



*School
Construction*

U.S. DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY
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Attached are three memos discussing (1) school construction (2) safe ports and (3) DC schools. Please let me know if you need anything further.

TOTAL PAGES (including cover) 9

Key Points -- School Construction Consultations

1. **School districts and States use a wide variety of mechanisms** to fund school construction -- not just school construction bonds, but general obligation bonds, certificates of participation, lease-payback arrangements, and direct appropriations. **We should not be overly specific in our initiative about what mechanisms we will support**, or the Federal grants will not work for many States and locals. *The main thrust of the initiative is to support the financing of school construction, not a particular financing instrument.*
2. Virtually all urban districts we met with believe that **we should distribute the urban set-aside by formula**. This strategy makes sense to them because it would ensure an allocation of funds roughly on the basis of need (district size and poverty level) and provide districts with the "protection" the Administration intended to provide in proposing the set-aside. *The benefit of "competing" the funds, however, is that it would generally lead to higher quality applications -- that is, recipients would be more likely to devise ways to leverage the federal funds.*
3. **Some urban districts may not be able to participate in the program as we now envision it**, because they have already reached their indebtedness limit (e.g., Oklahoma City, and New York City is nearing that point), don't think they can get a bond referendum passed (San Diego), or couldn't make bond repayments if the Federal Government only pays half the interest (New Haven). *This should not be a reason to go forward with the initiative -- it provides an incentive for some of these communities to remedy these situations.*
4. **"Dependent" urban districts believe that we need a supplement, not supplant requirement** because, without one, the municipalities upon whom they rely for financing will merely shift the resources they would spend for school infrastructure into other services. The locals also believe that some type of nonsupplanting or maintenance-of-effort requirement should apply to the States. *We are planning to include a "supplement not supplant" provision -- it may not completely prevent the problem, but it should provide reasonable assurance that funds are not being reallocated.*
5. On the other hand, districts believe **we will have a great deal of trouble targeting the program on "additional" construction** -- that is, on construction projects that would not happen without the Federal subsidy. Most districts, and some States, have developed capital plans that they don't have the capacity to fund. The Federal grant would succeed in accelerating work on those plans, but that's not the same as paying for projects that would never happen without our funding. Participants generally believe that we should target our subsidies to the neediest districts, include an MOE or non-supplanting requirement, and not worry further about the "additional construction" issue. *Accelerating existing capital plans is defensible. It does not make sense to reward communities that are "non-planners".*

6. There is a pretty general consensus among the school people that **we should not give any priority to particular types of construction activities** -- e.g., to new construction vs. renovations, give a greater priority to areas like energy efficiency or technological improvements, or otherwise meddle in local determination of what kind of construction projects to initiate. (On the other hand, environmental groups, with whom we have yet to meet, will probably argue for some kind of priority for environmental improvements and energy efficiency.) *If the initiative were to prioritize as to the permissible uses of funds, we would be more vulnerable to charges of interfering in local decision-making. Also, the Department does not have the expertise to review these applications on a project-by-project basis. On the other hand, specifying priorities(such as energy efficiency) could allow for the cross-promotion of school construction with the energy/environmental concerns.*
7. As a more technical matter, there is a strong consensus that **we should pay out the entire State or local grant up front** (as the "net present value" of the Federal subsidy) rather than paying out the Federal subsidy as each bond repayment comes due. The latter option would be highly complex and burdensome for both the recipients and the Department. *The only benefit in paying the interest over the course of the bond is to retain some measure of control should a project/school district run into trouble. As a practical matter, the Inspector General will continue to have the right to investigate grantees as to how funds are being spent regardless of how they are distributed.*

COMMENTS RE:**Safe Passages: Proposal For A Federal Youth Initiative****General Comments**

The initiative described in the revised proposal is comprised mainly of three steps:

(1) communicating a youth development message delivered by the executive branch and several agencies; (2) providing communities with grants (already budgeted by the Crime Prevention Council) in order to map a network of comprehensive youth services in the community; and (3) promoting a private-public partnership. While each of these ideas is laudable, the bare descriptions of these three steps in the revised proposal does not appear to have the substance to be considered a new initiative worthy of a major push by the administration. Most of the proposal is focused on the mechanism of service delivery. That being the case, there needs to be stronger analysis to support this comprehensive strategy and a better description of the role that a public-private partnership would play in that effort.

