

Education Opportunity Zones -- 5 Year Budget -- DRAFT 1/11/98

*Funding Path: 70/100(80/70/50)
85 60 40

			FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	Total
Round 1	Number	Average						
Urban	14	17.5	171.5	245	196	171.5	122.5	906.5
Rural	20	1.25	17.5	25	20	17.5	12.5	92.5
Total	34	18.75	189	270	216	189	135	999
Round 2								
Urban	9				110.25	157.5	126	393.75
Rural	13				11.375	16.25	13	40.625
Total	22				121.625	173.75	139	434.375
Combined	56		189	270	337.625	362.75	274	1433.375
National Activities			10	15	20	15	15	75
Grand Total			199	285	357.625	377.75	289	1508.375

*NOTE: This scenario presumes that grantees receive the maximum one-year amount of funds (100%) in year 2 of the grant. The year 1 amount would be smaller (70% of the maximum) to allow for phase-in. In years 3, 4, and 5 the size of the grant gradually declines (to 80%, 70%, and 50% of the maximum) as we assume districts will ultimately sustain reform activities with other

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**Education Opportunity Zones
Draft Revised Policy -- 1/11/98**

<u>Year Spendout rate:</u>					<u>BA</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>
1997						0.000	0.000	0.000	0.000			
1998							0.000	0.000	0.000	0.000		
1999	0.05	0.65	0.25	0.05	200.000			10.000	130.000	50.000	10.000	
2000	0.05	0.65	0.25	0.05	285.000				14.250	185.250	71.250	14.250
2001	0.05	0.65	0.25	0.05	358.000					17.900	232.700	89.500
2002	0.05	0.65	0.25	0.05	378.000						18.900	245.700
2003	0.05	0.65	0.25	0.05	289.000							
Total					1510.000							
TOTAL:						0.000	0.000	10.000	144.250	253.150	332.850	349.450

Author: Thomas Corwin at WDCT02

Date: 12/11/97 11:52 AM

Priority: Normal

TO: William_R_Kincaid@oa.eop.gov at Internet

Subject: Re: Existing Authority Options

Mike - Attached
are the 2 ESSEA
options for existing
authority for the
zones, plus some
comments from

----- Message Contents -----
Here are some initial comments on your discussion of existing authority options.

TITLE I DEMOS

The main advantage of the Title I authority is that it's a pretty blank slate on which we can write just about anything. We'll have to do the writing through regs/application notices, but I think we could structure the kind of program we want under this type of authority.

The law requires that the authority support "demonstration projects that show the most promise of enabling children served by this title [Title I] to meet challenging State content standards and challenging State student performance standards." That may sound more like demonstrations of classroom instructional practices, as opposed to demos of methods of fixing management systems at the school board office, but a number of the examples of demos listed in the statute are not directly tied to classroom instruction, so I don't think we need to worry about that. But I do think we would have to maintain a focus on improving the education of disadvantaged children.

On the likelihood of funding another initiative under Title I demos, in addition to Obey-Porter, I know that Obey didn't want anything else funded under the authority in '98. (i.e., He said No on America Reads.) I don't know if he would feel the same way in '99, now that the Obey-Porter program is getting underway. Obey and Porter seem to have initiated the practice of authorizing a new program through the appropriations process; we would be following in their footsteps.

As I noted, we would need regs, because we will want to limit eligibility to certain types of LEAs, because we will want to limit the uses of funds to certain purposes, and because we will want to place grantees under certain accountability requirements; we couldn't rely on report language, since we won't be able to control that language.

TITLE X-J

I continue to think this is a really bad option because here you have a pretty detailed statute, and we would have to override, somehow or other, quite a number of things, including: (1) the definition of an eligible urban LEA, and maybe the rural definition as well; (2) the 50-50 split between urban and rural grants; (3) the special considerations in section 10964; and (4) the rural allocation rules in section 10973(a). I don't see how we could do this, except by proposing appropriations language that basically overrides the entire statute, which the appropriators would never want to do.

On some of your other bullets:

Corwin. As
you'll see
he does not
like the
ESSEA
urban/rural
option.
Thanks.
Bill

The requirement to make a rural award to every State applies if the appropriation for the rural portion is LESS than \$50 million. The people who write these authorizations have a way of forgetting that DC is a State under ESEA. States like Connecticut and NJ don't have the types of poor rural areas we are concerned with either.

As you note, we would have to regulate (even after overriding the statute), but that is true under the other options as well. However, we should be able to issue rules for public comment on a timely basis, since (unlike with Obey) we should be able to get started early.

The authorization does run out after '99. The GEPA extension would apply. The same is true of all the other ESEA authorizations (Title I demos, FIE, etc.).

FIE

FIE is broad and general enough to do about anything (in el-sec education) under. We would have issue regs to define the eligible applicants, and probably on other issues, but would have to do that under the other authorities as well.

FIE is an ESEA program (as are Title I demos and Title X-J). It has a such sums authorization for '99, but so do the other ESEA authorities.

GOALS 2000 URBAN/RURAL

Issues with this one are:

-- The name (which will make it a problem to some people);

-- The fact that the Goals authorization only goes through FY 98 (and its future, at this point, is uncertain);

-- As you noted, the prohibition on making awards to LEAs that receive subgrants under the Goals State Grants program (which I guess we could try to override).

Otherwise, it seems like a compatible authority. Its purpose is to assist urban and rural LEAs in "developing and implementing local school improvement plans," which I guess would be reasonably compatible with the purposes of the initiative.

The funding cap would not be a problem if we receive a specific appropriation for the initiative. And, as you noted, we would have to do regs.

I have not had a chance to run any of this by OGC; will try to do it in the next day or so.

Tom

Reply Separator

Subject: Existing Authority Options

Author: William R. Kincaid@oa.eop.gov at Internet

Date: 12/10/97 12:42 PM

Message Creation Date was at 10-DEC-1997 12:42:00

Tom--

Following up on Friday's discussion on the Education Opportunity Zones

attached is a rough draft of a paper discussing the existing authority options carrying out this program. This is a slight fixing up of something we drafted last year for Mike Smith (I think Patsy looked at this), but that never really got finalized. Could you please work with OGC to get this into a form that we could discuss at tomorrow afternoon's meeting on the zones?

By now you should have received a separate e-mail from me with a memo summarizing last Friday's meeting, and you have (I believe) a copy of the press paper outlining some major aspects of the initiative. This particular options paper should be concerned mostly with the grants aspect of this, and not the waivers aspect -- I have shared some preliminary thoughts on that with Steve Winnick and hope to follow up with him later today.

Also, have you every heard anything more from NCES on this?

Thanks a lot.

-- Bill

"SEC. 10907. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated \$20,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out this part.

"PART J—URBAN AND RURAL EDUCATION ASSISTANCE**"SEC. 10951. AUTHORIZATION OF APPROPRIATIONS.****"(a) DEMONSTRATION GRANTS.—**

"(1) **IN GENERAL.**—There are authorized to be appropriated \$125,000,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years, to carry out subparts 1 and 2 (other than section 10975).

"(2) **RESERVATION FOR SUBPART 1.**—The Secretary shall reserve 50 percent of the amount appropriated under paragraph (1) to carry out subpart 1.

"(3) **RESERVATION FOR SUBPART 2.**—The Secretary shall reserve 50 percent of the amount appropriated under paragraph (1) to carry out subpart 2 (other than section 10975).

"(b) **HIGHER EDUCATION GRANTS.**—There are authorized to be appropriated \$25,000,000 for fiscal year 1995 and such sums as may be necessary for each of the four succeeding fiscal years to carry out section 10975.

"(c) **FEDERAL FUNDS TO SUPPLEMENT NOT SUPPLANT NON-FEDERAL FUNDS.**—An eligible local educational agency may use funds received under this part only to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of students participating in activities assisted under this part, and in no such case may such funds be used to supplant funds from non-Federal sources.

"SEC. 10952. DEFINITIONS.

"Except as otherwise provided, for the purposes of this part:

"(1) **CENTRAL CITY.**—The term 'central city' has the same meaning used by the Bureau of the Census.

"(2) **METROPOLITAN STATISTICAL AREA.**—The term 'metropolitan statistical area' has the same meaning used by the Bureau of the Census.

"(3) **POVERTY LEVEL.**—The term 'poverty level' means the criteria of poverty used by the Bureau of the Census in compiling the most recent decennial census.

"(4) **RURAL ELIGIBLE LOCAL EDUCATIONAL AGENCY.**—The term 'rural eligible local educational agency' means a local educational agency—

"(A)(i) in which at least 15 percent of the children enrolled in the schools served by such agency are eligible to be counted under part A of title I; and

"(ii) which is not in a metropolitan statistical area; or

"(B) in which the total enrollment in the schools served by such agency is less than 2,500 students and that does not serve schools located in a metropolitan statistical area.

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Urban/Rural

"(5) **URBAN ELIGIBLE LOCAL EDUCATIONAL AGENCY.**—The term 'urban eligible local educational agency' means a local educational agency that—

"(A) serves the largest central city in a State;

"(B) enrolls more than 30,000 students and serves a central city with a population of at least 200,000 in a metropolitan statistical area; or

"(C) enrolls between 25,000 and 30,000 students and serves a central city with a population of at least 140,000 in a metropolitan statistical area.

"Subpart 1—Urban Education Demonstration Grants

"SEC. 10961. FINDINGS.

"The Congress finds that—

"(1) the ability of the Nation's major urban public school systems to meet the Nation's educational goals will determine the country's economic competitiveness and academic standing in the world community;

"(2) the quality of public education in the Nation's major urban areas has a direct effect on the economic development of the Nation's inner-cities;

"(3) the success of urban public schools in boosting the achievement of its minority youth attending such schools will determine the ability of the Nation to close the gap between the 'haves and the have-nots' in society;

"(4) the cost to America's businesses to provide remedial education to high school graduates is approximately \$21,000,000,000 per year;

"(5) approximately one-third of the Nation's workforce will be members of minority groups by the year 2000;

"(6) urban schools enroll a disproportionately large share of the Nation's poor and 'at-risk' youth;

"(7) urban schools enroll approximately one-third of Nation's poor, 40 percent of the Nation's African American children, and 30 percent of the Nation's Hispanic youth;

"(8) nearly 20 percent of the Nation's limited-English proficient children and 15 percent of the Nation's disabled youth are enrolled in urban public schools;

"(9) the academic performance of students in the average inner-city public school system is below that of students in most other kinds of school systems;

"(10) urban public school systems have higher dropout rates, more problems with health care, and less parental participation than other kinds of school systems;

"(11) urban preschoolers have one-half the access to early childhood development programs as do other children;

"(12) shortages of teachers in urban public school systems are 2.5 times greater than such shortages in other kinds of school systems;

"(13) declining numbers of urban minority high school graduates are pursuing postsecondary educational opportunities;

"(14) urban public with teenage pregnancy, do other kinds of school

"(15) 75 percent of 25 years old, 33 percent and such buildings are poor and demoralizing u

"(16) solving the schools will require the levels of government and

"(17) Federal and has not adequately reflec

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"(2) improve the educ public school children;

"(3) close the achiev urban public school child

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"(4) conduct coordin cation problems, solutions,

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"(14) urban public school systems have greater problems
with teenage pregnancy, discipline, drug abuse, and gangs than
do other kinds of school systems;

"(15) 75 percent of urban public school buildings are over
25 years old, 33 percent of such buildings are over 50 years old,
and such buildings are often in serious disrepair and create
poor and demoralizing working and learning conditions;

"(16) solving the challenges facing our Nation's urban
schools will require the concerted and collaborative efforts of all
levels of government and all sectors of the community;

"(17) Federal and State funding of urban public schools
has not adequately reflected need; and

"(18) Federal funding that is well-targeted, flexible, and ac-
countable would contribute significantly to addressing the com-
prehensive needs of inner-city public schools.

"SEC. 10962. PURPOSE.

"It is the purpose of this subpart to provide financial assistance
to—

"(1) assist urban public schools in meeting the National
Education Goals;

"(2) improve the educational and social well-being of urban
public school children;

"(3) close the achievement gap between urban and non-
urban public school children, while improving the achievement
level of all children nationally;

"(4) conduct coordinated research on urban public edu-
cation problems, solutions, and promising practices;

"(5) improve the Nation's global economic and educational
competitiveness by improving the Nation's urban schools; and

"(6) encourage community, parental, and business collabo-
ration in the improvement of urban schools.

"SEC. 10963. URBAN SCHOOL GRANTS.

"(a) **AUTHORITY.**—The Secretary is authorized to make grants to
eligible local educational agencies serving an urban area or State
educational agencies in the case where the State educational agency
is the local educational agency for activities designed to assist in
local school improvement efforts and school reform, and to assist the
schools of such agencies in meeting the National Education Goals.

"(b) **AUTHORIZED ACTIVITIES.**—Funds under this section may be
used to—

"(1) increase the academic achievement of urban public
school children to at least the national average, such as—

"(A) effective public schools programs;

"(B) tutoring, mentoring, and other activities to im-
prove academic achievement directly;

"(C) activities designed to increase the participation of
minority and female students in entry level and advanced
courses in mathematics and science;

"(D) supplementary academic instruction;

"(E) efforts to improve problem-solving and higher-
order thinking skills;

"(F) programs to increase student motivation for learn-
ing; and

Con-
Coordinated Service

"(G) efforts to lengthen the school day or school year, or to reduce class sizes;

"(2) ensure the readiness of all urban public school children for school, such as—

"(A) full workday, full calendar-year comprehensive early childhood development programs;

"(B) parenting classes and parent involvement activities;

"(C) activities designed to coordinate prekindergarten and child care programs;

"(D) efforts to integrate developmentally appropriate prekindergarten services into the overall public school program;

"(E) upgrading the qualifications of early childhood education staff and standards for programs;

"(F) collaborative efforts with health and social service agencies to provide comprehensive services and to facilitate the transition from home to school;

"(G) establishment of comprehensive child care centers in public secondary schools for students who are parents and their children; and

"(H) augmenting early childhood development programs to meet the special educational and cultural needs of limited-English-proficient preschool children;

"(3) increase the graduation rates of urban public school students to at least the national average, such as—

"(A) dropout prevention activities and support services for public school students at-risk of dropping out of school;

"(B) reentry, outreach, and support activities to recruit students who have dropped out of school to return to school;

"(C) development of systemwide policies and practices that encourage students to stay in school;

"(D) efforts to provide individualized student support, such as mentoring programs;

"(E) collaborative activities between schools, parents, community groups, agencies, and institutions of higher education aimed at preventing individuals from dropping out of school;

"(F) programs to increase student attendance; and

"(G) alternative programs for students, especially bilingual and special education students, who have dropped out of school or are at risk of dropping out of school;

"(4) prepare urban public school students to enter higher education, pursue careers, and exercise their responsibilities as citizens, such as—

"(A) activities designed to increase the number and percentages of students, particularly minority students, enrolling in postsecondary educational institutions after graduation from public secondary schools;

"(B) in-school youth employment, vocational education, and career education programs that improve the transition from school to work;

"(C) activities designed to encourage public schools and universities to assist in completing higher education;

"(D) efforts to increase the number of students attending public secondary schools;

"(E) activities designed to encourage civic participation and volunteerism among students and the community; and

"(F) civic education programs designed to enhance responsible citizenship and the political process;

"(5) recruit and retain

"(A) school-based,

"(B) programs designed to encourage the professionalization of teachers and the national voluntary status of teaching;

"(C) alternative recruitment of individuals from business and industry;

"(D) efforts to recruit minority teachers, special education teachers, including early childhood science teachers, and science teachers; and

"(E) upgrading the qualifications of professionals to permit them to teach in public schools;

"(F) activities specifically designed to increase the number of minority teachers;

"(G) incentives for teachers to work in public schools; and

"(H) collaborative efforts to revise and upgrade teaching standards;

"(6) provide for ongoing professional development of teachers, teacher aides and paraprofessionals;

"(7) decrease the use of corporal punishment of public school students and the use of force in the health of such students, such as—

"(A) activities designed to increase the self-worth of urban public school students;

"(B) the provision of social services and the provision of other health care provided to students;

"(C) programs designed to discipline and reduce in-school suspension activity;

"(D) activities that are designed to prevent drug use among students and teachers;

"(E) collaborative activities with businesses, and community organizations to promote the achievement and glorification of students;

"(F) efforts to enhance the quality of education; and

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“(C) activities designed in collaboration with colleges and universities to assist urban public school graduates in completing higher education;

“(D) efforts to increase voter registration among eligible public secondary school students;

“(E) activities designed to promote community service and volunteerism among students, parents, teachers, and the community; and

