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MEMORANDUM

DATE: June 30, 2012
TO: TechMIS Subscribers
FROM: Charles Blaschke, Blair Curry, and Suzanne Thouvenelle
SUBJ: District Race to the Top; Senate Proposed Budget Language Allows Fifth SIG Model; Unspent EduJobs Funds; Charter School Flexibility Under Waivers; SIG Updates; and State Profile Updates

Two Special Reports and a State Waiver Update are included in this issue. One Special Report addresses substantive comments on draft rules for the Race to the Top-District (RTTT-D) competition which suggests good partnership opportunities with some districts, especially those who have CMOs, but the entire RTTT-D will follow a “bumpy” road to implementation. The other Special Report analyzes the Senate Appropriations Committee’s proposed FY 2013 education budget which codifies increased “flexibilities” under waivers and would allow a fifth SIG model. Title I and IDEA would receive small increases, with which the House would likely agree. The State Waiver Update includes current information on SIG state competitions available on SEA websites.

At this writing, USED announced that five additional states -- Arkansas, Missouri, South Dakota, Utah, and Virginia -- have had their waiver requests approved, having met the “high bar” for state-created accountability systems of serving all at-risk subgroups of students. The eight states approved last month were: Connecticut, Delaware, Louisiana, Maryland, New York, North Carolina, Ohio, and Rhode Island. Most of these states are currently participating in Race to the Top. Hence, the number of states with approved waivers now totals 24, including the 11 states approved during the first round. Thirteen additional state applications are still under review. Updates to our March 29 TechMIS state briefs reports will occur periodically.

Washington Update items include:

- **Page 1**
More than \$1 billion of unspent ARRA EduJobs funds have to be spent by September 30,

2012, which could provide end-of-year opportunities for firms that provide professional development or other products, using “freed-up” funds created by EduJobs expenditures.

- **Page 2**
While Senate amendment to Farm bill would require the Administration to identify effects of sequestration on education programs, House Republican leaders are likely to attempt to reallocate current unspent ARRA stimulus funding and other funding to reduce Pell grant or other shortfalls.
- **Page 3**
Senate Appropriations panel proposes FY 2013 budget with increased funds for IDEA Special Education Research and codifies recent Maintenance of Effort (MOE) policy changes, but district “uncertainty” remains over potential sequestration in January 2013.
- **Page 4**
More than \$130 million available for Phase 2 of the Race to the Top -- Early Learning Challenge program for five finalist states in Round 1 competition and could provide opportunities for firms certain types of products/services.
- **Page 6**
Under new ESEA flexibility guidance for state waivers, public charter school authorizers appear to have greater flexibility than traditional public schools, with authorizers’ decisions superseding state laws, thus giving charter authorizers/CMOs a de facto competitive advantage in the district-level Race to the Top competition.
- **Page 7**
USED has announced that it anticipates releasing new guidance to charter schools on what their responsibilities are to serve students with disabilities in response to a recent report from the Government Accountability Office.
- **Page 9**
According to the National Alliance for Public Charter Schools, over the last two years, state legislative action on charter schools has grown and monitoring has been tightened.
- **Page 9**
A number of miscellaneous items address:
 - a) Western Governors University and McGraw-Hill have initiated a “performance contract” approach to licensing products which could provide for-profit publishers a means of competing with the open education resources (OER) movement.
 - b) Secretary Duncan recently volunteered that USED is “open for business” if Vermont chooses to reapply for a waiver which was previously not approved; referring to Vermont’s request for using “a fifth model,” Duncan said, “There are lots of models out there that have been approved.”

- c) A recent Center on Education and Workforce study reports that post-secondary certificates have increased from six percent of postsecondary awards in 1980 to 22 percent today, much faster growth than diplomas or other credentials.
- d) The new GED test is designed to measure college readiness which could replace ACCUPLACER and other placement tests used by many community colleges.
- e) The American Federation of Teachers has teamed with TSL Education to create Share My Lesson, an online portal for teachers to access free lessons; opportunities for for-profit participation exist but are limited.
- f) A new firm, Education Funding Partners facilitates district/firm advertising partnerships to generate revenues for districts.
- g) The “Common Career Technical Core” set of uniform standards for 16 career clusters and corresponding career pathways is designed to facilitate state implementation of Common Core Standards.
- h) According to Education Week’s Curriculum Matters blog, the Council of the Great City Schools is heading a consortium of 20 school districts, representing \$2 billion of “purchasing power,” to encourage publishers to meet the priorities outlined in Common Core “publisher’s criteria” when selecting Common Core aligned materials.

This TechMIS issue also contains State profile updates addressing a range of issues, including state budgets/funding, NCLB waivers, charter schools, vouchers, and third-grade retention.

Call us if you have any questions or want to discuss any implications for your firm.

Special Report: Comments Submitted on Draft Rules for Race to the Top -- District (RT³-D) Competition Suggest Bumpy Road Ahead

*A Technology Monitoring and Information Service (TechMIS)
Special Report*

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June 30, 2012

Comments received on June 8th addressing the May 22nd draft rules proposed for Race to the Top -- District (RT³-D) competition suggest that a bumpy political road confronts the \$390 million competitive project unless USED changes several rules and criteria. Firms may wish to await publication of final rules later in June/mid-July before deciding specific applicants with whom to participate (e.g., a district or a CMO operating selected schools in the district) and the type of “personalized learning” to propose.

Indicating the types of political hurdles confronting the project, influential state associations such as the National Governors Association, CCSSO, and the National Association of State Boards of Education not surprisingly oppose giving any district flexibilities which violates state laws, state-approved waivers and/or previous Race to the Top approved provisions. As *Politics K-12* reported on June 8th a joint letter from the three state-level entities requested 30 days rather than five days to provide comments and would require a sign-off from the state Attorneys Generals and did not want federally-prescribed interventions that would in proposed district flexibilities force state to make changes in regulations. The National School Boards Association (NSBA) did not feel the state or even local mayors have to comment, much less “sign off” on the district application and wanted the local school board members evaluation requirement dropped. On the other hand, in the area of evaluation, according to *Politics K-12*, the AFT felt that school board members' evaluations should also be based on student test scores if teacher evaluations were so based.

Aside from the expected political positions various associations have taken, which were expected, several sets of comments did have some suggestions which could have direct implications for TechMIS subscribers who wish to partner with certain districts. The American Association of School Administrators (AASA) continued to express opposition to the Administration’s high priority on competitive grants rather than allocating such funds through

formula programs such as Title I and IDEA; however, several AASA comments are noteworthy and should be taken into account. On the new Absolute Priority on "personalized learning," AASA sought clarification as to what USED meant by "personalized learning plans" and how it was different from well-known education concepts such as differentiated learning, response-to-intervention, or individualized learning/instruction, stating that the concept is "not common in the school/educator community. Further, the definition implies certain areas of expertise and AASA seeks clarification to the following questions:

- Who is responsible for developing and reviewing and updating PLPs and at what interval?
- PLPs bear strong similarity to the individualized education plan within the Individuals With Disabilities Education Act -- what is the liability of LEAs for appeals/litigation related to PLPs?"

The definition of "personalized learning plan" in the definition section of the draft is "a formal document available in digital and other formats, both in and out, of school to students, parents, and teachers that at a minimum: establishes student learning goals based on academic and career objectives and personal interests; sequences content and skill development to achieve those learning goals and ensure that a student can graduate on time college- and career-ready; and is updated based on information about student performance on a variety of activities and assessments that indicate progress toward goals." The draft identifies as its Absolute Priority 1 "personalized learning environments" which "must coherently and completely address how it will build on the four core education assurance areas (as defined in this document) in Race to the Top to create student-centered learning environment(s) that are designed to: significantly improve teaching and learning through personalization of strategies, tools and supports for teachers and students that are aligned with college- and career-ready standards (as defined in this document); increase the effectiveness of educators, and expand student access to the most effective educators in order to raise student achievement; decrease the achievement gap across student groups; and increase the rates at which students graduate from high school prepared for college and careers." AASA is correct in seeking clarification. For example, how does personalized learning environments relate to decreasing the achievement gap across student groups? As AASA stated, "The final criteria should encourage and support and incentivize new ways to benchmark student progress focused on curriculum that personalizes learning instead of stagnant grade structures that simply group students."

In closing, AASA commented, "RttT is a grant program and a heavily prescriptive federal role in a district-level grant competition would undermine the program's intent and circumvent LEA's authority and responsibility." The way USED defines "personalized learning environments" or "personalized learning plans" in the final rules and the degree to which peer reviewers' perception of "personalized learning" coincide with USED's definition could play a major role in deciding the winning "LEAs" and the specific nature of the personalized learning programs, environments, tools, etc. which will be purchased/developed.

Perhaps the most innovative and substantive set of comments came from the New Schools Venture Fund with letters of support from various firms. The fund would negotiate performance

contracts with vendors of components of personalized learning environments which would constitute a “toolkit” from which LEAs or consortia could select components/products. Vendors would be paid based on whether their components/products are selected and/or used and “are shown to significantly improve student achievement.” Hence, performance contracts would form the basis of “low-cost experimentation” with remaining payment by LEAs based at least in part on student achievement. The fund argues that “pay for success” payment structures coincide with recent Office of Management and Budget memos and that the approach would:

- “ensure” critical education “buy-in;”
- reduce the need for rural districts to have central office capacity to apply;
- reduce the need for coordination in forming a consortia;
- empower teachers to make and revise choices “fostering a true culture of innovation within the public school system.”

The fund recommends that 20 percent of the \$390 million be set aside for this approach.

The fund also recommends that the final rules encourage LEAs and consortia to partner with non-profit organizations to “provide critical capacity to scale high-quality personalized learning solutions,” and that the “competitive preference priority” in the rules identify “non-profit intermediaries” in the list of organizations that applicants can partner with. The fund also recommends that LEAs be encouraged to partner with performance-based educator training programs to train teachers and school leaders on strategies, tools, and supports to personalize learning such as the “Relay Graduate School of Education, the Urban Teachers Center, and the Teacher Residency models typified by members of the Urban Teacher Residency United.”

Perhaps more critically and relevant here is the Fund’s recommendation that the eligibility requirements specific to public charter schools, charter management organizations (CMOs), and Recovery Districts be clarified. This is important since our own review of the 450-500 sets of comments that were submitted did not find any formal submissions by any national charter school advocacy association or related entity. Perhaps such comments were made independently to USED. The Fund argues that CMOs should be eligible to apply either as an LEA or as a consortia if the CMO has contracts to manage multiple legal district charter schools and that they should be eligible to partner with non-profit third-party operators. Moreover, preference should be given to charter and CMO applicants that can “demonstrate growth in districts with large numbers of low-performing schools or those that agree to take over (restart) low-performing schools currently run by school districts or other charter operators.” The Fund also recommends that state-run takeover districts such as the Recovery School District in Louisiana among others should be included as eligible applicants. Regarding the development of a personalized learning plan as a formal document, the Fund recommends “a more fluid definition that allows for greater flexibility,” thereby reducing the “risk of creating another layer of bureaucracy for educators to navigate.”

The New Schools Venture Fund suggestions could provide market-creating opportunities for TechMIS subscribers with program/tools/components of “personalized learning environments,” which will be marketed by the Fund directly to LEAs and consortia on a pay based on results

basis. It would make more CMOs eligible to apply directly as an LEA or consortia and to partner with non-profit third-party operators to manage governance issues.