Also, as an overall comment, the proposal does not go far enough in addressing the role that education, including access to college education, plays in assuring that youth make a successful transition to adulthood. For instance, the President has been publicly remarking upon the incredible divergence in earning power of high school versus college graduates. Moreover, efforts to lower the high-school dropout rate are critical to youth development.

Additionally, more thought should be put into the issue of balance between categorical programs and comprehensive programs which stress youth development. The options are not limited to narrowly-focused categorical programs or a single comprehensive program. For instance, select numbers of broader programs targeted on today's education programs give local communities the flexibility to merge/meld programs through easily accesible waivers. This allows for a clear focus and prupose for taxpayers at a national level while giving local communities more flexibility to work more comprehensively.

The remaining comments are divided below to follow the sections of the revised proposal.

Introduction

The introductory paragraphs move between describing this proposal as an initiative to improve the lives of youth (which suggests all youth) and one to address the needs of "at-risk" youth (which seems to targeting the effort toward particular communities). The last sentence of the introductory paragraph suggests that the administration undertake this initiative to respond to the Carnegie report. The conclusion cited from the Carnegie report appears to be addressing all youth. If the administration undertakes this at all, the rationale for doing so is much broader than implementing the recommendations of this report.

Communicate a Youth Development Message

This administration is already sending a strong message to parents, educators, the public et. al., about the importance of investing in America's youth. That message has been a central focus of the President's recent comments on student loans and the importance of a college education, Goals 2000, AmeriCorps and a number of other hotly-contested budget items. The youth

development message in the revised proposal is a really a reaffirmation of the administration's emphasis on youth-related issues.

Federal Efforts - Glue Grants

This section needs to address why a comprehensive strategy is important and how it can actually improve the lives of youth. It should also discuss whether the EZ/EC communities are already undertaking efforts to deliver services in a comprehensive manner. The section should then elaborate on what additional activities the "glue grants" will enable those communities to accomplish. The short reference to the Youth Net in Kansas City is not very persuasive. A brief discussion of how the Youth Net functions and why it is not merely another layer of bureaucracy would strengthen the section. The argument for comprehensive services tends to focus on why a change in service delivery mechanisms is critical -- that need for change is not discussed in this proposal.

Federal Efforts -- Inventory of Federal Resources

The section states that "Federal agencies could build on the Prevention Council's work" without ever identifying what "work" the Prevention Council has accomplished in this area. Also, how exactly would this inventory be accomplished? Would each agency work independently with each EZ/EC to identify federally-sponsored youth-related programs? If the intent is to develop one map/network per community, how would the individual agency inventories be combined? The agencies should be involved in that process as agencies may be able to spot areas of overlap e.g. if DOL and ED both identified School-to-work programs in a particular community. Also, it seems reasonable to already expect that some of the EZ/EC communities are already undertaking an inventory of services as they determine how they will distribute their EZ/EC funds. Likewise, federal agencies should already be assisting communities as part of the EZ/EC effort.

Private Sector Involvement

This section really needs to be more fully developed. At Education (and probably in the other agencies), substantial progress has been made with getting the private sector involved in various agency initiatives (e.g. Family Involvement Partnership For Learning). It would be effective to build on the relationships that already exist between the agencies, communities and private sector representatives.

The End Result

Development of a comprehensive youth strategy is more complicated than the proposed initiative suggests. The proposed grants (\$100-150,000) and some technical assistance from federal agencies are not the only things necessary for developing a comprehensive youth strategy.

Phase 2: Moving Forward With Legislative Initiatives and/or Budget Initiatives

The need for "additional funds for more sites" is largely unsupported. There is no evidence presented to prove that this approach is warranted. The basis for the \$5-10 million budget should be spelled out. How much funding would be requested per community? Would the funding be for the same inventory mapping process as described in Phase 1? What can we point to show that such funds can actually make a difference for youth?

D.C. SCHOOL REFORM AND THE INVOLVEMENT OF THE FEDERAL GOVERNMENT

This paper reviews D.C.'s major school reform strategies and the Administration's role in supporting them. The focus mainly is on system-wide efforts, not the hundreds of individual agency efforts that are associated with individual schools.

General Becton, the Superintendent-Chief Executive Officer of the District of Columbia Public Schools (DCPS) has identified three core priority areas for fundamental improvement: (1) academics, (2) school facilities and safety, and (3) management systems. As this paper will illustrate, strategies identified by Becton to address these critical areas are closely aligned with the Administration's major priorities for education reform.

