

Education TURNKEY Electronic Distribution, Inc.

256 North Washington Street
Falls Church, Virginia 22046-4549
(703) 536-2310
Fax (703) 536-3225

MEMORANDUM

DATE: August 2, 2011
TO: TechMIS Subscribers
FROM: Charles Blaschke and Blair Curry
SUBJ: State Regulatory Relief Begins; ARRA and Title I Opportunities; and State Profile Updates

As we expected, the Secretary's Plan B for "regulatory relief" through state waivers and other means has begun when USED announced last week that Idaho had been given "relief" to get out from under the increased proficiency standards for AYP calculations, even though the state did not officially request a waiver to do so. Rather, in a July 6th letter, Idaho Superintendent Tom Luna proposed to defy the unrealistic 2014 proficiency growth requirements under NCLB. Tennessee, Michigan, South Dakota, and Montana have also reportedly submitted waiver requests, although details are not available. In his letter to Secretary Duncan, Luna stated, "In Idaho, we have agreed to the Council of Chief State School Officer's *Roadmap on Next-Generation State Accountability Systems* and will begin working toward these principles this year." In our TechMIS Special Report on CCSSO Next Generation Principles (July 7th), we noted that 41 states had agreed, at that time, to submit waivers guided by the Roadmap principles. Last week, CCSSO Executive Director Gene Wilhoit announced that the number of states which are planning to submit such waivers has increased to 44. Instead of writing any detailed conditions which states must meet in order to have waiver requests approved, the Secretary appears to be encouraging states to follow the principles and voluntarily agree to implement many of the reform-related conditions, such as those in Race to the Top. If this scenario for Plan B emerges, then the vast majority of states will request similar general waivers; however, each will have its own unique "fingerprints" on details. In our April 15th TechMIS Special Report, we outlined some of the likely new flexibilities, such as allowing states to provide waivers to districts who wish to use Title I funds to implement RTI approaches without meeting "supplement not supplant" requirements and those related to SES funding flexibilities. As other states submit waiver requests which are approved and details are made available, we will provide our analyses in periodic TechMIS reports.

As this memorandum is being prepared, the Senate is scheduled for its vote on the debt ceiling increase and spending reductions (i.e., Budget Control Act of 2011), which is very likely to pass. Under the assumption it will pass, when the full document is officially released, we will be providing reports on its impact on education funding and implications for TechMIS subscribers. At this moment, it appears that education funding is likely to be effected less significantly than other Federal programs. However, details are sketchy at this time.

The Washington Update includes:

- **Page 1**
New Government Accountability Office Study reports about a third of the states' \$2 billion portion of Race to the Top funds is being used to develop effective teachers and leaders, while about a quarter is being used at the state level to improve low-achieving schools among the winning Round 1 and Round 2 RTTT state grantees. As of June 3rd, only 12 percent of the total first year's budget of \$800 million has been drawn down.
- **Page 2**
While most recent survey data from Center on Education Policy (CEP) concludes that districts face grim reality as a result of continuing budget woes, the data also suggests specific opportunities which could exist in many districts for training and support to use more effectively large amounts of technology purchased with ARRA funds in 2009-10 and most recently.
- **Page 4**
New Government Accountability Office (GAO) report on district Title I expenditures prior to ARRA funding suggests likely patterns which could occur this school year after ARRA funds are depleted.
- **Page 5**
The House Education and Workforce Committee has passed the State and Local Flexibility Act (HR 2445), the third of an anticipated five GOP "pieces" which would constitute the Republican ESEA reauthorization. A provision allowing districts to transfer all Title I funds into other Federal programs is being opposed by Democrats, civil rights groups, and most education groups except AASA and NSBA; some consider the provision to be a "bargaining chip."
- **Page 6**
Miscellaneous Washington Update items include:
 - a) More than 1,300 districts and non-profits have submitted letters of intent to apply for grants under the Investing In Innovation program (i³) which will award grants to winners by December 31st. Opportunities for for-profit firms remain limited.
 - b) In its "State of Learning Disabilities: Facts, Trends, and Indicators," the

National Center for Learning Disabilities reported that the number of school-age children with learning disabilities has declined by 14 percent during the last decade. Some authorities attribute the reduction to higher quality reading programs and expanded district use of response-to-intervention approaches.

- c) On July 6th, USED published the application for Phase II of the Promise Neighborhood Program which would include \$30 million for implementation of last year's planning grants awarded during Phase I (approximately five grants of \$4-6 million) and about ten new one-year planning grants of \$500,000.
- d) According to USED, 36 states have sent USED letters of intent to submit applications for the new Race to the Top Early Learning Challenge totaling \$500 million. Specific opportunities for firms depend on details in final guidance and applications yet to be released.
- e) Senate Bill 1370 to reauthorize 21st Century Community Learning Centers (21st CCLC) has been introduced with several proposed changes -- STEM, professional development, hands-on learning, and health/nutrition are new priorities.
- f) According to Education Week (July 12th), Carnegie Corporation of New York has provided a \$1 million grant to Stanford University to create English language proficiency standards.
- g) Two lead writers of the Common Core English/Language Arts Standards have produced "publishers' criteria" which are designed to help curriculum developers/publishers.
- h) Revised forecast by market research firm Ambient Insight projects growth of electronic learning technology and services in K-12 will continue in double digits at least through 2015.
- i) A new report from Bellweather Education Partners recommends changes to allow for-profit organizations to play a greater role in the Investment in Innovation (i³) program in the future.
- j) Continued funding for the Secure Rural Schools and Communities Self-Determination Act funded at about \$400 million annually is in jeopardy next year unless reauthorization or some other funding extension occurs. Districts in 600 counties could have to reduce spending on staff and technology.

This TechMIS report also includes state profile updates which indicate a number of possible trends. For example, numerous state laws are requiring more effective early screening for preK and early education students. Lawsuits are being filed in some states regarding newly passed teacher evaluation systems and state K-12 expenditures continue to be a mixed bag, with the impact of the funding cliff hitting some states fairly hard. Other key state issues are charter schools, School Improvement Grants, online learning, and teacher-issues.

Washington Update

Vol. 16, No. 7, August 2, 2011

New Government Accountability Office Study Reports About a Third of the States' \$2 Billion Portion of Race to the Top Funds Is Being Used to Develop Effective Teachers and Leaders, While About a Quarter Is Being Used at the State Level to Improve Low-Achieving Schools Among the Winning Round 1-2 RTTT State Grantees

In its June report to Congress, GAO found that 33 percent -- approximately \$654 million -- of RTTT funds used at the state level (half of the total RTTT awards) is being used to develop effective teachers and leaders while 24 percent -- about \$479 million -- is being used to improve lowest-achieving schools. The remaining RTTT state grant funds are being used for expanding student data systems (18 percent), enhancing standards and assessments (16 percent), and other purposes, including funds for charter schools (10 percent). The GAO study did not assess how the remaining half of RTTT that goes to school districts' allocations is being used, but did report that, "Education officials told us they reviewed school district scopes of work to ensure that they align with their state RTT plans."

GAO cites several examples illustrating the use of RTTT state funds to develop effective teachers and leaders; these include:

- Training teachers to use student performance data to improve instruction;

- Developing systems to evaluate teacher and principal effectiveness;
- Providing professional development to improve skills of incoming and current teachers and school leaders.

As GAO notes, several states, such as Tennessee, are creating statewide school districts, while other states, such as Delaware, Massachusetts, and New York, are working with external partners to implement the four intervention models using their respective portions of the \$479 million to improve lowest-achieving schools. GAO found that several states are using RTTT funds to improve their data systems, citing, as an example, Maryland which plans to use \$5 million on a three-year project which will allow the state to conduct analyses on topics such as K-12 education readiness and remediation. States uses of RTTT funds to enhance standards and assessments include training on Common Core State Standards and developing related curriculum, and developing assessments to improve instruction on an ongoing basis. GAO cites Florida's plans to spend approximately \$85 million to develop and use assessment data to inform instruction in reading, math, and other content areas.

GAO also conducted interviews and collected data from eight selected states that applied for, but did not receive, RTTT grants and concluded that, while these states expect to implement some planned reforms, implementation will be slower than if they had received RTTT grants. All eight non-grantee states reported scaling back or

delays in expanding state data systems “particularly those designed to provide teachers with real-time assessment data on students.” Officials in six of the non-grantee states are planning to scale back professional development supporting the transition to Common Core State Standards. State implementation of RTTT plans have been delayed for a variety of reasons ranging from difficulty of hiring qualified staff to complying with state procedures for awarding contracts.