As one commenter named “Jon” stated, most rural districts and nearly all public charter schools could not participate unless they formed consortia, unless they lowered the 2,500 student minimum eligibility criteria suggesting 250 students. Also as “Jon” noted, “The evidence suggests that charter school’s sector has pioneered a disproportionate share of the most compelling examples of innovation over the last 20 years. Why should a KIPP (circa 1999) or a Carpe Diem (circa 2011) be rendered ineligible for the Race to the Top district program? This program is more likely to yield lasting proof points it seeks if it does not set arbitrary limits that preclude many of the strongest potential applicants.”

Aside from the above comments from “Jon,” no charter school entity sent informal comments on the application. As a footnote, Frank Wolfe Education Daily reporter noted based on his review of comments, the AFT said the rules neglect LEAs to address student learning barriers or increasing teacher support and concluded, “The AFT also is concerned that this district [RTF] application process favors charter schools, especially online charters with a focus on digital learning content...” Could this explain why few, if any, comments from charter school entities were submitted?

As we also concluded in the related item on state waiver flexibility, the new addendum guidance on charter schools depending on the charters between the state and the public charter school authorizing entity, public charter schools either as an LEA or as part of a consortia most likely have much greater flexibility than individual school districts and hence are more likely to not receive harsh comments from SEAs groups such as the Council of Chief State School officers during their five-day comment period.

Special Report:
**Senate Appropriations Committee Votes FY 2013 Budget for
Education Following Democratic Leaders' Patterns Over the Last Two
Years; "Fifth Model" Would Be Allowed Under SIG**

*A Technology Monitoring and Information Service (TechMIS)
Special Report*

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June 30, 2012

As a starting point in the FY 2013 education budget process, the Senate Appropriations Subcommittee passed a budget which will go through various negotiated versions before passage, most likely during a lame duck session. Under the Democratic Senate version, both Title I and IDEA special education would each receive a \$100 million increase. Last year, the House eliminated most of the Obama priorities such as Race to the Top, School Improvement Grants, etc., while bumping IDEA special education and Title I about \$1 billion each. It is likely that these two Federal formula programs will receive at least \$100 million increases in FY 2013.

The Subcommittee increased Race to the Top to \$600 million, up from \$550 million in FY 2012, but less than the \$850 million proposed by the Administration. However, the increase was reallocated in the full Committee vote two days later (described below). Promise Neighborhoods would increase by \$20 million to \$80 million with only \$13 million for new planning grants. Investing in Innovation (i³) would be level-funded; however, almost \$45 million would be set aside to create the USED-proposed ARPA-ED (modeled after the Defense Advance Research Project Agency, the entity that helped create the Internet) that, according to the summary, "will promote advances in sciences and engineering that could be translated into new learning technologies, and for similar purposes."

The Appropriations Committee bill also allows the \$1.15 billion 21st Century Community Learning Center funds to be used to add "significant" time to a school's schedule which was Option 11 under the State Waiver guidance which eight of the initial round of 11 states requested. According to *Politics K-12* (June 19th), by adding such new flexibility language in the appropriations bill, if finally passed, then it would appear that the flexibility allowing states with approved waivers to apply to all states regarding the use of 21st Century funds. As we noted in our March 29th TechMIS Special Report on state waiver requests, USED has encouraged states who requested waivers to await final approval before conducting planned 21st Century

Community Learning Center competitions so they can incorporate the approved flexibilities into this year's grant competition. It is interesting to note that a recent CAP evaluation of the approved waivers for the initial 11 states found that only Massachusetts had a "stand-out" plan for extending learning time and for schedule redesign while Florida, Georgia, Indiana, Kentucky, Minnesota, New Jersey, and Oklahoma were "committed" to extended learning but were "missing detail" in their application. According to CAP, states that lacked "strategic thinking" about how they would extend learning time using 21st Century Community Learning Centers funds and freed-up SES set-asides were Colorado, New Mexico, and Tennessee.

Overall, USED would get a \$400 million increase up to \$68.5 billion for FY 2012. In HHS, Head Start would receive a \$70 million increase up to \$8.0 billion. As the Subcommittee summary states, more than \$1.2 billion in Head Start grants will have to be recompeted this year as a result of new regulations (see April 2012 [Washington Update](#)) addressing implementation of recompetitions as well as providing increases for grantees to help defray rising operational costs. Funding for the Childcare and Development Block Grant would increase by \$160 million -- to \$2.4 billion -- to support training, education, and other professional development opportunities and to improve early childhood care and the education workforce.

For many TechMIS subscribers, what is probably more important than the actual appropriation level passed by the Senate Appropriations Subcommittee on June 12th are amendments passed by the full Appropriation Committee on June 14th. These were not addressed in the U.S. Senate Committee on Appropriations special press release dated June 14th. According to *Politics K-12* (June 15th), one measure would allow a "fifth option" to the four highly controversial intervention models under the School Improvement Grant program. Following recommendations made by state Title I directors in a recent Center on Education Policy report, and recommendations from a recent Government Accountability Office report (see May 31st TechMIS [Washington Update](#)) and our prediction, the full Committee amendment would allow schools to use a "whole school reform model." According to *Politics K-12*, this model "has at least as much research to back it up as programs that won a 'validation' grant under the federal Investing in Innovation grant competition... That's good news for schools that want to partner with programs like Success for All, which works on turnarounds and has won multiple i³ grants. Success for All got a 'Scale Up grant' in the first round of i³ and would meet the benchmark laid out by the panel." The full Committee report states, "The Committee believes the Department should implement effective strategies that address the GAO's finding as soon as possible." As we noted above, reports from both CEP and GAO also pointed to the perceived needs of state Title I directors and others interviewed to address districtwide reforms under the SIG program. And a CEP analysis of waiver requests from the 26 states during the second round also suggested that the states most likely to receive final approval will focus their accountability monitoring, not only on individual schools, but also on districts and possibly impose "consequences" on districts (see May 31 TechMIS [Washington Update](#)). As CEP's analysis noted, "A majority of the applicant states (at least 20) indicate that they will establish AMOs for, and/or apply the primary accountability measure to, districts as well as schools. Further, at least 15 states intend to make accountability determination for districts as well as schools and will apply consequences of some sort to districts with low performance. However, these provisions are often lacking in detail."

After the Subcommittee authorized an increase in Race to the Top funding by approximately \$50 million to \$600 million, according to *Politics K-12*, the top Republican on the Committee, Senator Richard Shelby (R-AL), submitted an amendment which would reallocate the \$50 million increase for Race to the Top to Math/Science Partnerships, as well as make MSP a formula-based program. Hence, Math/Science Partnership would receive approximately \$150 million, the same as last year. The Fund for the Improvement of Education (FIE) would get a \$20 million increase reportedly to be used for STEM related activities. Approximately five percent or slightly over \$125 million of the \$2.5 billion Title II state grants would be allocated to a competitive grant which is less than the 25 percent the Administration had originally proposed. Similar to last year, several observers have implied such funds are designed for non-profit groups such as Teach for America and other groups, some of which are acting as external partners under School Improvement Grants and Race to the Top. Other programs such as Career and Technical Education and the new Comprehensive Literacy Initiative patterned after Striving Readers would be level-funded. And finally, the School Improvement Grant program would also be level-funded; however, significant changes as noted above were made two days later by the full Committee markup.

When the final Senate committee markup reaches the floor, one might anticipate even more of FY 2013 Race to the Top funding being reallocated to other formula type programs which are high priorities for House Republicans.

The Center for American Progress report “States Need to Fill in the Gaps on Expanded Learning Time” can be viewed at: http://www.americanprogress.org/issues/2012/04/pdf/owen_elt.pdf

State Waiver Update: School Improvement Grants: State Website Update

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Over the past four months, the U.S. Department of Education (USED) has made a number of announcements relative to School Improvement Grants (SIGs) and some states have provided new SIG information on their state waiver status (see the “matrix” in our March 29, 2012 TechMIS Special Report for which this is an update).

March 30, 2012 -- USED funding announcements of states “planning” new SIG grant competitions in 2012

- Arkansas - \$5.7 million
- Colorado - \$5.7 million
- Delaware - \$1.5 million
- Illinois - \$23.6 million
- Indiana - \$9.3 million
- Massachusetts - \$7.8 million
- Nebraska - \$2.4 million
- North Dakota - \$1.2 million
- Pennsylvania - \$19.6 million

March 30th Announcement - State Updates:

- AR: No new information on website
- CO: LEA SIG Applications due June 1
<http://www.cde.state.co.us/FedPrograms/ti/sitig.asp>
- DE: January 2012 state application submitted to US Dept of Ed indicated intent to make new awards
<http://www.doe.k12.de.us/dess/files/espes/grants/1003g/FY11StateApplication.pdf>
Application timeline indicates LEAs will apply in April with grant awards being made in May 2012. Further information is not readily available on the website.

- IL: LEA Application was due May 11. Indicates there is \$85 million available for this competition. (March award announcement was for \$23.6 million)
http://www.isbe.state.il.us/sos/pdf/sig_1003g_rfp13.pdf
- IN: <http://www.doe.in.gov/improvement/turnaround/1003g-school-improvement-grants>
Announced a third round of applications on April 4 with those applications due April 30th. Winners to be announced May 15th.
<http://www.doe.in.gov/improvement/turnaround/2012-2013-sig-1003g-information>
- MA: Unclear from website how announced funding will be utilized
- NE: Unclear from website how announced funding will be utilized
- ND: January 2012 state app submitted to US Dept of Ed indicated intent to make new awards: <http://www.dpi.state.nd.us/title1/Legislative/sig/2011SIGApplication.pdf>.
Application indicates that the process will begin in Spring 2012 when eligible schools will attend a training and receive their application. Further information is not available on their website.
- PA: January 2012 state app submitted to US Dept of Ed indicated intent to make new awards. Timeline in application indicated that apps would be due in April and announced in May 2012. That information is not readily available on the PA website.
http://www.portal.state.pa.us/portal/server.pt/community/federal_programs/7374/school_improvement_grant_%28sig%29/797379

April 30, 2012 Funding Announcements:

- California - \$63 million
- NY - \$41.3 million
- Ohio - \$21 million
- Oklahoma - \$5.6 million
- Wyoming - \$1.1 million

April 30th Announcement - State Updates:

- CA: Information not readily available on CA website
- NY: Information not readily available on NY website.
- OH: SIG renewal application process going on with renewal notification expected June 30th.
- OK: According to the state application to the US Dept of Ed, a new competition was to be held in April with all awards announced and posted to the website by May 25th, 2012. <http://ok.gov/sde/sites/ok.gov.sde/files/SIG-SEAAApplication-Cohort3.pdf>
- LEA Application: <http://ok.gov/sde/sites/ok.gov.sde/files/SIG-LEAApp.pdf>
- WY: Information not readily available on WY website.