“(F) civic education and other programs designed to enhance responsible citizenship and understanding of the political process;

“(5) recruit and retain qualified teachers, such as—

“(A) school-based management projects and activities;

“(B) programs designed to test efforts to increase the professionalization of teachers or to bring teachers up to national voluntary standards;

“(C) alternative routes to certification for qualified individuals from business, the military, and other fields;

“(D) efforts to recruit and retain teachers, particularly minority teachers, specializing in critical shortage areas, including early childhood teachers, mathematics and science teachers, and special education and bilingual teachers;

“(E) upgrading the skills of teacher aides and para-professionals to permit such individuals to become certified teachers;

“(F) activities specifically designed to increase the number of minority teachers in urban schools;

“(G) incentives for teachers to work in inner-city public schools; and

“(H) collaborative activities with urban universities to revise and upgrade teacher training programs;

“(6) provide for ongoing staff development to increase the professional capacities of the teaching staff and the skills of teacher aides and paraprofessionals;

“(7) decrease the use of drugs and alcohol among urban public school students and enhance the physical and emotional health of such students, such as—

“(A) activities designed to improve the self-esteem and self-worth of urban public school students;

“(B) the provision of health care services and other social services and the coordination of such services with other health care providers;

“(C) programs designed to improve safety and discipline and reduce in-school violence, vandalism, and gang activity;

“(D) activities that begin in the early grades and are designed to prevent drug and alcohol abuse and smoking among students and teachers;

“(E) collaborative activities with other agencies, businesses, and community groups to discourage the advertisement and glorification of drugs and alcohol;

“(F) efforts to enhance health education and nutrition education; and

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 Coordination Service

"(G) alternative public schools, and schools-within-schools programs, including bilingual and special education programs for public school students with special needs; or

"(8) plan, develop, operate, or expand programs and activities that are designed to assist urban public schools in meeting the National Education Goals, including—

"(A) training of teachers and other educational personnel in subject areas, or in instructional technology and methods that will improve the delivery of services in urban settings and assist in the achievement of the National Education Goals, including staff development efforts that emphasize multicultural and gender and disability bias-free curricula;

"(B) coordination and collaboration with other municipal agencies, child care organizations, universities, or the private sector;

"(C) parental involvement and outreach efforts and other activities designed to enhance parental encouragement of student learning;

"(D) pupil services and other support services that contribute to progress in achieving National Education Goals;

"(E) efforts to acquire and improve access to educational technology;

"(F) assist the schools most in need of services by replicating successful efforts of other urban local educational agencies and expanding successful programs within the eligible agency; or

"(G) efforts to improve and strengthen the curriculum and coordinate services across grade levels.

"(c) APPLICATIONS.—

"(1) **IN GENERAL.**—An eligible local educational agency desiring to receive a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require, consistent with this section.

"(2) **DURATION.**—An application submitted pursuant to paragraph (1) may be for a period of not more than five years.

"(d) **PAYMENTS.**—The Secretary shall make an award only to urban eligible local educational agencies that—

"(1) comply with the provisions of section 10966; and

"(2) demonstrate to the satisfaction of the Secretary that the data submitted pursuant to section 10961 shows progress toward meeting National Education Goals.

"(e) **ADMINISTRATIVE COSTS.**—Not more than five percent of any award made under this subpart may be used for administrative costs.

"SEC. 10964. SPECIAL RULES.

"(a) **SPECIAL CONSIDERATION.**—In making awards under this subpart, the Secretary shall give special consideration to urban eligible local educational agencies in which there is—

"(1) low achievement;

"(2) high poverty; and

"(3) racial isolation.

"(b) **FLEXIBILITY.**—Each urban eligible local educational agency shall have the flexibility to set priorities for public schools undergoing desegregation efforts in highly mobile populations with subpart.

"Subpart 2—Rural Education Goals."

"SEC. 10971. FINDINGS.

"The Congress finds that—

"(1) the ability of America to meet the National Education Goals, economic competitiveness and the world community;

"(2) approximately 60 percent of the Nation's school districts are rural with a population of less than 100,000;

"(3) about 1 out of every 5 children are living below the poverty line;

"(4) the quality of public education in the Nation has a direct effect on the economic vitality of rural communities of the Nation;

"(5) the success of rural education in achieving the achievement of minority youth is a determining factor in the ability of the Nation to have and the have-nots in the future;

"(6) the academic performance of rural school system is below that of urban school systems;

"(7) the average age of rural school teachers is more than 45 years old and such conditions tend to repair, creating poor and conditions;

"(8) shortages of teachers in rural schools are greater than in other kinds of schools;

"(9) solving the challenges of rural schools will require the coordination of government and all levels of government and all levels of government;

"(10) additional Federal resources are needed to address the challenges of rural schools;

"(11) rural public schools receive a smaller share of the Nation's poor children than urban public schools;

"(12) a declining number of rural graduates are pursuing postsecondary education;

"(13) rural preschooler development programs that are not adequately reflected in the Nation's education system;

"(14) Federal and State resources are not adequately reflected in the Nation's education system.

"SEC. 10972. PURPOSE.

"It is the purpose of this subpart to assist rural public schools most in need of restructuring of America's rural education system and communications technologies for the future.

schools, and schools-within-bilingual and special education students with special

expand programs and activities in public schools in meeting

including—
and other educational personnel instructional technology and the delivery of services in urban improvement of the National Education development efforts that endeavor and disability bias-free

collaboration with other municipalities, universities, or the

ment and outreach efforts and enhance parental encouragement

other support services that contribute to National Education Goals; and improve access to education

most in need of services by other urban local educational essential programs within the eligible

and strengthen the curriculum at grade levels.

Each local educational agency developing this section shall submit an application, in such manner, and as the Secretary may reasonably require.

Application submitted pursuant to this section shall be made only to the Secretary that—

under section 10966; and the action of the Secretary that the section 10961 shows progress toward National Goals.

Not more than five percent of any award may be used for administrative

In making awards under this section, the Secretary shall give special consideration to urban eligible areas in which there is—

"(b) FLEXIBILITY.—Each urban eligible local educational agency shall have the flexibility to serve homeless children, children in schools undergoing desegregation, immigrants, migrants, or other highly mobile populations within the program assisted under this subpart.

"Subpart 2—Rural Education Demonstration Grants

"SEC. 10971. FINDINGS.

"The Congress finds that—

"(1) the ability of America's rural public school systems to meet the National Education Goals will contribute to the economic competitiveness and academic standing of the Nation in the world community;

"(2) approximately 60 percent of the Nation's public school districts are rural with a population of less than 2,500;

"(3) about 1 out of every 4 of America's rural school children are living below the poverty line;

"(4) the quality of public education in the rural areas of the Nation has a direct effect on the economic development of the rural communities of the Nation;

"(5) the success of rural public schools in boosting the achievement of minority youth attending such schools will determine the ability of the Nation to close the gap between the haves and the have-nots in society;

"(6) the academic performance of students in the average rural school system is below that of students in most other suburban school systems;

"(7) the average age of rural public school buildings is more than 45 years old and such buildings are often in serious disrepair, creating poor and demoralizing working and learning conditions;

"(8) shortages of teachers for rural public school systems is greater than in other kinds of school systems;

"(9) solving the challenges facing the Nation's rural public schools will require the concerted and collaborative efforts of all levels of government and all sectors of the community;

"(10) additional Federal funding would contribute significantly to addressing the comprehensive needs of rural schools;

"(11) rural public schools enroll a disproportionately large share of the Nation's poor and at-risk youth;

"(12) a declining number of rural public secondary school graduates are pursuing postsecondary education opportunities;

"(13) rural preschoolers have less access to early childhood development programs than other children; and

"(14) Federal and State funding of rural public schools has not adequately reflected need.

"SEC. 10972. PURPOSE.

"It is the purpose of this subpart to provide financial assistance to rural public schools most in need, to encourage the comprehensive restructuring of America's rural schools, the appropriate use of telecommunications technologies for learning, and to support innovative

programs which improve performance through programs and projects designed to—

"(1) assist rural public schools in meeting National Education Goals;

"(2) encourage rural public schools to engage in school reform;

"(3) develop pilot projects that experiment with innovative ways to teach rural public school children more effectively;

"(4) improve the educational and social well-being of rural public school children;

"(5) close the achievement gap between children attending rural public schools and other children, while improving the achievement level of all children nationally;

"(6) conduct coordinated research on rural education problems, solutions, promising practices, and distance learning technologies;

"(7) improve the Nation's global economic and educational competitiveness by improving the Nation's rural public schools;

"(8) encourage community, parental, and business collaboration in the improvement of rural public schools;

"(9) encourage rural school consortia for the purpose of increasing efficiency and course offerings;

"(10) encourage a positive role for rural public schools in local rural entrepreneurship and the identification of rural community economic development opportunities;

"(11) encourage community-as-school concepts, which include the role public schools can play to assist with rural community economic revitalization; and

"(12) provide for the recruitment and meaningful inservice opportunities for rural public school teachers.

"SEC. 10973. RURAL SCHOOL GRANTS.

"(a) **AUTHORITY.**—The Secretary is authorized to make grants to rural eligible local educational agencies, or State educational agencies in the case where the State educational agency is the local educational agency, for activities designed to assist in local school improvement efforts.

"(b) **AWARD RULES.**—

"(1) **LESS THAN \$50,000,000.**—If the amount made available to carry out this subpart for any fiscal year is less than \$50,000,000, the Secretary shall award grants under this section on a competitive basis.

"(2) **EQUAL TO OR GREATER THAN \$50,000,000.**—If the amount made available to carry out this subpart for any fiscal year is equal to or greater than \$50,000,000, the Secretary shall award grants under this section so that a rural eligible local educational agency in each State receives such a grant.

"(c) **ADMINISTRATIVE COSTS.**—Not more than five percent of a grant awarded under section 10573 shall be used for administrative costs.

"(d) **DURATION.**—Each grant under this section shall be awarded for a period of not more than five years.

"SEC. 10974. USES OF FUNDS.

"(a) **IN GENERAL.**—Grants under this section may be used by rural public schools to meet the National Education Goals.

"(1) increase the achievement of rural school children to at least the national level, including educational programs, including

"(A) effective programs;

"(B) tutoring, and other programs to improve academic achievement;

"(C) supplemental programs;

"(D) efforts to order critical thinking skills;

"(E) efforts to reduce class sizes;

"(2) develop pilot projects to test innovative ways to teach rural public school children more effectively;

"(3) encourage the purpose of increasing the achievement of rural public school children;

"(4) provide meaningful inservice opportunities for rural public school teachers;

"(5) assist rural schools in the use of educational technologies;

"(6) ensure the realization of the goals, such as—

"(A) full workday for rural public school teachers;

"(B) parenting programs for teenage parents, and other programs;

"(C) activities for rural public school children and child care programs;

"(D) efforts to improve prekindergarten services;

"(E) improving staff and standards for rural public schools;

"(F) collaborative efforts of rural public schools and other agencies to provide services to rural public school children during the transition from home to school;

"(G) establishment of rural public secondary schools for rural public school children; and

"(H) augmenting the efforts of rural public schools to meet the needs of limited-English proficiency students, and migrant students;

"(7) increase the graduation rate of rural public school students to at least the national level;

"(8) ensure that funds are used to serve students at-risk of dropping out of school;

"(9) dropout prevention programs for students at-risk of dropping out of school;

"(10) dropout prevention programs for students at-risk of dropping out of school;

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"SEC. 10974. USES OF FUNDS.

"(a) IN GENERAL.—Grant funds made available under section 10973 may be used by rural eligible local educational agencies to meet the National Education Goals through programs designed to—

"(1) increase the academic achievement of rural public school children to at least the national average of such achievement, including education reform initiatives, such as—

"(A) effective public schools programs;

"(B) tutoring, mentoring, and other activities to im-
prove academic achievement directly;

"(C) supplementary academic instruction;

"(D) efforts to improve problem-solving and higher-
order critical thinking skills; and

"(E) efforts to lengthen the school day, school year, or
reduce class sizes;

"(2) develop pilot projects that experiment with innovative
ways to teach rural public school children more effectively;

"(3) encourage the formation of rural school consortia for
the purpose of increasing efficiency and course offerings;

"(4) provide meaningful inservice training opportunities for
rural public school teachers;

"(5) assist rural schools in acquiring and improving access
to educational technology, including distance learning tech-
nologies;

"(6) ensure the readiness of all rural children for school,
such as—

"(A) full workday, full calendar-year comprehensive
early childhood development programs;

"(B) parenting classes, including parenting classes for
teenage parents, and parent involvement activities;

"(C) activities designed to coordinate prekindergarten
and child care programs;

"(D) efforts to integrate developmentally appropriate
prekindergarten services into the overall public school pro-
gram;

"(E) improving the skills of early childhood education
staff and standards for programs;

"(F) collaborative efforts with health and social service
agencies to provide comprehensive services and to facilitate
the transition from home to school;

"(G) establishment of comprehensive child care centers
in public secondary schools for student parents and their
children; and

"(H) augmenting early childhood development pro-
grams to meet the special educational and cultural needs
of limited-English proficient children, children with dis-
abilities, and migrant preschool children;

"(7) increase the graduation rates of rural public school
students to at least the national average of such rate, when
funds are used to serve secondary schools, such as—

"(A) dropout prevention activities and support services
for students at-risk of dropping out of school;

Coordination Service

"(B) reentry, outreach and support activities to recruit students who have dropped out of school to return to school;

"(C) development of systemwide policies and practices that encourage students to stay in school;

"(D) efforts to provide individualized student support;

"(E) collaborative activities between schools, parents, community groups, agencies, and institutions of higher education aimed at preventing individuals from dropping out of school;

"(F) programs to increase student attendance; and

"(G) alternative programs for students, especially bilingual, special education, and migrant students, who have dropped out of school or are at risk of dropping out of school;

"(8) prepare rural public school students to enter higher education, pursue careers, and exercise their responsibilities as citizens, such as—

"(A) activities designed to increase the number and percentages of students, enrolling in postsecondary educational institutions after graduation from secondary schools;

"(B) in-school youth employment, vocational education, and career education programs that improve the transition from school to work;

"(C) activities designed in collaboration with colleges and universities to assist rural public school graduates in completing higher education;

"(D) activities designed in conjunction with community colleges to provide a kindergarten through grade 14 experience for rural public school secondary school students;

"(E) efforts to increase voter registration among eligible public secondary school students attending schools served by rural eligible local educational agencies;

"(F) activities designed to promote community service and volunteerism among students, parents, teachers, and the community;

"(G) civic education, law-related education, and other programs designed to enhance responsible citizenship and understanding of the political process; and

"(H) encouraging a positive role for rural public schools in local rural entrepreneurship and the identification of rural community economic development opportunities;

"(9) recruit and retain qualified teachers, such as—

"(A) school-based management projects and activities;

"(B) programs designed to increase the status of the teaching profession;

"(C) alternative routes to certification for qualified individuals from business, the military, and other fields;

"(D) efforts to recruit and retain teachers in critical shortage areas, including early childhood teachers, mathematics and science teachers, foreign language teachers, and special education and bilingual teachers;

"(E) upgrading through the use of inservice training

"(F) upgrading professionals to certified teachers;

"(G) efforts to support minority teachers

"(H) programs to encourage students to enter the

"(I) incentive programs in schools;

"(J) collaborative efforts to revise and meet the needs of

"(K) training in distance learning

"(10) decrease the public school students' national health of such status

"(A) activities to increase self-worth of rural

"(B) the provision of social services and other health care programs

"(C) programs to discipline and reduce

"(D) activities designed to prevent among students;

"(E) collaborative efforts, and community

"(F) efforts to improve education; and

"(G) alternative schools programs, and special education programs

"(b) APPLICATIONS.—Each section 10973 shall submit time, in such manner, and the Secretary may reasonably determine that section 10973 shall be of sufficient value for rural school improvement.

"SEC. 10975. HIGHER EDUCATION

"(a) GRANTS.—The Secretary shall enter into agreements with institutions of higher education, and with State and local educational agencies to assist rural educational agencies in undertaking such activities.

