

PHOTOCOPY
PRESERVATION



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

May 1, 2000
(Senate)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

S. 2 - Educational Opportunities Act (Sen. Jeffords (R) VT and 7 others)

The Administration opposes Senate passage of S. 2, which would reauthorize the Elementary and Secondary Education Act of 1965 (ESEA), as reported by the Committee on Health, Education, Labor, and Pensions. If S. 2 is presented to the President in its current form, he will veto the bill because it fails to continue the Federal obligation and commitment to support reform in our schools and real improvements in student performance, particularly among our neediest students and in our neediest communities. The Administration has a number of serious objections to S. 2. It would:

- **Weaken accountability.** The bill fails to encourage each State to develop a single, rigorous accountability system for Title I and non-Title I schools. Moreover, the bill does not include the basic components of the President's Education Accountability initiative. Notably, it would: (1) not require school report cards; (2) fail to end social promotion and traditional retention practices; (3) not require all teachers to be certified and teaching in their field, or be in the process of becoming certified; (4) fail to establish sound, equitable discipline policies in every school; and (5) not guarantee resources targeted on the lowest performing schools to help States and localities turn them around or shut them down. The bill also would not extend the current ban on the possession or use of tobacco on school grounds to include alcohol and drugs.
- **Undermine the Federal effort to help communities reduce class size in the early grades.** The bill fails to provide a separate, dedicated funding stream for that purpose that is targeted to high-poverty communities, consistent with the bipartisan agreement reflected in the Department of Education's appropriations acts for each of the past two years. Research has shown that students attending smaller classes in the early grades make more rapid educational progress, with the greatest benefits accruing to lower-achieving, minority, and poor children. The bill instead creates a block grant that fails to guarantee that any funding will be used for hiring new teachers to reduce class size.
- **Fail to recognize the importance of high-quality teaching.** The bill does little to improve teacher quality, either through increased accountability or by ensuring that teachers meet high standards and have access to ongoing, high-quality professional development, mentoring, and coaching. In addition, schools should be held accountable for supporting high-quality instruction by publicly reporting on teacher quality indicators.

- **Undermine standards-based reform and the Title I program for disadvantaged children by allowing 10 States and 20 school districts to convert their Title I funds into portable student vouchers that could be used for private education services.** The Administration's opposition to school vouchers is well known. Rather than improving and reforming public schools, vouchers drain attention and resources from the neediest public schools. By diverting funds into programs that are not accountable for results, vouchers would fragment services and jeopardize the promising recent gains States, school districts, and schools have made through standards-based reforms.
- **Convert programs that address national priorities into unfocused block grants.** The "Straight A's" proposals would allow States to consolidate funds designated for Title I activities, class-size reduction, professional development, technology programs, and other initiatives into a massive block grant with no meaningful accountability. Governors could use the money for any "educational purposes," including providing students with vouchers for private schools. Moreover, there is no assurance that funds will go to improve instruction, strengthen curriculum, reduce class size, provide after-school learning opportunities, or support other proven strategies for helping all students learn to high standards.
- **Fail to provide adequate assistance to communities facing the enormous burden of renovating aging schools.** The President's Budget for FY 2001 proposes a \$1.3 billion initiative to provide grants and loan subsidies for high-need districts to support the renovation of up to 5,000 schools. The bill should authorize this assistance.
- **Fail to target funds to school districts that are facing the greatest challenges and have the fewest local resources for meeting those challenges without Federal assistance.** While targeting of funds to high-poverty districts has been a part of the Federal role ever since the initial passage of the ESEA in 1965, the current statute still does not concentrate resources sufficiently on those districts. Therefore, the President proposed amendments to tighten targeting in several of the major programs. S. 2 would, in many respects, be a significant step backwards.
- **Fail to provide adequate funding or focus for the 21st Century Community Learning Centers, which provide students with extended learning opportunities before and after school in safe and drug-free environments.** S. 2 would authorize only half of the one billion dollars requested by the President for fiscal year 2001 for this important and widely supported program. It also would fail to provide a needed emphasis on after-school and other extended learning opportunities.

The Administration also has a number of other significant concerns with the bill, including the following:

Title I: Helping Disadvantaged Students Meet High Standards -- lack of requirements for certification of new Title I teachers; failure to increase minimum education levels of paraprofessionals; insufficient allocations for professional development and for program accountability; insufficient targeting of funds; and failure to allocate funds for needy children in Puerto Rico on the same basis as is used for the rest of the country.

Title II: Teacher Quality -- failure to award half of professional development funds competitively in order to promote high quality projects; insufficient emphasis on in-service professional development; abandonment of current emphasis on math and science; failure to provide for programs of national interest, such as the President's proposed programs of Early Childhood Professional Development and recruitment of "home town" teachers; and an insufficient duration of support for the National Board for Professional Teaching Standards.

Title IV: Safe and Drug-Free Schools and Communities -- insufficient emphasis on promoting targeting to high-need districts and on ensuring accountability and effectiveness; a very cumbersome mechanism for the administration of national programs; failure to provide a separate authorization for Project SERV; and failure to include requirements for the referral of expelled students for evaluation and mental health services if needed, or for school districts to establish policies to provide expelled students with appropriate services to continue their education. The Administration opposes the provision of the bill that would deny attorney's fees to plaintiffs who demonstrate in court that certain on-campus memorials or memorial services violate the Establishment Clause of the First Amendment, because such a provision not only raises constitutional concerns as impermissible viewpoint discrimination, it would also undermine the important and long-standing national policy of encouraging private enforcement of our civil rights laws.

Title V-A (current Title III): Technology -- failure to: (1) target adequately the Technology Literacy Challenge Fund on high-need districts; (2) authorize separately, and at adequate levels, the current Community Technology Centers and Preparing Tomorrow's Teachers to Use Technology programs; and (3) encourage the development or use of innovative and emerging technologies.

Title VI. Part B: Rural Education Initiative -- substantially weakens accountability for small, rural school districts that would be eligible to consolidate funds.

Title VII. Part B: Foreign Language Assistance Program -- failure to improve the program by, for example, focusing it on the early grades, where research suggests that second languages are better and more quickly learned.

Title VIII: Impact Aid -- failure to target funds to school districts most genuinely burdened by the presence of Federally connected children and Federal property.

Title IX, Part A: Indian Education -- creation of an unnecessary and burdensome authority to allow grantees to consolidate resources from across Federal programs.

Pay-As-You-Go Scoring

S. 2 would increase direct spending and receipts; therefore, it is subject to the pay-as-you-go requirements of the Omnibus Budget Reconciliation Act of 1990. OMB estimates that the net pay-as-you-go effect would be zero.

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FOR RELEASE
March 9, 2000

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ESEA 00

STATEMENT BY U.S. SECRETARY OF EDUCATION RICHARD W. RILEY
Regarding Senate Action on Reauthorizing the Elementary and Secondary Education Act

I am deeply disappointed by the wholesale retreat by the Senate Committee on Health, Education, Labor and Pensions in reauthorizing the Elementary and Secondary Education Act. I will certainly recommend that the President veto this unfocused and undemanding piece of legislation.

In approving the "Straight A's" demonstration the committee has forgotten the most important word that starts with "a" and that is accountability. Passage of the "Straight A's" is a signal that this Congress intends to turn its back on over fifteen years of bipartisan effort to raise achievement levels through standards based reform. This is a very shortsighted decision that will truly set back American education.

The committee seems to believe that a "block grant" is the best way to prepare America's young people for the 21st Century. I think just the opposite is true. On all of my many visits with parents and teachers across the country, I have yet to have one of them tell me to go back to Washington and support block grants.

Parents have a very different set of priorities. They want specific and concrete help to reduce class size, to increase after-school opportunities, to modernize our schools and get technology into the classroom and into the community. This bill goes in the opposite direction and actually moves us one step closer to turning the Title I program into a voucher program. As I have said many times before, there is no accountability when it comes to block grants and vouchers.

The proposed legislation is also very weak when it comes to supporting in-depth efforts to improve teacher quality and the lack of "targeting" will do little to help teachers in our neediest schools. Overall, this proposed piece of legislation says no to smaller classes, no to stronger accountability, no to safe and modernized schools, and no to a sustained effort to support and improve the teaching profession.