Round 1 winners -- Delaware and Tennessee -- have drawn down approximately 50 and 36 percent respectively of their first year’s budgets; however, the remaining nine states and District of Columbia have drawn down only between one and 11 percent of their year one budgets. As of June 3rd, only \$96 million or 12 percent of the total first year budget of almost \$800 million has been drawn down. GAO also notes, “Some state officials said they expect to spend more funds soon and may seek Education’s approval to reallocate some first-year grant funds into later years.” Some RTTT winners, such as District of Columbia, have been classified as “high-risk” grantees and can only make draw downs after payment has been made, thus requiring it to spend several millions of its own funds for RTTT activities before draw downs are received. All Race to the Top funds have to be obligated and liquidated by September 30, 2015.

To review the GAO report on Race to the Top go to:
<http://www.gao.gov/new.items/d11658.pdf>

While the Most Recent Survey from Center on Education Policy Concludes that Districts Face Grim Reality as a Result of Continuing Budget Woes, the Data Also Suggest Specific Opportunities Which Could Exist in Many Districts

Based on its survey data collected last winter and early spring, CEP’s most recent report “Strained Schools Face Bleak Future: Districts Foresee Budget Cuts, Teacher Layoffs, and a Slowing of Education Reform Efforts,” about 70 percent of districts experienced funding cuts in school year 2010-11 and about 84 percent of the same districts anticipate funding cuts in the upcoming school year. Moreover, according to Jack Jennings, CEP’s President, “Districts report that budgets are making it increasingly difficult to deliver on school reform...The schools are experiencing a triple whammy. Federal resources (ARRA and EdJobs) are drying up at the same time that state budgets are being cut and revenues from local property taxes are shrinking due to falling housing prices and foreclosures.” While most of the survey data regarding cuts focus on 84 percent of districts in which the various pots of stimulus funds did not make up for local and state shortfalls, the report notes, “These staff-cutting districts constituted about 53% of all school districts in the U.S.” If one looks at spending in specific areas last year and plans for next year, however, several opportunities could surface over the next year.

The survey addressed several non-staffing areas of reduction including purchases of instructional materials, technology and equipment, and professional development. Among districts with funding decreases last year, 79 percent indicated reductions or

elimination of instructional materials or technology and equipment purchases; 56 percent indicating reductions or elimination of professional development. Of districts anticipating FY 2011-12 funding decreases, 64 percent expected reductions or eliminations for instructional materials or technology and equipment and 49 percent expected reductions for professional development. Based on discussions with key analysts conducting the survey and analysis, it is clear that the study was not designed to determine the magnitude of reductions and/or eliminations nor whether such reductions in 2010-11 were planned or forced to have been made because of unanticipated greater than expected shortfalls.

Survey data did break out expenditures of Title I and special education ARRA funds totaling about \$21 billion. The overall survey results also took into account how these, and the additional \$40 million for State Fiscal Stabilization funds, were used and reductions which occurred in districts because these ARRA funds did make up for the shortfall in local and state funds. For school years 2009-10 and 2010-11, 82 percent of the districts reported using Title I ARRA funds to purchase materials, supplies, or instructional hardware and software, while 70 percent used such funds to provide professional development for Title I instructional staff. Thirty-one percent used the funds to expand Title I program services to serve additional students in current Title I schools (e.g., expanding the grade levels covered from K-5 to 6-8). Another 14 percent of the districts extended Title I programs and services to additional schools and 24 percent used such funds to pilot test new instructional approaches. While it is not clear when these actual

purchases of instructional materials and technology occurred, CEP pointed out that the guidance from USED about ARRA Title I supplemental funds, in its fourth principle, called for the investment of such funds to be made thoughtfully to minimize the “funding cliff.” As CEP notes, “The high proportion of districts using funds for ‘one-time’ purchases of materials and equipment may be a response to the fourth principle. Additionally, the relatively low proportion of districts that use these funds to expand services to new schools may also reflect the fourth principle and a general reluctance to expand services to students that might have to be retracted later or to hire more staff that might have to be let go after ARRA funding disappears.” Although we have not conducted any formal survey, our discussions with state and district Title I officials suggest that many of these instructional materials and technology purchases occurred early during the Title I ARRA timeframe. Other significant purchases will have been made after the CEP survey was conducted beginning in February-March of this year through June 30-September 2 in order to meet the obligation deadline of September 30, 2011. The purchasing cycle for Title I ARRA funds was also greatly influenced in the vast majority of states by the allowance made by USED for states to receive approved waivers to carry over more than 15 percent of regular Title I funds to school year 2011-12. We estimate that this amount could total between \$2 and \$3 billion which will have to be encumbered by September 2012.

Based on our interpretation of the CEP survey data and our experience in dealing with district Title I programs, we suggest that one of the major opportunities over the next year in Title I will be professional

development and support to more effectively implement technology-based instructional materials and applications purchased with Title I ARRA funds over the last two years, especially in districts which used such funds to pilot test new instructional approaches. Survey data from the Council of the Great City Schools strongly suggest that most large, urban districts used Title I ARRA funds to expand Title I into new schools. Our discussions with Title I directors in small to medium sized districts during the winter National Title I Conference suggested that these districts expanded grade levels in existing Title I schools that were served with math or reading interventions. Hence, it would be wise to develop and “position” one “solution” for districts that expanded Title I to upper grade levels (e.g., increasing math interventions through eighth grade) and another for urban districts which allocated Title I funding to new schools. In both cases, the districts took advantage of the September 2009 Title I guidance which allowed products purchased with Title I ARRA funds to remain in the expanded grade levels or in new schools after the “funding cliff” arrived. Sales staff should take this consideration into account in deciding how to approach small to medium sized districts versus urban districts. Product enhancements that can facilitate easier use of technology-based instructional programs and applications should also be in high demand. The primary funding source for such purchases will be Title I regular funds plus Title I regular funds carried over from last year to this year (2011-12). To some extent, similar opportunities may exist in IDEA-funded special education programs as CEP reported that 55 percent of districts receiving these funds (i.e., \$11.3 billion IDEA Part B ARRA funds) purchased assistive technology; however, districts will

not have the benefit of using any IDEA carried over regular funds because such carryovers are not allowed.

New Government Accountability Office (GAO) Report on District Title I Expenditures Prior to ARRA Funding Suggests Likely Patterns Which Could Occur This School Year (2011-12) After ARRA Funds Are Depleted

As requested by Congress, GAO conducted on-site interviews with officials in 12 districts regarding district expenditures of Title I funds in 2008-2009 before ARRA funds became available. GAO also reviewed related surveys and USED Title I monitoring reports on expenditures during the same time period. Even though GAO states up front that the sample of 12 districts in four states is a “non-generalizable sample,” it is the most recent data and it appears to be consistent with an earlier, larger study conducted by USED during 2004-06. Even though different expenditure patterns could emerge as a result of Secretary Duncan’s proposed Plan B “regulatory relief” flexibility initiative through state waivers and the economic situation confronting state and district revenues/expenditures is different from that in 2008-09, the most recent GAO study findings could suggest what to expect during this school year in terms of Title I expenditures.

Findings from an earlier (2004-05) USED study found that most districts spent between eight and 12 percent of Title I funds on instructional materials and software and technology and about ten percent on professional development which also included literacy coaches. GAO reported

that the districts which they visited averaged nine percent of their expenditures on supplies and instructional materials which included supplemental reading kits and workbooks, office supplies, food and publicity for parent involvement activities. Of the 12 districts, seven spent Title I funds on equipment (including computer and other electronic equipment) which averaged about two percent of all Title I expenditures. Across the districts, 17 percent of Title I expenditures were for purchased services that included supplemental educational services, transportation for school choice, and professional development. As GAO notes, three of the four districts that spent nine to 28 percent on purchased services had 23 to 72 percent of their schools in need of improvement and were larger urban districts. Smaller districts with few or no schools in need of improvement had service expenditures, including license agreements for software.

The GAO report noted that approximately 70 percent of Title I funds were spent on instruction primarily for salaries and benefits and that slightly less than 20 percent of Title I expenditures were for instructional support, which included professional development, student support, and instructional support personnel. On the average, about ten percent was spent on administrative activities.

The most recent GAO study also found that the total mandatory and optional amounts set aside for professional development and supplemental education services was significant, ranging from zero to 68 percent of Title I funds in the districts visited. In larger districts, mandatory and optional set-asides exceeded 50 percent of the Title I grant. GAO also notes that its findings were

similar to the previous USED 2004-05 survey which reported that the share of Title I funds allocated to individual schools declined from 83 percent to 74 percent over the previous seven years, while district-managed services and set-aside “reserves” rose from nine to 21 percent.