May 11, 2012 -- Louisiana- \$10.1 million

Louisiana Update:

Louisiana: Round 3 LEA Applications due May 21, 2012

http://www.louisianaschools.net/topics/sig_competition.html

Washington Update

Vol. 17, No. 6, June 30, 2012

Slightly Over \$1 Billion of EduJobs Funds Has to Be Spent by September 30, 2012 Which Could Provide Additional End-of-Year Spending Opportunities for Firms or Could Be Used by the GOP to Fight The Obama-Proposed Teacher Stabilization Fund to Provide \$30 Billion

According to USED expenditures reports, by June 1, 2012, approximately \$1.3 billion of the \$10 billion EduJobs fund to retain teachers remained available and has to be spent by September 30, 2012 under the stimulus legislation. The availability of almost 15 percent of the \$10 billion EduJobs fund created in the Fall 2010 (see December 15, 2010 TechMIS [Washington Update](#)) could provide political fodder for those GOP and other members of Congress who oppose the proposed \$30 billion Teacher Stabilization Fund recently proposed by the Administration to retain teachers, covering salary and benefit costs. As Speaker of the House John Boehner has said in the past, referring to unspent funds at the state and district level, "How can you ask for more money when you can't spend what we've already given to districts?" Or, the remaining funds could be obligated over the next three months, thus providing opportunities in some districts for providers of professional development or could be used to free-up other funds by, for example, covering salary for existing or new staff to operate afterschool programs, thus providing funds for purchasing products. Or, as the Administration did with remaining Title I

ARRA funds in September 2011, provide opportunities for states with remaining funds to obtain waivers to extend the obligation deadline, after vocally opposing such extension.

The EduJobs fund got off to a rocky start with only six states spending any of their allocation by November 2010 for a number of reasons: (a) the passage in October occurred too late to rehire released teachers or fill vacant positions; (b) in about half the states, to accept EduJobs funds legislatures had to convene and pass relevant re-appropriation legislation in 25 states beginning in January or February 2011; and (c) many districts felt the guidelines would be changed later in the year to allow use of EduJobs funds for other purposes. Some observers felt that the new Republican controlled Congress after the November 2010 election could also rescind a portion of the EduJobs funding. However, in early 2011, EduJobs funds began to be obligated by districts filling vacant positions which incurred and freed-up some other funds which could be used for purchasing products and services such as staff development.

As of June 1, 2012, only five states and territories have used all of their funds: Guam, Missouri, Northern Mariana Islands, South Dakota, and Virgin Islands -- and another 11 including Florida, Pennsylvania, and Washington State are close to exhausting available funds according to Jennifer Cohen, blogger for New America Foundation. According to Cohen's analysis, 80 percent or less have been drawn down in

15 states. Alaska, New York, Puerto Rico, Vermont, Virginia, and West Virginia have 30 percent or more of their funds remaining; about \$240 million that remain in New York and \$231 million in Texas which expire at the end of September. As we reported in the January 31, 2012 TechMIS Special Report, some of the states which have less than 80 percent remaining also carried over more than 20 percent of Title I regular funds from last year to this year including Minnesota, New Jersey, New York, Puerto Rico, Rhode Island, Virginia, and West Virginia. If USED does not decide at the last moment (or give hints that it might before then) to allow states to get waivers to extend the obligation date, then districts in such states could be prime candidates for end-of-year spending of Title I previously carried-over funds and freed-up EduJobs funds for products or most likely professional development.

To view the state funding and Cohen article, go to:
http://edmoney.newamerica.net/blogposts/2012/states_sit_on_education_jobs_funds_while_president_asks_for_more-68426

While a New Senate Amendment Would Require the Administration to Identify Effects of Sequestration on Education Programs, House GOP Leaders Are Likely to Attempt to Reallocate Current Unspent ARRA Stimulus and Other Funding to Reduce Pell Grant or Other Shortfalls

Included in the Senate-passed Farm Bill is an amendment by Senators Murray (D-WA) and McCain (R-AZ) requiring the Administration to report on the impact of sequestration on education programs and the

impact of reductions in education spending caused by state and local budget cuts. Numerous education groups, such as the umbrella Committee on Education Funding (CEF), have repeatedly asked Secretary Duncan to spell out the potential impact of planned sequestration in January 2013. The Secretary has heretofore indicated USED does not have a so-called Plan B if across-the-board sequestration cuts of seven to nine percent occur. Preliminary inquiries to the Office of Management and Budget about their assessment of the impact of sequestration on education have resulted in “no comment” or “our priority is to focus on the FY 2013 budget.” As reported by *Education Funding* on New America Foundation website, the amendment in the Farm Bill, which has not been enacted thus far, requires the White House Office of Management and Budget, within one month, to provide a line-by-line account of how sequestration would reduce yet-to-be enacted FY 2013 appropriations; it would then require the Administration, one month later, to produce a report which identifies the effect of sequestration on the estimated number of teacher positions lost and the predicted number of students affected by sequestration.

While sequestration is a legitimate concern, a more immediate one, according to some observers, is whether the Republican leadership in the House will propose legislation which would reallocate some of the unobligated ARRA stimulus funds such as the \$1.3 billion remaining unobligated in EduJobs at the state/district level as of June 1st (see related Washington Update). Another possible candidate for reallocation could be the remaining portion of the \$2.5 billion in Title I regular funds that were carried over from last year to this year (see

January 2012 Special Report). If such an attempt by the GOP House leadership surfaces in the form of a formal request/introduction of a bill, it should, at the least, serve as a “red flag” to districts hoping to get waiver extensions to begin spending remaining funds which could be subject to rescission and/or reallocation. Passage of such legislation in the immediate future is not likely; however, regulatory action by the Administration could be implemented reducing pressures on districts to spend unspent funds immediately, or at least by September 30, while blaming the Republicans in Congress for such Administration action.

Senate Appropriations Panel Proposed FY 2013 Budget Would Increase IDEA State Grants and Special Education Research and Codify Recent “Maintenance of Effort” (MOE) Policy Change, but District Uncertainty Remains Over Sequestration

Senate Appropriations Committee would provide an increase of \$100 million of Part B grants to states to \$11.678 billion which could see more of an increase when the bill gets to the House because of Education and Workforce Chairman Klein’s priority placed on special education. However, as estimated in Education Week’s On Special Education blog, the Federal share of special education funding would only be about 16 percent of the 40 percent mandate included in PL 94-142 passed in 1975, which is an earlier version of the current IDEA. Hence, special education is still viewed by virtually all advocates as an “unfunded” mandate.

The Committee also restored \$10 million of

a \$30 million cut last year to fund the National Center for Special Education Research. Support for the National Center has grown since the middle of the last decade as indicated by a letter sent to Secretary Duncan by over 280 Center supporters asking for a restoration of the Center’s budget and in a recent lobbying effort headed by the Council for Exceptional Children. According to the letter, as reported by *On Special Education*, the Center has been instrumental in promoting schoolwide positive behavioral intervention and supports (SWPBIS) for special and regular education which, according to the letter, is in 17,000 schools in 44 states. It has also contributed to the momentum of the response-to-intervention (RTI) movement and has increasingly been advocating the “fidelity of implementation” of response-to-intervention approaches. Recognizing the success of RTI, the full-Committee press release also states that the bill “includes \$463 million, an increase of \$20 million to support statewide systems of coordinated and early intervening services [including RTI] for children with disabilities two years older and younger as well as their families.” The bill also provides an increase of almost \$5 million to \$37.5 million for state assistive technology programs which have been funded at about \$30-40 million over the last decade.

The Senate Committee also codifies the latest USED policy statement regarding maintenance of effort (MOE) calculations which are required for a district to continue receiving previous amounts of IDEA funding. As we reported in our April 27, 2012 TechMIS Washington Update, in June 2011 USED sent an advisory letter to states (and in turn districts) indicating at the previous year’s level of local funding for

special education program would be the benchmark for determining future maintenance of effort requirements for the district. However, because of numerous protests, on April 4, 2012 a “higher” level USED official submitted a letter which stated, “After further review, we have determined that the level of effort that a school district must meet in the year after it fails to maintain effort is the level of effort that it would have met in the prior year and not the district’s actual expenditures. We are therefore withdrawing the letter (of June 2011).” Hence, the Senate Committee’s codification of the most recent letter could create problems for districts which made purchasing and other decisions based on the June, 2011 decision or those districts which took advantage of Section 613 two years ago and reduced local funding for special education programs by a portion of the increase in IDEA ARRA funding allowed under Section 613. As we suggested in the May 31st TechMIS Special Report, firms may wish to explore the possibility with districts under maintenance of effort pressures to reallocate local funds to special education programs thus freeing up IDEA funds and opening the possibility of districts purchasing/licensing products and services under the “incidental use” provision in the IDEA legal framework (see May 31st Special Report).

In the context of the above somewhat positive budget situation, uncertainty remains over the impact upon IDEA and other Federal education funding of the possible sequestration of between seven and nine percent in January 2013. A recent survey of special education directors across the country conducted by the Council of Administrators of Special Education of CEC found that if sequestration occurs, there will

be an increased strain on services for students with disabilities, with 85 percent agreeing that their district will have to cut funding for the purchase of resources including technology. In addition, 79 percent agreed that their district will reduce professional development while over 95 percent agreed there will be a hiring freeze and layoff. In the May 2012 survey, 75 percent said their district had already reduced professional development due to the ongoing economic crisis. An eight percent of Part B grants to states would result in a \$903 million cut and would reduce “full funding” percentage to approximately 14.5 percent, the lowest level since 2001.

For a copy of the CEC survey, contact CEC at www.cec.sped.org, attention Lindsey Jones.

\$133M Available for Phase 2 of the Race to the Top -- Early Learning Challenge (RTTT-ELC) Program

The U.S. Departments of HHS and Education have requested comments on Phase 2 of the Race to the Top -- Early Learning Challenge grant program that is designed to address school readiness achievement gaps for children with high needs. States that applied for Phase 1, but were not funded may receive Phase 2 Race to the Top -- Early Learning Challenge funds if they are in the top five highest scoring applications that received 75 percent or more of the available points under the competition. Eligible applicants would be able to apply for up to 50 percent of the funds they requested in their FY 2011 RTTT-ELC competition applications. The five states, among the highest scoring applicants of the initial competition are

Colorado, Illinois, New Mexico, Oregon, and Wisconsin.

Proposed rules will be posted with the requirement for comments within 30 days of posting in the Federal Register. See: [Federal eRulemaking Portal: www.regulations.gov](http://www.regulations.gov)

The FY 2011 RTTT-ELC competition identified five key reform areas representing the foundation of an effective early learning and development reform agenda that is focused on school readiness and ongoing educational success. These areas, which provided a framework for the competition's priorities, requirements, and selection criteria, are as follows:

- A. Successful State Systems;
- B. High-Quality, Accountable Programs;
- C. Promoting Early Learning and Development Outcomes for Children;
- D. A Great Early Childhood Education Workforce; and
- E. Measuring Outcomes and Progress.

Requirements for Phase 2 funding include that each eligible applicant must: (1) describe how it would implement the activities proposed in Core Area B (selection criteria one through five) of its FY 2011 RTT-ELC application; (2) describe how it would implement the activities proposed in Competitive Preference Priority 2 of its FY 2011 RTT-ELC application; and (3) from two or more of the three Focused Investment Areas (C, D, and E) in its FY 2011 RTT-ELC application, select activities proposed in response to one or more selection criteria.

Further, applicants must ensure that they are able to implement a reduced scope of activities within the limits of funds

requested and awarded. Revised budget and narrative are required. Applicants under Phase 2 must also re-affirm partnership collaborations that are critical to building strong state systems of early learning and development.

The Department of Education may use any unused funds from Phase 2 of the RTTT-ELC program to make awards in the FY 2012 district-level Race to the Top competition. Conversely, the Department of Education may use any unused FY 2012 funds from the district-level Race to the Top Fund competition to supplement the awards for Phase 2 of the RTTT-ELC program.