At a time when so many parents are worried about keeping all of our children out of harms way, the Congress is continuing a long-established pattern of diluting efforts to improve the effectiveness of the Safe and Drug Free program. This program will never get better if Congress keeps retreating from a more targeted focus.

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THE WHITE HOUSE

WASHINGTON

February 29, 2000

The Honorable Edward M. Kennedy
United States Senate
Washington, D.C. 20510

Dear Senator Kennedy:

As you consider the reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA) -- the first major education bill of the 21st century -- I urge you to build on our progress to invest more in our schools and demand more from them.

Working in partnership, we have made great strides toward our shared goal of educating all our children to world-class standards. Nearly all States have adopted standards, and even our lowest-performing students are showing gains in reading and math. But far more is needed to ensure that each and every child is given the opportunity to reach his or her full potential. All our children must meet challenging standards, be taught by highly qualified teachers, and attend safe, modern, and disciplined schools. And, for the sake of our children, we must also hold the entire education system accountable for results. The Federal Government spends more than \$15 billion a year on ESEA programs. It's time to invest in what works and stop investing in what doesn't. I encourage you to pass a bipartisan bill that reflects the following four goals:

1. Give Every Child the Chance to Meet High Standards. A bipartisan bill must help students establish a solid foundation for learning by continuing and strengthening our efforts to reduce class size, expand after-school and summer school programs, help all students read by the end of third grade, and eliminate the digital divide through the purchase and acquisition of education technology. It must target resources on students who need extra help and reward States and districts for closing the achievement gap. It must support innovation by expanding public school choice. Additional efforts are required to address the needs of limited-English proficient students who face a multitude of barriers to success in school. A bipartisan bill must continue and expand upon our commitment to these students.
2. Demand Accountability for Results. A bipartisan bill must support rigorous, statewide accountability systems, provide resources to States for turning around failing schools, establish school report cards to inform parents about the education their children are receiving, and end social promotion by giving all students the extra learning opportunities they need to meet high standards.

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3. Put Qualified Teachers in Every Classroom. A bipartisan bill must support high-quality professional development to ensure that teachers can help students reach high standards and are trained to use the latest technologies. States must be held accountable for ensuring that all teachers are fully qualified and know the subjects they teach. States also must eliminate the practice of allowing students to be taught by unqualified paraprofessionals.
4. Provide Modernized Schools and Safe, Disciplined, and Drug-Free Learning Environments. A bipartisan bill must provide for emergency school repair, concentrate resources to prevent youth violence, ensure schools are drug-free and smoke-free, and require sound, equitable discipline policies in every school.

If these principles are reflected in your ESEA bill, I feel confident that we can help all students reach their full potential and master challenging academic standards. I urge you to leave divisive partisan politics at the schoolhouse door and work with us to make landmark progress for America's students.

Sincerely,

Bill Clinton

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ESEA 2002

S. 2 – Educational Opportunities Act
(Sen. Jeffords (R) VT and ___ others)
DRAFT – NOT FOR DISTRIBUTION

S. 2, as reported by the Committee on Health, Education, Labor, and Pensions, fails to provide a dedicated funding stream to continue the bipartisan commitment to reducing class size in the early grades; squanders Federal resources on unfocused block grants; converts much of the Title I program into a voucher program; and fails to hold States, school districts, and schools accountable for real educational results.

In short, S. 2, which would reauthorize the Elementary and Secondary Education Act of 1965 (ESEA), fails to continue the Federal obligation and commitment to support change in our schools and real improvements in student performance.

The Administration's most serious objections to S. 2 are that it—

- o **Undermines the Federal effort to help communities reduce class size in the early grades** because it fails to provide a separate, dedicated funding stream, targeted to high-poverty communities, consistent with the bipartisan agreement enacted in the Department of Education's appropriations acts for each of the past two years.
- o **Undermines standards-based reform and the Title I program for disadvantaged children by allowing 10 States and 20 school districts to convert their Title I funds into portable student vouchers.** The 1994 reauthorization of the ESEA reflected a firm consensus that standards-based reform is moving our schools in the right direction. Since that time, States, school districts, and schools have worked hard to restructure their Title I programs to improve entire schools that enroll large numbers of poor students, instead of providing Title I services only to individual low-achieving students. These changes are helping to improve student achievement not only among all students, but especially among students in the highest-poverty schools.

S. 2 would reverse this positive trend by allowing up to 10 States and 20 school districts to “voucherize” their Title I funds, in effect returning Title I to its ineffective pre-1994 structure of fragmented services unlinked to each school’s regular academic program. Not only would this approach undermine the promising schoolwide reforms currently under way in the Nation’s highest-poverty schools and weaken Title I programs in schools that don’t adopt the schoolwide approach, it provides no assurance that students in high-poverty schools will receive greater support than students in low-poverty schools, and it demands no accountability for results from the educational services that students may buy with federally funded vouchers.

- o **Converts programs that address national priorities into unfocused block grants.** The “Straight A’s” proposal, which is included twice (once as an option for all States and once as a 15-State pilot program), would allow States to consolidate funds designated for Title I

activities, class-size reduction, professional development, technology programs, and other initiatives into a massive block grant with no meaningful accountability for up to five years. Governors could use the money for any “educational purposes,” including providing students with vouchers for private schools. Moreover, there is no assurance that funds will go to improve instruction, strengthen curriculum, reduce class size, provide after-school learning opportunities, or support other proven strategies for helping all students learn to high standards.

- o **Ignores the importance of high-quality teaching and overlooks the real needs of schools and classrooms.** The bill does little to improve teacher quality, either through increased accountability or by ensuring that teachers meet high standards and have access to ongoing, high-quality professional development, mentoring, and coaching.

The bill fails to provide any meaningful measures for ensuring the presence in our classrooms of highly-qualified teachers--those who have met challenging standards for certification or licensure-- in fields for which they have content expertise and the necessary training. Federal funds should not be used to place the least qualified teachers in schools that serve our most needy students. In addition, schools should be held accountable for supporting high-quality instruction by publicly reporting on teacher quality indicators.

- o **Suffers from weak provisions on accountability.** The bill does nothing to encourage States to use a single, rigorous accountability system that applies to both Title I and non-Title I schools, despite research demonstrating that when States have two accountability systems, the system for Title I children reflects lower standards and gets less attention. S. 2 specifies no framework for holding schools accountable for increases in overall student performance, as well as the performance of the lowest achieving children.

In addition, the bill does not include the basic components of the President's Education Accountability Act; it would not require school report cards or an end to social promotion, nor would it require that 95 percent of all teachers be certified, or be in the process of becoming certified. The bill fails to include provisions from the President's proposal that would require sound, equitable discipline policies in every school and extend the current ban on the possession or use of tobacco on school grounds to include alcohol and drugs.

- o **Fails to provide any assistance to communities facing the enormous burden of renovating aging schools.** The President's Budget for FY 2001 proposes a \$1.3 billion initiative to provide grants and loans for high-need districts to support the renovation of up to 5,000 schools. The bill should authorize this assistance.

The Administration also has significant concerns with the bill's treatment of the following titles of the ESEA:

Title I : Helping Disadvantaged Students Meet High Standards

The bill fails to require that all new Title I teachers be certified within their field, fails to raise the minimum level of education required for paraprofessionals or to restrict their use to

noninstructional duties, and fails to require that participating districts devote at least 10 percent of their allocations to professional development.

Title II: Teacher Quality

S. 2 would allocate the vast majority of funds for professional development by formula, rather than distributing half by competition as proposed by the President. Inservice professional development is given short shrift, because districts may spend as little of their funds on professional development as they choose, and may allow teachers to select professional development programs individually, without regard to the needs of their schools or the students they teach. The current emphasis on math and science, which should be retained, is abandoned. The bill also does not provide for programs of national interest such as the President's proposed program of Early Childhood Professional Development, while support for the National Board for Professional Teaching Standards would be authorized only for FY 2001.