"(b) AUTHORIZED ACTIVITIES.—The Secretary may be used to—

"(1) assist rural schools in achieving their Goals;

"(E) upgrading the skills of existing classroom teachers through the use of year-round, systematic, comprehensive inservice training programs;

"(F) upgrading the skills of teacher aides and para-professionals to assist such individuals in becoming certified teachers;

"(G) efforts specifically designed to increase the number of minority teachers in rural public schools;

"(H) programs designed to encourage parents and students to enter the teaching profession;

"(I) incentives for teachers to work in rural public schools;

"(J) collaborative activities with colleges and universities to revise and upgrade teacher training programs to meet the needs of rural public school students; and

"(K) training activities for the purpose of incorporating distance learning technologies; or

"(10) decrease the use of drugs and alcohol among rural public school students, and to enhance the physical and emotional health of such students, such as—

"(A) activities designed to improve the self-esteem and self-worth of rural students;

"(B) the provision of health care services and other social services and the coordination of such services with other health care providers;

"(C) programs designed to improve safety and discipline and reduce in-school violence and vandalism;

"(D) activities that begin in the early grades and are designed to prevent drug and alcohol abuse and smoking among students;

"(E) collaborative activities with other agencies, businesses, and community groups;

"(F) efforts to enhance health education and nutrition education; and

"(G) alternative public schools, and schools-within-schools programs, including bilingual, migrant, and special education programs for students with special needs.

"(b) APPLICATIONS.—Each eligible entity desiring a grant under section 10973 shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each grant awarded under section 10973 shall be of sufficient size and scope to achieve significant rural school improvement.

"SEC. 10975. HIGHER EDUCATION GRANTS.

"(a) GRANTS.—The Secretary is authorized to make grants to institutions of higher education, consortia of such institutions, or partnerships between institutions of higher education and local educational agencies to assist rural schools and rural eligible local educational agencies in undertaking local school improvement activities.

"(b) AUTHORIZED ACTIVITIES.—Grant funds under this section may be used to—

"(1) assist rural schools in meeting National Education Goals;

Coordination Service

ability, as well as teaching assessments under this title; assessment systems; and decisionmaking authority in exchange for greater performance.

where feasible, the Secretary shall use a variety of sources, including Educational Progress, State studies, in carrying out this

REPORTS.—The Secretary shall establish appropriate committees of the kind required by January 1, 1996, summarizing assessment and a final report of January 1, 1998.

ON.—

The Secretary may collect such data, as well as school levels and conduct national studies and evaluation on the basis of the effectiveness of programs on such effectiveness on a regular report not later than December 31, 1996, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate on how schoolwide programs affect the performance of students from migratory families.

—At a minimum, the Secretary shall report on the effect of programs under this title and the data collected and reported under subsection (c).

PART A OF TITLE I.—

The Secretary shall carry out an ongoing evaluation of the programs assisted under part A of title I in the Congress, and educators in the States shall provide an accurate description of the short-term results of such program and to provide information to improve such program's effectiveness. The Secretary shall meet challenging State content standards and State student performance standards in every school, and make successful education and work. Such evaluation

shall include a final design that tracks cohorts of students of differing poverty concentrations in the States, which, when the cohorts are taken into account, provide a picture of such program's effectiveness in the primary and secondary grades; shall be independent from State and local education agencies as required under this title; shall be the highest available content standards established as national in scope;

"(D) provide information on all students, students served under part A, and, if funds are sufficient, information on students from low-income families, limited-English-proficient students, and students with disabilities; and

"(E) when feasible, collect, cross-tabulate, and report data by sex within race or ethnicity and socioeconomic status.

"(2) **USE.**—The Secretary shall use the results of the evaluation described in paragraph (1) as part of the national assessment required by subsection (a) and shall report the data from such evaluation to the Congress and the public at least as frequently as reports are made under subsection (a)(4).

"(d) **DEVELOPMENTALLY APPROPRIATE MEASURES.**—In conducting the national assessment under subsection (a) and the national ongoing evaluation under subsection (c), the Secretary shall use developmentally appropriate measures to assess student performance and progress.

"(e) **PARENTAL INVOLVEMENT, STUDY, REPORT AND DISSEMINATION.**—

"(1) **IN GENERAL.**—The Secretary, through the Office of Education Research and Improvement, shall conduct a study to identify and describe—

"(A) common barriers to effective parental involvement in the education of participating children; and

"(B) successful local policies and programs which improve parental involvement and the performance of participating children.

"(2) **DUTIES OF SECRETARY.**—The Secretary shall—

"(A) complete such study by December 31, 1996;

"(B) report the findings of such study to the Committee on Education and Labor of the House of Representatives and to the Committee on Labor and Human Resources of the Senate; and

"(C) disseminate the findings, relating to the successful local policies and programs which improve parental involvement and the performance of participating children, to local educational agencies.

SEC. 1502. DEMONSTRATIONS OF INNOVATIVE PRACTICES.

"(a) **DEMONSTRATION PROGRAMS TO IMPROVE ACHIEVEMENT.**—

"(1) **IN GENERAL.**—From the funds appropriated for any fiscal year under section 1002(g)(2), the Secretary may make grants to State educational agencies, local educational agencies, other public agencies, nonprofit organizations, public or private partnerships involving business and industry organizations, and consortia of such entities to carry out demonstration projects that show the most promise of enabling children served under this title to meet challenging State content standards and challenging State student performance standards. Such projects shall include promising strategies such as—

"(A) accelerated curricula, the application of new technologies to improve teaching and learning, extended learning time, and a safe and enriched full-day environment for children to provide children the opportunity to reach such standards;

"(B) integration of education services with each other and with health, family, and other social services such as mentoring programs, particularly in empowerment zones and enterprise communities;

"(C) effective approaches to whole school reform;

"(D) programs that have been especially effective with limited-English-proficient children, migratory children and other highly mobile students, children leaving institutions for neglected or delinquent children and returning to school, and homeless children and youth;

"(E) programs which are especially effective in recruiting, inducting and retaining highly qualified teachers for service in schools with low student achievement; and

"(F) programs that are built upon partnerships developed between elementary and middle schools, employers, and the community, which emphasize the integration of high quality academic and vocational learning, stress excellence and high expectations for success in academic subjects, instill responsibility, decisionmaking, problem solving, interpersonal skills, and other competencies in students, and make school relevant to the workplace and the community, through applied and interactive teaching methodologies, team teaching strategies, learning opportunities connecting school, the workplace, and the community, and career exploration, awareness, and career guidance opportunities.

"(2) **EVALUATION.**—The Secretary shall evaluate the demonstration projects supported under this title, using rigorous methodological designs and techniques, including control groups and random assignment, to the extent feasible, to produce reliable evidence of effectiveness.

"(b) **PARTNERSHIPS.**—From funds appropriated under section 1002(g)(2) for any fiscal year, the Secretary may, directly or through grants or contracts, work in partnership with State educational agencies, local educational agencies, other public agencies, and non-profit organizations to disseminate and use the highest quality research and knowledge about effective practices to improve the quality of teaching and learning in schools assisted under this title.

"SEC. 1503. INNOVATIVE ELEMENTARY SCHOOL TRANSITION PROJECTS.

"(a) **IN GENERAL.**—From the amount appropriated under section 1002(g)(2), the Secretary shall provide not less than \$10,000,000, but not more than \$40,000,000 to support innovative transition projects in elementary schools authorized under this section.

"(b) **GRANTS.**—

"(1) **LOCAL PROGRAMS.**—The Secretary shall award grants to local educational agencies (including such agencies that operate Follow Through programs, Even Start, and other comparable programs) that have formed consortia with early childhood programs (including Head Start, where available) for the purpose of supporting projects, for children from low-income families who previously attended a Head Start program, Even

Start program, or similar preschool education and other services in e

"(2) **PURPOSES OF PROJECTS** assisted under this section are to—

"(A) assist eligible child ing a successful transition fr elementary grades;

"(B) enable eligible child demic standards through a priate, instructional program

"(C) support the active education of their children.

"(3) **COMPONENTS.**—A progr section—

"(A) shall provide trans tivities, such as—

"(i) development of a which provides for instru through the third grade;

"(ii) transfer of each elementary school (with p

"(iii) formal meetings school teacher, and kinde and

"(iv) kindergarten vis tivities for preschool child mentary school;

"(B) shall use an instructi

"(i) has been shown transition services; or

"(ii) shows promise of services;

"(C) shall provide for the parents of such children in the evaluation of such program;

"(D) shall provide directl prehensive educational, health other services that aid in the c gible children to their full poter

"(E) shall ensure that each veloped pursuant to subsection number of family service coord the needs of eligible children an

"(F) may provide for the u onday school students to assis students who were formerly enr Start programs.

"(c) **APPLICATIONS.**—An application section (b) shall—

"(1) describe the goals which the

"(2) describe the instructional a use, and the manner in which the such approach;

education services with each other, and other social services such as particularly in empowerment zones and ties;

aches to whole school reform; have been especially effective with at children, migratory children and dents, children leaving institutions quent children and returning to ildren and youth; h are especially effective in recruit- ining highly qualified teachers for w student achievement; and are built upon partnerships devel- ry and middle schools, employers, hich emphasize the integration of nd vocational learning, stress excel- tions for success in academic sub- ity, decisionmaking, problem solu- 3, and other competencies in stu- relevant to the workplace and the dlied and interactive teaching meth- g strategies, learning opportunities workplace, and the community, and reness, and career guidance oppor-

Secretary shall evaluate the dem- and under this title, using rigorous nd techniques, including control nment, to the extent feasible, to effectiveness.

funds appropriated under section e Secretary may, directly or through artnership with State educational ies, other public agencies, and non- ate and use the highest quality re- ctive practices to improve the qual- hools assisted under this title.

EMENTARY SCHOOL TRANSITION

ve amount appropriated under sec- y shall provide not less than \$40,000,000 to support innovative , schools authorized under this sec-

-The Secretary shall award grants : (including such agencies that oper- ms, Even Start, and other com- 2 formed consortia with early child- lead Start, where available) for the cts, for children from low-income nded a Head Start program, Even

Start program, or similar preschool program, which provide education and other services in early elementary grades.

"(2) PURPOSES OF PROJECTS.—The purposes of projects as- sisted under this section are to—

"(A) assist eligible children and their families in mak- ing a successful transition from preschool through the early elementary grades;

"(B) enable eligible children to achieve challenging aca- demic standards through a model, developmentally appro- priate, instructional program; and

"(C) support the active involvement of parents in the education of their children.

"(3) COMPONENTS.—A program assisted under this sub- section—

"(A) shall provide transition to elementary school ac- tivities, such as—

"(i) development of a transition plan for each child which provides for instruction, support, and assistance through the third grade;

"(ii) transfer of each child's preschool records to the elementary school (with parental consent);

"(iii) formal meetings between a child's parent, pre- school teacher, and kindergarten or first grade teacher; and

"(iv) kindergarten visits and other orientation ac- tivities for preschool children prior to enrollment in ele- mentary school;

"(B) shall use an instructional approach which—

"(i) has been shown to be effective in providing transition services; or

"(ii) shows promise of providing effective transition services;

"(C) shall provide for the direct participation of the parents of such children in the development, operation, and evaluation of such program;

"(D) shall provide directly or through referral com- prehensive educational, health, nutritional, social, and other services that aid in the continued development of eli- gible children to their full potential;

"(E) shall ensure that each supportive services team de- veloped pursuant to subsection (c)(8) includes a sufficient number of family service coordinators to adequately meet the needs of eligible children and their families; and

"(F) may provide for the use of mentors who are sec- ondary school students to assist elementary and secondary students who were formerly enrolled in Head Start or Even Start programs.

"(c) APPLICATIONS.—An application for a grant under sub- section (b) shall—

"(1) describe the goals which the applicant plans to achieve;

"(2) describe the instructional approach the applicant will use, and the manner in which the applicant will implement such approach;

"(3) describe the transition to elementary school activities for which assistance is sought;

"(4) describe the members of the consortium required by subsection (b)(1);

"(5) shall include evidence that the consortium members each have performed assessments of their programs to ensure that such members have the capacity to address the health, immunization, mental health, nutrition, parenting education, literacy, social service (including substance abuse, education, and prevention), and educational needs of low-income students and their families whom the consortium members plan to serve;

"(6) describe how the project will be coordinated with title I, title VII, and other programs under this Act;

"(7) provide evidence that the proposed transition activities, instruction, and other services to be provided by the applicant have been specifically designed to build upon, and coordinate with, the services provided to eligible children and their parents by local Head Start, Even Start, and other similar preschool programs;

"(8) include—

"(A) a plan for the development of a support services team, including a family service coordinator, to—

"(i) assist families, administrators, and teachers to respond to health, immunization, mental health, nutrition, social service, and educational needs of eligible students;

"(ii) conduct home visits and help students and their families to obtain health, immunization, mental health, nutrition, parenting education, literacy, education (including tutoring and remedial services), and social services (including substance abuse treatment, education, and prevention), for which students and their families are eligible;

"(iii) coordinate a family outreach and support program, including a plan for involving parents in the management of the program under subsection (b), in cooperation with parental involvement efforts undertaken pursuant to this part, the Head Start Act, and the Individuals with Disabilities Education Act, including school-parent compacts, parent volunteer activities, parent education services and training such as the services and training provided through the Even Start program, and regular meetings; and

"(iv) assist families, administrators, and teachers in enhancing developmental continuity between the programs assisted under the Head Start Act, other early childhood development programs, and elementary school classes; or

"(B) a description of the comprehensive, coordinated services currently provided to children eligible for services under this section;

"(9) designate a member of the support services team described in paragraph (8) who will serve as the supervisor of such support services team;

"(10) contain assurance and community-based services to low-income students; agency consortium have plan described in paragraph (8);

"(11) contain assurance and community-based services to low-income students; agency consortium will have a liaison to the support (8);

"(12) describe the transition services team describes previously served students; other comparable early childhood programs;

"(13) describe the services or through referral;

"(14) describe the funding will be used to carry out

"(15) contain assurance in paragraph (8) will be lies with limited-English

"(16) include a plan under this section will under part A or other Federal after the grant has expired

"(17) contain such other reasonably require.

"(d) NATIONAL ACTIVITIES:

"(1) IN GENERAL.—section (a) to carry out not less than \$3,000,000 but not more than \$5,000,000 for national activities to evaluate transition programs.

"(2) TECHNICAL ASSISTANCE.—amount reserved under part not less than \$3,000,000 for nonprofit agencies, institutions, consortia which receive assistance to the extent feasible, to support programs under section 1

"(A) technical assistance expanded use of model approaches, including training to increase parental coordinated services;

"(B) training in and operation of such

"(3) COORDINATION AND COOPERATION WITH THE SECRETARY.—may promote coordination with the projects funded under the Projects Act, including a

to elementary school activities of the consortium required by

that the consortium members of their programs to ensure ability to address the health, immunization, parenting education, literacy, substance abuse, education, and needs of low-income students and program members plan to serve; it will be coordinated with title under this Act;

the proposed transition activities, to be provided by the applicant to build upon, and coordinate eligible children and their parents with, and other similar preschool

development of a support services case coordinator, to—
administrators, and teachers to immunization, mental health, nutritional educational needs of eligible

visits and help students and health, immunization, mental health education, literacy, education and remedial services), and substance abuse treatment, immunization), for which students and

family outreach and support for involving parents in the program under subsection (b), in parental involvement efforts under part, the Head Start Act, and Disabilities Education Act, in compacts, parent volunteer activities and training such as provided through the Even Star meetings; and

administrators, and teachers mental continuity between the program and the Head Start Act, other related programs, and elementary

a comprehensive, coordinated program for children eligible for services

the support services team designated will serve as the supervisor of

"(10) contain assurances that State agencies, local agencies, and community-based organizations that provide support services to low-income students served by the local educational agency consortium have been consulted in the preparation of the plan described in paragraph (8);

"(11) contain assurances that State agencies, local agencies, and community-based organizations that provide support services to low-income students served by the local educational agency consortium will designate an individual who will act as a liaison to the support services team described in paragraph (8);

"(12) describe the target population to be served by the support services team described in paragraph (8), including families previously served under part C of the Head Start Act, or other comparable early childhood development program;

"(13) describe the support services to be provided, directly or through referral;

"(14) describe the Federal and non-Federal resources that will be used to carry out the program;

"(15) contain assurances that the support services described in paragraph (8) will be equipped to assist children and families with limited-English proficiency or with disabilities;

"(16) include a plan describing how the program assisted under this section will be sustained, with funding received under part A or other Federal and non-Federal funding sources, after the grant has expired; and

"(17) contain such other information as the Secretary may reasonably require.

"(d) NATIONAL ACTIVITIES.—

"(1) IN GENERAL.—Of the amount provided under subsection (a) to carry out this section, the Secretary shall use not less than \$3,000,000 but not more than \$5,000,000 to carry out national activities to evaluate and improve the use of innovative transition programs.

"(2) TECHNICAL ASSISTANCE AND TRAINING.—Of the amount reserved under paragraph (1), the Secretary shall use not less than \$3,000,000 to award grants to public and private nonprofit agencies, institutions, and organizations to provide to consortia which receive grants under subsection (b)(1) and, to the extent feasible, to schools that are designated schoolwide programs under section 1114—

"(A) technical assistance in the implementation and expanded use of model transition and instructional approaches, including the use of appropriate pedagogy, efforts to increase parental involvement and providing access to coordinated services; and

"(B) training in conjunction with the implementation and operation of such model approaches.