The types of products and services that could be relevant in these five states include the following:

- applications and technology that support longitudinal data systems;
- curriculum packages that offer approaches for the identification and assessment of school readiness goals, beginning at birth and extending through the school years, aligned with state and district standards;
- proven professional development options including distance learning that reflect the state's Quality Rating Improvement System (QRIS) and include the capability to track delivery and outcomes of professional development in the service of developing and supporting a quality early childhood workforce;
- applications and technology that, not only include classroom and center-based data collection approaches to accountability, but also extend to Family Home child Care, Home

Visiting programs, and “Kith and Kin” environments;

- accountability systems that promote development and tracking of family partnership goals in support of demonstrating principles of parent and family engagement as an integral element of closing the achievement gap for poor and minority children; and
- applications that assist program administrators and managers in tracking cross-site tasks and activities, critical time frames, data analysis, and an early warning mechanism to identify problems and issues that pose threats to program implementation.

Under New ESEA Flexibility for State Waivers Addendum, Public Charter Schools Appear to Have Greater Flexibility than Traditional Public Schools; the Charter School Authorizers’ Decisions Supersede Federal Waiver Mandates and Even State Law, Depending Upon the Authorizer’s Charter with State

While earlier ESEA flexibility guidance for waivers neglected public charter schools, the newly published Addendum #4 to the initial guidance addresses how approved state flexibilities affect public charter schools. Depending on the SEA’s charter school agreement provided to the public charter school authorizing agency, that agency can override both Federal waiver mandates and some SEA laws. It appears that public charter schools, which are identified by the SEA as Priority or Focus Schools and which are designated as an LEA, could have an advantage in their applications under the

upcoming districtwide Race to the Top competition (see related Special Report).

The new USED guidance (Addendum #4 Frequently Asked Questions), dated May 7, 2012, suggests that public charter school authorizing agencies have greater flexibility than state laws and regulations, thereby superseding state waiver-approved flexibilities when the authorizing agency appears to promote more strongly the Administration’s policy intent. And, when there is a dispute between the SEA and the public charter school authorizing agency, USED encourages charter school authorizers and SEAs to work together so that charter school academic performance requirements are at least as rigorous as those used to identify Priority and Focus Schools and implement interventions.

Several examples are included in the guidance. The college and career-ready standards adopted by an SEA under Principle 1 apply to public charter schools and traditional schools alike, both of which have to transition to the Common Core Standards and assessment (or acceptable alternatives). In the case where public charter schools can implement interventions consistent with the SEA flexibility request and a public charter school is identified as a Priority or Focus School, the authorizer can revoke -- or decline to renew -- a charter which supersedes the designation by the SEA under state law.

Regarding Principle 3 which requires both public charter schools and regular schools to develop and implement all elements of teacher and principal evaluation and support systems under SEA flexibility, if the public charter schools are held to a higher standard under the charter school authorizer system,

then the public charter school does not “necessarily adhere specifically to the SEA’s guidelines.” Under one interpretation by a person who wrote a state’s public charter school legislation, this means that if a public charter school uses only student achievement as a measure of evaluating teachers, then the teacher can be fired automatically, whereas the state law may require only a percentage of the teacher rating and/or firing be based on individual student achievement scores.

As the guidance states, “This generally means that the charter school authorizer is primarily responsible for holding charter schools accountable unless State law specifies another approach.” And, even though an SEA establishes annual measurable objectives (AMOs) and identifies Reward, Priority, and Focus schools, the charter school authorizer “should maintain close contact with the SEA in order to receive current and accurate information on where charter schools stand within the SEA’s system.”

The Addendum #4 clarifies that a public charter school designated as an LEA for Title I purposes, for example, should be treated as a “school” if it is designated as a Priority or Focus School. Moreover, a charter school authorizer can impose more rigorous accountability requirements on a charter school than what is included in the SEA’s approved waiver. The guidance is silent on whether the charter authorizer may have greater flexibility in selecting or prescribing intervention approaches if it is still held to rigorous accountability measures. For example, existing charter school contracts or future contracts can exceed the minimum requirement of an SEA’s system; but what if a future charter

authorizer’s contracts are modified to provide greater flexibility to allow the public charter schools to use intervention models other than the four prescribed in SIG requirements or even alternatives approved for some states in their SEA waiver requests? Given the Administration’s past record and support, financial and otherwise, for certain types of charter schools and CMOs and its opposition to recent GAO recommendations to reduce flexibility under SIG contracts for CMOs and other non-profit entities (see April Washington Update), USED is not likely to constrain reasonable flexibility increases for charter schools. This suggests that firms with novel and innovative approaches which fit nicely into charter school themes or programs of instruction, and learning environments, might wish to work with charter schools when such authorizing entities support personalization of learning under upcoming districtwide Race to the Top competitions.

New USED Charter School Guidance “Anticipated” on Student With Disabilities Responsibilities

The USED has announced in a letter that it “anticipates” releasing new guidance to charter schools on what their responsibilities are to serve students with disabilities, in response to a recent report from the Government Accountability Office. The GAO report found that some charter schools either discouraged or refused to admit some students with disabilities, as alleged by many special education advocates. On the other hand, GAO also reported that many allegations are anecdotal and that there do not exist comprehensive data to determine the extent to which, if any, different types of charter schools discourage special education

students from enrolling. During the 2009-10 school year, slightly over eight percent of students with disabilities were enrolled in charter schools compared to about 11 percent in regular public schools, although the percentages vary from state to state. Because the most recent guidance from USED to charter school authorizers and operators was prepared over a decade ago, and many changes have occurred in the nature and types of public schools/charter schools which have been authorized, GAO recommended that USED issue new guidance.

According to Education Week's Charters & Choice blog (June 19th), responses to the GAO report and USED statement vary. Greg Richmond, President of the National Association of Charter School Authorizers, agreed that some charter schools may discourage students with disabilities from enrolling, but other factors have also worked in that direction, depending on the type of charter school, points which GAO also recognized. Lead attorney for the Southern Poverty Law Center -- which filed a 2010 lawsuit in Louisiana alleging that denial of students with disabilities accessing New Orleans charter schools -- was encouraged by the report, as was the National Center for Learning Disabilities. As the *Charters & Choice* blog noted, the U.S. Office of Civil Rights is also conducting investigations in Ohio, Pennsylvania, Texas, and Wisconsin to determine whether the needs of students with disabilities are being met once they are enrolled in schools, including charter schools, and referred to more than 260 complaints filed against charter schools thus far regarding disability discrimination.

Under the assumption that some charter schools do not serve appropriate numbers of

students with disabilities and that this occurs over a range of different types of disabilities, GAO findings suggest there could be opportunities for firms with products that can provide access, instruction, appropriate ongoing assessments, etc. in charter schools. GAO also found that about half of the charter schools cited insufficient resources to serve severe disabilities as a challenge. Many could not provide a self-contained classroom and said that charter schools did not have enough teachers to cover different grade levels. Other challenges cited by GAO include the cost of specialists' services to meet student needs, such as a bilingual special education teacher or a specialist to teach an autistic child. Distance learning could at least partially fulfill some of these needs.

About the same time the GAO report was released, the National Charter School Resource Center, part of AIR, issued a guide entitled "Special Education Startup and Implementation Tools for Charter School Leaders and Special Education Managers." As reported by Mark Sherman, Education Daily (June 22nd), one of the 15 chapters in the guide addresses contracting with related service providers. Authors of the guide told Education Daily, "little information or support exists to assist school leaders and special education managers in their efforts to build a special education program from the ground up to ensure that appropriate supports are available on opening day."

Education Week's Learning the Language blog also noted that GAO is beginning its study on how charter schools are serving students who are learning English. As GAO reported, it is too early to say when such a report would be ready for release. The blog also notes that the Center for American

Progress recently issued a report urging state policy changes that would help ensure that charter schools do a better job of serving ELL and Latino students. Approximately two million students are served in charter schools and the number is growing.

For a copy of the GAO report go to: <http://blogs.edweek.org/edweek/charterschoice/CharterReportGAO.pdf>

According to the National Alliance for Public Charter Schools, Over the Last Two Years State Legislative Action Has Grown But Monitoring Has Tightened

New state regulations and charter laws have been made in 23 states since 2010 and as reported by *Charters and Choice* blog in Education Week (June 7th), the charter sector has approximately two million students enrolled in more than 5,500 schools. Forty-one states now allow charter schools to operate in their states. A summary of recent charter laws enacted in states broken down by categories are listed in *Charters and Choice*. Since 2011, state legislature action has occurred in 12 states on changing caps on the number of charter schools allowed; in 12 states legislation affecting funding and facilities have been made; and in 14 states legislation has addressed authorizing authority and accountability measures.

The National Alliance also estimates that slightly over 600,000 students are on waiting lists to attend charter schools which is an increase of over 200,000 from two years ago. A recent survey by the National Alliance found that two-thirds had at least a few students on waiting lists, according to

Charters and Choice. Schools that have been open for at least six years had an average wait list of almost 240 students. The blog also cites a recent study by senior analyst at Abt Associates which found that competition from the non-district sponsored charter schools in the Milwaukee area had a significantly positive effect on student achievement in neighboring schools. According to *Charters and Choice*, "The competitive effect depends on the authorizing types of charter schools in the district/state." (See related item on charter schools advantages in district Race to the Top grant competition).

Miscellaneous (a)

During the recent Association of Education Publishers' (AEP) Washington Summit, Open Education Resources (OER) was addressed either directly or obliquely by numerous panelists who offered alternative solutions for publishers to participate in this economy-driven movement. Recently, according to an article in Inside Higher Education, McGraw-Hill and the Western Governor's University (WGU) are actually implementing an approach in which the publisher is selling "performance" rather than products. As the article notes, "Now one university is working with a major educational content company to shift some of that accountability from the institutions that enroll students in courses to the companies that supply them with educational texts and tutoring software." McGraw-Hill is providing resources for a dozen courses at WGU, an online non-profit university and, in several of the courses, McGraw-Hill will only get paid if students attain a grade of B or higher on WGU's competency exam. The article notes that

Pearson Education also has performance-based agreements with WGU, but Pearson to date hasn't drawn attention to the model. According to WGU officials, "...the deal will apply to all courses at WGU that use McGraw-Hill's LearnSmart software, which drills students on concepts and gives them feedback based on what they seem to understand and what they don't."

Over the last year and a half, we have, during several telephone conference calls and webinars discussed with TechMIS clients some of the pros and cons of selling products and services such as professional development under performance contracts. The Dallas Morning News in 1967 called the performance contract approach in K-12 then being pilot-tested in Arkansas a low-cost way to experiment; the Inside Higher Ed article notes, "WGU's unusual, 'competency-based' model of delivering education makes it well-suited as a proving ground for publisher content. The university does not have traditional class sessions or professors; students work through the licensed content at their own pace, with only occasional interventions from 'coaches.' This eliminates the skill and style of individual instructors as a confounding variable in assessing the effectiveness of the publisher's e-texts and adaptive tutoring software." Depending on the specific terms and conditions between the publisher/supplier and the instructional entity, this type of performance arrangement can foster the creation of a partnership. At the K-12 level, this has not occurred in most supplemental educational services (SES) contractor arrangements for third parties over the last decade; such partnerships could not only result in increased student performance, but also provide an alternative to the "free open education resources"

movement. Or it can affect the terms under which quality open education resources will or will not be provided in the future.

For a copy of the article go to: www.INSIDEHIGHERED.COM

Miscellaneous (b)

Speaking before the National Conference of State Legislatures, Secretary Duncan has hinted that Vermont, which recently stated it would drop out of the State Waiver request process, as well as the School Improvement Grants program, should still view the U.S. Department of Education as "open for business" if the State chooses to reapply for a waiver, according to Education Week's State Ed Watch blog. One bone of contention was Vermont's waiver request to use a "fifth model" for intervention in SIG Priority and Focus schools. According to the blog, Duncan also said, "There are lots of models out there that have been approved."