Title IV: Safe and Drug-Free Schools and Communities

S. 2 is weaker than the President's proposal in promoting targeting to high-need districts and in ensuring accountability and effectiveness in the Title IV program. It permits, but does not require, States to award funds competitively, increasing the likelihood that States will continue to spread these funds too thinly across every district, and it lacks a mechanism to discontinue funding of ineffective programs. S. 2 includes a very cumbersome mechanism for the administration of national programs and fails to provide a separate authorization for Project SERV to support schools and districts struck by violence or other crises. Finally, the bill turns its back on troubled children by failing to include language requiring: (1) referral of expelled students to receive evaluation and mental health services if needed, or (2) LEAs to place students who have been expelled under the act in an alternative education settings sufficient for these students to make progress toward graduation.

Title V-A (current Title III): Technology

S. 2 does little to close the digital divide in schools and communities or to encourage the innovative and effective use of technology in the classroom. It fails to authorize the Community Technology Centers, which are already in 40 distressed communities making computer technology available to students, their families, and other adults who do not have computers at home and fails to adequately target the Technology Literacy Challenge Fund (TLCF) on high-need districts.

The bill fails to provide any explicit support for improving the preparation of new teachers to better use technology, and fails to encourage the development or use of innovative new and emerging technologies. It should repeal the Technology Innovation Challenge Grants and Star Schools programs, which would not allow for funding of innovative technologies as the President's proposal would. Finally, the bill would authorize the wholly inadequate total of \$5 million for national activities, including Community Technology Centers, Preparing Tomorrow's Teachers to Use Technology, and Middle School Teacher Training.

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Lieberman's Public Education Reinvestment, Reinvention and Responsibility Act. On March 9th, Senator Lieberman introduced his ESEA reauthorization proposal on the floor of the Senate. ESEA is not expected to be brought up for consideration in the Senate until after the Easter recess.

Lieberman's bill would trim ESEA from fourteen titles to seven and would focus on the following proposals:

1. *Strengthening standards implementation and accountability in Title I and boosting funding for Title I by 50 percent.* The Lieberman proposal is stronger than the Administration's bill in its requirement for States to evaluate and publicly report their progress on turning around low-performing schools and improving teacher quality. It also requires that school districts be held accountable for disaggregating achievement data and improving achievement along lines of poverty, race/ethnicity, and limited English proficiency (LEP), thus sending a strong message on "closing the opportunity gap."
2. *Improving teacher quality.* This proposal is similar to the Administration's teacher quality proposal in that it folds together Goals 2000 and the Eisenhower professional development program into a single teacher quality fund and calls for strong teacher quality accountability by ending the practice of out-of-field and emergency certified teachers by 2005. This fund would be used for systemic long-term comprehensive professional development and for class-size reduction. Unlike the Administration's proposal, Lieberman's proposal does not include a separate funding stream for class-size reduction, but instead allows for local flexibility on spending the teacher quality funds on class-size reduction or professional development.
3. *Strong focus on English acquisition.* The Lieberman bill would replace the discretionary grant programs for bilingual education under current law with a formula grant program that would provide funds to states based on the percentage of LEP students in the state's student population. This program would require states to develop standards for development of English and would hold States accountable for meeting performance goals.
4. *Promoting public school choice.* Like the Administration's ESEA proposal, Lieberman's proposal would increase funding for charter schools and would develop a new competitive grant program for local school districts to implement innovative public school choice programs.
5. *Continuing commitment to Impact Aid with no changes to current law.*
6. *Stimulating innovative strategies for performance.* The Lieberman proposal would stimulate innovative strategies for performance by including a \$2.7 billion block grant to support four broad types of activities: innovative school improvement strategies to improve academic achievement, summer school or after-school programs, school safety and discipline measures, and technology literacy initiatives. This new fund would require a performance agreement from the state that would outline the state's performance objectives, how the state plans to meet objectives, and how the state will hold school districts accountable for meeting objectives. It would eliminate the 21st Century Community Learning Centers, the Reading Excellence programs, Safe and Drug Free Schools, and various technology initiatives.
7. *Strengthening accountability.* This bill, like the Administration's bill, would include strong measures to hold States accountable for meeting state standards and would reward States that exceed their performance goals and that successfully close the achievement gap.



THE SECRETARY OF EDUCATION
WASHINGTON, D.C. 20202

April 5, 2000

Honorable William L. Clay
House of Representatives
Washington, DC 20515

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Dear Congressman Clay:

I am writing to express my strong objections to H.R. 4141, the "Education Opportunities To Protect and Invest In Our Nation's Students (Education OPTIONS) Act," which I understand your committee will soon mark up. This bill would reauthorize and amend the various remaining titles of the Elementary and Secondary Education Act of 1965 (ESEA) for which your committee has not approved reauthorizing legislation during the 106th Congress. Unfortunately, as with the Teacher Empowerment Act and Straight-A's legislation already approved by the House, H.R. 4141 would take us in a very different direction than the President laid out in his ESEA proposal, the Educational Excellence for All Children Act of 1999. As the President has stated, he would support an ESEA reauthorization that helps all students achieve to high standards through effective programs of national significance, such as class size reduction and after-school programs, in modernized and safe schools. In addition, he places a high priority on holding the entire education system accountable for results, and opposes squandering Federal resources on unfocused block grants. This bill, and the House ESEA package as a whole, fails to meet these principles. Accordingly, if this bill were presented to the President in its current form, I would recommend that he veto it. My detailed views on the bill are set out below.

Elimination of after-school programs and services

I strongly object to H.R. 4141's elimination of the current after-school program by block-granting the 21st Century Community Learning Centers Program (ESEA, Title X, Part I) with the Safe and Drug-Free Schools State Grant Program. The ESEA should, like current law, continue to provide a dedicated funding stream for before- and after-school programs that focus on providing extended learning opportunities for children in a safe environment, as well as providing additional services that address the needs of the community at large. The President has proposed to more than double the budget for this vital program in order to provide for additional high-quality extended learning opportunities for children and to help ensure that those schools that lack the resources to establish effective after-school programs have the ability to do so. The Congress should expand this effective program, not eliminate it.

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"Transferability" of Program Funds (proposed §14206)

I strongly object to the bill's inclusion of proposed section 14206 of the ESEA, which embodies the block-grant approach to Federal education programs that the President and I have repeatedly opposed. Under this provision, States could move any or all of the funds retained at the State level among most ESEA programs (the main exception being the Title I program for disadvantaged children), while local school districts could transfer up to 30 percent of these funds on their own and up to 100 percent of these funds with the State's approval.

I find the lack of accountability for results and the disregard for national priorities under the transferability provisions particularly disturbing. States and districts would have free rein to shift funds between programs that serve important national goals, without any attention to whether such reprogramming would be in the best interest of the students or schools affected. It is unconscionable to allow a school district to gut programs that strengthen teacher quality, reduce class size, increase access to technology, and ensure that schools are safe and drug-free, in favor of unfocused block grants such as the Title VI program that lack any meaningful spending safeguards or accountability for turning around failing schools or otherwise improving achievement outcomes. The President and I are strong supporters of increased flexibility in return for greater accountability, having championed Ed-flex, waiver authorities, and other flexibility provisions to encourage innovation throughout the ESEA. However, this proposal goes well beyond what is appropriate or acceptable, by providing unchecked flexibility in return for no accountability.

Furthermore, any complete ESEA proposal must include the following programs:

Class Size Reduction

A major defect of H.R. 4141, as of the ESEA bills that have preceded it in the House during the 106th Congress, is that it would undermine the Federal effort to help local communities reduce class size in the early grades to an average of 18, because it fails to provide a separate, dedicated funding stream, targeted to high-poverty communities, consistent with the bipartisan agreement enacted in the Department of Education's appropriations acts for each of the past two years. This is not the time to abandon that effort.

School Modernization

Similarly, H.R. 4141 fails to provide any assistance to communities facing the enormous burden of renovating aging schools. The President's Budget for FY 2001 proposes a \$1.3 billion initiative to provide grants and loans for high-need districts to support the renovation of up to 5,000 schools. The Federal Government should help address the critical needs in these areas.

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Accountability

I am very disappointed that H.R. 4141 fails to include the President's proposed "Education Accountability Act of 1999." This important component of the President's ESEA reauthorization package would make States accountable for the performance of students in their school districts and schools; help ensure that students progress through school on a timely basis while mastering challenging material; end social promotion; prompt States to make sure that there are qualified teachers in every classroom; require school districts to adopt and carry out sound discipline policies; and make sure that parents and the public receive annual report cards on their States, school districts, and schools. These proposals should be added to H.R. 4141.

