit exam policies use portfolio-based assessments or senior projects as part of high school testing. States requiring the ACT or Work Keys include: Alabama, Colorado, Illinois, Kentucky, Michigan, North Carolina, Ohio, and Wyoming. North Dakota and South Dakota require the SAT or Work Keys. Maine requires the SAT. States with exit exams that use portfolios or senior projects include: Connecticut, Hawaii, and South Dakota. States where portfolios or projects are used as alternative paths for special needs students or those who repeatedly fail exit exams include: Massachusetts, Alaska, Oklahoma, Maryland, Nevada and Oregon. Ohio, and Rhode Island require a portfolio or project in addition to the exit exam.

This CEP survey is much more expansive and in-depth in certain areas than previous

reports and includes research findings and meta analyses on the following topics:

- perceived impact of state adoption of the Common Core State Standards and aligned assessments on exit exams and other state assessments.
- the impact of exit exams on high school completion rates as addressed by several research studies; and
- pros and cons of using various types of state assessment instruments.

Based on a recent discussion with Jack Jennings, CEP President and CEO, and a key CEP research associate and other education policy observers familiar with the CEP findings, one might surmise the following:

- in general more testing will occur at the high school level over the next several years;
- end-of-course exams which align formative assessment components will continue to become more prevalent, perhaps along with ACT, Work Keys and SAT college entrance exams replacing current types of exit exams and being used in lieu of them for graduation purposes;
- career and college-readiness “exams” will increasingly receive a higher priority at the federal and state level than “graduation” exams which could create a host of opportunities for firms with products and services which fit into these areas. (See related [Washington Update](#))

In a recent conversation, Jack Jennings, President and CEO of CEP, reiterated his comments, reported in [Education Week](#) and [Education Daily](#), that testing at the high

school level will likely expand. But as Phillip Lovell, Vice President of Federal Advocacy at the Alliance for Excellent Education, a watchdog high school reform advocacy group, reportedly stated in [Education Week](#) (December 21st), “Unless we’re strengthening the curriculum and the quality of teaching, supporting students who are off-track and undercredited, unless we’re creating a more effective use of time, making academic experience more personalized and meaningful, we can test all we want, but we’re not going to test our way to increasing achievement and graduation rates.”

For a copy of the CEP report, go to: www.cep-dc.org

USED Has Posted Proposed Changes for the Next i³ Grant Competition (if There are Funds for Another One) Which Would Give the Secretary of Education Significantly More Discretion in the Areas of Determining the Amount of Cost-Sharing or Matching Required and the Priority Selection Criteria To Be Used by the Peer Review Panels

One proposed change would allow the Secretary to limit the number of awards a grantee may receive under the Investing in Innovation (i³) program in a single year’s competition. Another change relates to the required matching which would provide the Secretary the flexibility to determine “the required amount of private-sector matching funds or in-kind donations that an eligible applicant must obtain for an i³ grant in FY 2011 and in subsequent fiscal years.” During last year’s competition, for the three types of grants, the matching requirement

was 20 percent from foundations or the private sector, which could include some in-kind contributions. Yet another proposed change would allow the Secretary to choose specific selection criteria and factors, which could include “Strength of Research, Significance of Effect and Magnitude of Effect,” and “Quality of the Management Plan and Personnel,” among others. In last year’s competition all criteria were given numerical weightings and points. The guidance states, “...the Department would have the flexibility to use the most appropriate priorities, requirements and selection criteria, for each type of grant (Scale-up, Validation, or Development) under this program in any year in which this program is in effect....”

Another change, according to Education Week’s Politics K-12 blog, will remove the current limit that a grantee could receive (now two awards/no more than \$55 million) to ensure that last year’s winners “aren’t automatically disqualified. The proposed regulations say this in the best interests of helping scale up good ideas. (Good news for favorites like TFA and KIPP).”

The proposed changes do not address some issues and concerns raised by for-profit firms last year -- for example, “official partners” or “other partners” were not able to receive i³ funding directly. Grantees could only purchase or adapt products from a private firm. However, resulting products would then be made available free on USED and other websites, without much or any copyright protection for the content owner.

Individuals who wish to comment on the proposed changes should review the January 10th Federal Register announcement and provide comments on or before February 9,

2011.