"(3) COORDINATION AND DISSEMINATION.—The Secretary, in cooperation with the Secretary of Health and Human Services, may promote coordination of activities assisted under this section with the projects funded under the Head Start Transition Projects Act, including a process to—

"(A) collect information on program activities and results; and

"(B) disseminate information on successful transition programs.

"(4) EVALUATION.—(A) The Secretary, in cooperation with the Secretary of Health and Human Services, is authorized to award grants, or enter into contracts or cooperative agreements, to provide for the evaluation of the programs assisted under this section.

"(B) To the extent practicable, such evaluations shall be conducted jointly with evaluations of Head Start Transition Projects.

"(5) OTHER ACTIVITIES.—The Secretary may undertake other activities to promote the replication of successful transition programs.

"(e) COORDINATION OF REGULATIONS.—The Secretary shall work with the Secretary of Health and Human Services to coordinate regulations promulgated under this section with regulations promulgated under the Head Start Act Amendments of 1994.

"(f) GENERAL PROVISIONS.—

"(1) PRIORITY.—In awarding grants under subsection (b)(1), the Secretary shall give priority to applicants that—

"(A) will operate a project under this section at a school designated as a schoolwide program under section 1114;

"(B) serve local educational agencies that have the highest numbers or percentages of poor children; and

"(C) demonstrate a significant commitment by the community to the proposed program, as evidenced by the level of resources, both cash and in-kind, from other public and private sources available to the consortium.

"(2) SUPPLEMENT.—An application for assistance under this section may not be approved unless the Secretary is satisfied that the services to be provided by the applicant will supplement, and not supplant, services that previously provided other Federal assistance.

"(3) SUFFICIENT SIZE.—A grant under subsection (b)(1) shall be of sufficient size and scope to enable the grantee to operate a project which meets the requirements of this section.

"(4) URBAN AND RURAL GRANTS.—To the extent practicable, the Secretary shall award grants under subsection (b)(1) to consortia in both urban and rural areas.

"(5) RENEWAL GRANT.—To be eligible to renew a grant under the section, an applicant that received assistance under subsection (b)(1) shall demonstrate that the project achieved the purposes described in subsection (b)(2).

"(g) DEFINITIONS.—As used in this section:

"(1) FAMILY SERVICES COORDINATOR.—The term 'family services coordinator' means an individual who has the skills necessary to assist families in obtaining support services and may be an existing employee of a local educational agency or Head Start agency.

"(2) HEAD START AGENCY.—The term 'Head Start agency' means any agency designated as a Head Start agency under the Head Start Act (42 U.S.C. 9831 et seq.).

"(3) SUPPORT SERVICE.—services that enhance the intellectual development of low-income children and the provision of necessary support to the parents of such children.

"PART F—GEN.

"SEC. 1601. FEDERAL REGULATIONS.

"(a) IN GENERAL.—The Secretary shall promulgate regulations as are necessary to carry out the purposes of this title.

"(b) NEGOTIATED RULEMAKING PROCEDURE.

"(1) IN GENERAL.—Prior to promulgating proposed regulations, the Secretary shall obtain the advice and assistance of a panel of Federal, State, and local officials, and members of local board of education, for implementation and operation.

"(2) MEETINGS AND ELECTIONS.—The Secretary shall hold public hearings and recommendation may be made at regional meetings and other public forums.

"(3) PROPOSED REGULATIONS.—The Secretary shall promulgate regulations and recommendations, and, in promulgating regulations, the Secretary shall—

"(A) establish a minimum of two key issues for public comment.

"(i) schoolwide program.

"(ii) standards and guidelines.

"(B) select individuals from among individuals and organizations, and geographic regions of the country.

"(C) prepare a draft regulation and submit it to the Secretary under subparagraph (A) to the first meeting under this subsection.

"(4) PROCESS.—Such proposed regulations shall be promulgated that final regulations are promulgated no later than July 1, 1995; and

"(B) shall not be subject to the Administrative Procedure Act but shall otherwise follow the Negotiated Rulemaking Act.

"(5) EMERGENCY SITUATIONS.—If the Secretary determines that it is necessary to promulgate regulations to carry out the purposes of this title in a very limited time to assist States in the operation of a program, the Secretary may issue proposed regulations without notice and comment, but shall, immediately thereafter, conduct regional public hearings and promulgate regulations.

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The term 'Head Start agency'
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t seq.).

"(3) SUPPORT SERVICES.—The term 'support services' means
services that enhance the physical, social, emotional, and intel-
lectual development of low-income children, including the provi-
sion of necessary support to the parents and other family mem-
bers of such children.

"PART F—GENERAL PROVISIONS

"SEC. 1601. FEDERAL REGULATIONS.

"(a) IN GENERAL.—The Secretary is authorized to issue such
regulations as are necessary to reasonably ensure that there is com-
pliance with this title.

"(b) NEGOTIATED RULEMAKING PROCESS.—

"(1) IN GENERAL.—Prior to publishing in the Federal Reg-
ister proposed regulations to carry out this title, the Secretary
shall obtain the advice and recommendations of representatives
of Federal, State, and local administrators, parents, teachers,
and members of local boards of education involved with the im-
plementation and operation of programs under this title.

"(2) MEETINGS AND ELECTRONIC EXCHANGE.—Such advice
and recommendation may be obtained through such mecha-
nisms as regional meetings and electronic exchanges of infor-
mation.

"(3) PROPOSED REGULATIONS.—After obtaining such advice
and recommendations, and prior to publishing proposed regula-
tions, the Secretary shall—

"(A) establish a negotiated rulemaking process on a
minimum of two key issues, including—

"(i) schoolwide programs; and

"(ii) standards and assessment;

"(B) select individuals to participate in such process
from among individuals or groups which provided advice
and recommendations, including representation from all
geographic regions of the United States; and

"(C) prepare a draft of proposed policy options that
shall be provided to the individuals selected by the Sec-
retary under subparagraph (A) not less than 15 days prior
to the first meeting under such process.

"(4) PROCESS.—Such process—

"(A) shall be conducted in a timely manner to ensure
that final regulations are issued by the Secretary not later
than July 1, 1995; and

"(B) shall not be subject to the Federal Advisory Com-
mittee Act but shall otherwise follow the provisions of the
Negotiated Rulemaking Act of 1990 (5 U.S.C. 561 et seq.).

"(5) EMERGENCY SITUATION.—In an emergency situation in
which regulations to carry out this title must be issued with a
very limited time to assist State and local educational agencies
with the operation of a program under this title, the Secretary
may issue proposed regulations without following such process
but shall, immediately thereafter and prior to issuing final reg-
ulations, conduct regional meetings to review such proposed
regulations.

DRAFT

Education Opportunity Zones -- Budget Options

Option 1:

Obey round 1: straightline to complete 3 year grants

Obey round 2: add ¹⁰⁰100 M in FY 99, then straightline to complete 3 year grants

Zones: 1 round, 15 urban, 15 rural

- Federal share: 100%/75%/50/50/50.

	FY 1999	2000	2001	2002	2003	Total
Obey	245	245	100			590
EOZ*	304	228	152	152	152	988
Total	549	473	252	152	152	1578

* Excluding \$16 M/year national activities.

Option 2:

Obey: Same as Option 1

Zones: 2 rounds -- 10 urban, 10 rural beginning FY 99, 10 urban, 10 rural beginning FY 00

- Federal share: same as Option 1

	FY 1999	2000	2001	2002	2003	Total
Obey	245	245	100			590
EOZ	205	358.75	256.25	205	205	1,230
Total	450	603.75	356.25	205	205	1820

Option 3:

Obeys: Same as Option 1

Zones: 2 rounds -- 10 urban, 10 rural beginning FY 99, 10 urban, 10 rural beginning FY 01

- Federal share: same as Option 1

	FY 1999	2000	2001	2002	2003	Total
Obeys	245	245	100			590
EOZ	205	153.75	307.5	256.25	205	1127.5
Total	450	398.75	407.5	256.25	205	1717.5

Option 4:

Obeys: Same as Option 1

Zones: 2 rounds -- 10 urban, 10 rural beginning FY 99, 10 urban, 10 rural beginning FY 00

- Federal share: 66%/100%/75%/50/50

	FY 1999	2000	2001	2002	2003	Total
Obeys	245	245	100			590
EOZ	135.3	340.3	358.75	256.25	205	1295.6
Total	380.3	585.3	458.75	256.25	205	1885.6

Option 5:

Obey: Same as Option 1

Zones: 2 rounds -- 10 urban, 10 rural beginning FY 99, 10 urban, 10 rural beginning FY 01

- Federal share: 66%/100%/75%/50/50

	FY 1999	2000	2001	2002	2003	Total
Obey	245	245	100			590
EOZ	135.3	205	289.05	307.5	256.25	1193.1
Total	380.3	450	389.05	307.5	256.25	1783.1

DRAFT

Options for Linking Education Opportunity Zones with Obey-Porter Funds

It is critical to ensure funding for both Education Opportunity Zones and the Obey-Porter comprehensive reform initiative in our FY99 budget proposal, and to ensure that these two initiatives complement each other to the maximum extent possible. This memo discusses some of the issues involved and lists some possibilities for making the combination work.

Background

The Obey initiative provides formula funds to states which then distribute the funds competitively to a significant number of districts on behalf of individual schools to assist them to adopt proven models of reform. The Zones initiative distributes significantly larger amounts of funds to a smaller number of high poverty districts to help them carry out a set of reform activities, both at the district and at the school levels, which includes turning around failing schools using best practices.

The purpose of Obey is to get individual schools to successfully adopt the tested models. The purpose of the Zones initiative is to demonstrate that a serious approach to high standards can work. To effect the purpose of the Zones, grants would be targeted to school systems that have already begun to make progress in raising student achievement, at least in some low-income portions of the district, and/or that can show that they have begun to put into place effective reform policies, so that local efforts can be expanded or accelerated.

22.5
Zones should be rewarded for demonstrating real gains in student performance, in part because this will help to draw national attention to the effective policies used by these districts. However, the investment of funds should be heaviest on the front end when districts are putting into place or expanding policies that they should be able to sustain over the long haul with other state, federal and local resources. Moreover, for the President's initiative to be taken seriously, it must entail significant up-front investment.

but not in 91

Any district that we would want to select as a Zone should have a good idea how to use Obey funds, but states will be making awards under Obey and there is no guarantee from state to state that the districts which will have the strongest EOZ proposals will be awarded funds in the state's Obey competition. Furthermore, few districts will be able to persuasively demonstrate any impact of Obey funds by the time of an FY 99 EOZ competition.

Linkage Options

A vital part of the zones initiative is for districts to identify schools that are failing and take steps to get them to adopt the kinds of effective reform models that Obey seeks to promote. Therefore, to the extent possible, States should be encouraged to drive Obey resources to the kinds of districts that would be eligible to apply for EOZs. Moreover, districts should receive an advantage in the EOZ competition if the district can show that it is doing an effective job, or at least has an effective plan, for fixing failing schools, through using its Obey funds (if it receives any) as well as other federal, state and local funds.

- Make maximum use of Obey program guidance:
 - Discuss the President's Zones proposal as well as the Obey initiative. Note that a critical part of the President's initiative is for districts to take aggressive action on fixing failing schools.
 - Encourage, but don't require, states to target a substantial proportion of Obey funds to schools located in the kinds of districts that will be eligible to participate in the Zones: "high poverty" districts, with comprehensive reform plans that are already beginning to show some results (at least in some parts of the district), or at least that have a compelling strategy for doing so. *low pit sell*
 - Suggest that states encourage possible zone applicants to describe how the schools using Obey funds would fit into comprehensive efforts throughout the district to strengthen accountability and raise achievement.
 - Indicate that the Zone competition will include extra points for districts with successful or promising plans for intervening in failing schools, including interventions using Obey funds as well as other Federal, state and local funds.
- Structure FY 99 Zones competition to reward districts that are well-integrating Obey resources into a comprehensive strategy, but don't freeze out districts that haven't received Obey funds from States.
 - Give extra points for districts with successful or promising plans for intervening in failing schools, including interventions using Obey funds as well as other Federal, state and local funds.
- In FY 99 Budget, propose increase to allow 2nd round of Obey awards, but add explicit requirements for states to give priorities as discussed above, consistent with the zones initiative.
 - Round needs to be significant, but could be smaller than FY 98 round.
- Split Zones into two competitions, the second round in FY 2001. The second competition would give explicit priority to districts that can demonstrate that they made successful use of Obey funds and that are complementing these efforts with serious district-wide accountability policies, rewarding these districts and giving them additional assistance to expand and demonstrate their efforts. *✓*
- Zones would be given year 4 and 5 funds if they can demonstrate that have significantly raised student achievement.
- Would look at two baselines: 1) over life of grant (including Obey grant, if received one); 2) since 1994 ESEA reauthorization. Gains would have to be reached for all

*Can we discuss
zone program
or funds?*

significant subpopulations.

- Year 4 and 5 funds would be contingent upon commitment and plan to work with other districts to help them implement successful models, including both district-wide accountability policies featured under Zones initiative and research-based reform school reform models featured under Obey.

Mike/Barbara/Jerry:

There are at least five issues to address: defining a Clinton thing that relates to but is different from Obey/Porter; creating a programmatic linkage; relating to current major programs so as not to imply that they are failing; involving district level management; money and phasing.

1. The Clinton difference: Address biggest Problems; Reward success. Stick with the leaked notion of a significant money-in-return-for-accountability offer to the larger, low-income and low-achieving school districts, urban and rural, but with emphasis on the district showing how its commitments to process (the tough reforms) and to accountability (real improvement in student achievement) is played out in its schools with the biggest problems. But,

Make Clinton grants in two parts:

(i) Part A. Supplements to Districts with the neediest Obey grant winners, taking into account greater demonstration of worst problems and thus the need for extra help. District role is required to qualify for the new grant. The District must: (a) use some of the money to add to support in the Obey-winning school, (b) use most money for similar improvements in other schools in trouble in that district, and (c) must include District level implementation of the Cohen reforms (End social promotion, fix failing schools, weed out incompetent teachers and administrators).

(ii) Part B. Rewards to Districts with Obey grants that most significantly raise student achievement. Districts with Obey winners and Part A winners compete for who can demonstrate the most significant progress from where they were in 1994 [the enactment of the Administration's Improving America's Schools Act and the Goals 2000 Act; also stress gains for children with disabilities to link to the IDEA reforms just enacted] to the time of the competition.

Structure the Part B Rewards into two competitions: (i) Big systems/big problems (big defined differently for urban vs. Rural); (ii) smaller systems/smaller problems -- perhaps most of the Obey winners. Part B grants would be much larger on average than the Obey awards, as they should be, since they should reward performance, not plans.

This approach lets there be a plethora of Obey grants (we still think 1,000 is a wasteful diffusion of effort; prefer around 500], and lots of hurrahs around their accomplishments, but maintains the focus on places with the biggest problems and the most payoff for students. In the competition for rewards, all Districts with Obey winners could compete.

(Call the Clinton program, in its entirety, "Comprehensive School Achievement Rewards" so it sounds like the natural follow-on to Obey's Comprehensive School Reform Program..

2. Programmatic linkage. Structure the February guidance for Obey so that in order to get their grants from ED, the States must set up three priority conditions for their competitions for the Obey grants:

*Clinton Jones
reward & merit
achievement
in low test places*

(A) Highest priority for quality applications from schools with lowest achievement (as measured however the State so measures), regardless of income level, whose proposals give promise of raising achievement. This should pick up virtually all the poor districts with any interest in improvement.

(B) After (A), priority for schools with the strongest commitment to the Cohen reforms.

(C) After (A) and (B), priority for schools with the most ambitious proposals to raise achievement. This achievement focus will be the programmatic link to the Comprehensive School Achievement Rewards.

3. Relating to current major programs. This is accomplished by benchmarking the achievement measure since 1994, and for disabled kids, since IDEA reforms. Technical assistance to title I and IDEA programs may also focus on successes in Obey grant sites as ways of achieving those statutes' program goals better. Link the evaluation of Obey grants to the evaluation of title I and, eventually, IDEA: Obey grant winners should be those who are best using title I funds if they are, in fact, raising achievement.

4. Involving district level management. In the Obey grant guidance, make States give extra credit for schools that come in with the strongest district-level commitment to support the school itself and to use the school as a test bed for other schools in the district.