If the Duncan Plan B regulatory relief through state waivers initiative occurs with some components having immediate effective dates, then one might expect some reductions in actual expenditures for SES which could be reallocated, for example, to after-school programs. GAO found that eight of the 12 districts used Title I funds to extend the time that students spend in the classroom through after-school and summer school programs in which Title I funds were used to purchase instructional materials. Even though the economic situation confronting many districts is worse than in 2008-09, as we noted in last month’s TechMIS Special Report, larger amounts of funds than the 15 percent limitation have been carried over from last year to this year in the vast majority of districts. This could reduce the immediate negative impact of the so-called “funding cliff.”

For a copy of the GAO report go to: www.gao.gov/products/GAO-11-595

The House Education and Workforce Committee has Passed the State and Local Flexibility Act (HR 2445) Which is the Third of an Anticipated Five GOP “Pieces” Which Would Constitute the Republican ESEA Reauthorization

As predicted, the State and Local Flexibility Act drew strong opposition from Democrats

and civil rights advocates. Representative George Miller (D-CA), the ranking member argued that the Act would allow districts to transfer funds from Title I, ELL/Title III (the Native Americans component), and Title I Part D programs. Under current law, the “transferability” provision allows up to 50 percent of certain ESEA programs to be transferred into Title I and other programs, but does not allow any Title I funds to be transferred out. Over the last five years, USED reports have found that, for example, some E²T² State Technology Grant funding at the district level has been transferred to other programs including Title I, while similar amounts have been transferred from other programs into E²T² representing, over time, a net “zero transferability of funds. Reflecting a number of opposing arguments from groups such as The Education Trust, the National Education Association, AFT, and the National Council of LaRaza, as reported in Education Daily, Representative Miller argued that eliminating the provision allowing Title I funds to be transferred out would remove a major stumbling block for providing additional flexibility. On the other hand, groups such as AASA and NSBA support HR 2445 as passed by the committee, but which has yet to go to the floor.

It is interesting to note that the Administration’s “Blueprint” proposal to target ESEA Title I, and other funding along with prescribed interventions, on the lowest five percent of failing schools has been opposed by civil rights groups and the U.S. Chamber of Commerce. Also, the Chamber and most civil rights groups oppose removing the 20 percent set-aside for SES and parent choice options currently in Title I regulations. While HR 2445 does not address the Title I set-aside question, it will

be very interesting to see whether the Chamber and civil rights groups remain “strange bedfellows” in their positions on HR 2445.

Mike Petrilli of the Thomas B. Fordham Institute has argued that, in order to reduce negative impact of HR 2445’s decreasing access to high-quality education and federal funding for minority and high-poverty students, districts be allowed to transfer funds from all other programs into Title I. He noted on his *Education Next* blog, “That’s the best way to get the most money to the neediest kids.” Travis Hick’s *Title I-derland* blog noted that this would be similar to the REAP-Flex provision under the Rural Education Achievement Program which AASA was instrumental in pressuring Congress to create several years ago. A report which assessed REAP’s impact “tends to support AASA’s position that providing flexibility will not undercut a focus on the neediest students,” according to Hicks.

Like the previous two GOP-supported “pieces” of ESEA reauthorization which have passed the committee, HR 2445 has virtually no bipartisan support and will likely be subject to numerous amendments. Of all the GOP proposals thus far, the Senate will likely turn down any bill allowing funds to be transferred out of Title I to other programs.

Miscellaneous

- a) More than 1,300 districts and non-profits have submitted letters of intent to apply for grants under the investing in innovation program (i³) which will

award grants to winners by December 31st. Improving rural schools' graduation rates and STEM initiatives are two new absolute priorities for i³ grants. As a result, according to USED summary documents, 32 percent of applicants will focus on STEM, but only 14 percent will address Rural LEAs. Almost 17 percent of the applicants will address the Low-Performing Schools priority. In addition to the above absolute priorities, the applicants could also gain points for addressing competitive preference priorities; 49 percent will propose to address College Access and Success, while 46 percent will address Technology. About 26 percent will address Improving Productivity through the use of technology and other means.

Almost 1,000 of the more than 1,300 applicants will request Development grants which could be funded at about \$3 million; 242 will apply for Validation grants which would be in the neighborhood of \$15 million per grant. Only about seven percent will apply for the \$25 million Scale-up grants. As we noted in our July 7th Washington Update, USED has changed the eligibility criteria to allow winners from the first round to apply for grants in categories other than the ones they won during the first round. Some of the winners once again applying are Teach for America and Success for All.

While none of the applicants will be for-profit entities, some of the "other partners" included as part of an applicant's proposal could be for-profit firms. As noted in our July 7th TechMIS report, the playing field is very uneven

against direct participation of for-profit organizations. However, some opportunities could exist for expenditures on certain types of products in Scale-up grants, or even Validation grants although copyright issues still remain a major concern of most for-profit entities.

Approximately 41 percent of the applicants submitting letters of intent are LEAs, with 28 percent being non-profit entities with a consortium of schools.

Based on statements by high-level USED officials, it is likely that a proportionately larger number of districts that address problems of rural LEAs will be selected. Some of the first-round winners who intend to apply for different types of grants are also likely candidates for entering the winner's circle. Proposals are due August 2, 2011.

For a copy of the list of applicants submitting letters of intent, go to: <http://www2.ed.gov/programs/innovation/2011/intent-to-apply-summary.pdf>

- b) In its "State of Learning Disabilities: Facts, Trends and Indicators," the National Center for Learning Disabilities reported that the number of school-age children with learning disabilities has declined by 14 percent during the last decade. About 2.5 million students have learning disabilities representing 42 percent of the almost six million students with disabilities, which is down from a high of over 50 percent a decade ago. For students ages 6-11, the percentage of learning disabled students dropped to 33

percent from a high of 38 percent in 2000. In an interview reported in *Education Week's On Special Education* blog (July 27th), Candace Cortiella, author of the report, who also directs the Advocacy Institute and *Special Education Money Watch* blog, credited "an improvement in the way reading is taught, the use of strategies such as response-to-intervention (which schools tend to implement first at younger grade levels), more and better early education, and changes in the way children with disabilities are classified that better distinguish between students with learning disabilities and those with other disabilities, including ADHD."

The National Center also operates the "RTI Network" which receives funding from several foundations of firms such as Cisco. The Center has recommended that the response-to-intervention approach be included in new ESEA legislation, including an operational definition of the concept which addresses the fidelity of implementation. Under the recently proposed "Plan B," Secretary Duncan is likely to provide regulatory relief through waivers to states to allow greater flexibility in the use of Title I, IDEA, and other federal funds to support the expansion of RTI. For example, allowing states to provide waivers to districts which wish to use these funds to expand RTI approaches to meet the needs of low-performing, at-risk students including minorities without being subject to Title I supplement-not-supplant conditions could free up between a half billion and a billion dollars. Since 2005-06, when we conducted our large-scale survey of special education, more recent survey

findings strongly suggest that about a third of funds are being spent on RTI interventions (including materials), and another third for professional development and related support, including coaches. Total estimated expenditures during this last year were \$4-5 billion. By eliminating districts' need to comply with supplement-not-supplant provisions, one can expect the current five states -- Colorado, Iowa, Indiana, Florida, and Connecticut -- requiring (vs. permitting) RTI to grow to 30-40.

- c) On July 6th, USED published the grant applications for Phase II of the Promise Neighborhood Program which would include \$30 million for implementation of last year's planning grants awarded during Phase I (approximately five grants of \$4-6 million) and about ten new one-year planning grants of \$500,000. Even though the last Obama Administration proposed budget more than a year and a half ago called for increased funding from \$10 million to \$210 million, Congress only provided an increase of \$20 million with the Senate stating that additional funds might be appropriated depending on the results of the first round of planning grants. These results have not been made public thus far. Unlike many other Obama priority programs, Promise Neighborhoods would focus on education improvement both within and outside of schools, and would provide support staff for "wraparound student services." Once it became clear that Congress was not willing to support the 20-fold funding increase proposed by the Administration, the School Improvement Grant guidance

-- in five addenda released over an 18-month period -- increasingly placed a higher priority on behavioral and other “wraparound supports” and interventions.