Other concerns with the bill include the following:

ESEA, Title III - the "Tech for Success Act of 2000"

I have major concerns regarding the targeting of the State and Local Technology for Success Grants and the inadequacies of the funding for, and authorities under, the National Technology Initiatives provisions in H.R. 4141.

H.R. 4141 represents a missed opportunity to narrow the digital divide and support the academic achievement of all students. Though access to computers and the Internet has exploded over the last decade, the digital divide between those individuals and communities that have access to these Information Age tools and those who don't is continuing to widen. A July 1999 report from the Department of Commerce revealed that the gap between those at the highest and lowest income levels with this access to technology grew by 29 percent in one year alone. By targeting funds on high-poverty, low-performing schools and LEAs, and fostering innovations in technology, we can narrow the digital divide and reach those students in danger of being left permanently behind in an increasingly technological world.

There are major problems with the funding arrangements for the State and Local Tech for Success Grants in H.R. 4141, which contribute to the bill's lack of targeting program funds on high-poverty, low-performing schools and LEAs. First, in order to ensure that program funds are directed to those States serving children with the greatest need, the State allotment should be based entirely on the State's relative share of Title I, Part A funds. Also, all of the amounts awarded at the local level should be awarded competitively.

I am also disappointed that H.R. 4141 fails to provide adequate support for the development of advanced technology applications, and lacks sufficient focus on critical national activities supporting innovation. The bill fails to provide separate authorizations for three programs that are included in the Administration's proposal and currently receive funding - Preparing

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Tomorrow's Teachers to Use Technology, Community Technology Centers, and Regional Technology in Education Consortia. Instead, the bill would compress the numerous national activities currently funded, including these three programs, into an abbreviated list of possible activities to be funded from a very limited amount of funds, diminishing the ability of the Federal Government to act as a catalyst in spurring truly innovative applications of technology to education. I believe that these three programs should be separately authorized and funded.

ESEA Title IV - Safe and Drug-Free Schools and Communities

In order to ensure safe, disciplined, and drug-free learning environments for students and teachers nationwide, it is necessary to concentrate funds where they will do the most good. Unfortunately, H.R. 4141 largely retains current formula allocation mechanisms that spread scarce prevention funds too thinly across too many LEAs and fail to provide adequate accountability controls. The Administration's proposal to compete funds from the State level to a limited number of LEAs would help ensure that grants are of a sufficient size and scope to support effective, research-based drug and violence prevention activities.

H.R. 4141 is also deficient with respect to national-level drug and violence prevention activities. The proposed annual authorization level of \$20 million for National Programs is more than \$140 million below currently enacted levels. This would seriously undermine several popular and promising programs, including the interagency Safe Schools/Healthy Students initiative and the middle school Coordinator Initiative. At the same time, H.R. 4141 contemplates funding over \$400 million in outstanding continuation awards under the current 21st Century Community Learning Centers program out of this same underfunded authority. H.R. 4141 also fails to authorize Project SERV (School Emergency Response to Violence), which would provide emergency assistance to school districts that experience a violent or traumatic crisis, and to extend or expand the existing Pro-Children Act requirements -- to include alcohol and illegal drugs -- in addition to retaining the current Federal ban on the possession or use of tobacco on school grounds. Moreover, H.R. 4141 fails to provide an explicit authorization for the Secretary of Education to fund projects or activities to prevent hate crimes.

School prayer (amendment to current ESEA §14510)

I strongly object to the bill's proposal to revise section 14510 of the ESEA so that the Department of Education, rather than a Federal court, determines whether a school district receiving funds from the Department has a policy or practice that prohibits individuals from engaging in constitutionally protected voluntary prayer at school. It would inappropriately force the Department into the middle of numerous local disputes involving prayer during classes, at graduation exercises, and at sporting and other public events, and permit no remedies for violations other than the draconian sanction of the termination of all funds. Current law, which properly leaves difficult questions of constitutional law (and of appropriate remedies) to the courts, should be retained.

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Other Issues

I object to H.R. 4141's prohibition on federally sponsored testing that would likely bring a halt to the President's efforts to help States and parents raise academic standards through a voluntary national test. H.R. 4141 would prohibit the development, pilot testing, field testing, implementation, administration, and distribution of voluntary national tests under the Fund for the Improvement of Education unless explicitly authorized. While the Administration has proposed to fund continued national test development activities as a new program under its reauthorization proposal for education research and statistics programs, I am concerned that the latter reauthorization may not occur in time to ensure continuity of current efforts into FY 2001. The prohibition should be deleted. Congress should be promoting high standards for all students, not undermining them.

In both the technology program and in the program for safe and drug-free schools, the bill would require the Secretary to approve a State's plan or application, respectively, so long as it includes the information required by the bill. There is no requirement that the plans or applications be of high quality or demonstrate substantial promise of actually carrying out projects that achieve the programs' purposes, nor is the Secretary given authority to review them on that basis. Given the magnitude of the Federal investment and the importance of these programs, the bill should give the Secretary authority to review State plans and applications to ensure their quality before committing taxpayer funds to implementing them.

The bill should also extend the authority, currently in Part G of Title XIV of the ESEA, for evaluations of ESEA programs. This is an important source for information for the Congress, the Administration, and the public on how these programs are working.

In addition, this bill fails to include the Administration's proposal for an Early Childhood Professional Development initiative. The training and education of early childhood educators and caregivers are directly related to the quality of early childhood education they can provide and, in turn, directly related to children's readiness for school. The Administration is committed to ensuring that all children enter school ready to learn and this initiative is a critical step in meeting this goal.

Representative Kildee's substitute for H.R. 4141

I strongly urge the Committee to approve the amendment to H.R. 4141 in the nature of a substitute for the entire bill, which I understand Representative Kildee will offer. The Kildee substitute would be a major step in the right direction because it reflects important national priorities. Among other improvements over the bill as introduced, the substitute would retain the

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separate funding streams for the after-school program and the program for safe and drug-free schools; preserve the program to help reduce class size; address deficiencies in H.R. 4141 relating to technology education; adopt the ESEA portion of the President's school-construction initiative; and better target Federal assistance to those communities and children with the greatest needs.

The Office of Management and Budget advises that there is no objection to the submission of this report, and that enactment of H.R. 4141, as introduced, would not be in accord with the President's program.

Yours sincerely,

A handwritten signature in black ink that reads "Dick Riley". The signature is stylized with a large, looped "D" and a cursive "Riley".

Richard W. Riley

6200 -

ESEA 2000

Dear Chairman Jeffords and Senator Kennedy,

As you consider the reauthorization of the Elementary and Secondary Education Act of 1965 (ESEA) -- the first major education bill of the 21st Century -- I urge you to build on our progress to invest more in our schools and demand more from them.

Working in partnership, we have made great strides toward our shared goal of educating all our children to world-class standards. Nearly all States have adopted standards, and even our lowest-performing students are showing gains in reading and math. But far more is needed to ensure that each and every child is given the opportunity to reach his or her full potential. All our children must meet challenging standards, be taught by highly qualified teachers, and attend safe, modern, and disciplined schools. And, for the sake of our children, we must also hold the entire education system accountable for results. The Federal Government spends more than \$15 billion a year on ESEA programs. It's time to invest in what works and stop investing in what doesn't. I encourage you to pass a bipartisan bill that reflects the following four goals:

1. Give Every Child the Chance to Meet High Standards. A bipartisan bill must help students establish a solid foundation for learning by continuing and strengthening our efforts to reduce class size, expand after-school and summer school programs, help all students read by the end of third grade, and eliminate the digital divide through the purchase and acquisition of education technology. It must target resources on students who need extra help and reward States and districts for closing the achievement gap. It must support innovation by expanding public school choice. Additional efforts are required to address the needs of limited English proficient students who face a multitude of barriers to success in school. A bipartisan bill must continue and expand upon our commitment to these students.
2. Demand Accountability for Results. A bipartisan bill must support rigorous, statewide accountability systems, provide resources to States for turning around failing schools, establish school report cards to inform parents about the education their children are receiving, and end social promotion by giving all students the extra learning opportunities they need to meet high standards.
3. Put Qualified Teachers in Every Classroom. A bipartisan bill must support high-quality professional development to ensure that teachers can help students reach high standards and are trained to use the latest technologies. States must be held accountable for ensuring that all teachers are fully qualified and know the subjects they teach. States also must eliminate the practice of allowing students to be taught by unqualified paraprofessionals.
4. Provide Modernized Schools and Safe, Disciplined, and Drug-Free Learning Environments. A bipartisan bill should provide for emergency school repair,

concentrate resources to prevent youth violence, ensure schools are drug-free and smoke-free, and require sound, equitable discipline policies in every school.