Miscellaneous (c)

A recent Center on Education and the Workforce study finds postsecondary certificates the fastest-growing credential, having increased from six percent of postsecondary awards in 1980 to 22 percent today. Moreover, according to the Center, located at Georgetown University and headed by Tony Carnevale, veteran education reform strategist, "certificate programs" take less time than traditional graduation requirements, and often result in higher returns." The study indicates that certificate holders earn more than 40 percent

of men with associate degrees and 24 percent of men with Bachelor's degrees; for women the percentages are 34 percent and 24 percent respectfully.

The movement toward certificates rather than seat-based, time-oriented degrees has broken barriers to "personalized learning," a recent priority of the Obama administration in the K-12 area, as reflected in the district Race to the Top competition. During the 1980s, there was a similar push for the use of certificates of mastery in both K-12 and community colleges under the leadership of Dale Parnell in Oregon and several other states. As the Center's report points out, the growth of certificates in postsecondary education is strongest in the South and West with Kentucky, Arizona, Georgia, Louisiana, and Florida producing the most certificate awardees per population. At the K-12 level, a state which has moved the most toward mastery or skill competency measures for "graduation" is New Hampshire.

For a copy of the report go to: <http://cew.georgetown.edu/certificates/>

Miscellaneous (d)

According to *Inside Higher Ed* (June 7th), the new General Education Development (GED) test to measure college readiness will be designed to make it a substitute for ACCUPLACER which is used as a placement test by many community colleges. According to a College Board spokesperson which offers the ACCUPLACER, it still "remains one of the best values available to colleges for determining students' strengths and weaknesses." The new GED test which is

being developed by the American Council of Education (ACE) and Pearson is supposed to be fully computer-based and take seven hours to complete according to the article. As previously noted in a TechMIS update, the new GED will not only serve as a high school equivalent, but also a college- and career-ready endorsement, especially for adults to demonstrate their readiness for workplace and college programs.

The Community College Research Center at Columbia University's Teacher College has released reports that have determined that the ACCUPLACER as well as COMPASS were inadequate predictors for college performance and that high school GPAs were a better guide. Numerous groups pointing to the need to overhaul college remediation have cited the Columbia University Teacher College studies. The new GED assessment, according to the article, will provide "enhanced" score reporting and break down test results into subject areas for literacy, math, science, and social studies which means that a student could place out of remedial math while not passing literacy and required college remediation only in English.

Miscellaneous (e)

In a response to a challenge from Randi Weingarten, President of the American Federation of Teachers (AFT), calling for technology people for help, the Chief Executive of TSL Education Louise Rogers, a United Kingdom-based company, accepted the challenge and, as a result, Share My Lesson, an online portal that teachers will be able to access free-of-charge, has been created. AFT and TSL, according to Education Week's Digital Directions blog,

have pledged \$10 million to develop and maintain the site which should be ready by August. Currently, two million members from 197 countries participate with 2.5 million lessons downloaded from TES Connect each week. According to *Digital Directions*, the TES Connect portal will need to adapt materials to U.S. Common Core Standards and to ensure lessons are relevant to the U.S. About 200 teachers have helped review lessons and prepare them for the site thus far.

During the recent ISTE conference, we discussed the AFT/TSL initiative with Bill Donoghue, Chief Operating Officer TSL Education Inc. to determine whether or not there exists any role for for-profit firms to partner with the group. Several partnerships with for-profit organizations currently exist whereby the firm provides at no cost certain tools, content, or other proprietary information to TSL which incorporates such information into the Share My Lesson website, which is being expanded for use at no cost by teachers. He indicated that such partners might perceive this relationship as a means to get their “brand” before a large number of participating teachers, thereby providing future opportunities, perhaps for selling proprietary products. We also inferred that if private firms wish to create “value-add products” to any of the Share My Lesson free resources, this could happen only if the for-profit organization provided its “value add” also on the website for free use. We also inquired about the quality control process over the website providing free teacher-designed lesson plans which might include some proprietary materials or require “permissions to use” from content owners to minimize copyright, trademark, or other related problems. We inferred that such quality control is generally provided

through a peer review process where any such problems might be identified; however, such cannot be guaranteed.

The initiative can be viewed at: www.sharemylesson.com or contact Donoghue at www.TSLeducation.com

Miscellaneous (f)

According to the *Marketplace K-12* blog on EducationWeek.org, Education Funding Partners is working with districts to provide them with advertising revenue by facilitating contracts between school districts and advertising companies. The blog reports that Prince William County Schools, Virginia and Nashville, Tennessee schools have set up such programs, working with EFP, involving web and email advertisements to raise funding for districts’ athletics programs. The company does not have a startup fee, but instead works on commissions made from sponsorships and corporate sales. It does not use in-class advertisements which became an issue in public school advertising almost 20 years ago when Channel 1 was implemented. Education Funding Partners is a new firm headquartered in Golden, Colorado.

Miscellaneous (g)

According to [Education Daily](http://EducationDaily), the recently released “Common Career Technical Core” is a set of uniform standards for 16 career clusters and their corresponding career pathways which identifies what participants can do after completing the program of study using the standards. Forty-two states have pledged their support to participate in the development process, spearheaded by

the National Association of State Directors of Career and Technical Education Consortium (NASDCTEc). In addition to the math and English/language arts Common Core Standards adopted by more than 45 states thus far, additional science standards, in the form of a science “framework,” have been developed by the National Association of Science Teachers and other science-related groups. As reported in the *Curriculum Matters* blog on [EducationWeek.org](http://www.educationweek.org) (June 19th), the next step is for the Career and Technical Education Consortium to conduct an analysis of how each state’s career tech standards differ from the set that the group just released.

It should be noted that, during the early 1990s, the last standards movement which occurred in the vocational education field was initiated by the so-called SCANS commission, directed by Dr. Arnold Packer and involving more than two years testimony from industry and related groups around the country, such as chambers of commerce, etc. The standards evolving from this commission, when finally published, were adopted by virtually all state departments of education responsible for vocational education in less than one year. They promoted the field of “applied academics” and laid some of the framework for the critical thinking communications and related skills associated with the 21st century skills movement over a decade and half later. As the *Curriculum Matters* blog notes, “Career and technical education has been sparking a lot of thought in recent years, as the old vocational education is being phased out in favor of more rigorous alternatives that seek to give students the

demanding academics they need, but do it through a more hands-on, career-oriented lens.” To the extent that the consortium involved industry and related groups, as the SCANS commission did, one might expect these common standards for career and technical education are likely to be implemented quickly.

The 16 career clusters standards can be viewed at: <http://www.careertech.org/career-technical-education/cctc/>

Miscellaneous (h)

According to [Education Week’s Curriculum Matters](http://www.educationweek.org) blog which reports on detailed developments related to Common Core Standards, 20 school districts, led by the Council of the Great City Schools, are uniting and “...essentially saying that any vendor who stands a chance of selling them materials is going to have to make sure they reflect the priorities outlined in the publishers’ criteria written by Student Achievement Partners.” This move to use an estimated \$2 billion in annual purchasing power is designed to leverage the entire publishing industry to follow the publisher’s criteria, as we reported on in our May 2012 [TechMIS Washington Update](#). As *Curriculum Matters* notes, “...it’s undoubtedly a big step, and a potentially powerful one, taking on the faith that the new guidelines -- and materials created that truly reflect them -- will make a big improvement in student achievement. Whether other districts join this movement, and what resources are created as a result of this pressure, will bear watching.”

Alabama Update

June 2012

According to the Pew Charitable Trusts, Alabama Governor Robert Bentley is supporting a bill that would allow charter schools in the State, using Louisiana's Recovery School District as a model. The Republican Governor and the Republican-controlled legislature had been able to pass a measure that would authorize charter schools in the State's four largest cities, but gave effective veto authority to local superintendents and legislative delegations. A more comprehensive charter school bill was introduced in the House, but, according to lawmakers, the State's powerful teachers union was able to kill it before it reached a vote.

In mid-June, Alabama's State Board assumed financial oversight of the struggling Birmingham school district, according to the [Birmingham News](#). However, the district will not face complete State takeover if it adheres to a State-supported budget-cutting plan. The \$12 million plan calls for cutting 200 central office positions, restructuring some departments, and merging one elementary school into another K-8 school. The cuts became necessary because the district's reserves were only \$2 million, far short of the State requirement of \$17 million. The local school board reluctantly accepted a modified version of the State's plan that keeps the to-be-closed elementary school open and makes fewer staff cuts.

Alaska Update

June 2012

According to The Republic, Alaska is planning to apply for a waiver from the Federal No Child Left Behind Act during the next round -- due in September. Made in conjunction with Governor Sean Parnell, the decision to apply has awaited the approval of new K-12 academic standards (in early June) and a review of other states' approved applications.

Although Alaska has not adopted the Common Core State Standards, State officials are willing to provide a “crosswalk” of its recently adopted new academic standards. This crosswalk is offered by Alaska to demonstrate that their academic standards are on par with the Common Core. Based upon this alignment, Alaska is considering a request to use and possibly help design the common core assessments to be developed by the Partnership for Assessment of Readiness for College and Careers (PARCC). PARCC's next-generation assessment system will provide students, educators, policymakers and the public with the tools needed to identify whether students — from grade 3 through high school — are on track for postsecondary success and, more critically, where gaps may exist and how they can be addressed well before students enter college or the workforce. If Alaska does request to join PARCC, it will require consideration of Federal rules related to adopting the common standards.

Arkansas Update

June 2012

The Arkansas Public School Act of 1989 was intended to give parents more options by allowing interdistrict student transfers. The law contained provisions meant to prevent damage to the State's desegregation efforts. Education Week's School Law blog reports that a Federal district judge has struck down the law because some student transfers are barred based on race. The court ruling said, "The state must employ a more nuanced, individualized evaluation of school and student needs, which, while they may include race as one component, may not base enrollment or transfer options solely on race."

A recent report from the nonprofit Arkansas Advocates for Children and Families calls for expanded access to quality kindergarten and child-care programs for the State's most vulnerable families. Entitled "Pre-k: Access to Success in Arkansas," the report notes that Federal and State programs serve 47 percent of eligible three-year-olds and 80 percent of eligible four-year-olds. Moreover, the State has invested more than \$111 million each year to expand and improve these programs. On the other hand, only two percent of infants and toddlers in deep poverty are enrolled in quality care programs. Currently, programs for at-risk three-year-olds are at capacity or have seen no increase in funding.

California Update

June 2012

The Los Angeles Times reports that California Governor Jerry Brown's revised budget proposal would eliminate the requirement for a second year of science in order to graduate. The mandate was put in place in 2005 but the State has not made any payouts to districts to cover the costs. Currently districts' unpaid claims total \$2.5 billion with an annual cost of \$250 million. Many educators fear such a cut could undermine the State's scientific and technological leadership. Some districts, including Los Angeles, plan to stand by its adopted policy requiring two years of science for graduation.

The California legislature is considering two measures to reduce the cost of textbooks to college students, also according to the Los Angeles Times. One of the bills would seek competitive bids to create an Internet site at which students could read textbooks from the 50 most popular classes for free and print copies for \$20 each. A second measure would establish a California Open Source Digital Library to house the textbooks. Lawmakers say the bills are necessary because students in California's public colleges and universities pay an average of \$1,000 a year for textbooks.