Various types of non-profit agencies and higher education institutions are among eligible applicants for Promise Neighborhood grants. Twenty-one grantees were selected during Phase I with several hundred applying. For this round, applications are due on September 6, 2011. Additional information is available at: <http://www2.ed.gov/programs/promiseneighborhoods/index.html>

- d) According to USED, 36 states have sent letters of intent to submit applications for the new Race to the Top Early Learning Challenge totaling \$500 million. Some of the finalists in Round 2 last year may not be applying for the \$200 million -- a reduced amount -- in grants to implement portions of their previous Race to the Top applications. Even though the general priorities for the \$500 million Early Learning Challenge Race to the Top component have been announced, applications for states are not likely to be available until August which could affect some of the 36 states’ final decisions to submit. States that did not submit letters of intent to apply are: Alaska, California, Florida, Indiana, Montana, New Hampshire, North Dakota, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, and Virginia. Several knowledgeable observers felt that Tennessee would have been close to a “shoo-in” for the Early Learning Challenge component based on

early childhood component of its initial Race to the Top application submitted more than two years ago. Tennessee was one of the first two states, along with Delaware, to receive Race to the Top funding. In her *Early Years* blog in Education Week, Maureen Kelleher noted that California may not be well-positioned to compete because “it is just beginning to develop a statewide Quality Rating and Improvement System (QRIS). Although developing these is a high priority in the grant application, it’s not clear whether states with a QRIS already in place will be more or less competitive than states with QRIS efforts just getting under way.” Based on its annually high ratings by the National Institute for Early Education Research for its pre-K programs, it is surprising that Oklahoma also did not submit an intent to apply. For a variety of political and other reasons, it is not surprising that Alaska, Indiana, North Dakota, South Carolina, South Dakota, Texas, and Virginia did not submit letters of intent (see Education Week’s July 9th *Politics K-12* blog for speculated reasons).

Detailed Race to the Top guidance and applications for the \$500 million Early Learning Challenge and the \$200 million in regular RTTT grants are supposed to be available in August, with final grants being awarded by December 31st. Opportunities for some TechMIS subscribers appear to be limited under the Early Learning Challenge grants to those firms with products and applications that can be used to develop an early learning state “infrastructure” (coordinating multiple funding sources, evaluation and rating programs,

assessing the staff development, etc.). Once the applications and guidance are available, specific opportunities may be easier to identify. Opportunities for subscribers in the \$200 million Race to the Top applications for the nine or fewer finalists states will be very dependent on the specific initiatives each state will propose to implement.

- e) Senate Bill 1370 to reauthorize 21st Century Community Learning Centers (21st CCLC) has been introduced with several proposed changes. In contrast to several bills which would implement Secretary Duncan's priorities to expand in-school learning time (see [TechMIS Washington Update](#), May 2011), Senators Barbara Boxer (D-CA), Patty Murray (D-WA), and Lisa Murkowski (R-AL), in mid-July, introduced the Afterschool for America's Children Act which would dedicate the 21st CCLC program to non-school hour programs (i.e., after-school, before-school, and summer school). In her press release, Senator Boxer, who was the original author of the two decade old 21st CCLC program, said that she was "so pleased to introduce a bill to strengthen this vital program so that our children have a safe and enriching environment when the school day ends." Republican Senator Murkowski added that the proposed bill would "ensure that children continue to have access to a wide range of academic support outside of school hours, but it does so the right way, with effective guidelines and standards to keep the bar high so students get the most out of their afterschool programs and federal funds are spent responsibly." As [Education Daily's](#) Frank Wolfe reported, the bill would attempt to align after-school,

before-school, and summer learning with school day instruction, hold programs accountable for meeting college and career-readiness goals, and promote professional development and training for after-school program staff, while supporting "hands-on learning in science, technology, engineering, and math and two new areas -- physical activity and nutrition education." Current priorities do not place a priority on professional development and STEM related activities. In the July 21st [Education Daily](#), Wolfe also noted, "Last year, advocates of the existing 21st CCLC program were alarmed when the Education Department said that it wanted to improve the quality of afterschool programs by opening up the 21st CCLC funding stream to competition from expanded learning time programs."

The Improving Student Achievement and Engagement Through Expanded Learning Time Act would mandate that states use 95 percent of 21st CCLC funds for expanded learning time programs. The After-School Alliance argued that, for every school that extends learning time under the Expanded Learning Time Act, funding would be eliminated for six after-school programs, calling the proposed alternative to 21st CCLC as a "more expensive new and untested model," according to the [Beyond School](#) blog in [Education Week](#) (July 19th). In our July 7th TechMIS Special Report, we noted the recent findings from the largest meta analysis of the effectiveness of after-school and summer school programs, conducted by the Rand Corporation, which indicated that such well-implemented programs were

effective in reducing summer loss and increasing student achievement. As we have noted in several TechMIS Washington Update items, the political battles between supporters of after-school and summer school programs versus those supporting expanded learning time will likely continue. However, if the Plan B waiver proposal by Secretary Duncan is implemented, it is very likely that additional funds could be used by districts to continue/expand after-school programs using funds from the 20 percent SES/parent choice set-aside which might not be required for SEAs requesting waivers.

- f) According to Education Week (July 12th), Carnegie Corporation of New York has provided a \$1 million grant to Stanford University to create English language proficiency standards. As previously reported (May 2011 TechMIS Washington Update), USED is currently administering an \$11 million grant competition for the development of English language proficiency tests; however, no Federal funds cover developing English proficiency standards which, according to Education Week, “typically come first.” According to Kenji Hakuta of Stanford University, who cochairs with Maria Santos, former ELL Director New York City Public Schools, the standards would elaborate on what English language learners “should know and be able to do in the content areas at different English-proficiency levels.” Steering committee members include the CCSSO, the Council of the Great City Schools, and National Council of LaRaza. Other members of the core group for the project include Susan Pimental and Phil

Daro who are lead writers for the Common Core language arts and math standards, respectively.

- g) Two lead writers of the Common Core English/Language Arts Standards have produced “publishers’ criteria” which are designed to help curriculum developers/publishers “craft materials that embody the standards well,” according to Education Week (July 7th). The *Curriculum Matters* blog notes, “...the guidelines describe the key qualities of good ELA curriculum, sounding now-familiar themes from the standards, such as tilting more toward informational text, and building a ladder of increasingly complex text over time. Close reading, and re-reading, of text are emphasized, as is building ‘academic vocabulary.’” As *Curriculum Matters* notes, drafts of the criteria have been available for a number of months, but the final version is now done. The July 7th blog posting has links to the final version, one set of which is designed for developers of K-2 materials (www.edweek.org/media/k-2-criteria-blog.pdf) and another for developers of grades 3-12 materials (www.edweek.org/media/2-12-criteria-blog.pdf). According to *Curriculum Matters*, the Illustrative Math Project is providing similar guidance in the area of math Common Core standards and drafts are available at: <http://commoncoretools.wordpress.com/>. This is a blog of William McCallum.
- h) Revised forecast by the market research firm Ambient Insight projects that growth of electronic learning technology and services in K-12 will continue in double digits at least through 2015. As

reported in THE Journal (June 21st), the growth of electronic learning technologies and services in preK-12 will be greater than in health care and higher education with increases at a compound annual rate of 16.8 percent “despite the elimination of the federal Enhancing Education Through Technology (EETT) program and despite an overall weakening of e-learning growth, particularly in the United States.” According to Ambient Insight, pre-K-12 spending on e-learning was \$2.2 billion last year and will hit \$4.9 billion in 2015. Contributing to the growth is the migration to online content formats and success of for-profit online schools. Higher education e-learning expenditures are projected to grow at a compound annual rate of 6.7 percent through 2015 reaching \$6.1 billion at that time. A 17-page executive overview of the findings of the Ambient report is available at: <http://www.ambientinsight.com/Reports/eLearning.aspx>

- i) A new report from the “influential” policy group Bellweather Education Partners, recommends that for-profit organizations play a greater role in the Investment in Innovation (i³) program in the future. Based on its survey of more than 300 people, including i³ applicants and philanthropists and 50 “stakeholders” under the i³ program, the Bellweather group recommends greater engagement of the private sector “to optimize the strength and scale of innovations and their impact on the field.” Noting that each sector (the Federal Government, philanthropic groups, and for-profit firms) should have a role to play, the report recommends,

“One final way of optimizing the role for each sector in a public-private partnership for education innovation deserves special mention here: allowing for-profit organizations -- or at least investment intermediaries that can support for-profit investments -- to enter the ring. This would enable the federal government to tap some of the extraordinary innovations taking place in the private sector for the good of public schools, including adaptive learning technologies and productivity tools from other industries that could be specialized for educators (the way that In-Q-Tel invests in emerging technologies in service to the national security community), not to mention opening the field up to the vast financial and talent resources that sit in the private sector.” The report also summarizes the consensus among education policy influencers that “the private sector can and should take on greater risk in the earlier stages of education innovation, and that the burden of support should be shifted toward the public sector as products, services and approaches prove their merit for serving a larger scale of the public and therefore deserve more funding from public sources.” Michele McNeil, in her Education Week report (July 24th) notes that “the department’s hands were largely tied. The legislation Congress passed creating i³ made districts, groups of schools, and non-profit partners the only eligible grant recipients. That left no opening for applicants from the for-profit sector, which is far more likely to embrace risk than the government.”