Miscellaneous

- a) USED has announced, in the January 7th Federal Register (for comments by February 7, 2011), a new initiative for one or more state consortia to develop English-proficiency tests to compliment the Common Core State Standards (CCSS) assessments being developed by two other state consortia. While USED did not include English language proficiency assessments under the earlier \$300 million plus initiative awarded to the two state assessment consortia, the notice states, “Accordingly, we propose here a priority for the EAG [Enhanced Assessment Instruments Grant] program for projects that propose to develop a system of English language proficiency assessments aligned with English language proficiency standards that correspond to a common set of college- and career-ready standards....in English language arts, and mathematics that will be operational by the end of the project (i.e., ready for large-scale administration).” These assessments would complement the assessments being developed by the two other consortia. The state consortia (each of which must include at least 15 states) to be selected for the estimated \$10 million available would address two current nationwide problems: “States in a consortium developing these English language proficiency assessments would use a common definition of ‘English learner’ and common criteria for exiting a student from English learner status in order to ensure consistent identification

of students as English language learners across member States. These assessments also would be used to help determine the effectiveness of English language instruction educational programs.”

Currently a variety of English-language-proficiency assessments developed by commercial publishers, state consortia, or individual states (e.g., Texas) are being used. As noted in an Education Week article (January 10, 2011), the World-Class Instructional Design and Assessment (WIDA) consortium, established more than five years ago by the Wisconsin SEA, has 24 member states and its Executive Director, Timothy Boals, reportedly stated in the article that WIDA has already started to improve the alignment of English proficiency assessments with the Common Core Standards. This would likely be used in its bid for a portion of the estimated \$10 million; however, existing state members of WIDA currently have their own definitions for ELLs and exit criteria for ELL students. According to Robert Linqunti, a senior research associate for West Ed, common definitions of English language learners would help, but warned that “some states with local-control laws that permit school districts to set their own criteria for when English-learners should exit programs may resist giving up flexibility,” as reported in the Education Week article. Moreover, as an earlier Education Week blog, “Learning the Language,” noted, “The federal government has already pushed for states to establish standardized criteria within states for when ELLs exit programs, but it’s new for the federal

government to push for standardization between states.”

For firms that have products used in ELL programs or that address English language learners in general education, there could be a number of direct implications ranging from ensuring alignment of instructional content to the newly developed test domains to formative assessment tools embedded in such content. These considerations are similar to those for the to-be-developed alternative assessments for students with severely cognitively impaired disabilities being developed by two other state consortia headed by the University of Minnesota’s National Center on Education Outcomes, and by the University of Kansas (see October 2010 TechMIS Washington Update).

It is interesting to note that a recent Policy Brief by the Thomas Fordham Institute on ways that states can stretch the school dollar, identifies as one of 15 ways is to “limit the length of time that students can be identified as English language learners.” As the Brief argues, “Where feasible, states should fund ELL for a limited period after first-time identification, so as not to encourage systems to keep students in ELL programs for many years, with attendant costs to the state.”

- b) In an August 6th Education Daily interview, Zollie Stevenson Jr., formerly director of the USED Title I program, now with Bowie State University, noted that, “The coming year is going to be very tight financially for Title I programs since the funds that will be available will likely be the same as FY

2010 and fiscal conditions in most school districts have not changed -- and in some instances have gotten worse....I would advise program administrators to focus Title I schools on their needs assessment and other data to identify and focus services and to keep the focus on activities and resources that are going to make a difference over the long haul.” Some of the recommended uses of funds are job-embedded professional development for teachers -- including differentiated instructional strategies and culturally relevant instruction -- and training to use equipment that districts purchased with stimulus funds. It should be noted that in any “newly-eligible” schools served for the first time because of the availability of stimulus funds, but which will no longer be served by Title I when such funds are depleted after September, any technology and instructional software materials purchased using stimulus funds can remain in the school. In the same Education Daily article, Rich Long, Executive Director of the National Title I Association, identified one of the major challenges over the next year -- aside from ESEA reauthorization -- as better coordination between Title I and early childhood programs, IDEA, and Title III for English language learners. He noted that the NTI Association and the National Association of State Directors of Special Education are hoping to draft a background paper in January, with a briefing in March, which will recommend ways in which Title I and IDEA funds can be used in a coordinated manner.