The first section of the paper addresses four major areas which are designed to establish a meaningful structure in which academic change can happen. These are: systemwide standards and assessments; systemwide school and student accountability; "bottom-up" individual school change; and special strategies for reading and at risk-populations. The second section highlights activities in the following additional areas: school choice; technology; school facilities and safety; skill training/school-to-work; and access to higher education.

SECTION 1: IMPLEMENTING SYSTEM WIDE AND SCHOOL-LEVEL REFORM

1) Selecting Systemwide Standards and Aligned Assessments:

DCPS is in the process of choosing from among three existing sets of model standards and assessments which will provide a framework for reform and basis for accountability. At a minimum, they will select standards and assessments in mathematics and reading/language arts that will guide curricular choices and the professional development for teachers. The Department of Education (ED) is actively involved in supporting this process by identifying the possible models and experts to assist with the selection. The models currently under consideration include the New Standards Project, the Modern Little Red School House, and the Delaware and Maryland standards and assessments. ED is scheduling and supporting a 1-day retreat with DCPS and those experts to facilitate the selection. The selection is planned to be accomplished by May 1997.

2) Implementing Student Accountability, including Promotion Requirements:

DCPS has identified as a major systemwide problem -- the advancement of students from one grade to another, and the granting of high school diplomas, regardless of their grade-level subject matter competence. The lack of meaningful student assessments and adequate record keeping exacerbates the problem.

DC wants to confront this problem directly and has ask ED to provide assistance. ED is providing DCPS with strategies for and legal guidance on implementing changes in academic requirements that affect student promotion and graduation. DCPS wants to develop and announce a new policy this spring.

3) Implementing Bottom-Up Individual School Change:

As DCPS advances toward systemwide change, ED is working with DCPS on the reform efforts of individual schools. There are several research-based models for whole-school change. These include Success for All, the Modern Red School House, and a number of other models supported by the New American Schools Development Corporation.

In addition to providing information on effective models, ED again will be arranging day-long informational briefings that will lead to DCPS selecting up to 3 models for schools to choose from and implement. In addition, ED's Mid-Atlantic Lab is providing technical assistance to five particularly needy schools in the district.

4) Special Strategies for Reading and At-Risk Populations:

a. Reading:

Eighty-four of DCPS' schools are Title 1 schools that can use funds for disadvantaged students on a schoolwide basis. Many of these schools will select a new model. For others, DC is considering using two early intervention programs to assist students with reading. One is **Reading Recovery**; the other is Bob Slavin's **Success for All**. Presently, no DC schools use Success for All, and, while 30 DC teachers were trained in Reading Recovery several years ago, due to the cost of the program only a very small number of those teachers are working as Reading Recovery teachers.

Also in the area of reading, efforts are well underway to launch **DC Reads Program** as part of the President's **America Reads Challenge**. Eighteen of DC's most needy elementary schools will be the initial focus of the DC Reads Program. Seven higher education institutions in the Washington DC area have committed to providing approximately 700 new college work study students, college student volunteers, etc. to serve as tutors in the 18 targeted schools. The goal of the DC Reads Program is to recruit 5,400 volunteers, about 300 tutors for each of the 18 schools. Members from the Corporation for National Service and the Department of Education have actively participated in DC Reads Activities, including working with participating higher education institutions to address work study implementation issues.

b. additional strategies for at-risk students:

DCPS has asked ED for help in coordinating remedial and supplemental services for Title I and Special Education -- which often serve overlapping populations. In response, ED has developed

options for how DCPS can integrate both programs most flexibly to support schoolwide reform and provide the most effective assistance for the children served by both programs. As discussed above, the district's Title I schools -- all of which can use their federal funds for whole-school activities -- also can provide important laboratories for implementing models of reform discussed in #3.

As part of its efforts to ensure proper implementation of its federal education programs, ED is working with DCPS on a number of compliance problems in both their Title I and special education programs, as well as in their bilingual, vocational and adult education programs.