As we reported in our July 7th TechMIS Washington Update, the most recent

guidance for the new authorized i³ program continues to make it difficult for private, for-profit companies to participate as “partners” or otherwise due to the legislation and USED interpretations regarding copyright protection.

- j) Continued funding for the Secure Rural Schools and Communities Self-Determination Act, funded at about \$400 million annually, is in jeopardy after September unless reauthorization or some other funding extension occurs. Approximately 600 counties, that include national parks in which timbering occurs, in more than 40 states, especially those in the Northwest, could be impacted. Schools which have been receiving a portion of the \$4.5 billion in lieu of timbering fees on Federal land since 2000 would have to reduce teaching staff, cut technology purchases, and suffer other budget reductions.

Under the Clinton Administration, spending of funds for expansion of broadband and telecommunications was encouraged. As a recent Politico article noted (Timber Funds on Chopping Block, July 15th), about 70 percent of the counties are in Congressional districts which are held by Republican Representatives with many elected in 2010. With GOP seats in contention next year, Republicans headed by Congressman Bob Bishop (R-UT) who is Chairman of the Public Lands Panel are seeking a solution which would reverse an Obama Administration restriction on timbering in national forests. This, combined with new land-use regulations, could generate new timber royalty revenues which can be used in turn to justify continued funding to schools, local firefighters, and search and rescue, and law enforcement agencies.

TechMIS publication provided by

2

Education TURNKEY Electronic Distribution

256 North Washington Street, Falls Church, VA 22046

703/536-2310, fax 703/536-3225, cblaschke@edturnkey.com

Education TURNKEY Electronic Distribution©, Vol. 16, No. 7, August 2, 2011

Alaska Update

July 2011

The Anchorage Daily News notes that Alaska Governor Sean Parnell has signed into law Senate Bill 84 which adds a vocational education factor to the State's school funding formula. The new law also expands tax credits for contributions made to Native Alaskan cultural or heritage education and creates a pilot program in the Iditarod Area School District for theme-based K-12 education.

Arizona Update

July 2011

Last year, Arizona enacted a law that requires screening of reading levels for all students entering grades K-3. As noted in Education Week, a special task force is developing guidance for implementation of the law which also calls for early retention of students who are significantly behind grade level.

California Update

July 2011

The California legislature is considering a package of bills that are intended to link high school curricula to jobs and college success:

- SB547 would expand the importance of graduation rates and college/career readiness when measuring school accountability.
- SB611 would expand the University of California Curriculum Integration Institute to develop and implement model career-oriented courses.
- SB612 would provide teachers with training and support for delivering integrated career-oriented academic and technical content linked to high-priority industry sectors.

According to [Education Week](#), California has approved new rules that give parents more ability to require changes at low-performing schools. Under the rules, a majority of parents at low-performing schools could petition school districts for major reforms at such schools, including adding programs, converting to a charter school, shutting down, or firing the principal. This “parent trigger” rule must be put out for public comment and could be challenged.

According to [CaliforniaWatch.org](#), a new bill being considered in the California legislature would require charter schools to demonstrate that their student demographics are appropriate to the neighborhoods they serve. Currently, charter schools must maintain a racial and ethnic enrollment proportional to the general area. The new bill would expand the requirement to low-income students, English language learners, and special needs students. The measure, AB 440, would also make charter schools pay for the same kind of financial audits as regular public schools and require more rigorous academic accountability standards. The California Charter Schools Association has endorsed the legislation.

The Chancellor of California’s community college system has proposed to cut off State funding for students who take the same course more than three times. As reported on

CaliforniaWatch.org, in 2009-10, California community colleges turned away 140,000 students because of State budget cuts. Students who repeat a course multiple times reduce the number of available seats for new students. State data indicate that the more times a student repeats an English or math class, the lower the chances it will be completed successfully. State officials suggest that limiting the number of allowed course repeats will provide an incentive for students to pass sooner.

The Los Angeles Times reports that the Los Angeles school district is revising its policy that has banned social promotions. Some research suggests that the short-term gains of retaining struggling students could be offset by long-term problems such as higher dropout rates. About 7.5 percent of the district's students have been retained by the third grade. Reconsideration of the no-social-promotions policy has been, in part, caused by the State's economic crisis which brought about cutbacks to in-school and summer programs for struggling students. It is expected that the district will focus more intensively on remediation for struggling students in grades three, five, and seven.

Beginning in 2008, the Oakland school district has used combinations of local, Federal Title I, and, later, stimulus funds to expand its summer school into a more comprehensive program. As reported in Education Week, the number of participating students rose from 800 primarily high school students in 2008 to 6,000-8,000 K-12 students involved in early childhood learning, enrichment, transition, and specialized initiatives. Oakland's summer programming has expanded its reach because of additional support from the City, private sector contributors, and community partnerships. Based on before- and after-summer testing of a sample of 1,250 elementary students, 52 percent were found to be at or above English benchmark scores at the end of the summer compared with 36 percent in the Spring.

Connecticut Update

July 2011

Education Week reports that the Connecticut State Board of Education has voted to authorize the State to take over the failing Bridgeport school district. The largest city in the State, Bridgeport has been called, by both State and local officials, a dysfunctional, under-funded school system with some of the lowest test scores in the State. Bridgeport's mayor, school superintendent, and school board president support the takeover which could last for several years.

District of Columbia Update

July 2011

In July, the U.S. Department of Education announced that the District of Columbia will receive \$1.79 million to turn around persistently lowest-achieving schools under USED's School Improvement Grant (SIG) program. D.C.'s application and list of eligible schools is available at: <http://www2.ed.gov/programs/sif/summary2010/index.html>

As noted by the *On Special Education* blog on EducationWeek.org, the D.C. school district has, for at least a decade, failed to comply with the provisions in IDEA which require evaluating and reevaluating students identified as having disabilities. In 2010, only 17 percent of students waiting for special education examinations were actually evaluated. A year later only 14 percent were diagnosed. The District has already been required to set aside \$500,000 to help improve in this area, but its continued noncompliance is likely to result in even more funds being set aside this year.

Florida Update

July 2011

The Orlando Sentinel reports that the State plans to grade the writing portion of the Florida Comprehensive Assessment Test (FCAT) more rigorously starting next year. The FCAT essay exam is given to students in grades 4, 8, and 10. State officials believe the tougher grading scale will help Florida students prepare better for the national (Common Core) standards that are slated to be in place in 2013.

Also according to The Orlando Sentinel, Florida's State fund for capital improvements, known as the Public Education Capital Outlay (PECO) program, will provide a total of \$55 million to the State's 350 charter schools. Florida's 3,000 traditional schools will get nothing from PECO. Supporters of the decision say traditional schools do not need the money because there has been overbuilding. Critics say the funding decision hurts traditional schools that need PECO money for additions or needed repairs. They also argue that the funding is politically motivated because Governor Rick Scott and the Republican majority legislature have long favored charter schools.

The *Digital Education* blog on EducationWeek.org reports that Florida's new Digital Learning Now Act gives the Florida Virtual School a great deal more flexibility in terms of student enrollment. Starting this year, the legislation allows in-State students in grades K-1 and 6-12 to enroll directly in FLVS full-time (FT) regardless of their district. The measure also requires high school students to take at least one online course as a graduation requirement. Moreover, all Statewide assessments will be delivered online by the 2014-15 school year. FLVS FT will monitor student attendance and operate a 180-day schedule like regular schools but all instruction will be offered online. FLVS FT will also begin giving diplomas during the 2012-13 school year.

According to The Miami Herald, the Miami-Dade County school district has proposed a \$3.9 billion budget plan that manages to avoid teacher layoffs. Down by \$1.6 billion since 2008, the

districts' new budget cuts administration and transportation costs, lays off some school staff (assistant principals, counselors), and consolidates alternative education programs for troubled high school students.

Georgia Update

July 2011

Higher Federal achievement benchmarks under the No Child Left Behind Act have meant that the percentage of Georgia schools making adequate yearly progress has dropped to 63 percent compared with 71 percent last year. Education Week notes that the Statewide data do not include the Atlanta school district which is being investigated by the State for widespread cheating in reported scores.