If these principles are reflected in your ESEA bill, I feel confident that we can help all students reach their full potential and master challenging academic standards. I urge you to leave divisive partisan politics at the schoolhouse door and work with us to make landmark progress for America's students.

Study of Education Resources and Federal Funding: Final Report

Analysis and Highlights

The Study of Education Resources and Federal Funding (SERFF) examines the allocation and use of funds provided to school districts and schools through Goals 2000 and five of the largest programs authorized under the Elementary and Secondary Education Act (ESEA). In addition, the study explores similarities and differences between Title I and state compensatory education programs. The six federal programs included in this study are:

- Title I, Part A: Helping Disadvantaged Children Meet High Standards, Grants to LEAs
- Title II: Eisenhower Professional Development Program, Elementary and Secondary Programs
- Title III, Section 3132: Technology Literacy Challenge Fund
- Title IV: Safe and Drug-Free Schools and Communities, State and Local Agency Programs
- Title VI: Innovative Education Program Strategies
- Goals 2000: Educate America Act, State and Local Systemic Improvement

The study examines the extent to which program funds are used for various strategies for improving student achievement, including professional development, technology, extended time, and schoolwide reform and improvement, and how the use of resources varies across schools and districts. The report also examines the targeting of these program funds at the district and school levels. A preliminary report was released in July 1999; this final report presents a more comprehensive set of findings from the study, with additional information on targeting, the comparability of state and local resources in Title I and non-Title I schools, the uses of Title I funds at the district and school levels, and the impact of Title I funds on total resource levels in different types of Title I schools.

Study Methodology

Data were collected from a stratified random sample of 720 schools in 180 districts. At the district level, the study administered a questionnaire on the uses of funds from each of the programs in this study, and also collected information on expenditures from federal programs, personnel data, and Title I allocations to schools. At the school level, the study administered a questionnaire on programs and resources available in the school, with a focus on Title I, professional development, and technology. Surveys of classroom teachers, Title I teachers, special education teachers, and Title I teachers' aides were also conducted. These surveys were distributed to "Title I" teachers and aides in both targeted assistance and schoolwide programs if they were identified by their schools as being paid through Title I funds. Information on the uses of Title I funds at the school level was collected if available. In addition, the study collected information on state suballocations of program funds to school districts from all 50 states. All data are for the 1997-98 school year (FY 1997 appropriations) unless otherwise indicated.

In this report, district poverty levels are based on census poverty data and school poverty levels are based on the percentage of students eligible for the free and reduced-price lunch program. The term "highest-poverty schools" is used to refer to schools where at least 75 percent of the students were eligible for free or reduced-price lunches, and "low-poverty schools" includes schools below 35 percent poverty.

Key Findings

Targeting of Federal Funds

- **Federal education programs in general were much more targeted to high-poverty districts than were state and local funds.** Districts in the highest-poverty quartile, which have 25 percent of the school-age children and 49 percent of the nation's poor children, received 43 percent of federal funds but only 23 percent of state and local funds. In contrast, districts in the lowest-poverty quartile, which have 25 percent of the children and 7 percent of the poor children, received 11 percent of federal funds but 30 percent of state and local funds.
- **Title I targeted the most funding to high-poverty districts, but other federal programs also targeted significant shares of funding to these districts.** Districts in the highest-poverty quartile received 49 percent of Title I funds and about one-third of the funds from Title II (35 percent), Title III (36 percent), Title IV (33 percent), Title VI (34 percent), and Goals 2000 (33 percent).
- **In the poorest districts, federal funds accounted for 11.1 percent of district revenues, compared with only 2.5 percent in the lowest-poverty districts.** Similarly, Title I accounted for 4.5 percent of total revenues in the poorest districts, compared with 0.7 percent in the lowest-poverty districts. Across all districts, federal funds comprised 6.3 percent and Title I comprised 2.4 percent of total revenues.
- **Despite the higher level of federal support for the highest-poverty districts, total per-pupil revenues in these districts were about 10 percent lower than in the lowest-poverty districts.** The highest-poverty districts had federal revenues of \$693 per pupil and total revenues of \$6,248 per pupil, while the lowest-poverty districts had federal revenues of \$172 per pupil and total revenues of \$6,967 per pupil.
- **Rural districts received a relatively large share of the funds for competitive grants, while large urban districts received a share of these funds that was less than their share of school-age children and poor children.** Rural districts received 21 percent of Goals 2000 funds and 26 percent of Title III funds, well above their share of school-age children (13 percent) and poor children (14 percent). In contrast, large urban districts received 16 percent of Goals 2000 funds and 15 percent of Title III funds, less than their share of school-age children (18 percent) and poor children (29 percent).
- **In states that had state compensatory education programs, Title I funds per poor student exceeded state compensatory education funds by more than one-third.** However, the amount of funds provided through state compensatory education programs varied considerably across states, and in three states exceeded federal Title I funding. Similar to Title I, the highest-poverty districts received the most compensatory education revenues per student, but less per poor student than the lowest-poverty districts.
- **The 1994 reauthorization had little impact on district-level targeting, but the school-level targeting of Title I funds increased considerably.** For all five programs in this study that existed in FY 1994, the distribution of funds among district poverty quartiles was virtually unchanged. Title I funds continue to go to 93 percent of all school districts, the same percentage as in 1987-88. However, Title I funds now go to nearly all (95 percent) of the highest-poverty schools, up from 79 percent in 1993-94.
- **The highest-poverty schools received 46 percent of Title I funds allocated to schools in the 1997-98 school year, although they accounted for only 27 percent of Title I schools.** Schools with poverty of 50 percent or more received 73 percent of Title I funds. Low-poverty schools received only 18 percent of the funds, but they tended to receive much larger allocations per low-income student (\$773) than the highest-poverty schools (\$475). Across all Title I schools, allocations averaged \$472 per low-income student.

- **The above school allocation data underestimates total school-level spending for Title I, because 16 percent of Title I funds are used for districtwide programs and services related to instruction and instructional support** -- services that affect teachers and students in schools throughout the district, although they are not allocated to individual schools. In addition, because the allocation data are based on FY 1997 appropriations, the average allocation amounts may seem low compared to current (FY 1999) appropriations levels, which are 7 percent higher than in FY 1997. If the school allocation estimates are adjusted to take both of these factors into account, the average school funding level rises from \$472 to \$613 per low-income student for the 1999-2000 school year, and ranges from \$617 in the highest-poverty schools to \$1,001 in the low-poverty schools.
- **Secondary schools received 15 percent of all Title I funds allocated to schools, substantially less than their share of the nation's low-income students (33 percent).** In part this is because secondary schools were less likely to receive Title I funds than elementary schools; in addition, secondary schools that did receive Title I funds tended to receive smaller allocations (\$372) than elementary schools (\$495).
- **However, the highest-poverty secondary schools received allocations that were comparable in size to those in the highest-poverty elementary schools (\$446 and \$479, respectively).** Moreover, changes made in the 1994 reauthorization resulted in a dramatic increase in the proportion of the highest-poverty secondary schools that receive Title I funds, from 61 percent in 1993-94 to 93 percent by 1997-98.
- **State compensatory education funds appear to be somewhat less targeted at the school level than Title I funds.** Schools with poverty rates of 50 percent or higher accounted for 52 percent of the schools receiving state compensatory education funds, compared with 66 percent of Title I schools.