As reported in the Los Angeles Times, Los Angeles and other California school districts are expected to apply directly to the U.S. Department of Education under the Race to the Top program, bypassing the State. California has applied three times for RTTT funds and been unsuccessful each time in large part due to the issue of including student test scores as part of teacher evaluations. The Los Angeles district could receive \$25 million under the district RTTT program -- less than the \$100 million it might have gotten in earlier rounds -- much of which will be used to expand an evaluation system now being tested in some schools. The local teachers union is expected to raise a legal challenge to the district's plan.

Education Week reports that, seven years after LAUSD adopted a high school curriculum touted

to produce more college-ready students, a vast majority of students are falling short of completing required courses. About to become a requirement for earning a diploma, this series includes 15 college preparatory courses required by the University of California and the California State University systems to be eligible for admission. Last year only 15 percent of graduating high school seniors had completed the courses with a passing grade of C or better. This disappointing track record of the implementation of these more rigorous academic courses has prompted a scaling-back of the plan that was adopted in 2005. One of the adjustments to the plan is to require 20 fewer credits to graduate from high school (from 230 to 210) and allow a D as a passing grade in the more rigorous college-preparatory courses. By reducing the number of credits required to graduate, students would have more time to retake the college-preparatory courses that they fail or to receive tutoring or other support services during the regular school day, thereby improving their chances of success. Serious budget cuts of up to \$2 billion over the past three years have caused layoffs, furlough days, class size increases and reduction or elimination of programs. After-school and summer school programs designed to provide academic support services have been cut and/or eliminated or seriously restricted to school day offerings. Such changes may have negative and far-reaching impacts such as eliminating elective courses. Proposed changes will take effect with the class of freshmen that enters high school this fall.

Colorado Update

June 2012

District data show achievement gains for students in Denver's school turnaround initiative which follows an approach based on research from Harvard University's Education Innovation Laboratory (EdLabs). Known as the Summit School Network, the turnaround effort includes some of the City's lowest-performing public schools. The day-to-day operations of the Summit Schools are run under a district contract with the Blueprint Schools Network which hopes to replicate the EdLabs approach in districts across the country. Interim results indicate that, in one school for example, 63 percent of third-graders scored at proficient or advanced, compared with 46 percent last year. The Summit Schools program will use \$6.7 million in Federal School Improvement Grant money and \$4.2 million in private donations over the three-year turnaround plan. Critics of the initiative, including the district's teachers union, question the financial sustainability of the effort which incorporates expensive tutoring and extended school time.

District of Columbia Update

June 2012

Education Week's *Politics K-12* blog notes that the D.C. school district has reached agreement with the U.S. Department of Education to “fully implement” the District’s controversial voucher program. The nature of the deal is as yet unclear. Some in Congress say there will be no cap on enrollment, that new families can apply, and that additional funding would be available. USED officials however, indicate that the program will be allowed to expand from 1,615 to 1,700 students and that the program’s original budget request will not change.

Florida Update

June 2012

As we reported last month, students' scores on the writing component of the Florida Comprehensive Assessment Test (FCAT) were dramatically lower due to more rigorous scoring benchmarks. Newly released results for reading and math were, however, higher than expected. Statewide, 57 percent of students scored at or above grade level in reading in grades 3-10 and grades 3-8 math. These pass rates were each one percentage point higher than 2011 grades based on this year's tougher standards.

AEPOLINE provides some information on Florida's budget for instructional materials:

- For 2012-13, the State has appropriated about \$211.7 million for the instructional materials categorical.
- Starting in 2015-16, each county school district will be required to use at least 50 percent of their annual instructional materials allocation for digital or electronic materials on the State-adopted list.
- Districts must purchase adopted materials within two years of the adoption date.
- New State flexibility allows districts to purchase off the State-approved list, providing more opportunities for supplemental materials publishers.

The Miami Herald reports that the Miami-Dade County school district is expanding its summer school program, making great use of technology and Internet-based courses. Called the Summer Waves of Learning Initiative, the program will target students who:

- need remediation or credit recovery in reading and algebra;
- want to compensate for time away from school during the summer months; and
- want to access summer school through technology.

By providing access through technology at public libraries, neighborhood resource centers, and recreational centers, the program could serve 70,000 students this summer -- up from 18,500 last year -- at the same \$9 million cost.

Georgia Update

June 2012

THE Journal notes that the Georgia Department of Education is providing every district and school in the State with software to support early intervention and assessment. The software -- *Desire 2Learn Learning Suite* -- is intended to provide classroom teachers with specialized tools to support Georgia's Race to the Top efforts. *Desire 2Learn* is also being used by the Georgia Virtual School to create a teacher-led, virtual classroom environment for middle and high school students. The State's professional development program also uses the software's Portfolio module to track teacher accreditation.

The Pew Charitable Trusts notes that, last year, the Georgia Supreme Court struck down as unconstitutional a Statewide charter school commission that could approve charter applications denied by school districts. This session, State lawmakers introduced a Constitutional amendment that would give the State the authority to establish the charter board. The amendment, which will go before the voters in November, is strongly opposed by the State teachers and superintendents associations, the PTA, and the Georgia School Boards Association.

Idaho Update

June 2012

The Spokesman-Review reports that 32 Idaho school districts -- including 47 high schools -- have been selected by the State to receive laptop computers for every ninth-12th grader next year. The districts which will be allowed to select two high schools to receive laptops are: Emmett, Kuna, Melba, Vallivue, Cassia, Minidoka, Oneida, Fremont, and Idaho Falls. Districts with one participating high school each are: Coeur d'Alene, Lakeland, Cottonwood, Culdesac, Genesee, Highland, Lewiston, Homedale, Middleton, Notus, Kimberly, Bear Lake, Grace, North Gem, Pocatello, Soda Springs, West Side, Bonneville, and Sugar-Salem. In addition, the Coeur d'Alene Charter Academy, and Idaho Distance Learning Academy will receive laptops.

Illinois Update

June 2012

As reported by the *Ed Money Watch* blog, Illinois legislators reduced State public K-12 expenditures by \$210 million (three percent) for next year by providing only 89 percent of the required \$6,119 per-pupil base funding in FY 2013. Early childhood education funding would decline by 7.6 percent, reducing the number of slots statewide by 7,000. The Governor is expected to approve the budget.

Education Week notes that the State has taken over two under-performing Illinois school districts -- East St. Louis and North Chicago. State officials will replace the locally elected school boards with independent, State-appointed panels. Both districts have failed to meet Federal No Child Left Behind Act benchmarks for the past nine years. Last year, only 60 percent of East St. Louis' 7,000 students and 52 percent of North Chicago's 4,000 students met NCLB standards.

Indiana Update

June 2012

According to Education Week, Mind Trust has awarded two \$1 million grants to support Charter School Incubator programs in Indiana. The money came from philanthropic organizations and the city of Indianapolis. Phalen Leadership Academies won the funding to support its blended learning approach and summer learning programs for K-8 students. Christel House International plans to use its \$1 million to open a K-12 charter for low-income students by 2014 and, by 2019, launch a network of dropout recovery schools enrolling teens and adults in Indianapolis. The National Alliance of Charter Schools has identified three areas of support that incubators typically provide for charter schools:

- basic training;
- start-up services; and
- early launch support -- from professional development to feedback on newly hired staff.

According to Education Week, three organizations have been approved to operate 19 Indianapolis charter schools that combine traditional and online instruction. Planned to serve 11,000 students, these “blended learning” schools can save money on teacher salaries and often produce better-than-normal student performance. Arizona-based Carpe Diem Schools will open six grade 6-12 schools in August. As noted above, Boston-based Phalen Leadership Academies expects to open six schools in Indianapolis serving a total of 5,400 students. This group is headed by Earl Phalen, founder of the Summer Advantage program which already operates 15 schools in Indiana. The Phalen charter schools will be a year-round version of the five-week Summer Advantage program. The third group is California-based Rocketship Education which expects to open eight schools, eventually enrolling 4,000 students, starting in 2015.

Iowa Update

June 2012

Iowa is one of the first states in the nation to experience rejection by the US Department of Education of its waiver request regarding certain No Child Left Behind provisions. (Vermont has also dropped out for now). USED maintains that the Iowa state education agency does not have the authority to evaluate principals and teachers using student outcomes as part of the required criteria, because State lawmakers passed a measure that indicates the teacher evaluation system cannot be changed without legislative approval. In an election year, this turndown of Iowa's request for an NCLB waiver could have political fall-out for President Obama. Moreover, Tom Harkin, a powerful member of Congress when it comes to education and a big fan of the waiver program, is a Senate Democrat from Iowa.

Associated Press reports that Iowa has now requested a one-year "freeze" on NCLB academic targets. State education officials explained that the freeze request is a stopgap measure until more "permanent relief" from NCLB's "unrealistic accountability measures" could be put in place by state lawmakers. Politically, USED would most likely want to grant Iowa's waiver; however, in order to maintain consistency to established criteria, met by other states whose waivers have been approved, it cannot accept a watered-down and less-than-rigorous plan from Iowa that would result in serious credibility issues and directly counteract more widespread implementation of the waiver program.

Kansas Update

June 2012

According to the Kansas Record, 54 Kansas school districts are suing the state to recover school aid money the legislature did not include in the budget during the 2008 financial crisis. The 54 districts, as a coalition called the Schools for Fair Funding, have seen their per-pupil state K-12 funding reduced from \$4,257 to \$3,780. Total spending, including local and Federal per-pupil money is \$12,454 per student. Plaintiffs argue that the students most affected are minority and inner-city, while the State argues that lower academic student performance was unrelated to funding cuts and that current per-pupil expenditures meet the criteria of suitable financing determined in 2008.

Kentucky Update

June 2012

Kentucky Governor Steve Beshear has signed into law Senate Bill 38 which provides a career pathway process for the State's secondary schools through a more rigorous focus on career and technical education (CTE). The Career Pathways bill is part of a package of CTE initiatives intended to ensure that Kentucky high school graduates are college and career ready. Other elements include a new college- and career-readiness measure of technical skill in the State's accountability model and a dual credit agreement that allows CTE students to earn college credit in high school. Kentucky is also working with the Southern Regional Education Board to develop new career pathways through the Preparation for Tomorrow initiative.

Louisiana Update

June 2012

According to the New Orleans Times-Picayune, with the backing of Governor Bobby Jindal, Louisiana is set for major changes in the State's education policy. Implementation of these provisions advances the Governor's legislative agenda and includes the following:

- new private school voucher program that ensures private schools will be held accountable for students' test scores, as noted below;
- changes in rules that govern independent charter schools;
- a new grading system that aligns with the Common Core State Standards (which replace the State's LEAP assessments) part of Louisiana's waiver request from Federal "No Child Left Behind Act" provisions;
- a "parent trigger" that allows parents to vote a failing school into the State-run Recovery School District; and
- a catalogue of courses offered by universities, private companies, and/or individual teachers that high school students will be able to pay for using tax dollars that would ordinarily flow to their schools.

According to Reuters, Louisiana will shift millions of State dollars out of public schools in the form of private vouchers. Beginning this Fall, many poor and middle-class students will receive vouchers covering the full cost of tuition at more than 120 private schools, including many church-affiliated schools. The following year, students of any income will be eligible for vouchers that can be used to pay private-sector vendors -- including businesses, online schools, and tutors -- for classes and apprenticeships not available in traditional public schools. State officials have approved the curricula at the 120 private schools. Although specifics are not yet finalized for the private school voucher program, the Board of Elementary and Secondary Education (BESE) regulations do include a cap on how much private schools can raise tuition as they take voucher students. This addresses concerns that private schools may significantly increase their rates now that the State will be paying the tab.