As we noted last month, the Georgia Supreme Court has ruled that the State's Charter Schools Commission was unconstitutional causing some schools to lose their charters. Education Week reports that although they got emergency State approval to continue operating, these State-approved charters lost funding because they were no longer eligible for local dollars. Governor Nathan Deal has allocated \$10 million in help for the eight affected charter schools. The 65,000 students attending charter schools approved by local school districts were not affected by the Court's ruling.

An extensive report from State investigators has shown widespread cheating in the Atlanta school district with strong evidence that principals and teachers changed student test scores to get higher grades. The investigators discovered cheating as far back as 2001, but focused on the 2009 results of the State's Criterion-Referenced Competency Test (CRCT), noting "evidence of cheating in 87.6 percent of the elementary and middle schools" investigated. The most grievous example was Parks Middle School where there was cheating every year from 2006 to 2010; the school showed unlikely increases in student scores in that period.

Idaho Update

July 2011

The Idaho Statesman notes that Idaho ended FY 2011 with an \$85 million budget surplus. State revenues were \$2.44 billion -- up 7.9 percent from FY 2010. Most of the surplus -- \$68 million - - will go to public schools and community colleges to meet commitments to the U.S. Department of Education to maintain funding levels (i.e., MOE). The State surplus, combined with \$51 million from the Federal EdJobs program, means Idaho has restored about \$128 million that was cut from public schools in FY 2010. Many Idaho legislatures are expecting future revenue growth that could bring surpluses of \$100 million or more by next summer.

The Spokesman-Review (Spokane) observes that Idaho's "Students Come First" reform plan originally called for all Idaho students to complete eight online classes in order to graduate from high school. A committee of the State Board of Education has, however, recommended that only two online courses be required. A final Board vote is expected in the Fall.

During its most recent session, the Idaho State legislature made dramatic changes to the State's teacher-related policies, according to Education Week. These changes, including limiting collective bargaining to compensation and benefits, phasing out tenure, and linking teacher evaluations to student achievement data, are on the November 2012 ballot for voter approval.

As we reported last month, Idaho has told the U.S. Department of Education that, rather than following the accountability structure of the No Child Left Behind Act, the State will focus on a new accountability system that is based on student academic growth and that is aligned with the CCSSO Principles for Next-Generation State Accountability Systems. State data indicate that, last year, 40 percent of Idaho schools failed to make adequate yearly progress under NCLB and that the higher AYP targets would mean even more schools identified for improvement.

Illinois Update

July 2011

According to The Chicago Tribune, Illinois has eliminated the writing portion of the State's standardized testing, saving an estimated \$2.4 million per year. State officials say the removal of writing is in response to the State's budget shortfalls and the fact that writing tests are not required by Federal accountability standards. Moreover, they say writing is one of the most expensive skills to assess.

Also according to the Chicago Tribune, the Illinois legislature has passed a number of major reforms intended to improve teacher performance. But State Superintendent, Chris Koch, says the lawmakers did not provide enough funding to make the plan operational, citing more than \$7.6 million in budget cuts. Among the cuts were \$500,000 slated for developing a Statewide model for performance evaluations and \$6.5 million for educator mentoring programs.

As reported in Education Week, Illinois lawmakers, unlike in many states, have collaborated with organized teachers in the development of a new law covering teacher employment matters. The new law places more specific limitations on collective bargaining and makes it easier to dismiss ineffective teachers, but actually lengthens the tenure process for the highest-rated teachers. One section of the law, relating specifically to Chicago, requires at least 75 percent of the union's members to agree to a work stoppage.

As reported in the Chicago Tribune, a new Illinois State law will allow charter schools to be approved at the State level. Before the law, charters had to be authorized by school districts, many of which were hostile to charter schools because they drain money from the districts. The new charter schools, approved by a State commission, will receive more per-pupil State aid (\$9,900 per student) than, for example, Chicago district-authorized charters (\$7,800).

The Chicago school district's new superintendent, Jean Claude Brizard, has appointed a panel of

education experts to look at the district over the summer months in an effort to improve its teaching and learning. According to the Chicago Tribune, the panel will look at test scores and graduation rates, observe summer school classes, and talk with principals and teachers looking for areas where improvement can be made. Among the key factors the panel will look at are how best to deploy teachers and other resources and how effectively time is used in the classroom. These issues have even greater significance with the resignation of the district's Director of its Office of Teaching and Learning.

In an effort to combat summer learning loss, the Chicago school district is serving 95,000 students through its enhanced summer initiatives known as UpGrade. As noted in Education Week, the district has remodeled and expanded its summer program to provide more stimulating learning experiences for more students. Using a variety of funds including Federal stimulus money, the district has expanded its offerings to include programs that help children prepare for kindergarten, transition to middle and high school, and build on skills learned during the school year. Based on testing before and after the summer sessions, the district will decide whether to invest in more out-of-school-time efforts.

Indiana Update

July 2011

In July, the U.S. Department of Education announced that Indiana will receive \$9.24 million to turn around its persistently lowest-achieving schools under USED's School Improvement Grant (SIG) program. Indiana school districts will submit applications to the State. Indiana's application and list of eligible schools is available at:

<http://www2.ed.gov/programs/sif/summary2010/index.html>

The Indianapolis Star reports that the Indiana Department of Education is considering whether to turn seven of the State's failing schools -- six of which are in Indianapolis -- over to private operators. In late August, a decision is expected on whether to let three companies operate the schools:

- EdPower, a not-for-profit that already runs one Indianapolis charter school;
- EdisonLearning, a for-profit firm that operates more than 300 schools; and
- Charter Schools USA, that has 31 charter schools in the Southeast.

State officials note that the three companies have little experience turning around low-performing traditional public schools.

The *State EdWatch* blog on EducationWeek.com notes that a group of parents and teachers' union members have sued the State of Indiana to block it from implementing one of the widest-reaching voucher programs in the nation. As we reported last month, the Indiana voucher system would extend even to some middle-class families. Funded by the Indiana State Teachers Association, the lawsuit claims that the program violates the State constitutional provision against support of religious institutions. More particularly, the Indiana law does not prevent private schools from requiring students to take part in religious instruction.

Iowa Update

July 2011

According to the Muscatine Journal, Iowa Governor Terry Branstad has called for an overhaul of the State's education system including more rigorous academic standards, more support for teachers, and a new focus on math and science. In particular, the Governor said Iowa schools have not done enough to take advantage of digital technology and should provide more opportunities for students by combining the resources of the traditional classroom with those available online.

Louisiana Update

July 2011

Data from the Louisiana Department of Education indicate that the State's public schools have improved their performance and more students are performing at the appropriate grade level. Despite the improvement, the number of Louisiana public schools rated as "academically unacceptable" has increased from 48 last year to 135 now. The higher number of failing schools is attributable to higher Federal performance standards. Last year, to be rated "acceptable," a school had to have an accountability score of 60; in 2011, the cutoff score will be 65. And next year, it goes up to 75.

A State District Court has ruled that a new law that allows public schools to waive some State regulations is unconstitutional. Filed by the State teachers union (along with some local chapters), the lawsuit claimed that the waiver law delegates legislative authority to the State Board by permitting special exemptions for individual public schools. As noted in Education Week, proponents of the law say the waivers could give struggling schools the same flexibility as charter schools with respect to curriculum, staffing, and scheduling. The State plans to appeal the Court's decision.

Maryland Update

July 2011

As reported in Education Week, Maryland will be conducting a series of 11 “educator effectiveness academies” across the State. Each of Maryland’s 1,450 public schools will send a team of educators to one of the three-day academies which are supported by \$12.5 million from the State’s \$250 million Race to the Top award. Conducted in June, the first of these academies was focused on helping principals and teachers to implement the Common Core State Standards. Future academies, to be conducted over three summers, will address such topics as formative assessments and new Statewide tests keyed to the Common Core Standards. The State has also put out a solicitation for “RTTT Student Support Trainers” to provide professional development to educators in six areas: (1) team-building; (2) data-based decision-making; (3) student support services; (4) instructional/behavioral needs of poverty students; (5) clinical case interventions; and (6) research-based behavioral interventions.

During the summer of 2010, the Baltimore City school district conducted a six-week, six-hours-a-day math academy for about 1,200 middle school students. Funded by Federal Title I stimulus money, the academy provided project-based learning, showing students the practical applications of math. As noted in Education Week, students were tested before and after the program; the results showed that ten percent of the participants improved their math skills and 60 percent lost no mastery by the start of school in the Fall. This summer, the program has been expanded to 2,000 middle-schoolers. In addition, the district is using a Federal School Improvement Grant to provide STEM training for teachers in the district’s lowest-performing elementary schools.