Then the Rewards program, as above, has as its eligible applicants, districts with at least one Obey award winner, which has demonstrated the achievement growth since 1994 and whose example the District commits to spread to other schools.

5. Money and phasing. Considerations: The best time to do the Rewards Part B grants (the actual rewards) would be in FY 2000 -- 5 years since enactment of the big school reform bills. If we can lower the amount for Rewards spending in FY 1999, we can get the program started with less crowding out of other initiatives, and reserve the big payoffs for FY 2000. Option:

	(\$ in millions)			
	<u>FY 1998</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001 (etc.)</u>
1. Obey grants	145	175	175	175
2. Rewards grants Part A	---	150	200	200
3. Rewards grants Part B	---	---	300	300
total	145	325	675	675

1. Obey grants for up to three years annually in FY 1998 to 500 schools (around \$300,000 each). In FY 1999, continuation grants, plus about 100 new schools. FY 2000, continuations to years 1 and 2 grants, and any left over for new schools (some will attrit out; States can give some schools one or two years of funding if their plans would work that way). FY 2001 and thereafter, new schools as 1st year schools end.

2. Rewards Part A grants -- supplements to Obey winners with lowest achievement/highest

poverty. Two year grants with a third year option. Assume 100 grants @ average of \$1.5 million, with larger grants for the half that are Urban; smaller for the half that are rural, based on differences in population.

3. Rewards Part B grants -- Rewards for actual achievement gains. One time rewards for 50 winners each year starting in FY 2000, half rural, half urban. Average of \$6 million, though again, larger for urban than for rural. Grants to be used for any school improvements the district desires. No judgement by Feds of use of funds as long as used for the school system.

December 11, 1997

MEMORANDUM TO WORKING GROUP PARTICIPANTS

FROM: Gerry Tirozzi

SUBJECT: Connecting Obey-Porter to the Education Zones Initiative

In preparation for the December 11 meeting, staff and leadership at the Department of Education re-examined both the Obey-Porter program for comprehensive school reform and the Education Opportunity Zones initiative for urban and rural school districts. After careful consideration, we strongly believe that these initiatives complement and support one another, and both are critical.

The Obey-Porter program naturally leads into a focused, district-wide program for urban and rural areas plagued by concentrated poverty.

The Obey-Porter program sets the stage for some deeper, more ambitious reform activities in a small number of high poverty urban and rural school districts. We expect that most, if not all, of the urban districts will receive some funds under Obey-Porter. This will, however, be targeted in a few schools and not provide the district level reform necessary to sustain school reform efforts once the Obey-Porter funds are gone and bring reform to scale throughout the district. The Obey-Porter money should work in conjunction with other critical federal funds such as Title I and Goals 2000 and local funds to launch and implement comprehensive school reforms -- school by school -- that help all students reach high standards. We recognize, however, that in order to institutionalize and scale up such reforms, district level commitment and investment will be necessary.

The urban-rural Education Opportunity Zones initiative provides an opportunity to demonstrate that communities with concentrated poverty can turn around their schools and help all students achieve high standards. These grants would go to districts that have demonstrated their commitment to improving their schools. These districts will be the types of districts that utilize Obey-Porter funds to get some of their school programs up and running. A larger, more systemic grant would allow these districts to build the accountability, public school choice, technical assistance, and professional development programs that will help institutionalize, broaden, and deepen the reform activities begun under Obey-Porter.

District experience shows that successful school-by-school reform efforts can stall and even disappear without some district level support and commitment. For example, the New American Schools Development Corporation began with a school-by-school approach and is now working with districts because it found that district barriers to comprehensive reform activities needed to be addressed. NAS is now focusing on several school districts that have committed to implementing comprehensive school reforms in a significant number of schools. Other research supports this conclusion, including work by such researchers as Dick Elmore and Susan Fuhrman. In effect, comprehensive school reform is not realized by celebrating "victory gardens."

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Steps to link the two initiatives:

- Discuss the initiatives as related activities to support the achievement of high standards. Emphasize their common goal of helping improve student achievement. Discuss Obey-Porter funds as leading into deeper district-wide reform activities.
- Reference the urban-rural Education Opportunity Zones initiative in the Obey-Porter guidance.
- Strongly encourage states to give priority to districts that plan to use Obey-Porter funds for schools in school improvement.
- Give priority in the Education Zones competition to districts that can demonstrate their commitment to school reform. One option would be to give a preference to districts that competed for and received funds under Obey-Porter.
- Require districts to focus on research-based, comprehensive approaches to turning around low performing schools in the Education Zones program. Obey-Porter funds would be one source for accessing these programs. We could use the criteria for research-based comprehensive reform being developed under Obey-Porter as the guide to reform in the Education Zones Initiative.
- Encourage Education Zone recipients to use models funded under Obey-Porter.
- Fund both programs in FY 99. The Obey-Porter program serves a critical need of supporting school efforts, regardless of district capacity. The Education Zones initiative is much more focused on broadening reform activities in high poverty urban and rural districts that need extra help turning around their low performing schools.

December 9, 1997

MEMORANDUM TO WORKING GROUP PARTICIPANTS

**FROM: Mike Cohen
Bill Kincaid**

SUBJECT: Education Opportunity Zones

On December 5 we met and discussed a draft memo describing this initiative, and considered some key outstanding issues. Below is a summary of where we left things at the conclusion of the meeting. The next meeting on this initiative is scheduled for Thursday, December 11 at 5 p.m. in 211 OEGB.

Relationship of Education Opportunity Zones with Obey-Porter Funds. There is a strategic imperative to ensure funding for both initiatives in our FY99 budget proposal, and a consensus that, despite some important differences in targeting of funds, we need to figure out how these two can best fit together. The importance of making this work was subsequently reinforced in a meeting with Cheryl Smith of Obey's staff. DPC, OMB and ED have all agreed to share some ideas, in writing, for how to connect these two initiatives. It would be ideal to distribute these before we meet on Thursday.

Funding Patterns and Incentives for Performance. We agreed that the purpose of this initiative is to demonstrate that a serious approach to high standards can work. Therefore, 3 year grants would be targeted to school systems that have already begun to make progress in raising student achievement, at least in some low-income portions of the district, and/or that can show that they have begun to put into place effective reform policies, so that local efforts can be expanded or accelerated. Districts should be eligible to receive extensions of their grants in years 4 and 5 as a reward for demonstrating real gains in student performance. There is no agreement yet on the amount of the reward, although one possibility would be 50% of the maximum grant.

There is a general sense that, if necessary, it would be possible to start with somewhat less funding per grantee in year one (because it could take time for various aspects of the reform effort to get started). A possible pattern for the first three years of a grant could be something like 66%/100%/75%, but more work on this is required. In particular, Judith Johnson was going to do some thinking about how a district would spend its grant funds.

We agreed to continue considering whether there should be a single round of zones selected for funding beginning in FY 99, or whether there should be multiple rounds of grants, so that some districts that might not be as advanced would still have a chance to participate and to maintain interest in a wide range of districts in undertaking serious reform. However, there was a general sense that if there are to be two rounds of zones, the second round should occur in year 3. During years 2 and 3 of the zones initiative, these districts could be receiving smaller amounts of funds and focusing on a smaller number of their troubled schools under Obey-Porter.

Flexibility. There was general agreement that we need to investigate possible options for extending greater flexibility in the use of federal funds to the districts selected to be education opportunity zones, as long as they continue to meet agreed-upon performance goals. Some requirements would likely need to be exempted from waivers; a possible example that needs further discussion is Title I targeting. [A group within Education, in consultation with DPC, is beginning to put together a range of options for broader flexibility in use of program funds that will include both current authority and new legislation specifically connected to the Education Opportunity Zones, but will also include other options such as expansion of state Ed-Flex.]

A suggestion also was made that the proposal should require flexibility on the part of state and local funds as well.

Authority. There is general agreement that we should seek to carry out this initiative, to the extent possible, under existing legislative authority, perhaps with some minor appropriations language. One option discussed as likely to work best was the Title I demonstration authority that is being used for Obey-Porter. Once this memo has been circulated, Education will review possible options in light of agreements on the initiative to date.

U.S. Department of Education
Planning and Evaluation Service
600 Independence Ave., SW
Room 4146, FOB-10
Washington, DC 20202

*Please give a
copy to
Mile.
Thom
Ziel*

FAX COVER SHEET

FAX Number: (202) 401-3036

TO : Bill Kincaid

FAX # : 456-5581

Date : January 15, 1998

(Number of pages, including cover sheet: 3)

FROM: Joanne Bogart
Planning and Evaluation Service
Elementary and Secondary Education Division
(202) 401-0276

Rural district examples

Student Assistance and Accountability:

- **Ganado Unified School District**—located on the Navajo reservation in northeastern Arizona—has developed "Foundations of Learning" that focuses all curriculum and instruction on preparing students to achieve success academically, careerwise and socially, while instilling respect and reverence for Navajo culture. Ganado's Primary School received the Secretary of Education's Blue Ribbon award, and its principal was chosen as a national distinguished principal of the year.
- The Superintendent of the **Monroe County Public Schools** in Beatrice, Alabama notes that the district's students are showing steady academic progress as a result, in part, of their participation in a program designed to bolster rural schools by bringing them together with their communities. The district has also reached out to bring technology into its schools, connecting four regional high schools to a Distance Learning network to expand the number of courses available to students. Through Goals 2000 funds, the district has installed computer labs in its high schools and computer terminals in every elementary school classroom. Although student test scores in this high-poverty rural community remain below the national average, they have risen dramatically since 1994-95.
- The **Zuni Public School District**, in New Mexico, operates a community service learning program for middle and high school students. The program includes work preparedness and placements, and students are provided with the ongoing support of counselors and mentors. The program has been successful in providing students with an insight into the work that occurs within the Zuni Pueblo, while improving their relations with the broader community.
- The **Richmond County Public School District**, in Warsaw, Virginia, has instituted an extended day program for students in grades 1-3 who need additional instructional time to master basic skills. Over-age middle school students also receive additional assistance—primarily through computer assisted instruction—in mastering skills needed for high school success.

Staff Effectiveness and Accountability:

- Teaching staff in New Mexico's **Zuni Public School District** are developing a coordinated districtwide curriculum across grades K-12. Following a full year of training, teachers formed subject area committees to develop curriculum documents based on state standards. Goals 2000 funds have supported salary supplements for teachers who have worked on weekends and throughout the summer.

School Improvement and Accountability:

- The **Los Fresnos Independent School District** supplements the Texas Assessment of Academic Skills (TAAS) with local assessments—administered three times each year—to provide teachers with data for monitoring students' progress, and to modify timelines and instructional practices. Students who consistently perform below expectations on the assessments are tutored after school by certified teachers, who receive Title I-funded stipends. The emphasis placed on continuous improvement is reflected in the district's test scores. In 1997, 84 percent of students tested passed all portions of the TAAS—an increase from 77 percent in 1996.
- Serving students kindergarten through eighth grade students in one school, the **Guerneville Elementary School District** is participating in a consortium of Goals 2000 funded districts in Sonoma County, California—which are working jointly to develop standards and assessment tools. Standards in language arts and math are completed, and assessment tools—including performance assessments—are being developed.

Public School Choice:

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
Alabama	MOBILE COUNTY	large	24,028	78,531	30.5968
	BIRMINGHAM CITY	mid-size	16,734	47,782	35.0216
Alaska	ANCHORAGE SCH DIST	mid-size	4,868	45,085	10.7974
	FAIRBANKS NORTH STAR BOR	mid-size	1,591	16,167	9.841
Arizona	PHOENIX ELEM SCHOOL DIST	large	6,415	11,420	56.1734
	TUCSON UNIFIED DISTRICT	large	17,010	65,219	26.0814
	MESA UNIFIED SCHOOL DIST	large	10,257	66,618	15.3967
	PHOENIX UHS DISTRICT 210	large	6,691	93,239	7.1762
Arkansas	PINE BLUFF SCHOOL DISTRI	mid-size	2,779	7,958	34.9208
	NORTH LITTLE ROCK SCH DI	mid-size	3,028	11,133	27.1984
	LITTLE ROCK SCH DIST	mid-size	6,106	30,496	20.0223
	PULASKI CO SPECIAL SCH D		4,087	24,628	16.5949
California	LOS ANGELES UNIFIED	large	265,828	731,751	36.3277
	SAN DIEGO CITY UNIFIED	large	38,420	137,769	27.8873
	FRESNO UNIFIED	large	31,591	72,235	43.7336
	LONG BEACH UNIFIED	large	26,358	78,850	33.428
	OAKLAND UNIFIED	large	19,175	62,834	30.5169
	SACRAMENTO CITY UNIFIED	large	17,926	56,957	31.4729
	SAN BERNARDINO CITY UNIF	mid-size	17,311	45,047	38.4288
	SAN FRANCISCO UNIFIED	large	14,964	81,479	18.3655
	SANTA ANA UNIFIED	large	14,539	48,222	30.1501
	COMPTON UNIFIED	fringe	16,459	34,441	47.789
Colorado	DENVER COUNTY 1	large	20,177	67,942	29.6974
	PUEBLO CITY 60	mid-size	5,553	19,744	28.125
	COLORADO SPRINGS 11		5,310	32,433	16.3722
	JEFFERSON COUNTY R-1	fringe	5,792	82,284	7.039
Connecticut	NEW HAVEN SCH DIST	mid-size	9,159	20,396	44.9059
	BRIDGEPORT SCH DIST	mid-size	8,987	25,526	35.2072
	WATERBURY SCH DIST	mid-size	4,628	17,050	27.1437
	NORWICH SCH DIST	mid-size	1,581	6,041	26.1712
	HARTFORD SCH DIST	mid-size	14,891	26,384	56.4395
	NEW LONDON SCH DIST	mid-size	1,102	3,578	30.7993
	NEW BRITAIN SCH DIST	mid-size city fringe	3,876	10,806	35.869
	STAMFORD SCH DIST		1,787	14,597	12.2422
	MERIDEN SCH DIST		1,618	9,762	16.5745
Delaware	WOODBRIIDGE SCHOOL DIST	rural	724	1,924	37.6299
	LAUREL SCHOOL DISTRICT	small town	474	2,135	22.2014
	LAKE FOREST SCHOOL DIST	rural	688	3,284	20.95
	INDIAN RIVER SCHOOL DIST	rural	1,185	5,840	20.2091
	CHRISTINA SCH DIST	mid-size	2,996	22,194	13.4991
	RED CLAY CONSOLIDATED SC	mid-size	2,399	21,848	10.9804
	COLONIAL SCH DIST	fringe	1,459	12,139	12.0191
	CAPITAL SCH DIST	mid-size city fringe	1,452	6,869	21.1384

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
District of Columbia	BRANDYWINE SCH DIST		1,363	14,660	9.2974
	D.C. PUBLIC SCHOOLS	large	19,804	80,008	24.7525
Florida	DADE COUNTY SCH DIST	large	104,000	329,898	31.5249
	HILLSBOROUGH COUNTY SCH	large	29,649	141,589	20.9402
	DUVAL COUNTY SCH DIST	large	24,249	120,356	20.1477
	ORANGE COUNTY SCH DIST	mid-size	21,122	112,256	18.8159
	PINELLAS COUNTY SCH DIST	mid-size	18,355	106,697	17.2029
	POLK COUNTY SCH DIST	mid-size	14,870	69,549	21.3806
	ESCAMBIA COUNTY SCH DIST	mid-size	13,351	47,073	28.3623
	VOLUSIA COUNTY SCH DIST	mid-size city fringe	10,730	52,014	20.6291
	BREVARD COUNTY SCH DIST		9,143	61,069	14.9716
	BROWARD COUNTY SCH DIST	fringe	31,590	177,832	17.764
	PALM BEACH COUNTY SCH DI		21,309	115,995	18.3706
Georgia	ATLANTA CITY SCH DIST	large	32,866	65,165	50.435
	CHATHAM COUNTY SCH DIST	mid-size.	11,092	40,374	27.4731
	RICHMOND COUNTY SCH DIST	mid-size	9,833	36,464	26.9663
	MUSCOGEE COUNTY SCH DIST	mid-size	9,488	31,857	29.7831
	BIBB COUNTY SCH DIST	mid-size	8,624	28,774	29.9715
	DOUGHERTY SCH DIST	mid-size	7,416	21,330	34.7679
	FULTON COUNTY SCH DIST		6,780	50,489	13.4287
	CLAYTON COUNTY SCH DIST		5,433	36,152	15.0282
	COBB COUNTY SCH DIST		5,336	73,864	7.2241
	GWINNETT COUNTY SCH DIST		3,755	66,607	5.6375
	DEKALB COUNTY SCH DIST	fringe	13,360	82,722	16.1505
Hawaii	HONOLULU		15,712	149,435	10.5143
	HAWAII		5,230	27,706	18.8768
	MAUI		1,913	21,148	9.0458
	KAUAI		991	10,804	9.1725
Idaho	BOISE CITY IND SCH DIST	mid-size	3,021	24,925	12.1204
Illinois	CITY OF CHICAGO SCHOOL D	large	185,119	508,488	36.4058
	PEORIA SCHOOL DISTRICT 1	mid-size	5,729	20,666	27.7219
	EAST ST LOUIS SCHOOL DIS	mid-size	9,026	15,520	58.1572
	ROCKFORD SCHOOL DIST 205	mid-size	5,757	32,698	17.6066
Indiana	INDIANAPOLIS PUBLIC SCHO	large	21,674	65,156	33.2648
	GARY COMMUNITY SCHOOL CO	mid-size	10,700	26,028	41.1096
	MUNCIE COMMUNITY SCHOOLS	mid-size	2,666	10,249	26.0123
	FORT WAYNE COMMUNITY SCH	mid-size	5,882	39,528	14.8806
	SOUTH BEND COMMUNITY SCH		4,807	27,357	17.5714
	EVANSVILLE-VANDERBURGH S		4,719	28,010	16.8476
	HAMMOND CITY SCHOOLS		3,181	16,275	19.5453
Iowa	DES MOINES INDEPENDENT C	mid-size	5,769	33,048	17.4564
	DAVENPORT COMMUNITY SCHO	mid-size	3,826	20,057	19.0756
	CEDAR RAPIDS COMMUNITY S	mid-size	2,785	38,208	7.289