Maryland Update

June 2012

Recent results of Spring 2011 evaluations indicate that Baltimore City schools need to strengthen their teaching programs and set up a climate that embraces higher standards. The Baltimore Sun reports that school site visits indicate that more than two dozen schools are having difficulty providing effective instruction for students. None of the schools received a ranking of “highly effective” and nearly 40 percent were deemed “not effective.” These results were made public in the face of Baltimore’s efforts to implement the Common Core State Standards during the next school year. School Works, an educational consulting company, conducted team observations and provided summary narrative reports at a cost of \$15,000 per school. This past Spring, 25 additional site visits were conducted. Data from these are currently under analysis.

Massachusetts Update

June 2012

Six states, including Massachusetts, are taking to heart the results of a year-old report from Harvard University which calls for developing more pathways to careers for young adults that offer viable approaches to achieving economic and job success in life. *Pathways to Prosperity* concludes that millions of students are being shortchanged in preparation for careers and success in life by a one-size-fits-all model that encourages everyone to earn a bachelor's degree. The states -- including Illinois, Maine, Missouri, North Carolina and Tennessee -- are working together to build a network that defines alternative tracks leading to successful careers for post-secondary students. These efforts and *Jobs for the Future* are designed to incorporate relevant pre-service curricula for students and to link with employers, educators and policymakers. The coalition expects other states to join the network to promote effective collaboration in this area.

Education Week notes that the Boston teachers union supports the proposed changes to the State's teacher evaluation system and thereby boosts prospects that the bill revamping teacher evaluation is likely to be approved by Massachusetts State lawmakers. Proposed changes to the teacher evaluation system put performance before seniority in determining layoffs.

According to Education Week, the 2011-12 school year experiment with weighted funding in Boston has yielded a formula in which student numbers and need drive budget allocations. Prior to this past school year, competing agendas and multiple ways of funding dictated the budget allocation for each school. In some instances, staff were allocated based on student enrollment, while in other cases, schools had more autonomy in determining expenditures. The Boston school district joins several other major cities, like Baltimore, Denver, Rochester, and New York City, which have moved to weighted student-funding formula for determining school budgets. In tight budget times, such approaches to funding schools take into account the numbers of students receiving free and reduced lunch, dual language learners, at-risk students, and students with disabilities deemed eligible for special education and related services. This approach, according

to district officials, helps standardize the process of budgeting and manages cuts in more fair and transparent ways.

Michigan Update

June 2012

Four days after the June 1st deadline, the Michigan legislature passed the FY 2013 K-12 budget, increasing funding by 1.6 percent over last year's level -- an increase of \$120 per student for a total next year of \$6,966 per student. The Governor is expected to sign the budget, according to New America Foundation's *Ed Money Watch* blog.

As reported in Education Week, in 2011, Michigan has set new cutoff scores for both its Michigan Education Assessment Program (grades 3-9) and Michigan Merit Exam (high school) based on revised standards that include the ACT college-entrance exam. Students now need to get 65 percent of answers correct to pass the MEAP instead of the previous standard of 39 percent. The Merit Exam is designed to indicate that students reaching a passing score should receive a B or higher in an entry-level college course.

Minnesota Update

June 2012

A recent analysis by the Center for School Change has found that charter school enrollment in Minnesota grew by 5.5 percent annually over the past two years, the lowest growth rate in a decade. Over the past ten years, charter enrollment has quadrupled to 39,000 while traditional school enrollment fell by five percent to 786,000. The Center's report says that Minnesota charter schools enroll higher percentages of poor, minority, and limited-English-proficient than district schools and about the same percentage of students with disabilities. In Minneapolis and St. Paul, charter enrollment increased by just two percent, far lower than the Statewide average.

A report by the Minneapolis Star Tribune indicates that, in the Twin Cities area, about half of the students receiving Government-funded tutoring are receiving Internet-based instruction -- up from 18 percent five years ago. Many Minnesota educators are saying that online tutoring companies are using the lure of a free computer as a way to sign up low-income students. The companies say allowing families to keep the computers at the end of tutoring is consistent with the U.S. Department of Education's position that technology offers "incredible potential to level the educational playing field." Some administrators argue that the computers are an "unallowable incentive" and that online providers typically charge \$24 per hour more than traditional tutoring services, deliver about half as much instruction, and are less likely to produce student gains in reading and math, according to the Tribune article.

Missouri Update

June 2012

According to The Kansas City Star, Missouri education officials are tweaking the State's school funding formula to account for a \$250 million shortfall. Adopted in 2005, the formula called for \$6,131 in per-pupil spending in 2011-12, but is silent on what to do if there is not enough money to support this level of funding. Moreover, the formula raised the per-pupil target to \$6,423 on July 1 with a similar increase the following year. Soon, the State could be \$700 million behind in payments to school districts. The plans to freeze spending at the \$6,131 level, meaning many districts will receive much less in State aid than they had expected. St. Louis, for example, will get \$3 million less.

New Hampshire Update

June 2012

New Hampshire's legislature and Governor John Lynch have agreed on a proposed constitutional amendment that would give the legislature complete control over K-12 education funding. The Concord Monitor reports that the amendment would assign the legislature responsibility to maintain the State's public education system, to address economic disparities among districts, and to establish "reasonable standards" for public education. It would make it more difficult to challenge State education laws in court. To put the amendment on the November ballot will require a three-fifths vote of both chambers of the legislature. And then, it must be approved by two-thirds of the voters.

New Jersey Update

June 2012

According to New Jersey's School Report Cards, the State's K-12 school districts spent an average of \$17,469 per student last year, \$416 less than the year before. The 2010-11 Report Cards used a new method for calculating per-pupil spending. Governor Chris Christie's proposed budget for the upcoming school year would increase direct aid to K-12 schools by \$135 million -- to \$7.8 billion. The State Office of Legislative Services says the proposed budget underfunds school spending by \$300 million with most of the reductions in low-income districts.

New Mexico Update

June 2012

As reported in the *Ed Money Watch* blog from New America Foundation, in 2012-13, New Mexico's state spending on special education programs will be \$7 million less than the previous year, allegedly due to reduced numbers of special education students. State funding is allocated on a weighted formula basis whereby special education students and English language learners boost the per-pupil allocation to receiving district over the average for students without disabilities or English language learning problems. Last year, the State conducted an audit and found that \$4 million in funding for students with disabilities was questionable which could explain why special education enrollment dropped, resulting in the \$7 million reduction. Total student enrollment had not changed.

New York Update

June 2012

New York Governor Andrew Cuomo supports limiting disclosure of teacher evaluation data only to parents. Comparative data for grade level and subject would be available in a more general way without personally identifiable information about teachers, according to Education Week. Given this proposed legislation, it would be possible for parents to see evaluations of teachers for their children's next grade; however, inconsistencies in schools' reporting formats for these data may not permit determination of individual teachers' performance on a year-to-year basis. Earlier this year, New York City released ratings for 18,000 teachers based on student test scores. A court, education reformers, and Mayor Bloomberg maintain that releasing such performance data is in the best interest of school reforms and teacher motivation.

According to Education Week, New York State has restored funding to six low-performing Buffalo schools after the district and teachers union agreed on an evaluation plan. In January, the State froze more than \$5 million in Federal School Improvement Grant money because the district did not have a teacher evaluation plan that met State standards. Buffalo is one of the last of ten New York school districts who had their SIG funds frozen.

An analysis by The New York Times indicates that New York City is paying private contractors more than \$1 billion to operate a special education program for three- and four-year-olds. The City's special education pre-K program serves 25,000 children with disabilities at an annual cost of \$40,000 per child. Comparable programs in other states cost much less -- Pennsylvania (\$5,100 per child) and Massachusetts (less than \$10,000 per child). A reason appears to be that the contractors often evaluate children and deliver services as well. The contractors, thus, have an incentive to inflate the number of services children require.

According to gothamschools.org, New York City received an average of \$22.5 million each year for the past three years from the Federal Title II-D program which funded education technology

for schools. The money had been used to support technology training centers, online curricula, and technology tools such as laptops and iPads. However, because the U.S. Department of Education has eliminated Title II-D, the City will have to find other sources to fund the technology centers and tools.

North Carolina Update

June 2012

The Winston-Salem Journal observes that \$258 million in Federal EduJobs funding is running out and the North Carolina legislature is considering ways to offset the loss. Republicans in the House have suggested using some of the \$121.1 million currently set aside in next year's budget for employee merit raises to go toward easing expected cuts in money for K-12 public schools.

As reported in the Raleigh News & Observer, the North Carolina Senate has approved Senate Bill 795 that would cause major changes in public schools. Specifically, the measure would require third-graders who fail a State-approved reading assessment to repeat third grade. Exemptions would be available for students with disabilities and English language learners and summer reading camps would be available to give students a second chance at promotion. Proponents of the bill note that 40 percent of North Carolina's third-graders failed the State's end-of-grade reading test last year, but less than three percent were retained in grade. SB 795 would also extend the school year to 185 days, end teacher tenure, and establish an A-F grading system for schools.

Also according to the News & Observer, a majority of North Carolina school districts and the State Board are fighting to stop the opening of an online charter school that could divert \$34 million from traditional public schools. The North Carolina Virtual Academy would enroll 6,526 K-12 students, making it the largest charter school in the State. To be operated by K12 Inc., the Academy was initially approved by Cabarrus County, bypassing the traditional State-level charter approval process. A May 8 court ruling has allowed the school to open in August, but the State Board and districts believe legal action can halt the school.

North Dakota Update

June 2012

Education Week's State EdWatch blog notes that Wayne Sanstead has decided not to seek reelection as North Dakota's State schools superintendent after nearly 30 years in office. He is the longest-serving state superintendent in the nation.

A new report from the North Dakota Department of Public Instruction indicates that only 67 of the State's 178 school districts made adequate yearly progress based on student scores on standardized tests. According to The Jamestown Sun, State officials say school districts are doing better than in the past; it's just that the bar has been raised even faster than schools have improved. In 2002-03, 84 percent of districts met AYP standards, but back then the achievement goal was 40 percent of students reading proficiency. This year's goals were 90 percent of students in reading and 84 percent in math. None of the State's largest districts -- Bismarck, Fargo, West Fargo, Grand Forks, and Minot -- made AYP this year.

Ohio Update

June 2012

Although last month Ohio was among eight states granted a No Child Left Behind (NCLB) waiver by the U.S. Department of Education, the status of the waiver is conditional. The Ohio legislature is required to implement a new school accountability system as part of the waiver plan; otherwise the waiver would be revoked for the 2013-14 school year. According to the Columbus Dispatch State lawmakers took speedy action and reached a deal on a new grading system, despite concerns from many, including Governor John Kasich, that this accountability system might be implemented too quickly. School districts could be unprepared to implement the proposed A-F system and the new metrics that operationally define the ratings. Two recent compromises between the Governor and the legislature include: (1) during the lame-duck session in November, lawmakers will reach agreement on the metrics for the A—F grading system; and (2) the new cut-off score for the third grade reading assessment will be gradually raised to a higher level of proficiency. Further, legislators have moderated Governor Kasich's initial proposal by giving teachers rated as ineffective for two years, an additional criterion which must be met before dismissal. Teachers receiving the ineffective rating will be required to pass a test of content knowledge, and only if they receive a failing score will they be fired.