We will be attending the annual National Title I conference in Tampa at the end of January and will report on major new guidance or developments in our February TechMIS issue.

- c) The National Research Council has issued its final report to USED recommending that the funding formula for Title III ELL grants incorporate both state level counts and Census Bureau data. Currently, federal funding to states is based solely on Census counts.

In FY 2010, ESEA Title III provided \$750 million to states/districts to help English language learners (ELLs) increase proficiency in language and to help immigrant students in their transition. As Sarah Sparks reports in Education Week, while the school age population has grown three percent in the last decade, the number of ELLs has jumped 60 percent to nearly 4.5 million students. Sparks cites a GAO report which, in 2006, found that using a new funding method produces significant different results. For example, Census counts of ELLs in California were 50 percent lower than the State’s estimate. Conversely, the Census count was 40 percent higher than the State’s estimate in New York in 2004-05. The NRC report recommends the formula for Title III be changed by basing 75 percent of the state’s share on Census estimates and 25 percent on the state’s own counts of LEP students.

Arizona Update

January 2011

According to Education Week, Arizona expects to continue making cuts in the State's K-12 education budget for FY 2012 because Federal stimulus fund will end in the middle of 2011. The State's FY 2011 budget already includes more than \$700 million in school funding reductions. A total budget deficit of \$1.4 billion for FY 2012 means a likely cut of about \$518 million to K-12 schools.

California Update

January 2011

As reported in the *State EdWatch* blog on EducationWeek.com, California's incoming Governor Jerry Brown has said he wants to eliminate the position of Secretary of Education. The new Governor plans to work directly with the State school board and State superintendent. Among the newly appointed members of the State board are such highly regarded educators as: Carl Cohn, long-time superintendent in Long Beach; Michael Kirst, Professor Emeritus at Stanford University; and Bill Honig, former State superintendent.

The Mercury News reports that, in mid-December, California allocated \$25.5 million in the second phase of awards from the State's \$1.1 billion share of the settlement of the nationwide lawsuit against Microsoft. In the first phase, \$243 million was allocated to California school districts. Districts receive their shares of the settlement in the form of vouchers that can be used for technology purchases (not just of Microsoft products). Two San Francisco Bay area districts -- Santa Clara County (\$821,000) and San Mateo County (\$306,000) -- will receive significant awards from the settlement's second phase.

In mid-December, the teachers union for the Los Angeles school district announced that it would not accept pay cuts and that it would not agree to tying teacher evaluations to student test scores. Facing a \$142 million deficit for next year, the district, which has laid off 5,000 employees in the last 18 months, wants to save up to \$97 million with seven days of required furloughs for teachers. Los Angeles Mayor Antonio Villaraigosa has called the union the primary obstacle to improving the City's schools. John Deasy is the district's new superintendent.

In California, voters have approved a ballot proposal that will fund more technology for the San Diego school district. As part of the district's five-year plan to upgrade technology, the money will provide netbook computers for use by nearly 100,000 San Diego students in grades 3 to 12.

Florida Update

January 2011

The Miami Herald also reports that Florida's new Governor Rick Scott, and his education advisor Michelle Rhee, have proposed a plan for improving the State's K-12 education system. Among the plan's features are:

- offering parents more choices for their children with emphasis on increasing the number of charter schools;
- creating a merit pay system that would reward high-performing teachers; and
- focusing on accountability and efficiency; building and maintaining schools for less money.

Governor Scott has also reiterated his position in favor of private school vouchers. His plan calls for "education savings accounts" that would provide vouchers worth 85 percent of what the State allocates for each student in a public school. The vouchers could be used for private tutoring, virtual schools, or books used in dual enrollment plans, as well as for private school tuition. Opponents of the proposal argue that an amendment to legalize vouchers would require a Constitutional amendment approved by at least 60 percent of Florida voters; such an amendment is unlikely to go on the ballot before 2012.

As reported in The Miami Herald, the current school year is the first under which each class is required to comply with class size caps for kindergarten through third grade (18 students), fourth- through eighth-grade (22), and high school (25). The State is proposing penalties -- in the form of reduced State funding -- totaling \$43 million for districts and charter schools found in violation of the class size limits. This total is far less than the \$131 million that had been predicted at the start of the school year. The biggest fines are for: Palm Beach County (\$16.6 million); Miami-Dade County (\$6.6 million), Duval County (\$6.4 million), Broward County (\$3 million), and Manatee County (\$1.1 million).