Massachusetts Update

July 2011

Part of Massachusetts Governor Deval Patrick's public education reform strategy is the creation of "innovation schools" which will compete more aggressively with charter schools. Like the State's 56 charter schools, innovation schools will have more autonomy than regular schools when it comes to curriculum, staffing, and budgeting. The Boston Globe notes that, unlike charter schools, innovation schools are bound by their districts' teachers union contracts. During the 2010-11 school year, three school districts -- Revere, Greenfield, and Mahar Regional -- tested the concept, with ten or more other districts planning to implement innovation schools for the upcoming school year and even more likely the following year.

Michigan Update

July 2011

Education Week reports that Michigan Governor Rick Snyder has signed into law changes that will make teacher performance a key factor in decisions about layoffs and tenure. The measure also calls for principals to be evaluated based on student growth. Under the new law, the time period required to earn tenure will be extended from four to five years (although “highly effective” teachers can earn tenure in less time). Schools will also have more flexibility when it comes to laying off staff. A new commission, to become effective in September 2012, will be developing new standards for evaluating teachers and administrators.

Governor Snyder also wants the Michigan legislature to address his request that would maintain the Statewide cap on the number of charter schools, but which would allow an unlimited number of charter schools in districts with at least one failing school. The Governor also wants legislation that would allow top-performing charter school operators to oversee more than one school.

According to the Detroit Free Press, the U.S. Department of Health and Human Services has expressed concern over the mismanagement, waste, and poor results of the Detroit Head Start program that serves 7,000 young children. A recent Federal audit of the program showed what appeared to be excessive salaries; several City employees who have handled Federal Head Start money have been suspended. HHS has encouraged neighboring Wayne County to compete for the more than \$40 million in Federal funding that has been provided to the Detroit Head Start program. The Wayne County Head Start program uses \$23.8 million in Federal funds to serve 3,723 children.

Minnesota Update

July 2011

On July 1, the Minnesota State government shut down because the Governor and the legislature could not reach a budget agreement. As reported in the *State EdWatch* blog on EducationWeek.com, local school districts will -- despite fears to the contrary -- continue to receive most of their State funding. However, the shutdown means that the State will stop processing State teacher licenses (nearly 10,000 are still pending) and it will stop providing technology support to schools. The State has also stopped setting academic standards and determining whether schools have met the requirements of the Federal No Child Left Behind Act.

According to the [St. Paul Pioneer Press](#), delays in State aid payments have caused an increase in the number of Minnesota school districts having to borrow money; even more will do so this year. As an example, the Rosemount-Apple Valley-Eagan district -- the State's fourth largest -- despite receiving a \$1.1 million increase in Title I funding, will for the first time in 20 years have to borrow money -- \$15 million.

Nebraska Update

July 2011

The Lincoln Journal Star notes that Nebraska is considering whether to apply for up to \$50 million under the new Race to the Top -- Early Learning Challenge. Nebraska, which does not authorize charter schools, did not qualify for funding under the first two RTTT rounds.

However, the State has a five-year-old endowment fund that provides grants to school districts to start early childhood education programs. During the 2009-10 school year, the grants funded 71 programs serving more than 3,000 young children. In addition, more than 5,500 four-year-olds were in programs receiving State aid.

Nevada Update

July 2011

Governor Brian Sandoval has signed into law a measure that makes Nevada's State school superintendent responsible to the Governor's office, rather than the State school board. The new law also changes the board from an elected one to one comprised of both elected and appointed (by the Governor and legislature) members.

As reported in the Las Vegas Sun, the Clark County school district will open its first "iSchool" as part of the Explore Knowledge Academy (EKA) charter school. Scheduled to begin operation next school year, the school will provide every teacher and student with new Apple iPads. The classrooms will be equipped with iMac computers, MacBook laptops, and a high-speed network infrastructure. The \$1 million technology upgrade will be paid for by EKA's foundation. EKA uses project-based learning and will use the technology to create and research their projects.

New Jersey Update

July 2011

As reported in Education Week, the New Jersey State auditor has found that many students receiving free or reduced-cost school lunches are not eligible for the program. School districts have no incentive to question applicants because State aid to districts is, in part, calculated using lunch program participation rates. The auditor estimated that, in 2010, errors in eligibility cost the State millions of dollars in extra State aid. The auditor has, therefore, recommended dropping school lunch program participation from the State aid calculation.

According to Education Week, New Jersey Governor Chris Christie is working to develop a partnership between the State and Geoffrey Canada, founder of the Harlem Children's Zone, a community-based organization that has improved life for families in New York City. The partnership is intended to expand HCZ activities into New Jersey communities.

New Mexico Update

July 2011

Education Week notes that, due to higher achievement targets under the Federal No Child Left Behind Act, 87 percent of New Mexico schools -- 720 schools -- failed to make adequate yearly progress. That's up considerably from the 634 schools (77 percent) that missed AYP the previous year.

Education Week observes that a new law in New Mexico requires teachers in early grades to have knowledge of "the science of teaching reading" in order to earn State licensure.

New York Update

July 2011

The New York State Board of Regents has approved a new set of rules that eases the requirements about the amount of time a student spends in a physical classroom to earn course credit. As reported in the New York Post, the new rules will allow for more online or blended courses and help students take classes not available in his or her brick-and-mortar school.

The New York Post also reports that New York State has received a five-year, \$113 million grant under the U.S. Department of Education's Charter School Program. The Federal funds are to be used to establish new charter schools and to disseminate effective practices in existing charters. More specifically, according to New York's grant application, the money will: (a) provide incentives for new charter schools that target high-needs students; (b) replicate charter schools with strong records of performance; and (c) turn around the State's lowest-performing charters. New York and Florida were the only winners of this competition.

New York City has permanently discontinued its teacher bonus program that has distributed \$56 million over the past three years, in part, because a Rand study has found no positive effects on either student performance or teacher attitudes. According to The New York Times, the program had been suspended in January as part of general budget cuts. Researchers found that most participating schools split their bonus money equally among all teachers rather than rewarding individual teachers for higher performance. Many participants did not change their behavior; rather, they "viewed the bonus as a reward for their usual efforts." Despite these and other findings that pay-for-performance bonuses for teachers have little or no effect on student achievement, Federal policy continues to advance the concept. Federal spending (e.g., TIF program) on performance-based pay for teachers last year was \$439 million compared with \$99 million in 2006.

North Carolina Update

July 2011

According to Education Week, the sharp increase this year in achievement standards under the Federal No Child Left Behind Act has caused many more North Carolina schools to raise adequate yearly progress targets. Although Statewide totals have not been released, it is estimated that more than 70 percent of Charlotte-Mecklenburg schools failed to make AYP as did nearly 85 percent of Wake County schools. Moreover, more than half of the State's 99 charter schools also missed targets.

A Wake County Superior Court has ruled that North Carolina cannot implement any regulation that prevents eligible at-risk children from enrolling in the State's prekindergarten program. A Republican-sponsored budget law would have placed a 20-percent cap for at-risk kids, sharply reducing the number of slots for them. According to the Charlotte Observer, the budget also cut the program's budget by 20 percent -- \$32 million. Previously known as More at Four, the program is now called the N.C. Pre-Kindergarten Program.

North Dakota Update

July 2011

In July, the U.S. Department of Education announced that North Dakota will receive \$1.31 million to turn around its persistently lowest-achieving schools under USED's School Improvement Grant (SIG) program. North Dakota school districts will submit applications to the State. The State's application and list of eligible schools is available at:

<http://www2.ed.gov/programs/sif/summary2010/index.html>

Ohio Update

July 2011

The Cincinnati Enquirer reports that Ohio's new biennial budget provides nearly \$800 million less to the State's public schools than the previous budget. Republicans in the legislature argue that they actually added \$100 million to Governor John Kasich's original budget. In FY 2011, school districts will receive a total of \$6.27 billion in basic State aid -- \$142 per student less than in the prior fiscal year. In FY 2012, districts will get \$6.31 billion -- \$115 per pupil less. Ohio school districts still have about \$290 million in unspent Federal EdJobs money that can be used to offset State cuts.

The Akron Beacon Journal reports that Governor Kasich has approved a two-year budget that imposes a performance-based salary schedule on school districts that receive Federal Race to the Top money. The provision affects about half of Ohio's school districts including most of the largest. The Governor's budget appears to be in conflict with the State's RTTT application which indicated that revisions in compensation systems would be made in collaboration with teachers and local unions. Many of the individual union agreements were negotiated as part of the State's RTTT application process, meaning Ohio's RTTT funding could be in jeopardy.