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
Kansas	SIOUX CITY COMMUNITY SCH		2,747	16,052	17.1131
	WATERLOO COMMUNITY SCHOO		2,734	14,761	18.5218
	COUNCIL BLUFFS COMMUNITY		1,888	20,552	9.1865
	WICHITA	large	10,260	54,634	18.7795
	KANSAS CITY	mid-size	7,547	25,162	29.9936
Kentucky	TOPEKA PUBLIC SCHOOLS	mid-size	3,554	17,021	20.8801
	SHAWNEE MISSION PUBLIC S		1,934	36,389	5.3148
Louisiana	JEFFERSON CO	large	24,661	117,001	21.0776
Maine	ORLEANS PAR SCH BRD	large	47,144	98,577	47.8245
	EAST BATON ROUGE PAR SCH	mid-size	17,429	75,336	23.135
	CADDO PAR SCH BRD	mid-size	16,740	51,975	32.2078
	JEFFERSON PAR SCH BRD	fringe	17,665	87,083	20.2852
Maryland	PORTLAND	mid-size	2,066	8,452	24.4439
	LEWISTON	mid-size	1,300	6,172	21.0629
	BANGOR	mid-size	962	4,908	19.6007
Massachusetts	BALTIMORE CITY P S SYSTE	large	41,575	123,164	33.7558
	BOARD OF ED ALLEGANY	mid-size	2,742	12,137	22.5920738
	DORCHESTER CO. BOARD	small town	1,070	4,889	21.8858662
	PRINCE GEORGES CO PUBLIC	fringe	10,863	123,165	8.8199
	BALTIMORE COUNTY PUBLIC	fringe	9,586	104,400	9.182
	MONTGOMERY CO PUBLIC SCH	fringe	7,622	120,363	6.3325
	ANNE ARUNDEL CO PUBLIC S		5,662	73,608	7.6921
	BOSTON SCH DIST	large	24,140	73,684	32.7615
	SPRINGFIELD SCH DIST	mid-size	9,663	29,052	33.261
	WORCESTER SCH DIST	mid-size	7,798	25,593	30.4693
Michigan	LOWELL SCH DIST	mid-size	6,899	18,250	37.8027
	NEW BEDFORD SCH DIST	mid-size	5,441	17,460	31.1627
	BROCKTON SCH DIST	mid-size	4,818	16,627	28.977
	LYNN SCH DIST	mid-size	4,351	13,326	32.6505
	FALL RIVER	mid-size	3,716	15,545	23.9048
	HOLYOKE SCH DIST	mid-size	3,482	8,439	41.2608
	LAWRENCE SCH DIST	mid-size	8,326	15,339	54.2799
	CHELSEA SCH DIST	fringe	1,995	4,802	41.5452
	CAMBRIDGE SCH DIST		1,741	8,909	19.542
	SOMERVILLE SCH DIST	fringe	1,715	7,809	21.9618
	DETROIT CITY SCHOOL DIST	large	101,816	209,575	48.5821
	FLINT CITY SCHOOL DISTRI	mid-size	13,475	29,739	45.3109
	GRAND RAPIDS CITY SCH DI	mid-size	9,686	33,845	28.6187
	SAGINAW CITY SCHOOL DIST	mid-size	6,934	15,517	44.6865
	PONTIAC CITY SCHOOL DIST	mid-size	6,608	16,426	40.2289
	LANSING PUBLIC SCHOOL DI	mid-size	6,381	24,550	25.9919
	KALAMAZOO CITY SCHOOL DI	mid-size	4,620	15,243	30.309
	BATTLE CREEK PUBLIC SCHO	mid-size	3,478	9,300	37.3978
	HAMTRAMCK	fringe	1,353	2,867	47.1

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
Minnesota	HIGHLAND PARK	fringe	2,298	4,053	56.6
	MINNEAPOLIS SPECIAL SCH	large	17,828	49,017	36.3711
	SAINT PAUL SCH DIST	large	11,780	43,775	26.9103
	DULUTH SCH DIST	mid-size	2,598	15,718	16.5288
Mississippi	JACKSON PUBLIC SCHOOL DI	mid-size	12,103	38,811	31.1845
	GREENVILLE PUBLIC SCHOOL	large town	4,545	10,642	42.7081
Missouri	ST LOUIS CITY SCHOOL DIS	large	28,205	68,448	41.2065
	KANSAS CITY SCH DIST 33	large	17,327	42,058	41.1979
	SCHOOL DIST OF ST JOSEPH	mid-size	3,047	14,144	21.5427
	SPRINGFIELD R XII	mid-size	4,934	25,915	19.0392
	INDEPENDENCE SCH D NO 30		2,252	11,939	18.8626
	COLUMBIA SCH DIST 93		2,249	13,950	16.1219
Montana	BILLINGS ELEM # 2	mid-size	1,947	16,066	12.1188
	GREAT FALLS EL # 1	mid-size	1,723	13,177	13.0758
	MISSOULA ELEM # 1	large town	1,526	9,182	16.6195
Nebraska	OMAHA PUBLIC SCHOOLS	large	10,306	52,771	19.5297
	LINCOLN PUBLIC SCHOOLS	mid-size	2,803	31,572	8.8781
Nevada	CLARK COUNTY SCH DIST	large	23,220	124,439	18.6597
	WASHOE COUNTY	mid-size	4,951	39,478	12.5411622
New Hampshire	MANCHESTER SCH DIST	mid-size	2,165	15,122	14.3169
	NASHUA SCH DIST	mid-size	1,449	12,819	11.3035
New Jersey	NEWARK CITY	large	24,446	56,935	42.9367
	JERSEY CITY	mid-size	13,124	39,141	33.5301
	TRENTON CITY	mid-size	4,881	15,957	30.5885
	CAMDEN CITY	mid-size	12,359	21,757	56.8047
	ATLANTIC CITY	mid-size	2,968	5,779	51.3584
	EAST ORANGE	fringe	3,868	13,186	29.3341
	PASSAIC CITY	fringe	3,192	10,840	29.4465
	PATERSON CITY	fringe	9,247	28,668	32.2555
	ELIZABETH CITY	fringe	5,408	18,877	28.6486
New Mexico	ALBUQUERQUE PUBLIC SCHOO	large	20,782	96,131	21.6184
	LAS CRUCES PUBLIC SCHOOL	small town	6,518	19,600	33.2551
	GALLUP-MCKINLEY COUNTY P	small town	7,633	13,870	55.0324
New York	KINGS	large	183,991	434,427	42.3526
	BRONX	large	107,126	233,963	45.7876
	NEW YORK	large	69,581	181,278	38.3836
	QUEENS	large	54,854	298,631	18.3685
	BUFFALO CITY SCHOOLS	large	22,623	54,041	41.8627
	ROCHESTER CITY SCHOOLS	mid-size	15,740	38,428	40.9597
	ALBANY CITY SCHOOLS	mid-size	3,521	12,200	28.8607
	SYRACUSE CITY SCHOOLS	mid-size	8,334	24,532	33.972

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
	UTICA CITY SCHOOLS	mid-size	3,870	10,865	35.619
	YONKERS CITY SCHOOLS	fringe	6,282	27,571	22.7848
	HEMPSTED	fringe	1,953	6,496	30.06
	PEEKSKILL	fringe	656	2,800	23.43
	WHITE PLAINS		537	6,114	8.7831
North Carolina					
	MECKLENBURG COUNTY	large	13,744	85,426	16.0888
	CUMBERLAND COUNTY	mid-size	10,030	46,617	21.5158
	NEW HANOVER COUNTY		3,977	19,880	20.005
	ROBESON COUNTY	rural	7,199	23,963	30.0421
	FORSYTH COUNTY		6,682	42,523	15.7138
	PITT COUNTY	mid-size city fringe	4,914	18,508	26.5507
	GASTON COUNTY		4,679	32,187	14.5369
	WAKE COUNTY		7,453	67,675	11.0129
	GREENSBORO CITY		3,652	20,851	17.5147
North Dakota					
	MINOT 1	large town	1,256	8,381	14.9863
	BISMARCK 1	mid-size	1,127	11,589	9.7247
	FARGO 1	mid-size	1,114	11,408	9.7651
Ohio					
	CLEVELAND CITY SD	large	47,631	93,049	51.1892
	COLUMBUS CITY SD	large	24,550	75,451	32.5377
	CINCINNATI CITY SD	large	23,803	66,023	36.0526
	TOLEDO CITY SD	mid-size	15,849	50,884	31.1473
	DAYTON CITY SD	mid-size	13,392	33,664	39.7814
	AKRON CITY SD	mid-size	12,665	37,507	33.767
	YOUNGSTOWN CITY SD	mid-size	8,117	18,576	43.6962
	CANTON CITY SD	mid-size	4,831	13,598	35.5273
Oklahoma					
	OKLAHOMA CITY SCH DIST	large	15,270	46,268	33.0034
	TULSA CITY SCH DIST	large	14,399	48,655	29.5941
Oregon					
	PORTLAND SCH DIST IJ	large	11,659	59,573	19.5709
	SALEM/KEIZER SCH DIST 24	mid-size	4,766	31,005	15.3717
	EUGENE SCH DIST 04J	mid-size	2,234	19,871	11.2425
	SPRINGFIELD SCH DIST 019		2,135	11,145	19.1566
	BEAVERTON SCH DIST 48J		1,976	28,126	7.0255
Pennsylvania					
	PHILADELPHIA CITY S D	large	92,964	263,609	35.2659
	PITTSBURGH S D	large	17,307	51,450	33.6385
	READING S D	mid-size	5,411	13,494	40.0993
	ERIE CITY S D	mid-size	5,394	18,892	28.5518
	HARRISBURG CITY S D	mid-size	4,394	9,340	47.045
	LANCASTER S D	mid-size	3,938	11,783	33.421
	ALLENTOWN CITY S D	mid-size	3,558	15,407	23.0934
	SCRANTON CITY S D	mid-size	2,998	12,230	24.5135
Rhode Island					
	PROVIDENCE SCH DIST	mid-size	11,152	25,925	43.0164
	CENTRAL FALLS SCH DIST	mid-size city fringe	1,252	3,237	38.6777881
	WOONSOCKET SCH DIST	mid-size	1,729	7,328	23.5944323
South Carolina					

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
South Dakota	CHARLESTON COUNTY SCH DI	mid-size	13,392	50,256	26.6476
	RICHLAND SCHOOL DISTRICT	mid-size	8,333	32,105	25.9555
	GREENVILLE COUNTY SCH DI	mid-size city fringe	7,243	58,766	12.3252
South Dakota	RAPID CITY 51-4	mid-size	2,579	14,376	17.9396
	SIOUX FALLS 49-5	mid-size	1,902	18,191	10.4557
Tennessee	MEMPHIS CITY SCH DIST	large	42,048	114,506	36.7212
	NASHVILLE-DAVIDSON CO SC	large	18,331	80,904	22.6577
	CHATTANOOGA CITY SCH DIS	mid-size	7,625	25,114	30.3616
	KNOX CO SCH DIST	mid-size	9,709	53,954	17.995
Texas	HOUSTON ISD	large	80,864	199,288	40.5765
	DALLAS ISD	large	56,002	145,530	38.4814
	EL PASO ISD	mid-size	27,742	64,651	42.9104
	FORT WORTH ISD	mid-size	23,417	74,177	31.5691
	YSLETA ISD	mid-size	17,497	50,656	34.5408
	AUSTIN ISD	mid-size	15,853	68,042	23.2988
	CORPUS CHRISTI ISD	mid-size	13,131	43,800	29.9795
	SAN ANTONIO ISD	large	32,030	63,937	50.0962
	BROWNSVILLE ISD	mid-size	20,505	34,999	58.5874
Utah	OGDEN CITY SCH DIST	mid-size	2,913	12,617	23.0878973
	SAN JUAN CO SCH DIST	rural	1,273	3,910	32.5575448
	SOUTH SANPETE CO SCH DIS	rural	556	2,637	21.0845658
	GRANITE SCH DIST	mid-size	8,473	79,593	10.6454
	SALT LAKE CITY SCH DIST	mid-size	4,685	26,760	17.5075
Vermont	BURLINGTON SCH DIST	mid-size	807	4,191	19.2555
	RUTLAND CITY SCH DIST	large town	502	2,612	19.219
	BENNINGTON ID SCH DIST	large town	461	2,736	16.8494
Virginia	NORFOLK CTY P S	large	12,097	38,520	31.4045
	RICHMOND CTY P S	mid-size	10,858	28,394	38.2405
	FAIRFAX CO P S	fringe	8,642	142,109	6.0812
Washington	SEATTLE	large	10,873	55,421	19.6189
	TACOMA	mid-size	7,990	32,937	24.2584
	SPOKANE	mid-size	6,859	32,474	21.1215
West Virginia	RALEIGH COUNTY SCH DIST	rural	4,102	15,842	25.8932
	CABELL COUNTY SCH DIST	mid-size	3,884	15,956	24.3419
	KANAWHA COUNTY SCH DIST	mid-size city fringe	8,050	36,116	22.2893
Wisconsin	MILWAUKEE SCH DIST	large	46,505	118,280	39.3177
	RACINE SCH DIST	mid-size	4,575	26,313	17.3868
	MADISON METROPOLITAN SCH	mid-size	3,815	25,816	14.7777
	KENOSHA SCH DIST	mid-size	3,381	18,690	18.0899
	GREEN BAY AREA SCH DIST	mid-size	3,173	21,787	14.5637
Wyoming	NATRONA CO SCH DIST NO 0	mid-size	1,928	13,299	14.4973

Poverty Percentages and Census Coding for Selected Districts

State	District	Census Code	Kids in Poverty	Total Kids	Percentage in Poverty
	LARAMIE CO SCH DIST NO 0	mid-size	1,688	13,413	12.5848

EDUCATION OPPORTUNITY ZONES

Eligibility Issues -- January 9, 1998

Assumptions: Want to wind up with districts that will exemplify the sorts of real challenges faced by many urban and rural districts. Should try to keep number of applications to a manageable level. Use census poverty, rather than free and reduced price lunches, because of availability for all districts. Assume that legislative process is more likely to expand, rather than shrink, the range of eligible districts, no matter what we propose.

95
Census
data

I. Current Proposal (from Corwin, would make eligible LEAs that:

- Are high-need:
 - At least 20% of students from low-income families; or
 - There are at least 10,000 poor children.
- And are urban or rural:
 - Large or mid-sized central city
 - Urban Fringe of a large city
 - Small town or rural area

II. Options to Further Limit Eligibility

- Increase poverty threshold for all districts to 25%
- Increase poverty threshold for all districts to 30%
- Increase poverty threshold for rural districts to 30%
- Remove "urban fringe" category

III. Options to Broaden Eligibility

- Make 3 districts (in each state) with largest numbers of poor kids eligible
- Make 3 districts with largest numbers of kids in both urban and rural categories eligible

IV. Non-LEA Jurisdictions (HI, PR, DC)

- Sub-SEA divisions

V. Very Large Jurisdictions (NYC, Chicago, etc.)

- NYC: Should the whole district be eligible to apply on behalf of a portion of its community districts? Or should community districts be eligible?
- ~~How to address size problem in other cities.~~

Comm. districts

VI. Native Americans

- Tribal Schools
- How to capture other schools with large numbers of Native American students?