Use of Federal Funds for Instruction, Instructional Support, and Program Administration

- **For Title I, districts used 92 percent of their funds for instruction and instructional support.** School districts allocated 75 percent of their Title I dollars to individual eligible schools. The remaining funds were used for district-wide programs and services (16 percent), program administration (8 percent), and services for students in private schools (1 percent).
- **Districts also used high percentages of the funds from other federal programs for instruction and instructional support** (97 percent for Title II, 96 percent for Goals 2000, 94 percent for Title VI, and 92 percent for Title IV). These funds were used primarily for districtwide services and resources that affect teachers and students throughout the district and were not usually allocated to individual schools.
- **Administrative costs at the district and school levels ranged from 3 to 8 percent of program funds.** Program administration accounted for 8 percent of spending under Title I and Title IV, 6 percent under Title VI, 4 percent under Goals, and 3 percent under the Title II Eisenhower program.

Comparability of State and Local Resources in Title I and Non-Title I Schools

- **Title I and non-Title I schools had similar levels of personnel expenditures from non-Title I funds (\$3,682 and \$3,671 per pupil, respectively).** At the elementary level, Title I schools had more staff, particularly non-instructional staff, but teachers earned lower salaries and personnel expenditures were about 6 percent lower than in non-Title I schools. The lower salaries for classroom teachers in Title I elementary schools were due at least in part to their lower average years of experience. The percentage of teachers with advanced degrees (master's degree or higher) was about the same in Title I and non-Title I elementary schools.

- **In the highest-poverty schools, spending on school staff was 6 percent lower than in low-poverty schools (\$3,502 and \$3,736 per pupil, respectively).** The disparity was greatest at the elementary level, where the highest-poverty schools spent 9 percent less than low-poverty schools (\$3,496 and \$3,840 per pupil, respectively). As with Title I schools, the highest-poverty schools had more instructional staff, but teachers earned lower salaries than their counterparts in low-poverty schools. Classroom teachers in the highest-poverty elementary schools had fewer years of experience and were less likely to have earned an advanced degree.

Use of Title I Resources to Improve Educational Opportunities for At-Risk Students

Title I, the largest federal education program, provided \$7.3 billion in FY 1997 to support district and school efforts to help disadvantaged children meet high standards. In addition, many states also fund compensatory education programs to provide additional resources to schools with economically or educationally disadvantaged children.

- **Most Title I funds are used for instruction; supporting the hiring of additional teachers and instructional aides, providing instructional materials and computers, and supporting other instructional services and resources.** Overall, three-fourths (77 percent) of Title I funds are spent on instruction, with an additional 10 percent used for instructional support and the remaining 13 percent used for program administration. Title I spending on instruction amounted to an estimated \$5.5 billion for the 1997-98 school year, including \$3.4 billion spent on teachers (47 percent of total Title I expenditures) and \$1.0 billion on instructional aides (14 percent).
- **Overall, Title I provided an additional \$472 per low-income student in Title I schools.** Title I allocations per low-income student were substantially higher in low-poverty schools (\$771) than in higher-poverty schools (\$475).
- **Title I funds resulted in a 6 percent increase in total personnel expenditures in Title I schools, or \$237 per student.** If the Title I funds are calculated in terms of low-income students, then the amount added by Title I equaled \$450 per low-income student — a 12 percent increase over the non-Title I base. In terms of funding per Title I participant, the amount Title I adds to school staffing averaged \$543 per Title I participant — a 15 percent increase over the base.
- **In terms of total school personnel expenditures, Title I funds resulted in a larger increase in resources in the highest-poverty schools than in low-poverty schools.** The increase in total personnel expenditures that resulted from Title I funds was 10 percent in the highest-poverty elementary schools (\$345 per pupil), compared with 6 percent in low-poverty elementary schools (\$249 per pupil).
- **However, in terms of funding per low-income student, the story is reversed: Title I resources caused a much greater increase in funding per low-income student in low-poverty schools.** The amount that Title I added to personnel expenditures resulted in a 27 percent increase in personnel expenditures per low-income student in low-poverty elementary schools (\$1,076), compared with a 12 percent increase in the highest-poverty elementary schools (\$404 per pupil). (This analysis assumes that schools spend the same amount of personnel resources on low-income students that they spend on the average student.)
- **The total number of full-time staff added to a typical-sized Title I elementary school with 500 students amounted to 4.4 additional FTE staff, including 2.1 teachers, 1.9 instructional aides, and 0.5 non-instructional staff.** In secondary Title I schools, using the same standardized enrollment level of 500 students, Title I added a smaller number of FTE staff (1.8), consisting of 0.5 teachers, 0.7 instructional aides, and 0.6 non-instructional staff.

- **Schoolwide programs accounted for nearly half (45 percent) of Title I schools and an even higher share (60 percent) of the funds.** Over four-fifths (82 percent) of Title I schools that were eligible to operate schoolwide programs were doing so, and an additional 12 percent were considering doing so.
- **Title I teachers spent two-thirds of their time working with students.** Title I teachers reported that they spend 66 percent of their time in instructional activities. Time spent in resource rooms (i.e., pullout) and departmentalized classes accounted for 49 percent of their time; Title I teachers spent an additional 14 percent of their time teaching students in in-class settings and another 3 percent on informal tutoring. The remaining time was used for planning, preparation, and grading (19 percent); consulting with other staff (6 percent); interacting with parents (3 percent); and administrative duties (6 percent).
- **Paraprofessionals were used in many Title I schools for teaching and helping to teach students, although their educational backgrounds did not qualify many of them for such responsibilities.** Half of the instructional staff supported through Title I were paraprofessionals. Title I teacher aides reported that 60 percent of their time, on average, was spent teaching or helping to teach students. Moreover, 41 percent of Title I teacher aides reported that half or more of the time they spent teaching or helping to teach students was on their own, without a teacher present, and 76 percent spent at least some time teaching without a teacher present.
- **Two-thirds of all schools offered before-school, after-school, or weekend instructional or tutorial programs during the school year.** High-poverty schools were more likely to provide such programs (74 percent of the highest-poverty elementary schools, compared with 36 percent of low-poverty schools).
- **Extended-time programs served a relatively small percentage of students: 11 percent of the students in schools offering extended-time programs and 7 percent of students in all schools.** However, the percentage of students served was higher in the highest-poverty schools (14 percent of all students in these schools). Additional instructional time provided through these programs added about 10 percent to the amount of time students spent in school during the school year.

Improving the Skills and Knowledge of Teachers

Four ESEA programs and Goals 2000 provided an estimated \$771 million in support for professional development in the 1997-98 school year. The Title II Eisenhower Program comprised 40 percent of these funds (\$310 million). Title I expenditures on professional development at the district and school levels amounted to \$191 million, and Goals 2000 expenditures provided an additional \$187 million. Districts also used Title VI (\$43 million) and Title IV (\$41 million) for professional development activities.

- **Few districts were able to provide information on their total spending on professional development.** In the 19 districts that did provide this information, federal programs provided 28 percent of total funds used for professional development. State categorical programs also provided substantial support for professional development in these districts (21 percent); most of the remaining funds came from the district's general fund (47 percent).
- **Topics of professional development supported by federal programs were generally aligned with the purpose of the programs.** Professional development focused on curriculum or instruction specific to reading or language arts was the highest priority for Title I directors, two-thirds of whom (66 percent) reported using funds "a great deal" for this topic. Goals 2000 funds predominantly supported activities related to content or performance standards, enabling students to meet proficiency standards, and assessments linked to standards. Title II funds were most often used for activities focused on math and science curriculum and instruction, followed by content and performance standards.

- **Teachers participated in professional development activities focused on specific content areas such as mathematics or reading more than any other topic.** Classroom teachers reported participating in 13 hours of professional development on this topic in the 1997-98 school year (23 hours for teachers in the highest-poverty schools). Other activities included parent or community involvement (7 hours), teaching academically, ethnically, or linguistically diverse learners (7 hours), integrating technology into instruction (6 hours), developing teachers skills in using technology (5 hours), and content or performance standards (5 hours).
- **Two-thirds of districts and schools reported that professional development activities focused “a great deal” on content and performance standards.** In general, schools and districts in the study supported similar professional development topics.
- **Many teachers also reported some participation in less traditional and more collaborative forms of professional development.** Teachers spent the most time on planning lessons or courses with other teachers (25 hours in 1997-98). Teachers spent an average of 8 hours on developing curriculum, 7 hours on developing content standards or student assessments, and 3 hours observing other teachers in their classrooms. While many schools, districts, and federal program coordinators reported supporting teacher involvement in collaborative work, few teachers reported receiving release time to participate in activities.