As reported in Education Week, the Florida Virtual School (FLVS), unlike other schools in the

State, receives its funding based on the number of students who successfully complete their courses. Serving 214,000 students in 2009-1010, FLVS must walk a fine line between ensuring students pass their classes and maintaining proper academic standards. Every FLVS teacher works on an annually-renewable performance contract which pays them based on a base-plus-incentive formula. Currently, State funding for FLVS students averages about \$425 per course completion.

FloridaToday.com reports that John F. Kennedy Middle School in Brevard County is offering online tutoring at night for all of its 750 students. Available between 7 p.m. and 8 p.m., Monday through Thursday, the hour long sessions cover math every night. Language arts, science, social studies, and Spanish are available once a week.

Hawaii Update

January 2011

The Honolulu Star Advertiser reports that schools in Hawaii do not provide sufficient services or programs to help special needs students survive after high school. Despite the requirement under IDEA that schools must plan for transitions into adulthood, there is a lack of occupational skills programs in the State's high schools. Among the approaches to this problem the State plans to utilize are:

- stand-alone occupational skills programs for special education students
- improved transitional services for special needs students (although no new funding is anticipated); and
- higher rates at which special needs students graduate with a full diploma (rather than a certificate of completion).

Idaho Update

January 2011

Idaho's Superintendent of Public Instruction, Tom Luna, has proposed a major overhaul of the State's public education system according to the Times-News. Called "Students Come First," the proposal has three principal components: technology, effective educators, and transparent accountability. Under the plan, all ninth-graders, beginning in 2012-13, would be required to take at least two online classes each year. Free dual-credit, online courses would also be available for seniors who finish their high school requirements early. The proposal includes a pay-for-performance component that would reward teachers who take hard-to-fill positions, who assume leadership roles, and whose students show academic growth. Funding for at least part of the plan -- \$100.6 million over two years -- would come from an increase in average class size from 18.2 students to 19.8 students.

Illinois Update

January 2011

As reported in the Chicago Tribune, Illinois has approved new rules that would close a loophole that some schools have been using to keep low-performing eleventh-graders from taking the State assessment, and thus not counting against the schools scores under Federal standards. Under the new regulations, all high school juniors must sit for the Prairie State Achievement Exam (PSAE) in April. Students cannot become seniors unless they take the test and their scores are counted as part of the school's performance. Data indicated that about eight percent of Illinois 12th-graders had not taken the PSAE in their junior year.

Clearwave Communications and Calix, Inc., as part of a \$45 million project, plan to increase broadband access to 232 institutions including schools and libraries in Southern Illinois. The effort is funded by a \$31.5 million grant from the Federal broadband stimulus program, \$11.3 million from the State of Illinois, \$400,000 in county grants, and \$2.1 million from private sources.

Indiana Update

January 2011

The Indianapolis Star reports that the Foundation for Educational Choice (formerly the Milton and Rose D. Friedman Foundation) has begun an advertising campaign to promote school choice. The Foundation plans to spend between \$40,000 and \$500,000 on the ads. Governor Mitch Daniels and State superintendent Tony Bennett -- both Republicans -- are in favor of school choice and the new Indiana General Assembly will have a large Republican majority.

The Indianapolis Star also reports that the Indianapolis school district has recorded its largest year-to-year increase in high school graduation rates since the State changed its calculation methodology in 2005. All eight of the district's full-sized high schools showed higher rates in 2010 with four of them showing increases of more than ten percentage points -- Washington Community High School (up 21.4 percentage points), Howe Community High School (up 19.7 points), Manual High School (up 15.7 points), and Tech High School (up 10.0 points).

Iowa Update

January 2011

As reported in the Des Moines Register, educators in Iowa have spent more than two years in the process of switching to the State's new \$31 million Iowa Core Curriculum, an instructional blueprint intended to become mandatory in a few years. But, with the State's failure to win Race to the Top money, Republicans in the State legislature have introduced a bill that would stop implementation of the Iowa Core without specifying what would replace it.