According to The Columbus Dispatch, Ohio will no longer oversee the Federally-required supplemental educational services (SES) program, based on the State's waiver from some requirements of the No Child Left Behind Act. Districts will have control over how the SES money will be spent. It is expected that the funds could be used to extend the school day in low-performing schools or to support reading interventions to help third-graders pass the State reading assessment rather than being held back.

Also according to The Columbus Dispatch, a compromise has been reached on the education bill proposed by Governor Kasich and amended by both houses of the legislature. Among the changes made in Senate Bill 316 are:

- removal of a provision that would have allowed privately-operated, tax-funded charter schools for gifted students;
- elimination of continued exemptions for charter schools that serve dropouts and those at risk of dropping out from a State law that closes failing charter schools; and
- removal of a provision that would have reduced the passing score on the third-grade reading test.

The Governor's plan calls for a more rigorous evaluation system for schools, changes in teacher evaluations, and a requirement that schools provide interventions to struggling readers.

In late June, Governor Kasich signed into law a measure that calls for retaining in grade third-graders who do not pass the State reading assessment. According to The Cleveland Plain Dealer, the bill contains a required level of proficiency that is lower than the Governor initially proposed. The passing threshold will increase over time as other components of the plan -- improved teaching standards, more reading interventions, summer programs -- are put in place. Ohio joins Arizona, Indiana, and Oklahoma, which have recently followed the lead set by Florida.

The Columbus Dispatch notes that most charter schools in Ohio are subject to a State law that shuts down charters that fail for consecutive years. However, close to a quarter of the students who attend Ohio charters are enrolled in dropout-recovery schools which do not face the same sanction. State officials say that 74 dropout-recovery schools, serving more than 18,000 students, receive \$103 million in State funding -- \$5,653 per pupil. As noted above, Governor Kasich has proposed establishing performance standards for dropout-recovery schools as part of his education legislation, but the provision was deleted by Republicans in the House.

Oklahoma Update

June 2012

Many of Oklahoma's 522 school districts are being urged by Governor Mary Fallin to consolidate or share administrative services. State officials believe that the high number of Oklahoma high school graduates who require remediation in college is, in part, due to the lack of availability of college preparatory courses in writing and math in small districts.

In 1997, the Oklahoma legislature enacted a law -- known as the Reading Sufficiency Act -- mandating that all Oklahoma students be able to read at or above grade level by the end of third grade and that all school districts offer summer remediation for struggling third-graders. In June, budget constraints caused the State to eliminate funding for Reading Sufficiency programs. As noted in the Tulsa World, a 2011 law, requires that third-graders, starting in 2013-14, pass reading test to be promoted. The new law requires that:

- every district establish a Reading Enhancement and Acceleration Development initiative to provide intensive in-school reading instruction for at-risk K-3 students;
- assessments be used to identify students at risk of retention;
- for students at risk, districts must provide reading classes, tutors, summer camps, smaller class sizes, and speech-language therapists;
- districts implement weekly progress monitoring for at-risk students; and
- exemptions from retention be allowed for English language learners and students with disabilities.

Oregon Update

June 2012

According to The Oregonian, Oregon's first "chief education officer" will be Rudy Crew, former head of schools in New York City, Miami, Sacramento, and Tacoma. The new position has authority over the State's public schools, public universities, community colleges, and early childhood programs. Among Crew's assignments are integrating all components into a seamless and effective system. He has stressed the importance of equipping students and parents with more information about their options from preschool through college or the workplace.

Education Week notes that Oregon's elected State Superintendent, Susan Castillo, has resigned to become regional vice-president of the nonprofit, Project Lead the Way, which develops science and technical curricula for schools. The next Superintendent will be appointed -- as a result of reforms pushed by Governor John Kitzhaber -- and will report to Oregon's first chief education officer who will be consulted on an interim appointment.

Pennsylvania Update

June 2012

A recent survey by the Pennsylvania Association of School Administrators and the Pennsylvania Association of School Business Officials highlights the State's flat local tax revenues, higher costs, Governor Tom Corbett's call for a \$100 million cut in block grant funding for early education and all-day kindergarten, and the end of Federal stimulus funding. Specifically, the survey report found:

- 61 percent of school districts will increase class size;
- 49 percent will delay purchases of new textbooks;
- 37 percent will reduce tutoring and extended learning opportunities for struggling students; and
- 34 percent will eliminate summer programs for credit recovery.

Tightening school budgets have prompted re-thinking of Pennsylvania's funding formula that results in generous support of charter and cyber charter schools by Pennsylvania taxpayers. According to the Philadelphia Inquirer, the State's Auditor General asserts taxpayers could save \$365 million by revising the funding formula that supports cyber and charter schools, which enroll about 100,000 students. These schools have significantly higher student funding reimbursement than the national average costs. State charters spend an average of \$13,411 per student as compared with the national average of \$10,000. Thirteen state cyber charters exceed the national average costs per student of \$10,145 by \$6,500.

Education Week observes that Pennsylvania has 13 public, State-chartered cyber schools that enroll more than 32,000 students. As a consequence, a significant amount of State per-pupil money that normally goes to school districts ends up with the cyber charter schools. The State's traditional public schools are trying to recoup some of this State funding by providing their own online academic programs. Moreover, a number of local school districts have cited data that shows the local schools outperformed charter and cyber schools on the State assessment in 2010.

South Carolina Update

June 2012

Education Week's *On Special Education* blog notes that the U.S. Department of Education has denied South Carolina's appeal of a \$36 million maintenance of effort (MOE) penalty for not spending enough State funds on special education during the Federal ARRA period. The \$36 million is what's left of an initial \$111 million penalty, the rest of which has been forgiven. State Superintendent, Mick Zais, has called the Obama Administration "a bully" and has said he will pursue the issue through Congress and the courts.

South Dakota Update

June 2012

In late June, South Dakota received a No Child Left Behind (NCLB) waiver from the U.S. Department of Education. The State's proposed plan establishes a 100-point scale for public schools, with student test scores a part of each school's composite score. There will be an index for other factors, such as graduation rates, scores on college entrance exams, and elementary school attendance rates. Initially, USED raised concerns that South Dakota's plan did not hold schools sufficiently accountable for the progress of historically low-performing sub-groups, including American Indians and low-income students. State education officials addressed this issue by changing the way the bottom 15 percent of its schools would be identified. The revised process includes identifying "focus" schools based on a composite score that identifies schools where students within sub-groups are not doing as well as they should be. Many State educators view this as a major improvement over NCLB which held all students to the same standard.

Tennessee Update

June 2012

Education Week notes that Tennessee's teacher evaluation system, enacted as part of the State's Race to the Top application, calls for 50 percent of teachers' evaluation to be based on student test scores. But only about a third of the State's teachers teach subjects in which value-added test data is collected. A new report from Tennessee's State Collaborative on Reforming Education (SCORE) has recommended that teachers in subjects or grades without specific assessment data have only 25 percent of their evaluation based on student testing data. SCORE's other recommendations include:

- improving training for evaluators;
- accelerating a principal evaluation system; and
- integrating the evaluation system with the new Common Core State Standards.

Education Week's *Charters & Choice* blog reports that Tennessee education officials have approved a number of charter school management organizations to establish new schools in the State. These organizations will, over the next seven years, open 41 new charter schools serving 15,000 students within the State's Achievement School District (ASD), a program -- created through the State's Race to the Top grant -- to improve low-achieving schools. Operating in either Nashville or Memphis, the organizations are KIPP, Rocketship Education, Aspire Public Schools, LEAD Public Schools, Capstone Education Group, and Gestalt Community Schools. Nine new campuses will open during the 2013-14 school year, with expansion expected in subsequent years.

In March 2011, Memphis citizens voted to merge the City's school district into the suburban Shelby County district, anticipating a more financially stable system. However, in May, six municipalities, serving 25,000 students, in Shelby County have voted to form their own school districts under a new State law. How this would be handled administratively is unclear. A still further complication involves the State-operated Tennessee Achievement School District which

is taking over some of Memphis' lowest-performing schools. All this means that the planned, combined Memphis-Shelby enrollment of 150,000 students could be considerably smaller.

Texas Update

June 2012

Education Week's *State EdWatch* blog reports on a State analysis of scores on the new State of Texas Assessments of Academic Readiness (STAAR). Using scores on five STAAR tests, the analysis compared 2012 results with the results that would have been seen if scores were judged on the cutoff scores slated to be in place in 2016:

- This year, 87 percent of students passed the Biology exam; in 2016, only 41 percent would have passed;
- In Algebra I, the pass rate would have dropped from 83 percent to 39 percent;
- The percent of passing students in the World Geography exam would have dropped from 81 percent to 40 percent;
- The English I reading scores would drop from 68 percent to 46 percent; and
- The English I writing score would drop from 55 percent to 34 percent.

According to The Dallas Morning News, a number of Dallas area school districts are responding to students who want to take advanced summer academics to get ahead or just keep pace with their busy school schedules. They are setting up summer coursework online to meet these needs. Irving, Mansfield, and Plano are examples of districts that have expanded their eSchools offerings in response to parent and student requests. These districts offer accelerated classes online through virtual portals and respond to requests for more flexibility which allows students to complete courses from their own home computers.

Vermont Update

June 2012

Senator Bernie Sanders (I-VT) has criticized the U.S. Department of Education for excluding Vermont and other rural states from the Federal Race to the Top program. The Senator expressed pleasure that USED plans to “carve out” funds for rural states in the new, \$390 million RTTT round. The Senator was also displeased that Vermont was not granted a waiver from the requirements of the No Child Left Behind Act, which he said is “fundamentally incompatible with the state’s education model.” Vermont might reapply (see [Washington Update](#)).

Virginia Update

June 2012

This year, Virginia voters approved a measure that gives individuals and corporations tax credits for making contributions that provide scholarships for students to attend private schools. Signed by Governor Robert McDonnell, the law limits the tax credit to 65 percent of the donation and contains an annual cap of \$25 million, according to [Education Week's Charters & Choice](#) blog. The State's Republican Attorney General has issued a formal advisory opinion that this voucher-like program does not violate the Virginia constitution. Virginia's waiver request was just approved by USED on June 29.

Washington Update

June 2012

A Washington State audit says local school districts could do a better job of getting more money into classroom instruction. Among the cost-saving changes suggested by the auditors were (1) outsourcing some administrative services to the private sector; (2) contracting with the State or education service districts for some services; (3) sharing costs with neighboring districts; and (4) cutting staff costs by, for example, hiring licensed practical nurses instead of registered nurses. According to Education Week, State data suggest that Washington schools spend 70 percent of their funding in the classrooms, more than any other state. Federal data indicate that the percentage is closer to 60 percent and that the State is about in the middle of the pack when it comes to instructional spending.

Wisconsin Update

June 2012

Education Week notes that Wisconsin's Governor Scott Walker, winner of a recent recall election, had stressed education reform as a major priority. Advocates for change are hoping that he will lead the charge in expanding the role of charter schools and school choice programs in the state. The State's polarized political climate could complicate the support for many of these proposed changes to its education system. Teachers' unions expect the fight over his policies to continue unabated.

The Milwaukee Journal Sentinel reports that the Milwaukee school district has launched a series of Summer Academies intended to give students a preview of their coursework for the upcoming Fall. The Summer Academies provide individualized, hands-on experiences and follow curricula based on the Common Core State Standards. District officials estimate that at least 4,500 students will sign up for the Academies. The district sees the free summer programs as a way to offer both remedial and advanced classes. This summer's classes include an elementary program, an eighth-grade promotional program, high school credit recovery, leadership development programs, and programs for students with disabilities.