Number of Eligible Districts at Various Eligibility Levels

	# of Districts Eligible at 20%	# of Districts Eligible at 25%	# of Districts Eligible at 30%
ALABAMA	67	35	28
ALASKA	16	13	10
ARIZONA	110	85	69
ARKANSAS	190	120	74
CALIFORNIA	226	137	105
COLORADO	64	42	27
CONNECTICUT	7	7	5
DELAWARE	5	1	1
FLORIDA	43	21	13
GEORGIA	117	86	59
HAWAII	1	1	1
IDAHO	26	6	4
ILLINOIS	87	35	23
INDIANA	24	7	4
IOWA	29	3	2
KANSAS	59	21	6
KENTUCKY	115	85	63
LOUISIANA	52	14	37
MAINE	56	26	17
MARYLAND	4	2	2
MASSACHUSETTS	24	11	10
MICHIGAN	147	83	48
MINNESOTA	64	22	26
MISSISSIPPI	119	103	79
MISSOURI	232	156	97
MONTANA	98	70	52
NEBRASKA	111	77	59
NEVADA	3	1	1
NEW HAMPSHIRE	14	6	4
NEW JERSEY	39	24	21
NEW MEXICO	71	57	46
NEW YORK	98	37	21
NORTH CAROLINA	48	23	15
NORTH DAKOTA	76	48	34
OHIO	102	57	39
OKLAHOMA	297	205	140
OREGON	53	21	14
PENNSYLVANIA	102	41	26
RHODE ISLAND	3	2	2
SOUTH CAROLINA	51	35	27
SOUTH DAKOTA	72	42	33
TENNESSEE	82	36	26
TEXAS	576	409	286
UTAH	3	1	1
VERMONT	32	16	9
VIRGINIA	43	23	8
WASHINGTON	100	66	47
WEST VIRGINIA	41	28	14
WISCONSIN	47	20	8
WYOMING	11	6	4
DISTRICT OF COLUMBIA	1	1	1
PUERTO RICO	1	1	1
Total	4059	2475	1749

Note: All columns include districts with more than 10,000 poor children

To: Bill Kincaid
From: Jim Butler
Subject: EOZ Eligibility

At the 20 percent or 10,000 poor children level, approximately 3,742 districts would be eligible, or about 25% of regular LEAs. Over 99 percent qualify based on 20 percent of children being from households above the poverty level. These districts serve about 15.3 million children, about one-third of all children nationally. Approximately 4.8 million of the children served by these districts come from households living below the poverty level, or about 51 percent of all poor children nationally.

If the large urban fringe districts are included, 268 additional districts gain eligibility. These additional districts would result in 4,010 districts, 27% of all regular LEAs, being eligible for grants. These "fringe" districts serve an additional 1.9 million children, of whom over 476,000 are poor. Poverty levels in these urban fringe districts are not as high as in the large or mid-size urban centers. The large and mid-size urban centers have a poverty rate of about 31.5 percent while the poverty rate in the urban fringe districts is about 25 percent.

There are 3,364 rural districts with over 20 percent living above the poverty level. These districts serve approximately 4.9 million children, of whom about 1.5 million live below the poverty level. If the qualifying percentage for rural is raised to 30 percent, 1,428 rural districts would be eligible. The districts that would lose eligibility serve 2.1 million children, and over 822,000 of these children live below the poverty level. The reduction would have a large impact on the Midwestern states. For example, none of the rural districts in Indiana would retain eligibility, although 5 mid-size cities would be eligible. Iowa would go from 29 eligible districts to 2, and Iowa has no qualifying urban districts. Additionally, Idaho would go from 29 districts to 4. In Texas, currently 501 rural districts are eligible. An increase to a poverty level of 30 percent would eliminate 267 districts, leaving 234 rural districts within the state eligible. In Mississippi 114 rural districts are eligible (plus 5 mid-size cities), at the higher poverty level 77 would remain eligible.

EDUCATION OPPORTUNITY ZONES

Agenda -- January 9, 1998

I. Eligibility Issues (see attached)

II. Flexibility Options

III. Update on Legislative/Outreach Strategy

A. Discussions with Obey/staff

B. Great City Schools et al

C. Planning for meeting with Hill and Groups

IV. Materials Needed for Roll-out

Number of Eligible Districts at Various Eligibility Levels

	# of Districts Eligible at 20%	# of Districts Eligible at 25%	# of Districts Eligible at 30%
ALABAMA	67	35	28
ALASKA	16	13	10
ARIZONA	110	85	69
ARKANSAS	190	120	74
CALIFORNIA	226	137	105
COLORADO	64	42	27
CONNECTICUT	7	7	5
DELAWARE	5	1	1
FLORIDA	43	21	13
GEORGIA	117	86	59
HAWAII	1	1	1
IDAHO	26	6	4
ILLINOIS	87	35	23
INDIANA	24	7	4
IOWA	29	3	2
KANSAS	59	21	6
KENTUCKY	115	85	63
LOUISIANA	52	14	37
MAINE	56	26	17
MARYLAND	4	2	2
MASSACHUSETTS	24	11	10
MICHIGAN	147	83	48
MINNESOTA	64	22	26
MISSISSIPPI	119	103	79
MISSOURI	232	156	97
MONTANA	98	70	52
NEBRASKA	111	77	59
NEVADA	3	1	1
NEW.HAMPSHIRE	14	6	4
NEW.JERSEY	39	24	21
NEW.MEXICO	71	57	46
NEW.YORK	98	37	21
NORTH.CAROLINA	48	23	15
NORTH.DAKOTA	76	48	34
OHIO	102	57	39
OKLAHOMA	297	205	140
OREGON	53	21	14
PENNSYLVANIA	102	41	26
RHODE.ISLAND	3	2	2
SOUTH.CAROLINA	51	35	27
SOUTH.DAKOTA	72	42	33
TENNESSEE	82	36	26
TEXAS	576	409	286
UTAH	3	1	1
VERMONT	32	16	9
VIRGINIA	43	23	8
WASHINGTON	100	66	47
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WISCONSIN	47	20	8
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DISTRICT.OF.COLUMBIA	1	1	1
PUERTO RICO	1	1	1
Total	4059	2475	1749

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EDUCATION OPPORTUNITY ZONES

December 15, 1997 Meeting

I. Budget Scenario ✓

II. Relation to Obey-Porter ✓

III. Legislative Authority ✓

IV. Flexibility ✓

V. Next Steps on Eligibility

Education Opportunity Zones -- Budget Options -- ROUGH DRAFT 12/12/97

*Funding Path: 70/100/85/60/40

			FY 1999	FY 2000	FY 2001	FY 2002	FY 2003	Total
Round 1	Number	Average						
Urban	15	17.5	183.75	262.5	223.125	157.5	105	931.875
Rural	15	3	31.5	45	38.25	27	18	159.75
Total	30	20.5	215.25	307.5	261.375	184.5	123	1091.625
Round 2								
Urban	8				183.75	262.5	223.125	669.375
Rural	8				31.5	45	38.25	114.75
Total	16				215.25	307.5	261.375	784.125
Combined	46		215.25	307.5	476.625	492	384.375	1875.75
National Activities			10	10	10	10	10	50
Grand Total			225.25	317.5	486.625	502	394.375	1925.75

*NOTE: This scenario presumes that grantees receive the maximum one-year amount of funds (100%) in year 2 of the grant. The year 1 amount would be smaller (70% of the maximum) to allow for phase-in. In years 3, 4, and 5 the size of the grant gradually declines (to 85%, 60%, and 40% of the maximum) as we assume districts will ultimately sustain reform activities with other federal, state and local funds.

① Recalculate Round 2
② reduce Round spending

DIFFERENCES BETWEEN OBEY AND EOZs
DRAFT 12/14/97

Obey-Porter

Improving individual schools

Implement research-based, comprehensive models in schools

Open to all schools, with a focus on Title I

Hold schools accountable

Small grants (at least \$50k/school)
-- \$145 mill to many schools and LEAs

Grants scattered to many schools

Grant policy rests with state
--formula grant to state, competitive to district

Standards are referenced in report language, but standards are not necessarily explicitly built into comprehensive reform models

Models not necessarily systemic

New authority to do schoolwide programs

Education Zones

Improving whole districts

Build district support systems to
Improve all schools:

1. Hold schools accountable
 - intervene when necessary
 - provide TA
2. Hold school staff accountable
 - rewards and interventions
3. Hold students accountable
 - end social promotion
 - provide extended opportunities for students to reach standards
4. Build systems of public choice

Targeted to high poverty districts with a track record of reform

Hold districts & schools accountable
-- reward for improvements (extend grant after 3 years)

Large grants
-- ~~\$300~~ million to 20-30 LEAs
205

Grants concentrated to 20-30 LEAs

Grant policy rests with ED
-- competitive to districts from ED

Explicit focus on high standards
-- central part of reforms and accountability

Systemic interventions are required

More aggressive and bold approach to district-level interventions than seen in our previous legislative authorities

DRAFT TALKING POINTS

12/14/97

We must demonstrate that high poverty urban and rural school districts can successfully operate public school systems in which all students reach high academic standards.

The Education Opportunity Zone (EOZ) initiative will provide targeted, intensive interventions to turn around entire districts. It is focused on high poverty urban and rural communities that have demonstrated their commitment to turning around their schools. The EOZ initiative aims to show that a focus on high standards and sustained interventions at the district level can turn around schools throughout a high poverty school district.

The Obey-Porter program focuses on school-by-school improvement efforts. But research and experience shows that educational improvements at the school building level is only a first step toward comprehensive reform. Such efforts ultimately need to address district-wide barriers to school improvement. The EOZs will receive larger grants to address the district level barriers to comprehensive reform. EOZ funds will be used to:

- build school level accountability systems -- including interventions to turn around low performing schools;
- support teachers and principals through ongoing professional development, rewards for those who are outstanding, and intervention strategies for low performers such as counseling out those who do not improve;
- develop student supports and accountability for learning, including extended learning opportunities for those who do not reach standards; and
- create systems of expanded public school choice.

additional
comments

from Judith Johnson

District Expenditure Each Year Under Zone

DRAFT

ASSUMPTIONS

- Each year when contracts expire, new negotiations will reflect reform principles.
- All new funds will focus on both adding new programs and scaling-up to full-capacity throughout the entire system.
- The district will leverage all fiscal resources (federal, state, local).
- This city also receives Title I, Goals 2000, STW, IDEA, and possibly other federal funds. The student body includes a substantial percentage (over 50%) of children from low income families.
- The disaggregated test scores are beginning to inch upward, yet when disaggregated for race and gender, reveal student performance is uneven.
- The restructuring efforts in this design requiring discard obsolete practices and replacing them with more promising ones.
- Since the cost of each design element will vary according to the region and market capacity, **this outline is presented in percentages of the whole**, instead of actual dollar amounts.

SOME BASIC PRINCIPLES

- Focus is on supporting schools in need of improvement.
- Failing schools are identified and fixed (or closed)
- Accountability measures drive the reform effort
- The capacity of parents and others to support the academic development of learners is strengthened.
- Separating or reducing the gap of academic achievement from the social divisions to which learners are assigned, including class, ethnicity, gender, and language proficiency, is an essential goal.

CONDITIONS

- Funds cannot supplant; must demonstrate how leveraging new funds improve chances for student success.
- District staff - have completed a thoughtful analysis of use of existing funds.

QUESTIONS / For developing formulas?

- What factors shall we use to determine the ratio of award money to district size?
- What characteristics are essential ingredients, either as local initiatives, or proposed?
- what base should we use to get to value added?

This percentage allocation could be translated into a value added figure above existing expenditure for each category

	YEAR 1 75%	YEAR 2 100%	YEAR 3 85-90%	YEAR 4 50-60 %	YEAR 5 50-60 %
--	---------------	----------------	------------------	-------------------	-------------------

STAFFING

New	10*	20	15		Local Funds
Extended day		15	15		Local Funds
Bonuses	--	--	--	30	30
Tutors (teacher's hourly)	10	15	15		

INSTRUCTIONAL RESOURCES

Texts	--				(Other federal or local funds or Technology Challenge grant.)
Software	--				
Misc.	--				

CURRICULUM DEVELOPMENT

Products	15	15	10		
Training					

* All these numbers represent percent.

	YEAR 1 75%	YEAR 2 100%	YEAR 3 85-90%	YEAR 4 50-60 %	YEAR 5 50-60 %
<u>PROFESSIONAL DEVELOPMENT</u>					
Design team training	20		5 (new teams)		
→ On-site coaching	--	?	(other funds)		
Substitute coverage		5			
? Stipends	15	15	15	15	15

NEW ASSESSMENTS

(Accountability)

New Tests (Title I)

Scoring (Title I)

Analysis (Title I)

Disaggregation

Public Reporting

YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEARS
75%	100%	85-90%	50-60 %	50 -60%

INSTRUCTIONAL
ORGANIZATION
MODELS

Extended Day --

Extended Week Salary implications

Extended Year

Multi-group

Pattern

EVALUATION

5	5	5	5	5
---	---	---	---	---

Consultants

Studies

Collaboration

FACILITIES

?

TRANSPORTATION

(Choice)

--	10	10	10	10
----	----	----	----	----

Handwritten: *Handwritten*

Education Opportunity Zones Meeting -- Issues to Cover

Relationship with Obey-Porter

Funding Patterns/Incentives for Performance ✓

Eligibility

Authority

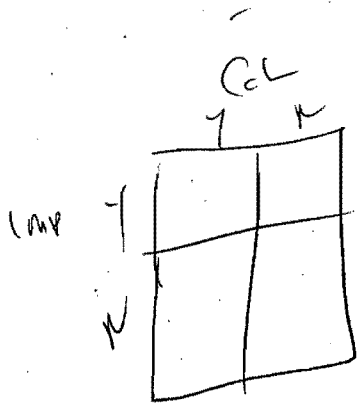
Flexibility

① Budget

② TKJ 16

③ New Right w

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Obey/Porter
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Zones

Obey/Porter
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Education Opportunity Zones Meeting -- Possible Issues to Cover

- Relationship of EOZ's with Obey-Porter funds?
- How to build in incentives for performance?
- Funding options currently on the table
 - Option 1: (1 round) 15-15
 - Option 2: (2 rounds) 10-10, 10-10

~~• Discuss thinking on replication grants~~

- Options for providing expanded flexibility to EOZ's?
- Ability to use existing legislative authority?
- Outreach strategy (if time)

• Elyah

Joan ahead sample
order

T. Corwin
12/11/97

Eligibility of LEAs for Education Opportunity Zones Program

1. A couple weeks ago, people made a tentative decision to use, for the Opportunities Zones program, the same eligibility criteria that the Administration has proposed for the HEA Title V "Recruiting New Teachers for Underserved Areas" program.

Under that proposal, "underserved areas" are defined as LEAs that:

- Serve an area in which at least 20 percent of the school-aged children are from low-income families or in which there are at least 10,000 such children; or
- Are among the three LEAs serving the highest numbers of children from low-income families in the State.

These criteria seem to do a good job at limiting eligibility to LEAs with significant concentrations of poor children (a decision we reached, for Title V, after looking at which districts would and wouldn't qualify, under these criteria versus some competing ones). In all, an estimated 4,272 LEAs, or 28 percent of "regular" (non-special ed or other special purpose) LEAs would qualify.¹ They serve about 17.7 million children, including 5.5 million poor children (slightly over 59 percent of poor children nationally).

Virtually all (99.5 percent) of the eligible districts would qualify under the 20 percent criterion, a level that seemed to do the best job of differentiating the poor from the non-poor districts. Allowing LEAs with 10,000 poor kids but not 20 percent poverty to participate also seemed like a good idea because a group of large but not so poor cities, which we thought ought to be eligible, only qualified on that basis.² Finally, late in the process we added the additional criterion, making eligible the three LEAs serving the highest numbers of poor kids, because, without this provision: (1) In Nevada, only one LEA would be eligible, and in a few other States there weren't very many (although, as I recall, they at least had 3), and (2) the largest cities in a

¹A word here about the data used in this analysis: the Department does not actually have current data on numbers and percentages of poor kids by LEA. We do have data of that nature from the 1990 Census, and we have updated, 1995 data by county (but not LEA). The data set I am drawing from was constructed on the assumption that the relative distribution of poor kids within counties stayed constant between 1990 and 1995. In my analysis for the Title V deliberations I referred to this as a "synthetic" data base. Since, then, however, I have learned that the Census Bureau is using the same type of methodology to produce Congressionally mandated updates of LEA child poverty data, so I am much more comfortable in using it here.