Kentucky Update

January 2011

As reported in the Louisville Courier-Journal, the Kentucky legislature is considering Senate Bill 13 that would reward teachers of advanced science and mathematics. The measure would allow teachers of students who score high on Advanced Placement tests to earn as much as \$500 per student, up to a total of \$7,500 per year. The bill also provides cash rewards of up to \$5,000 for teachers of standard math and science courses if the teachers of advanced courses in their school earn the bonuses.

The Kentucky legislature is also considering a bill that would allow charter schools in the State, according to the Lexington Herald-Leader. Opposed by Democrats on the Education Committee, Senate Bill 3 would also permit parents, under certain conditions, to enroll their children in public schools closest to their homes.

Maine Update

January 2011

The November ballot in Maine includes Question 1 that would establish a casino with slot machines and table games, according to Education Week. Revenues from the casino -- 25 percent of slot machine revenue and ten percent of table games revenue -- would be directed to K-12 education in the State.

Maryland Update

January 2011

Maryland Governor Martin O'Malley has declared that he will stand by the State's commitment to require student achievement to be 50 percent of teacher and principal evaluations, despite strong opposition from teachers unions. As reported in the Baltimore Sun, the Governor says that the State must fulfill the 50 percent promise it made in order to receive \$250 million under the Federal Race to the Top competition. A regulation that would have made the 50 percent requirement a rule was rejected in November by a legislative review panel thus throwing the issue to the Governor.

The Baltimore Sun also reports that the Baltimore City school district plans to use most of its share of Maryland's \$250 million Race to the Top award for an educator evaluation and compensation system. The district, which received the largest allocation of the State's RTTT money, will use \$28.6 million of its \$52.7 million to develop and implement a system that will tie teacher salaries to student performance.

As reported in Education Week, the Baltimore City school district, in an effort to improve teacher quality, has called for the recruiting of more teachers through alternative certification channels. The district's superintendent, Andres Alonso, has cited contributions from three teacher preparation organizations.

- New Leaders for New Schools -- has provided 40 principals for the City's schools (out of 199); the organization also has a \$750,000 contract with the district to support five under-performing schools;
- Teach for America -- has provided about 1,000 of the district's 6,500 teachers; and
- Baltimore City Teaching Residency -- has similarly provided about 1,000 Baltimore teachers.

Michigan Update

January 2011

According to Stateline.org, the Michigan legislature is considering a bipartisan bill that would reform teacher tenure and tie it more closely to student performance on standardized tests. The State is adopting this approach -- included in its Race to the Top application -- even though it was not one of the RTTT winners.

According to the [Detroit Free Press](http://DetroitFreePress.com), the Detroit school district will be using money from the Federal stimulus program -- Title I (economically disadvantaged) and Title IID (educational technology) -- to purchase computers for its schools. The districts' \$49 million technology plan is expected to provide laptop computers to middle and high school students. Detroit teachers have already received 5,000 new ASUS Netbook laptops (and training) under the plan. The student laptops are expected to be distributed in late February.

New Jersey Update

January 2011

In his first State of the State address, New Jersey's Republican Governor Chris Christie has called for an end to teacher tenure according to [The Wall Street Journal](#). The Governor, who has done battle with the New Jersey Education Association over a number of issues, did not specify how the tenure issue would be addressed in practice. Ending tenure would require cooperation from Democrats in the State legislature which currently sets the rules for tenure.

According to [Education Week](#), Governor Christie has appointed, as the State's next Education Commissioner, Christopher Cerf, former deputy schools chancellor in New York City. Before joining the New York City school district, Cerf was president of Edison Schools, Inc., the largest for-profit operator of public schools. In his new role, he will have to deal with the sharp divide between Governor Christie, who has made severe cuts in the State's education budget, and New Jersey's active teachers' union.

A member of the New Jersey State legislature has proposed the Parent Empowerment and Choice Act that would enable parents of children in low-performing schools to force school overhaul. Known as "the parent trigger," the measure would, if a majority of parents in a school sign on to a petition, force the school to make one of three major changes: converting to a charter school, changing the school administration, or establishing a tuition voucher program. Representatives of the State teachers union are sharply critical of the proposal calling it "a backdoor voucher program." The bill is modeled after a newly-adopted law in California; at least five other states -- Georgia, Indiana, Maryland, Michigan, and West Virginia -- are considering similar legislation.