According to The Columbus Dispatch, Stan W. Heffner, who had been Ohio's associate superintendent of education since 2004, was appointed to be interim superintendent in May after the resignation of Deborah Delisle. In mid-July, he had the interim label removed and became superintendent. Democrats in the State legislature have called for an investigation into charges that Heffner improperly tried to direct State business to Educational Testing Services, the company for which he had planned to work before his appointment as superintendent. In 2006, ETS was an unsuccessful bidder for work on the Ohio Graduation Test which Heffner was, at that time, managing.

Oklahoma Update

July 2011

As noted in Education Week, a new Oklahoma law requires schools to screen students in grades K-3 for reading problems and to provide academic help for those who are behind grade level. Parents must be notified if their children are reading below the “limited knowledge” level on State third-grade tests. Students whose reading difficulties have not been remedied by third grade cannot be promoted and will be given intensive remediation. Another new Oklahoma law requires all K-3 teachers in the State to incorporate into their teaching the five key elements identified by the National Reading Panel: phonetic awareness, phonics, comprehension, fluency, and vocabulary.

Oregon Update

July 2011

As reported in The Oregonian, Oregon Governor John Kitzhaber and the State legislature have agreed on a package of education bills intended to create more flexible public schools. The key component of the package is a bill that would establish paths from pre-school through college on which students could advance at their own paces. The bill creates an Oregon Education Investment Board which would control all State education spending -- about \$7.4 billion. The Board would use financial incentives to shift education from “seat time” to learning. Details of the Investment Board will be presented to the legislature in December with the final Board structure in place by 2013. Another component of the Governor’s education package is an early childhood transition team that has recommended consolidating many early childhood programs - totaling \$1 billion -- into a more efficient system.

Pennsylvania Update

July 2011

As reported in Education Week, Pennsylvania Governor Tom Corbett's plan to reform the State's education system has been sharply curtailed in the final budget bill. The Governor had wanted to:

- return basic State education funding to pre-Federal stimulus levels;
- create a merit-pay system that would link teacher salaries to student test scores;
- provide private school vouchers and increase State tax credits for business donations to private schools; and
- allow teacher layoffs for economic reasons, seniority notwithstanding.

None of these reform measures were approved by the legislature. In fact, the lawmakers restored \$100 million of the \$259 million the Governor had cut for tutoring and early childhood education grants and they voted to reduce funding for State-supported universities by only \$220 million versus the Governor's proposed cut of \$624 million.

Rhode Island Update

July 2011

The Providence Journal reports that a new Rhode Island State law is intended to cut the State's high school dropout rate and better to prepare high school graduates for college and technical training. Rhode Island's current graduation rate is 76 percent -- up from 70 percent in 2007. The State's goal is a graduation rate of 85 percent by 2015. The new law raises the mandatory school attendance age from 16 to 18 and requires schools to develop individual academic plans for struggling students, including alternative programs, job training, and online courses.

South Dakota Update

July 2011

As reported in the Argus Leader, South Dakota has declared that it will use 2010 benchmarks when calculating whether public schools made “adequate yearly progress” in violation of the Federal No Child Left Behind Act. Under NCLB, the State would have to raise students’ proficiency targets over the next two years, causing a large increase in the number of South Dakota schools labeled as failing. Its defiance of NCLB requirements risks the loss to the State of millions of dollars in Federal education funding.

Tennessee Update

July 2011

In mid-June, according to *Fritzwire*, the Tennessee State School Board approved a new Statewide teacher evaluation system along with three alternative systems that districts may choose to implement. Tennessee was one of two first round winners in the Federal Race to the Top Competition, receiving \$500 million in grant awards. The State's 2010 First to the Top legislation requires that principals and teachers be evaluated every year using a range of measures including student test scores. The 2011-12 school year will be the first in which every Tennessee teacher will have an evaluation linked to gaining or keeping tenure. Information on the evaluation models can be found at: www.tennesseescore.org.

The Memphis Commercial Appeal reports that a new public virtual school, operated by K12, Inc., will open in September. Critics of the program say that at least \$5,387 per pupil in State funding will flow to the rural Union County school district which has contracted with K12 for the school's operation. County officials estimate that about 96 percent of the State money will go to the contractor. The same critics argue that the virtual school does not have to pay for school buildings, libraries, or buses and that the program will be "an enormous transfer of taxpayer dollars from the state."

An ongoing survey reported in The Memphis Commercial Appeal has found that Memphis residents show strong support for distributing the best teachers and principals among all schools (94 percent), racially integrating schools (67 percent), school choice (60 percent) and free preschool (77 percent). Conducted for the non-profit, non-partisan Stand for Children, the survey found only moderate interest for establishing more charter schools (43 percent).

The internecine battle between the Memphis City Council and the Memphis City school board has come to a head with the school board threatening to delay the start of the next school year. As reported in The Memphis Commercial Appeal, the board says the Council owes the schools

\$151.3 million including \$78 million for the coming year. To accommodate the money not forthcoming from the City, the school district must cut \$78 million from its current budget. Among the programs to be eliminated are early childhood education, staff professional development, school security, teen parenting, and JROTC.

Texas Update

July 2011

Faced with a \$27 billion projected budget shortfall, the Texas legislature approved a \$172 billion budget, but changed State law so that the State could provide schools with \$4 billion less, over the next two years, than they would have been required to under the State's foundation funding formula. According to Education Week, the Texas lawmakers also approved a bill that would allow districts to furlough and/or reduce salaries of school employees.

The *State EdWatch* blog on EducationWeek.org notes that the administrative budget for the Texas Education Agency has taken a big hit as a consequence of the State's budget difficulties. A drop over the next two years from \$132 million to \$84 million is expected to bring about even more staff cuts. The agency has gone from 1,000 employees to 717 currently. The job losses can be expected to affect the TEAs efforts in all areas including testing, curriculum, and teacher certification.

The Austin American-Statesman reports that the Texas State Board of Education has approved the adoption of new science materials. The concepts of creationism and intelligent design were not included in the biology materials, in large part because last year's election eliminated some of the Board's conservative members. Because of the State's difficult economic situation, the new materials will not include new textbooks which would have cost \$347 million. Rather, the new science will be delivered online, will reflect the 2009 curriculum standards, and will supplement existing textbooks at a cost of \$60 million. The new materials will be available to help this year's incoming ninth-graders whose end-of-course exams will count toward their graduation requirements.

According to the Houston Chronicle, the number of Texas residents indentified as multiracial has grown to 679,000 -- up 32 percent in the last decade. Despite this, the State will not count "multiracial, non-Hispanic" as a separate subgroup in the determination of whether a school

makes “adequate yearly progress.” Unlike many other states, Texas will maintain only three racial subgroups: white, black, and Hispanic. There is some concern that schools could use the multiracial category to hide students whose academic performance could hurt other subgroups.

Utah Update

July 2011

Education Week reports that a new Utah law requires a system of diagnostic reading tests for K-3 students to be administered at the beginning, middle, and end of each school year. According to State officials, the results of these assessments -- which must be reported to parents -- will help to identify, at an early stage, students who need interventions to address academic weaknesses.

Washington Update

July 2011

Washington, which last July, provisionally adopted the Common Core State Standards, has now formally adopted them. Unlike other states, Washington empowers the State superintendent to finalize the adoption and implementation -- unless legislators object, which they did not. This approval structure arose from a law (S.B.6696/Section 601) intended to position the State better for the Federal Race to the Top competition.

West Virginia Update

July 2011

According to [eSchoolNews](#), West Virginia has suggested that its county school districts begin to plan for electronic textbooks. A few years ago the State legislature redefined textbooks to include “digital instructional materials.” The State has also implemented a two-year hiatus on purchases of social studies textbooks, saving \$36 million that will be used to upgrade the State’s education technology infrastructure. Some district officials have expressed concern about the State’s plan, saying that individual schools do not have the ability to support their entire enrollment on a single wireless network. There is also concern that some students may not have access to a computer in their home.

Wisconsin Update

July 2011

Often opponents on issues, Wisconsin Governor Scott Walker and State school superintendent Tony Evers are united in an effort to establish a new accountability for all Wisconsin public schools. As noted in Education Week, the State plans to create a system that can be used in place of the Federal No Child Left Behind standards which both men believe to be ineffective. The State hopes to have a proposal for the new accountability framework available for comment this Fall.

Wyoming Update

July 2011

In July, the U.S. Department of Education announced that Wyoming will receive \$1.22 million to turn around its persistently lowest-achieving schools under USED's School Improvement Grant (SIG) program. Wyoming school districts will submit applications to the State. The State's application and list of eligible schools is available at:

<http://www2.ed.gov/programs/sif/summary2010/index.html>