SECTION II: ADDITIONAL REFORM STRATEGIES

1) School Choice & Charter Schools:

The 11-member elected school board retains authority to approve and oversee public charter schools. The DC Board of Education approved five public charter schools, two of which are operating. The other three have plans to open later this year. Although the Superintendent has not identified charter schools as his immediate priority, DCPS has recently requested assistance in developing a charter schools strategy. ED has been and will continue to work to ensure the existence of high quality, successful public charter schools in DC. As part of its efforts, ED has increased its funding for and provision of technical assistance for DC charter schools and the DC Charter Board. ED also continues to work with DC and other school districts on strategies for systemwide choice.

2) Technology:

DC public schools' long term goals for technology are consistent with the Administration's technology efforts. These include appropriate wiring for access to technology to ensure integration into the curriculum along with appropriate equipment and professional development for teachers.

Although currently there are a number of technology-related initiatives in DC (ie., DC will be participating in NetDay this April), they are fragmented and isolated. A major issue has been system wide implementation of any initiative. DC have asked for assistance with system wide planning, establishing priorities and defining specific implementation strategies.

ED is taking a number of actions to assist DCPS's technology efforts which will include: help with development of a comprehensive technology plan; help with a comprehensive hardware and software inventory and with establishing technical standards; complete wiring and connecting every schools to the Internet and get businesses to donate necessary materials and services; get Federal agencies to donate sufficient computers; and explore high school-university partnerships and technology training for students.

3) School Facilities and School Safety

These are two of the core areas that General Becton has identified as priorities. Regarding facilities, the Control Board identified collapsing infrastructure of the schools and unsafe environments as a major problem area. The well-publicized school closings caused by fire code violations alone have disrupted the calendar of several DC schools. A long-term infrastructure plan is being developed with estimated 10-year needs of \$2 billion. Immediate FY 1997 needs are \$86.6 million with a current shortfall of \$55.1 million.

The privatization of Connie Lee resulted in the Control Board receiving earlier this month \$18,252,080 (less expenses) to pay for construction and renovation needs. In addition, the President's \$5 billion School Construction program, if passed, would provide to DC approximately \$15.4 million in additional federal funds which could support over \$60 million in leveraged funds to assist in rebuilding DC schools.

To address the issue of school safety, DC has set up a safe schools task force on which ED serves in an advisory capacity. DC is reviewing governance and budget issues as they affect keeping the schools open in the afternoons and summers. This is one important way to provide safe havens for students, consistent with the President's proposed Community Learning Centers Initiative. ED, however, is actively exploring other ways to provide effective assistance in this area.

4) Skills training/School-to-Work Opportunities:

DC is one of the few remaining states which did not receive a school-to-work implementation grant. The next competition for implementation grants is expected in July 1997. DC is eligible for as much as \$10.5 million over 4 years. DC public schools have expressed interest in their high school programs focusing on developing skills standards and certificate of skills mastery.

In response, ED is assisting with developing a school-to-work implementation program strategy by contracting with 'Jobs For the Future' to conduct a thorough assessment of DC's current school-to-work efforts and provide technical assistance. ED is also exploring ways to involve the business community in these efforts. In addition, ED will continue to support and explore options for expanding interagency agreements with the Department of Defense and other agencies to operate career academies within the public school system. Current Academies include the Integrated Design and Electronics Academy, the Academy of Law, Justice and Security, the Health and Human Services Academy, the Public Service Academy, and the Trans Tech Academy.

5) Promote Access to Higher Education:

The University of the District of Columbia (UDC) is the only public postsecondary institution in

DC. Its status, however, is increasingly in jeopardy -- as reflected in recent significant budget cuts and termination of 125 faculty members. The Control Board commissioned a study of UDC and plans to provide recommendations by the end of the month. Also, this spring, Middle States Accreditation of Colleges and Schools will decide whether UDC will retain its accreditation. Further discussions about strategies to enhance UDC's viability will follow these two actions.

Another strategy under consideration for expanding higher education opportunities in the district is to encourage other higher education institutions in Virginia and Maryland to follow the offer of Nova University to waive out-of-state tuition for DC residents. This waiver option too will be put on hold until the status of UDC is clarified.

As part of its overall efforts to spread to middle school and high school students the message about the importance of and options for college, ED has established a Local Area Network for guidance counselors in DC high schools to ensure that information is available about sources of college financial aid. It also plans to build partnerships to establish an early awareness program and information campaign to reach both students and parents, and visit DC schools to speak to students, teachers and counselors about Federal loan and scholarship programs, including the HOPE Scholarships, the Presidential Honors Scholarships, and other proposed tax benefits for attending college.