Increasing Access to Technology

Four ESEA programs and Goals 2000 provided an estimated \$647 million in support for technology in the 1997-98 school year. About \$257 million (40 percent) came from two programs focused on technology, the Technology Literacy Challenge Fund and Technology Innovation Challenge Grants. Title I expenditures on technology at the district and school levels amounted to an additional \$237 million (37 percent). Significant support for technology was also provided through Goals 2000 (\$84 million) and Title VI (\$69 million).

- **Federal funds paid for one-fourth (24 percent) of the new computers that schools received during the 1997-98 school year.** State and local funds paid for two-thirds (64 percent) of the new computers, and private sources provided 12 percent of the new computers.
- **Federal funds were a much more significant source of support for new computers in high-poverty schools.** In the highest-poverty schools, Title I funds alone paid for 30 percent of the new computers and federal funds from all sources paid for 53 percent of the new computers. In contrast, low-poverty schools received a relatively small proportion of their new computers either from Title I (4 percent) or from federal funds overall (12 percent).
- **In the 1997-98 school year, the highest-poverty schools received more new computers than did low-poverty schools.** In a typical-sized elementary school of 500 students, the highest-poverty schools received 13.8 new computers, compared to 8.8 new computers in low-poverty schools. The highest-poverty schools received fewer new computers from state and local funds and private sources but more from Title I and other federal funds.
- **Overall, however, high-poverty schools had less access to technology than low-poverty schools in terms of the quantity, quality, and connectivity of computers.** The highest-poverty schools had only one computer for every 17 students, while low-poverty schools averaged one computer for every 12 students. Computers in the highest-poverty elementary schools were less likely to be more advanced multimedia computers (39 percent of computers, vs. 52 percent in low-poverty schools) or to be connected to the Internet (22 percent vs. 34 percent).

- **Most teachers reported that their lessons require students to use computers, but relatively few incorporate the use of computers on a daily basis.** About one-fourth (28 percent) of elementary classroom teachers reported that their students use computers daily, as did 8 percent of secondary classroom teachers.
- **Teachers typically did not integrate use of the Internet into instructional activities.** About 62 percent of elementary classroom teachers and 71 percent of secondary teachers reported that their lessons “never” or “hardly ever” required students to use the Internet, and most others reported that using the Internet was relatively infrequent.
- **A major barrier to the effective use of technology was insufficient teacher understanding of ways to integrate technology into the curriculum,** according to 70 percent of principals and 45 percent of classroom teachers. However, teachers were more likely to express concern about an insufficient number of computers, lack of software integrated with the school’s curriculum, and insufficient technical support. To address the knowledge barrier, more than 80 percent of districts indicated that professional development has focused “a great deal” on developing teachers’ skills in using technology.

Standards-Based Reform and the Goals 2000 Program

The Goals 2000 program provided \$476 million in FY 1997 funds to 6,700 school districts throughout the country to promote systemic educational reform. Districts sometimes targeted Goals 2000 funds to schools with low student achievement (23 percent), but more often used the funds to serve all schools in the district (35 percent) or all schools or teachers who wished to participate (39 percent).

- **Districts most commonly used Goals 2000 funds to improve teachers’ abilities to teach to high standards.** Most districts (89 percent) used Goals 2000 funds “a great deal” to provide professional development linked to standards. Three-fourths (76 percent) used the funds for aligning curriculum and instruction with standards, and 70 percent used them for developing assessments linked to standards.
- **Professional development supported with Goals 2000 funds most commonly addressed state or district content or performance standards and enabling students to meet state or district proficiency standards**—each topic supported “a great deal” by 71 percent of districts. Other topics frequently supported include assessments linked to standards (46 percent), curriculum and instruction specific to reading or language arts (40 percent), and teaching academically, ethnically, or linguistically diverse learners (39 percent).
- **Almost three-quarters of districts (71 percent) reported that the long-term district plan was “extremely influential” in making decisions about the use of Goals 2000 funds.** Half (51 percent) reported that student performance data was “extremely influential.” Decisionmaking was collaborative: almost half of district Goals 2000 coordinators (44 percent) reported that decisions about the use of funds were made jointly by districts and schools, while almost one-third of the districts (29 percent) reported making decisions at the district level, but with input from schools.

Title VI - Innovative Education Program Strategies

The Title VI program provided \$310 million in FY 1997 to school districts to support local innovative strategies consistent with Goals 2000 and the National Education Goals. Resources and services were widely distributed to most or all schools within each district. Title VI programs were more closely coordinated with Title I programs than with any other federal program, in terms of both communication among district program administrators and the combining of funds to support professional development activities.

- **Title VI funds were most often used to acquire educational materials, including library materials and software.** Fifty-eight percent of the districts reported using Title VI funds “a great deal” for this purpose, followed by expanding the use of technology (39 percent) and providing supplemental targeted academic services (34 percent).
- **Title VI funds were less likely than either Goals 2000 or Title I funds to be used for activities related to implementing standards,** such as aligning curriculum and instructional materials with standards (13 percent), or providing professional development linked to standards (13 percent).
- **When making decisions about how to use Title VI funds, districts were more likely to be influenced by long-term district plans (52 percent) and priorities of individual schools (52 percent) than by state policies (21 percent).** About a quarter of districts cited student performance data (28 percent) and research showing that particular program models work well (24 percent) as factors that were “extremely influential” in making decisions about the use of Title VI funds.

Safe and Drug-Free Schools and Communities

Title IV, the Safe and Drug-Free Schools and Communities program, provided \$425 million in FY 1997 to support school districts’ efforts to prevent violence and the use of alcohol, tobacco, and drugs in and around schools. In addition, Title IV funds administered by Governors’ Offices provided an additional \$106 million to serve children and youth not normally served by school districts and populations that need special services (such as runaway or homeless children, dropouts, teen parents, and youth in detention facilities); these funds are not primarily granted to school districts and thus were not included in this study.

- **The clear priority for districts was to use Title IV funds for strategies that affected student attitudes.** Most districts (83 percent) reported using funds “a great deal” to affect student attitudes related to drugs or violence. Districts also used Title IV funds to strengthen school communities through improving staff knowledge and skills (47 percent) and through building partnerships with parents and the community (26 percent of districts, enrolling 44 percent of students). Given the statute’s 20 percent cap on the amount that districts may use for security hardware and personnel, it is not surprising that few districts (4 percent) used funds “a great deal” to improve school security.
- **Title IV funds also supported student participation in drug and violence prevention efforts.** Three-fourths of districts (74 percent) used Title IV funds to enable students to attend specialized training in drug and violence prevention. Many districts also used these funds to teach students how to serve as instructors or peer leaders in school-based projects related to drug and violence prevention (57 percent) or to support student participation in school committees, panels, or councils (48 percent).

Further Information

Copies of this report are available by contacting the U.S. Department of Education’s Publication Center in the following ways: Toll-free phone calls to 1-877-4ED-Pubs (1-877-433-7827), TTY/TDD call 1-877-576-7734. If 877 is not yet available in your area, call 1-800-USA-LEARN (1-800-872-5327), TTY/TDD call 1-800-437-0833; via internet at <http://www.ed.gov/pubs/edpubs.html>; via e-mail at edpubs@inet.ed.gov; via fax to 301-470-1244; and, via mail to ED Pubs, Education Publications Center, U.S. Department of Education, P.O. Box 1398, Jessup, MD 20794-1398.

Study of Education Resources and Federal Funding

Summary of Key New Findings From Final Report

DRAFT: 2/29/2000

Distribution of Federal, State, and Local Revenues

- **Distribution of Federal, State, and Local Revenues, by District Poverty.** The highest-poverty school districts received 43% of all federal revenues, compared with only 23% of state and local revenues.
- **Share of School District Revenues Provided Through Title I and All Federal Funds, by District Poverty.** In the highest-poverty districts, Title I provided 4.5% of district revenues and federal funds overall provided 11.1% — about twice as high as the national average for all districts (2.4% and 6.3%, respectively).
- **Federal, State, and Local Revenues per Pupil, By District Poverty Quartile.** Although federal revenues provided an additional \$693 per pupil in the highest-poverty districts, compared to \$172 per pupil in the lowest-poverty districts, the highest-poverty districts still received 10% less in total revenues per pupil (\$6,248) compared with the lowest-poverty districts (\$6,967).

