

PRESS RELEASES

Statement by Secretary Margaret Spellings on Release of NCES Study on Charter Schools

FOR RELEASE:

August 22, 2006

Secretary Spellings today made the following statement on the NCES report, "A Closer Look at Charter Schools Using Hierarchical Linear Modeling":

Many charter schools are still relatively new, and we need to examine how they improve student performance over time for a better picture of how they compare to traditional public schools. Charter schools are empowering low-income parents with new educational options and providing an important lifeline for families in areas where traditional public schools have fallen short of their responsibilities.

I have visited high-performing charter schools all around the country, and I have seen how they take the most at-risk students and refuse to give up on them. These schools are pioneering new classroom strategies that will help us raise achievement in all our public schools.

For additional information about the No Child Left Behind Act and other education initiatives, please visit the Department's Web site at <http://www.ed.gov>.

For additional information, the general public may also call 1-800-USA-LEARN (872-5327).

The report, "A Closer Look at Charter Schools Using Hierarchical Linear Modeling," is available at <http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2006460>.

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COPY
FROM ORM

THE WHITE HOUSE
WASHINGTON

October 4, 2006

10/4/06

INFORMATION

MEMORANDUM FOR THE PRESIDENT

THROUGH: KARL ZINSMEISTER
FROM: SECRETARY MARGARET SPELLINGS
SUBJECT: DEPARTMENT OF EDUCATION NCLB BRIEFING

PURPOSE

To brief you on the status of the No Child Left Behind Act (NCLB) and plans for the upcoming reauthorization of the law.

BACKGROUND

I will lead an overview of the status of some key issues in NCLB and will preview issues that may warrant further attention as the Administration plans for the reauthorization of NCLB next year. The meeting will kick off with a brief discussion of school safety in light of recent school shootings. You will then receive an overview of the following topics:

Achievement Overview

Since the passage of the No Child Left Behind Act (NCLB) in 2002, State achievement scores have generally risen and achievement gaps have started to close. Recent studies on the implementation of the Reading First program show the program is having a significant positive effect on reading instruction. Yet, there is still much work to be done. Results across the Nation vary as states have implemented annual assessments in grades three through eight for the first time last year. In addition, large gaps are evident in many states between the percentage of students scoring proficient on state assessments and the percentage of students scoring proficient on the National Assessment of Educational Progress (NAEP). As we are several years into the implementation of NCLB, more schools are being identified for improvement, corrective action, and restructuring.

Supplemental Services/Choice Background and Data

Parents may choose to transfer their child to a higher performing school (after their child's current school has failed to make adequate yearly progress for two years) or, if the

family is low-income, have their child receive free tutoring from a Supplemental Educational Services (SES) provider the parents select from a state-approved list (after the current school has failed to make adequate yearly progress for three years). School districts are required to set aside 20% of their Title I funding to cover the costs of tutoring or transporting students to their "choice" schools.

Although the number of students receiving tutoring has increased, the participation rates for SES and school choice remain unacceptably low. Many school districts are not informing families of their choice and SES options in a timely and understandable manner as required by law. The process for families to select a new school or an SES provider is often complicated and confusing. In some districts, there are not enough high performing schools to meet the demand from families for school transfers and districts are not expanding public school choice capacity (through, for example, creation of new charter schools). Last year, the Department started several pilot programs to increase SES participation and is also beginning visits and enforcement efforts to ensure better implementation of the law.

High School Issues

High School reform has been an Administration priority for the past several years, and should be a key component of NCLB reauthorization. High schools lack the level of data that is now provided in elementary and middle school, and too many students are not challenged with rigorous coursework that will prepare them for college and the workforce, especially in math and science.

This year, the Department has been implementing two new student aid programs: Academic Competitiveness (AC) Grants and SMART Grants. The first year implementation of AC Grants, which go to Pell-eligible college freshman and sophomores who take a rigorous high school course of study, has demonstrated the lack of rigorous requirements across the nation. A small number of states are increasing graduation requirements and providing more opportunities for students to take challenging coursework, but many states have yet to embrace high school reform and high standards for high school graduates.

Next Steps on NCLB Reauthorization

NCLB is up for reauthorization in 2007. For the past several months, the Department has been working on its policy proposal for NCLB reauthorization. I believe the ultimate goal of reauthorization proposal should be to reinforce the goal of every child at or above grade level by 2014 and ensuring that every child is equipped to succeed in today's global economy.