New Mexico Update

January 2011

New Mexico's incoming Governor, Susana Martinez, has chosen Hanna Skandera as the State's next education secretary. Skandera was an aide to former Florida Governor Jeb Bush for whom she focused on such issues as improving middle schools, developing incentives for high school performance, and ending social promotions.

New York Update

January 2011

In his first State-of-the-State address, New York's new Governor, Andrew Cuomo, has proposed two new competitive grant programs for the State's school districts. Mirroring the Federal Race to the Top competition, the two programs -- to be funded at \$250 million each -- would reward: (1) districts that increase student academic performance; and (2) districts that cut costs without affecting the classroom. The State's current school funding formula gives money to districts based on the number of students served with extra funds allocated for high-needs students. The State's recent accountability program -- Contracts for Excellence -- was intended to reduce class sizes and extend the school day. But, by most accounts, the program failed to achieve its goals and some districts, including New York City, have used the money to replace funds lost through local budget cuts.

The New York Times reports that the Roman Catholic Archdiocese of New York plans to close 26 of its elementary schools and one high school at the end of the current school year because of declining enrollments. Covering New York City and the Southern part of the State, the Archdiocese has committed to finding places for the 4,700 students affected by the closings. Diocese officials say the 27 schools to be closed -- 13 of which are in New York City -- were recipients of \$10 million in subsidies this year.

The New York Times also reports that the New York City school district has implemented new guidelines under which teacher tenure will become less automatic. Last year, only 3.7 percent (234 out of 6,400) of the teachers eligible for tenure were denied. The new guidelines require principals to consider a number of factors -- including student performance on standardized tests -- in the tenure decision. Instead of merely checking a box, as they did in the past, principals must explain their tenure recommendations in three paragraphs. The tenure guidelines are part of Mayor Michael Bloomberg's plan to change the culture of the City's schools.

Ohio Update

January 2011

Like many large school districts nationwide, Cleveland and many other Ohio districts are implementing initiatives that might be called “charter-friendly.” However, as reported in the Columbus Dispatch, the Columbus school district is still looking at charters with trepidation. In 2005, when Columbus had 5,000 students attending charter schools, the district has promised to open a charter school office within the district administration but never did so. Currently, more than 12,700 Columbus students go to charter schools taking with them more than \$88 million in State per-pupil money.

Oklahoma Update

January 2011

According to The Oklahoman, Oklahoma's incoming State Superintendent, Janet Barresi, has said that the State is among the worst in the nation in producing top-achieving math students.

The Superintendent-elect has cited three major priorities for her first year in office:

- bringing responsibility for professional development back to the State Department of Education, rather than individual school districts;
- implementing the Common Core curriculum so that it allows more depth in instruction and more discretion among teachers; and
- improving the State's student data system -- the Wave -- so that teachers can address students' needs and track students who move from school to school.

She is also participating in Jeb Bush's Excellence in Education organization which advocates such policies as a letter grade rating system for schools.

The Oklahoma City school district has adopted a new calendar that reduces the summer vacation to two months. Known as the "continuous learning calendar," the schedule is intended to improve struggling schools by reducing learning loss over the traditional three-month vacation.

The school calendar runs from August 1 to June 1 and will include the same number of days (175), but would have two-week breaks in October and March and a three-week break in December. The breaks (or intersessions) will be used to provide remediation for struggling students. The revised calendar is similar to one approved this Fall in Indianapolis.

Pennsylvania Update

January 2011

As reported in the Pittsburgh Post-Gazette, Pennsylvania school districts must, beginning with the Class of 2015, adopt the State's new Keystone [end-of-course] Exams (or a validated local assessment) as a graduation requirement and part of students' final course grades. Districts that use the Keystone Exams have the option of counting the test score for at least a third of a student's course grade or requiring proficiency on the Keystone Exams for graduation. This Spring, the State will offer Keystone Exams in Algebra I, biology, and literature. Ultimately, there will be ten Keystones covering subjects in English, math, science, and social studies. The Classes of 2015 and 2016 must show proficiency in English composition, literature, algebra, and biology. The Class of 2017 and later classes must demonstrate proficiency in English composition, literature, two math subjects, one science subject, and one social studies subject.