² Examples: San Francisco, Seattle, Portland (OR), Charlotte-Mecklenburg, Clark County (Las Vegas).

few States -- Iowa, Utah, Montana, a few others -- would have been cut out, and for political and maybe other reasons it seemed like a good idea to keep them in. In doing so, we added in, without thinking about it, at least a couple large, low-poverty suburban LEAs³, which we may not want to do in the Opportunity Zones program.

2. I suggested narrowing the range of eligibles to LEAs that: (1) met the poverty criteria; and (2) serve either urban (city) or rural communities.

This seemed to make sense, because we are framing the proposal as an urban-rural initiative. In addition, we can anticipate receiving many applications but making only a small number of awards, so it would save effort (for both potential applicants and the Department) to limit the universe of eligibles up front.

The NCES "Common Core of Data" codes school districts into the following categories:

- (1) Large central city (central city of a metropolitan statistical area (MSA) with a population of 400,000 or more or a population density of 6,000 persons per square mile)
- (2) Mid-size central city (central city of an MSA, but not a city under category 1)
3. Urban fringe of a large city (place within the MSA of a large central city, but not the large central city itself)
4. Urban fringe of a mid-size city (place within the MSA of a mid-size city, but not the mid-size central city itself)
5. Large town (place not within an MSA, but with a population of at least 25,000 and defined as "urban")
- (6) Small town (place not within an MSA, but with a population of 2,500-25,000)
- (7) Rural (place with a population of less than 2,500)
8. Unknown (districts that NCES can't classify, including 273 that meet the poverty criteria)

I believe that these codings reflect official OMB/Census categories.

As a first cut, we had NCES do a run assuming that we would allow the participation only of LEAs that fall into categories 1, 2, 6, and 7. Categories 3 and 4 seemed to define suburbia, and category 5 seemed to define nonmetropolitan communities too large to be considered rural.

³ Fairfax County, VA (6.1 percent poverty), Baltimore County, MD (9.2 percent).

Obviously, these assumptions are open to debate. (See below.)

3. Results and Analysis

Leaving aside the issue of whether and how to include the three LEAs in the State with the largest numbers of poor children (which I'll get to a little later), the criteria set forth above would limit eligibility to about 3,742 LEAs, or 25 percent of regular LEAs nationally. This group of districts serves 15.3 million children, 4.8 million of them poor (or 51 percent of poor children in the Nation).

The vast majority (90 percent) of these districts are rural, and they particularly show up in poorer States that have many small districts. For example, 62 out of 127 districts in Alabama would qualify, and 56 of those districts are in categories 6 and 7. For Texas, 539 out of 1,043 districts would be eligible, and 501 of them are rural.

In the more urbanized, particularly northeastern States, by comparison, the eligible districts would be heavily urban. In Connecticut only 6 LEAs, all in category 2, would qualify. Similarly, 7 of the 8 eligible New Jersey districts fall into the urban categories.

Going with this option would, in addition to focusing the program more specifically on urban and rural areas, decrease the total number of eligible districts by about one-eighth while still focusing the program on districts with concentrations of poor children. The districts identified as eligible seem to be reasonably appropriate for the type of program we are developing. There would be quite a number of LEAs, particularly on the rural side, potentially competing for a small number of grants, but that may be avoidable. (See discussion below.)

4. Additional Issues and Options

A number of districts that probably should be eligible are in category 3 and thus didn't make the original cut. Category 3 includes 286 LEAs (with 1.5 million poor children), including a number of very urbanized ones. Some of them include:

California -- Compton, Fontana, Inglewood, Lynwood, Richmond

Florida -- Broward County

Georgia -- DeKalb County, Marietta

Kentucky -- Covington, Newport

Maryland -- Prince Georges County

Massachusetts -- Revere, Salem, Somerville

Michigan -- Hamtramck, Highland Park, Ypsilanti

New Jersey -- Burlington, East Orange, Elizabeth, Hoboken, Irvington, New Brunswick,
Passaic, Paterson

New York -- Hempstead, Peekskill, Yonkers

Most of these are poor, urbanized places that, I guess, don't get counted in categories 1 or 2 because they are not the central cities in their MSAs. The remainder are urbanized but primarily suburban places like Broward, DeKalb, and Prince Georges counties. (Most suburban districts are not included because they don't have the poverty levels.) Taken as a whole, they have an average poverty rate of about 25 percent, compared to 31.5 percent for the eligible districts in categories 1, 2, 6, and 7.

Because I don't see a reason why we would allow Newark, Jersey City, and Camden to participate but not Paterson and Elizabeth, or Poughkeepsie and Newburgh but not Yonkers, I guess my recommendation is to make the category 3 districts, eligible, although it would expand the pool of eligibles even further and I am a little uneasy about inclusion of the suburban districts.

If we think there will be too many districts eligible (resulting in too many disappointed applicants, too much work for the Department, etc.), we might increase the poverty threshold for the rural districts. Raising the threshold from 20 percent to 30 percent would reduce the number of eligible rural LEAs from 3,364 to 1,428. But this change would have a major impact on the Midwestern States. All of the 11 formerly eligible rural Indiana districts would fall out. Only 2 districts in Iowa, instead of 29, would be eligible. I wouldn't recommend this one.

What about the issue of whether to make the 3 districts with the largest numbers of poor kids eligible? (These could be defined as either the three largest that fall within the geographic categories or the three largest period.) To me, the main issue is whether we care that, in some States (Delaware, Idaho, Iowa, Montana, New Hampshire, the Dakotas, Vermont, Wyoming), only rural LEAs will be able to compete for the program. I don't care, because I don't think we have envisioned the program as dealing with the needs of places like Cheyenne or Billings, which are of a very different magnitude from those of Detroit and Philadelphia. Those States will still be able to compete for rural grants; admittedly, we are expecting to put less money into the rural portion of the program, but these are not populous States and we shouldn't expect them to get a large portion of the money. In a few other States, only a few (or even only one) urban LEA would qualify, but these are States like Maine or Nevada that have only a few urbanized places. In addition, not going with the big three cuts out Fairfax County and a few similar places, which we know are not the intended target. In sum, I wouldn't include this factor this time around.

Finally, at some point, we will have to decide what to do about ^{Hawaii} ~~Maine~~ and Puerto Rico, which don't have urban or rural LEAs because they don't have any LEAs. I don't think that we are aiming to fix SEAs, so I can't see giving grants to the Statewide systems for those two places. There may be sub-State administrative units for Honolulu or San Juan, or the rural areas, that have the same types of problems as the city and rural LEAs we want to reach, but I haven't heard about them. On the other hand, I think we can simply clarify, in our regulatory definition (or however we will codify the eligibility rules) that DC is an urban LEA.

cc:

Subject: Urban/rural

There are a lot of interesting and good ideas in this proposal -- it's a promising structure and I particularly like the ideas on programmatic links and involving the district. In general, I think the best outcome would be for districts to be able to plan how they would use these two pots of money in conjunction with each other, as well as with existing funds -- all pointed toward the ultimate goal of district-wide achievement gains. Here are a couple of comments, plus a few ideas to augment your proposal:

Section 1

- o In point 1 (the description of the leaked version of the proposal) Cohen has accepted and incorporated some of our ideas on rewarding performance. Specifically, districts would only be eligible for the Economic Opportunity Zone (EOZ) grants if they show improvements in student achievement in at least some schools, or possibly show they have changed district-wide behavior in a way that holds real promise of improving achievement (we told him you would only like the first half of his formulation). You may want to change your description to reflect this by changing the sentence slightly to read something like: "Stick with the leaked notion...urban and rural, once the district shows its commitment to process (the tough reforms) and accountability (real improvement in student achievement) in its schools with the biggest problems."

- o On the Part A grants -- could these be expanded to include other districts that want to implement Obey-style reforms? That way, if States don't award Obey grants to all the districts that we hope would be eligible, they wouldn't be locked out of the EOZ grants.

- o A clarifying question on the Part A and B reward grants --- do you expect these to go to both Title I and non-Title I schools, since the Obey money goes to both? I think the grants should only be for Title I schools, and ideally for Title I schools that are failing and are therefore in school improvement (or districts with schools in school improvement).

- o In the last paragraph on the first page, you mention that we think 1,000 is a wasteful diffusion of effort -- actually, Obey expects his grants to go to about 3,000 schools (even worse than you thought, huh?).

Section 2

- o Under Programmatic links, I'm not sure why you need condition C, since both A and C have to do with showing promise of raising student achievement -- although A also focuses on schools that start off with low achievement. Instead of C, I would propose adding a condition along the following lines: C) Districts where the Obey school-based plans fit into a broader district reform plan, in particular a districts plan for fixing failing schools

Here are some other possible programmatic links:

- o Link the guidance with a description of the EOZ proposal. Release the Obey guidance and a thorough description of the EOZs at the same time. While the Obey guidance is about an extant program and the EOZ is still a twinkle in Mike Cohen's eye, releasing them together may help districts plan to use the money together.

- o Link the plans. Districts should be allowed to submit the same plan for the EOZs next year as they submit for the Obey plan this year. That way districts would be encouraged to think about the two together. Another link that could be made is to the consolidated State and local plans. To

apply for Obey, States, and districts could simply amend their consolidated plans (48 of 50 States submit consolidated plans and these have been peer reviewed, so they are not too bad -- I don't know how many LEAs submit consolidated plans to States)

Section 3

o under "Relating to current major programs", I'm not sure what you mean in saying "This is accomplished by benchmarking the achievement measure since 1994" Does this mean, it's accomplished by rewarding achievement gains?

Section 4

o I like the "extra credit" for district-level commitment -- as suggested above, you may want to add something on this to Section 2 on priority conditions for State competitions.

o In the second paragraph in this section, do you mean that districts would simply need to show gains in Obey schools, or in other schools as well? (I would support the latter)

Section 5

o On money and phasing, as Mike described the current DPC proposal at yesterday's meeting, he would like to reward performance by making the last two years of a possible 5-year grant contingent upon improvements in student achievement. His argument is that it takes a while for gains to occur -- but, I've seen schools make a lot of progress in two years. As a compromise between the two positions, you could award the reward money beginning in 2001.

cc:

Subject: Urban/rural

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Section 1

o In point 1 (the description of the leaked version of the proposal) Cohen has accepted and incorporated some of our ideas on rewarding performance. Specifically, districts would only be eligible for the Economic Opportunity Zone (EOZ) grants if they show improvements in student achievement in at least some schools, or possibly show they have changed district-wide behavior in a way that holds real promise of improving achievement (we told him you would only like the first half of his formulation). You may want to change your description to reflect this by changing the sentence slightly to read something like: "Stick with the leaked notion...urban and rural, once the district shows its commitment to process (the tough reforms) and accountability (real improvement in student achievement) in its schools with the biggest problems."

o On the Part A grants -- could these be expanded to include other districts that want to implement Obey-style reforms? That way, if States don't award Obey grants to all the districts that we hope would be eligible, they wouldn't be locked out of the EOZ grants.

o A clarifying question on the Part A and B reward grants --- do you expect these to go to both Title I and non-Title I schools, since the Obey money goes to both? I think the grants should only be for Title I schools, and ideally for Title I schools that are failing and are therefore in school improvement (or districts with schools in school improvement).

o In the last paragraph on the first page, you mention that we think 1,000 is a wasteful diffusion of effort -- actually, Obey expects his grants to go to about 3,000 schools (even worse than you thought, huh?).

Section 2

o Under Programmatic links, I'm not sure why you need condition C, since both A and C have to do with showing promise of raising student achievement -- although A also focuses on schools that start off with low achievement. Instead of C, I would propose adding a condition along the following lines: C) Districts where the Obey school-based plans fit into a broader district reform plan, in particular a districts plan for fixing failing schools

Here are some other possible programmatic links:

o Link the guidance with a description of the EOZ proposal. Release the Obey guidance and a thorough description of the EOZs at the same time. While the Obey guidance is about an extant program and the EOZ is still a twinkle in Mike Cohen's eye, releasing them together may help districts plan to use the money together. ✓

o Link the plans. Districts should be allowed to submit the same plan for the EOZs next year as they submit for the Obey plan this year. That way districts would be encouraged to think about the two together. Another link that could be made is to the consolidated State and local plans. To ✓

apply for Obey, States, and districts could simply amend their consolidated plans (48 of 50 States submit consolidated plans and these have been peer reviewed, so they are not too bad -- I don't know how many LEAs submit consolidated plans to States)

Section 3

o under "Relating to current major programs", I'm not sure what you mean in saying "This is accomplished by benchmarking the achievement measure since 1994" Does this mean, it's accomplished by rewarding achievement gains?

Section 4

o I like the "extra credit" for district-level commitment -- as suggested above, you may want to add something on this to Section 2 on priority conditions for State competitions.

o In the second paragraph in this section, do you mean that districts would simply need to show gains in Obey schools, or in other schools as well? (I would support the latter)

Section 5

o On money and phasing, as Mike described the current DPC proposal at yesterday's meeting, he would like to reward performance by making the last two years of a possible 5-year grant contingent upon improvements in student achievement. His argument is that it takes a while for gains to occur -- but, I've seen schools make a lot of progress in two years. As a compromise between the two positions, you could award the reward money beginning in 2001.

Options for Linking Education Opportunity Zones with Obey-Porter Funds

December 11, 1997

It is critical to ensure funding for both Education Opportunity Zones and the Obey-Porter comprehensive reform initiative in our FY99 budget proposal, and to ensure that these two initiatives complement each other to the maximum extent possible. This paper discusses some of the issues involved and lists some possibilities for making the combination work.

Background

The Obey initiative provides formula funds to states which then distribute the funds competitively to a significant number of districts on behalf of individual schools to assist them to adopt proven models of reform. The Zones initiative distributes significantly larger amounts of funds to a smaller number of high poverty districts to help them carry out a set of reform activities, both at the district and at the school levels, which includes turning around failing schools using best practices.

The purpose of Obey is to get individual schools to successfully adopt the tested models. The purpose of the Zones initiative is to demonstrate that a serious approach to high standards can work. To effect the purpose of the Zones, grants would be targeted to school systems that have already begun to make progress in raising student achievement, at least in some low-income portions of the district, and/or that can show that they have begun to put into place effective reform policies, so that local efforts can be expanded or accelerated.

Zones should be rewarded for demonstrating real gains in student performance, in part because this will help to draw national attention to the effective policies used by these districts. However, the investment of funds should be heaviest in the first three years when districts are putting into place or expanding policies that they should be able to sustain over the long haul with other state, federal and local resources. Moreover, for the President's initiative to be taken seriously, it must entail significant up-front investment.

Any district that we would want to select as a Zone should have a good idea how to use Obey funds, but states will be making awards under Obey and there is no guarantee from state to state that the districts which will have the strongest EOZ proposals will be awarded funds in the state's Obey competition. Furthermore, few districts will be able to persuasively demonstrate any impact of Obey funds by the time of an FY 99 EOZ competition.

Linkage Options

A vital part of the zones initiative is for districts to identify schools that are failing and take steps to get them to adopt the kinds of effective reform models that Obey seeks to promote. Therefore, to the extent possible, States should be encouraged to drive Obey resources to the kinds of districts that would be eligible to apply for EOZs. Moreover, districts should receive an advantage in the EOZ competition if the district can show that it is doing an effective job, or at least has an effective plan, for fixing failing schools, through using its Obey funds (if it receives

any) as well as other federal, state and local funds.

- Make maximum use of Obey program guidance/program administration:
 - In guidance or cover letter, potentially could discuss the President's Zones proposal, and note that a critical part of the President's initiative is for districts to take aggressive action on fixing failing schools.
 - Encourage states to target a substantial proportion of Obey funds to high-poverty, low-performing schools in need of improvement.
 - Encourage states to give priority to places with comprehensive reform plans that are already beginning to show some results (at least in some parts of the district), or at least that have a compelling strategy for doing so.
- In FY 99 budget proposal, could recommend adding a requirement to Obey that states adopt the above priorities, consistent with the zones initiative.
- Could split Zones into two competitions, the second round in FY 2001. Districts could use their track record in using Obey funds to raise achievement to bolster their chances of being selected in the second round.
- Zones would be given year 4 and 5 funds if they can demonstrate that have met the terms of a performance partnership in terms of raising student achievement.
 - Gains would have to be reached for all significant subpopulations.
 - Year 4 and 5 funds could be made be contingent upon a district's commitment and plan to work with other districts to help them implement successful models, including both district-wide accountability policies featured under Zones initiative and research-based reform school reform models featured under Obey.