There are several goals to achieve in a successful NCLB reauthorization: (1) Institutionalizing the accountability and assessment provisions of the law by reaffirming grade level performance in reading and math for every child by 2014; (2) Strengthening restructuring in persistently low-performing schools and providing more options.

including private school, for parents of students in the lowest-performing schools. (3) Expanding the principles of NCLB to high school through more accountability and rigor. (4) Rounding out the accountability system with other subjects (including science, which you called for earlier this year); raising the bar to promote boosting student achievement from grade-level proficiency, as established in the law, to advanced levels; and producing better data, including data on high school graduation rates. (5) Promoting an outcome-based definition of "highly effective teacher" that recognizes that effective teachers in the classroom are those who raise student achievement, especially in our highest-need schools.

PRESS RELEASES

New U.S. Department of Education Guide Showcases Charter High Schools Closing Achievement Gaps

FOR RELEASE:

December 11, 2006

The U.S. Department of Education has released a new publication that highlights eight charter high schools that are using innovative methods to help close the achievement gap between low-income, minority, and special need students and their peers.

Produced under the auspices of the Department's Office of Innovation and Improvement (OII), *Innovations in Education* guide, *Charter High Schools Closing the Achievement Gap* focuses on schools that are bringing a new consciousness to the challenge of raising the achievement of traditionally underserved student populations at the secondary level. "By trying out innovative new strategies, these schools are blazing a trail for others to follow," said U.S. Secretary of Education Margaret Spellings. "They're dispelling the myth that some students can not learn and proving that if we raise the academic achievement bar, our students will rise to the challenge."

For instance, the Media Technology Charter High School (MATCH) in Boston, Mass., requires all incoming freshmen to start with a five-week summer academy at the Massachusetts Institute of Technology (MIT). The focus is on reading, math, and building the school culture. Another special feature is the MATCH Corps, whose 45 members—all college graduates—serve as tutors and teaching assistants for a year at the school. Every tutor works one-on-one daily with students, reviewing homework and reinforcing lessons to support their learning. Each tutor stays with the same students for the full year. The training for MATCH Corps members begins three weeks before school starts when they observe the MIT summer program.

Students at Gateway High School in San Francisco, Calif., are chosen by lottery and offered an award-winning, individualized college preparatory education. The hallmark of Gateway's program is achieving academic excellence through personalized, student-centered learning. The school's core features are differentiated instruction, project-based learning, caring relationships between adults and students, assurance that individual talents and needs are identified and supported, self-discovery, and the fostering of intellectual curiosity. Students report always having a teacher or other adults to go consult, noting that at other schools they only received individual attention when they were somehow in trouble.

The schools were chosen in 2005 from over 400 charter high schools that are meeting academic targets under the *No Child Left Behind Act* (NCLB) and are closing achievement gaps by holding students to high academic standards. To be considered, the schools had to have graduated at least one group of students and have data to show that, for the most part, students were moving to postsecondary education or employment.

In addition to MATCH and Gateway, the following schools were selected: The Preuss School, La Jolla, Calif.; SEED Public Charter School, Washington, D.C.; Minnesota New Country School, Henderson, Minn.; North Star Academy Charter School of Newark, N.J.; YES College Preparatory School, Houston, Texas; and, Toledo School for the Arts, Toledo, Ohio. Each of these schools is college preparatory in intent, and is developing creative solutions to problems faced by high schools across the country.

Although all the schools are unique, six similar characteristics unite them. The schools are mission-driven; focus on college preparation; teach for mastery; provide support; value professional learning; and hold themselves accountable.

For decades, the United States has grappled with achievement gaps that separate the academic performance of low-income, special needs, and minority students from their peers. Although progress has been made at the elementary level, there is still work to do to improve the performance of students at the secondary level.

Charter schools, in particular, may be well suited to contribute to this cause. Charter schools are public schools, but they operate with more freedom than their traditional public school counterparts. The Charter High Schools guide includes mini case studies of eight charter high schools that are demonstrating that all students, regardless of their zip code, learning differences, race, or native language can become learners who are prepared to succeed in school and in life. These schools use innovative instructional practices, and many have completely re-tooled the traditional academic day and year.