Rhode Island Update

January 2011

One of Rhode Island's worst schools, Central Falls High School, after negotiations with the local teachers union broke down, had its entire staff fired last year as part of the State's school improvement program. After further negotiations, the teachers were rehired under an agreement calling for a longer work day, more rigorous evaluations, and more after-school tutoring. However, rampant teacher absenteeism and teachers leaving after school began this Fall have left the school, whose students are largely Hispanic, in disarray again. State officials have said that such options as closing the schools or again replacing the teachers may have to be considered.

As reported by Education Sector, the Providence school district, with its long history of difficult relations with the local teachers union, has created a union-district alliance to develop jointly a reform plan and to share implementation responsibility. The report, Unlikely Allies: Unions and Districts in the Battle for School Reform, says Rhode Island is the only state in the nation that allows school districts the option to "restart" their lowest-performing schools using a joint, labor-management strategy.

Tennessee Update

January 2011

The Tennessean reports that Tennessee's new standards and more rigorous tests have had an effect on the scores of students and schools. Scores from Spring 2010 testing indicate that 51 percent of Tennessee's K-8 students were reading at a level that would ensure college success; 34 percent scored high enough in math to be at that level. African-American students, students with disabilities, and English language learners scored even lower. Of Tennessee's 1,653 public schools, 76 percent met the new tougher goals, down from 80 percent last year. The number of schools considered "high priority" -- those missing standards for at least two consecutive years -- increased from 144 in 2009 to 186 last Spring.

Scope of Work (SOW) documents for Tennessee school districts, under the State's Race to the Top program, are keyed to four major goals: (1) increase early grades reading proficiency; (2) increase middle grades math proficiency; (3) increase high school graduation rates; and (4) increase post-secondary access and success. District SOW documents are available on the State's RTTT website: <http://tn.gov/firsttothetop/resources.html>

As reported in The Memphis Commercial Appeal, the Memphis school district will begin, starting with this year's ninth-graders, to require all high school students to take at least one online course in order to graduate. Currently, the district offers 28 online credit courses for high school students and 12 courses in middle school. The district also plans to spend \$1.4 million to expand access to online Advanced Placement courses and another \$1.2 million annually to increase the number of students taking online AP courses. The AP courses are purchased from the Florida Virtual School at a cost of about \$18,000 per course per year.

The Chattanooga Times Free Press reports that the Hamilton County school district has used \$300,000 of the money it received under the Federal Race to the Top program to purchase a system for screening teacher, principal, and support staff applicants. Consisting of three programs -- *TeacherInsight*, *PrincipalInsight*, and *SupportInsight* -- the system, which will not

be mandatory, takes about 35 minutes to complete and includes agree/disagree questions as well as multiple-choice questions about attitudes, beliefs and practices of successful educators.

Texas Update

January 2011

According to [The Dallas Morning News](#), the Texas Education Agency has published its annual list of the low-performing schools in the State. The list contains 369 schools -- down from 499 the year before -- which had 50 percent or more of their students fail the Texas Assessment of Knowledge and Skills in any two of the last three years or which received an “academically unacceptable” rating in any one of the last three years. The largest numbers of schools on the list were in Dallas (42), Houston (25), and Fort Worth (23). State rules allow students at schools on the list -- an estimated 250,000 students -- to transfer to better schools. But, because there is no State funding for transportation, only about 500 students each year actually transfer.

The [Fort Worth Star-Telegram](#) reports that a new curriculum tool aimed at improving student test scores has been adopted by 747 of the 1,051 school districts in Texas. Known as CSCOPE, the customizable online curriculum management system includes: timetables for covering required material, instructional-unit breakdowns to help teachers highlight key areas, and optional lesson plans for struggling students. CSCOPE covers the four core subjects included in the Texas educational standards: language arts, math, science, and social studies. It is intended to help districts move from the State’s current assessment (the Texas Assessment of Knowledge and Skills-TAKS) to the new State of Texas Assessments of Academic Readiness program which begins in 2012. The cost of CSCOPE is about \$7 per student per year.