Comparison between Federal Title I Program and State Compensatory Education Programs

- **Level of Funding for Title I and State Compensatory Education Programs.** Comparisons between Title I and state compensatory education programs are not straightforward due to the ambiguity over which states have programs that can be classified as state compensatory education. However, according to two sets of data with different sets of states reporting state compensatory education revenues, Title I provides about 35% to 40% more funds per poor student than the state programs. The difference between Title I and state programs would likely be greater if states that do not have compensatory programs were taken into account.

Comparability of State and Local Resources in Title I and Non-Title I Schools

- **Comparability of Spending on School Personnel.** Looking only at non-Title I resources, Title I elementary schools had slightly lower personnel expenditures (\$3,599 per pupil) than non-Title I schools (\$3,824) — a 6% difference. The highest-poverty elementary schools spent 9% less than low-poverty elementary schools. The difference is greatest when comparing high- and low-poverty Title I schools — the highest-poverty Title I schools had 15% less than low-poverty Title I schools.
- **Comparability of Staffing in High- and Low-Poverty Elementary Schools.** Looking only at non-Title I resources, the highest-poverty elementary schools have more teachers and other staff compared with low-poverty schools, resulting in lower pupil/staff and pupil/teacher ratios. However, teachers in the highest-poverty schools earn lower salaries, have fewer years of experience, and are less likely to hold an advanced degree.

What the Title I Dollar Buys

- **Use of Title I Funds for Instruction, Instructional Support, and Program Administration.** Most Title I funds were used for instructional expenditures such as teachers (47%), teacher aides (14%), instructional materials (7%), and computers (4%). Professional development accounted for 3% of total expenditures, and other spending on instruction and instructional support accounted for an additional 12%. The remaining 13% was spent on program administration at the district and school levels.
- **Average Title I School Allocations Per Low-Income Student.** Title I added \$472 per low-income student to the average Title I school in the 1997-98 school year. The amount of funding per low-income student was higher in elementary schools (\$495) than in secondary schools (\$372). Low-poverty schools received substantially more (\$771) than the highest-poverty schools (\$475), and targeted assistance programs received more (\$457) than schoolwide programs (\$495).
- **Amount that Title I Added to School-Level Personnel Expenditures in Title I Schools.** Title I added \$237 per pupil to personnel expenditures in Title I schools — a 6% increase over the base of non-Title I expenditures. When calculated in terms of low-income students, Title I added \$450 per low-income student, for a 12% increase over base spending levels. In terms of spending per Title I participant, Title I added \$543 per participant, for a 15% increase over base spending levels. (This analysis assumes that on average schools spend the same amount of non-Title I resources on low-income students and Title I participants as they do on all students.)
- **Amount that Title I Added to School-Level Personnel Expenditures in High- and Low-Poverty Title I Elementary Schools.** In terms of personnel expenditures per student, Title I added more in the highest-poverty elementary schools (a 10% increase) than in low-poverty schools (6%). However, Title I personnel expenditures per low-income student represented a much larger increase in low-poverty schools (27%) than in the highest-poverty schools (12%). Similarly, Title I provided a much larger increase in spending per Title I participant in low-poverty schools (26%).
- **Amount that Title I Added to School-Level Personnel Expenditures in Schoolwide and Targeted Assistance Elementary Schools.** In elementary schools using Title I funds for schoolwide programs, Title I personnel expenditures resulted in a 9% increase in spending per Title I participant, compared with a 24% increase in targeted assistance programs. This difference occurs because all students in schoolwide programs are considered "Title I participants", whereas targeted assistance programs are required to use Title I funds only to serve low-achieving students.
- **Number of FTE Staff Per School of 500 Students in Title I Elementary Schools, Before and After the Addition of Title I Funds.** In a typical-size elementary school of 500 students, Title I resources added 2.1 additional full-time equivalent (FTE) teachers, 1.9 FTE teacher aides, and 0.5 FTE non-instructional staff. Title I funds increased the total number of teachers from 29.4 to 31.5.

Use of Title I Funds for Teachers and Teacher Aides

- **Comparison of Title I Teachers and Teacher Aides.** Title I funds supported a larger number of teacher aides (68,582 full-time equivalent staff) than teachers (65,745 FTEs). However, teacher aides account for a relatively small percentage of Title I spending on instructional staff (24%) and total Title I expenditures (14%) because they earn much lower wages.

- **Amount of Time that Title I Aides Report Spending on Various Activities.** Title I teacher aides reported spending 60% of their time teaching or helping to teach students, 27% assisting the teacher by preparing teaching materials, testing students, correcting student work, interpreting for LEP students, or working with parents, and the remaining 13% of their time working in the library, media center, school office, or on yard duty. The amount of time spent teaching or helping to teach students did not vary substantially for aides with and without a bachelor's degree.
- **Percentage of Time that Title I Teacher Aides in Elementary Schools Spent Teaching or Helping to Teach Students Without a Teacher Present.** Forty-one percent of Title I teacher aides reported that half or more of the time they spent teaching or helping to teach students was on their own, without a teacher present. Aides with a bachelor's degree were more likely to report working with students on their own, but one-third (34%) of aides without a bachelor's degree also reported that half or more of the time they spent teaching or helping to teach students was without a teacher present.

Study of Education Resources and Federal Funding

Summary of Key New Findings From Final Report

DRAFT: 2/29/2000

Distribution of Federal, State, and Local Revenues

- **Distribution of Federal, State, and Local Revenues, by District Poverty.** The highest-poverty school districts received 43% of all federal revenues, compared with only 23% of state and local revenues.
- **Share of School District Revenues Provided Through Title I and All Federal Funds, by District Poverty.** In the highest-poverty districts, Title I provided 4.5% of district revenues and federal funds overall provided 11.1% — about twice as high as the national average for all districts (2.4% and 6.3%, respectively).
- **Federal, State, and Local Revenues per Pupil, By District Poverty Quartile.** Although federal revenues provided an additional \$693 per pupil in the highest-poverty districts, compared to \$172 per pupil in the lowest-poverty districts, the highest-poverty districts still received 10% less in total revenues per pupil (\$6,248) compared with the lowest-poverty districts (\$6,967).

Comparison between Federal Title I Program and State Compensatory Education Programs

- **Level of Funding for Title I and State Compensatory Education Programs.** Comparisons between Title I and state compensatory education programs are not straightforward due to the ambiguity over which states have programs that can be classified as state compensatory education. However, according to two sets of data with different sets of states reporting state compensatory education revenues, Title I provides about 35% to 40% more funds per poor student than the state programs. The difference between Title I and state programs would likely be greater if states that do not have compensatory programs were taken into account.

Comparability of State and Local Resources in Title I and Non-Title I Schools

- **Comparability of Spending on School Personnel.** Looking only at non-Title I resources, Title I elementary schools had slightly lower personnel expenditures (\$3,599 per pupil) than non-Title I schools (\$3,824) — a 6% difference. The highest-poverty elementary schools spent 9% less than low-poverty elementary schools. The difference is greatest when comparing high- and low-poverty Title I schools — the highest-poverty Title I schools had 15% less than low-poverty Title I schools.
- **Comparability of Staffing in High- and Low-Poverty Elementary Schools.** Looking only at non-Title I resources, the highest-poverty elementary schools have more teachers and other staff compared with low-poverty schools, resulting in lower pupil/staff and pupil/teacher ratios. However, teachers in the highest-poverty schools earn lower salaries, have fewer years of experience, and are less likely to hold an advanced degree.

What the Title I Dollar Buys

- **Use of Title I Funds for Instruction, Instructional Support, and Program Administration.** Most Title I funds were used for instructional expenditures such as teachers (47%), teacher aides (14%), instructional materials (7%), and computers (4%). Professional development accounted for 3% of total expenditures, and other spending on instruction and instructional support accounted for an additional 12%. The remaining 13% was spent on program administration at the district and school levels.
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