According to the *Digital Education* blog on [EducationWeek.com](#), Texas has issued a list of approved digital textbooks for K-12 English, K-12 Spanish, K-8 English as a second language, and English language proficiency for grades 9-12. The list includes “conforming” tests, which meet 100 percent of the State’s standards and “non-conforming” tests which meet at least 50 percent of the State standards. This is the first such list since the State has been given the power to approve purchase of digital textbooks with State funding.

Utah Update

January 2011

As reported in The Herald Journal, Utah is beginning a major overhaul of its K-12 education as part of its implementation of the Common Core State Standards developed by the National Governors Association and the Council of Chief State School Officers. Among the changes will be a greater focus on argumentative writing in language arts and the integration of math subjects into a range of subjects. The names of math classes for sixth-and ninth-grade will be changed but there will be no end-of-level exams because no current tests are appropriate. Such assessments are expected to be available in two and a half years. District officials expect to hold off purchasing new textbooks until the Common Core Standards are better integrated into the schools.

The Salt Lake Tribune (1/4/11) reports that the Utah Office of Education is planning to award seven grants totaling \$375,000 to school districts and schools for the development of innovative uses of technology. Part of the State Superintendent's discretionary fund, the grant money will allow grantees to demonstrate their approaches. The State could then make recommendations to the legislature in 2012 about which projects should be continued or expanded. The winners are:

- Viewmont Elementary (Murray) -- \$16,035
- Alpine Elementary and Traverse Mountain Elementary -- \$43,532
- Parkside Elementary (Murray) -- \$50,000
- Piute High School (Junction) -- \$43,000
- Canyons School District -- \$48,120
- Iron County School District and Southwest Educational Development Center -- \$24,563
- Jordan School District -- \$150,000

Virginia Update

January 2011

The Washington Post reports that the Virginia legislature is considering a bill that would overhaul the State's textbook adoption process. Currently, prospective textbooks are reviewed by panels of teachers and a number of errors have been found. Under the new measure, textbook publishers would be responsible for having their materials reviewed by subject area specialists approved by the State and would be required to certify the texts' accuracy. The publishers would also be responsible for correcting any mistakes discovered subsequently. State officials and lawmakers believe such a process would reduce errors and shift financial responsibility to the publishers. The State would publish a list of certified textbook publishers on its website, but local school districts could still use books from other publishers.

Virginia Governor Robert McDonnell has proposed a total of \$50 million for the State's public colleges and universities. Specifically, the Governor's proposal calls for: \$33 million to increase enrollment, retention, and graduation with a focus on science, technology, engineering, math, and health care; \$13 million for undergraduate financial aid; and \$4 million to upgrade online courses and the use of technology. The budget bill would also include \$25 million to help universities commercialize their research as part of an effort to leverage the State's higher education system to enhance the State's economy.

Washington Update

January 2011

The Chronicle of Higher Education reports that Washington State's community colleges, in a money-saving effort, are planning to offer online materials as textbooks. Using a \$750,000 grant from the Bill & Melinda Gates Foundation, the State is developing a collection of low-cost, online instructional materials for community and technical college students. Known as the Open Course Library, the materials will be organized into ready-to-use digital modules for the 81 courses with the highest enrollments. The first 43 courses were tested in January. It is expected that the cost of the course materials will be capped at \$30 per student. An official of the continually evolving Open Course Library has encouraged textbook publishers to get on board with the concept, saying "We are going to get there with or without you."

Wyoming Update

January 2011

Among the proposals up for consideration by the Wyoming legislature during its January general session is a reform package that would allow the State to take over failing schools. Known as the Education Accountability Act, the proposal would shift responsibility for local school district operations from local school boards to the State. It could also eliminate teacher tenure and give parents more control in failing schools. Currently, teachers earn tenure -- “continuing contract” status -- automatically after three years. Under the proposed measure, all teachers would be evaluated annually and their contracts renewed accordingly. The proposal will include a “Parent Trigger” which would allow parents to initiate major changes in a school if more than half of the parents sign a petition. These changes could include conversion to a charter school or replacement of school leadership.

Education Week reports that Wyoming has received \$17 million from the Federal Education Jobs Fund, money intended to avoid teacher layoffs. The State, which has said it doesn’t need the money, has approved applications from local school districts to use the funds for teacher bonuses and other benefits.