Charter High Schools (<http://www.ed.gov/admins/comm/choice/charterhs/index.html>) is part of OII's *Innovations in Education* book series, which was commissioned in 2004 and details how schools and districts across the country have put NCLB to work. Previous guides have highlighted public school choice, supplemental educational services, alternative teacher certification, school leadership, and magnet schools.

Future guides will feature K-8 schools that are closing the achievement gap and practices to expand the pool of high quality charter schools. In addition, the series will include strategies to encourage parents to help improve schools and show ways in which distance learning can increase access to rigorous coursework. Educators, parents, elected officials, and community leaders have found the guides to be a valuable resource.

For more information about the *Innovations in Education* series, please visit <http://www.ed.gov/about/pubs/intro/innovations.html>.

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COPY
FROM ORM

THE WHITE HOUSE

WASHINGTON

December 15, 2006

THE PRESIDENT HAS SEEN

12/15/06

INFORMATION

MEMORANDUM TO THE PRESIDENT

THROUGH: KARL ZINSMEISTER

FROM: SECRETARY MARGARET SPELLINGS

RE: No Child Left Behind Reauthorization

Purpose

To provide background for the December 15 policy time on the No Child Left Behind Act (NCLB), a Presidential priority.

Policy Background

The Department of Education (ED) and DPC have been working to develop a reauthorization proposal aimed at two goals: (1) Preserving NCLB's core principles; and (2) Proposing new initiatives that will improve and strengthen the law. Your advisors are in agreement on the policies laid out in sections I and II below, except for a question regarding private school choice, detailed at the end of this memo.

I. Preserving the Core Principles of NCLB

Key components of NCLB must be protected in reauthorization. These include:

- a) All students reading and doing math on grade level by 2014;
- b) Annual assessments and disaggregation of data;
- c) Qualified teachers in every classroom; and
- d) Timely information and options for parents.

Any changes to these key components will water down the law and undo the significant progress we have made over the past five years.

II. New Initiatives That Will Strengthen and Improve the Law

Reauthorization also presents the opportunity to build on the law's core principles. New policy proposals for reauthorization include:

Rewards for Progress and Flexibility for Innovation

- a) Allow for the measurement of individual student growth and/or deficiency.

- b) Give States the flexibility to differentiate among the various stages of school improvement by targeting interventions on the students and schools that need the most help.

Challenging Our Students and Preparing Them to Succeed

- c) Provide dedicated funding to high schools through the Title I program for reform activities and require assessments in two new grades or courses. One of these assessments must be aligned to college-level expectations.
- d) Authorize American Competitiveness Initiative programs (Math Now, Advanced Placement, and Adjunct Teacher Corps) in the reauthorization of NCLB.
- e) Require States to report proficiency rates for State and NAEP assessments on the same report card.

Helping Teachers Close the Achievement Gap

- f) Provide greater incentives for effective teachers and for teachers who teach in the neediest schools and get results by expanding the Teacher Incentive Fund. This program can be expanded by reallocating existing NCLB funding for Teacher Quality.

Strengthening Public Schools and Empowering Parents

- g) Strengthen restructuring in the accountability system, so that schools that fail to make adequate yearly progress for five straight years undertake real reform. These real reform options include: the option for superintendents to renegotiate teacher union contracts to be able to place the best teachers in the neediest schools; the option to create new charter schools, even within States that have reached their State charter school cap; and private school scholarships for students in the lowest-performing schools.
- h) Require school districts to use their entire allocation of federal funding for tutoring or public school choice or roll it over to the next year, instead of allowing those funds to revert back to the school district.
- i) Hasten the delivery of test scores to parents so they can make more informed decisions about choosing a public school or tutoring.
- j) Provide resources for School Improvement Grants to support real school reform.
- k) Match existing state tax credits some States have established for corporate donations to scholarship funds. (This proposal is pending as a part of tax discussions.)
- l) CEA urges that reimbursing parents for their time spent transporting children to an alternative school be explored as a way to encourage more use of the school choice option in poorly performing schools.

Private School Choice

NCLB has created an accountability and assessment system that now allows us to know which schools are chronically underperforming. We have a strong argument to make that students trapped in these schools deserve the opportunity to attend a different school of their choice. After starting at a higher number in ED's initial budget request, ED and

OMB have agreed to \$300 million in funding for scholarships at out-of-district public, private, or religious schools. This would allow \$3,000 scholarships for 200,000 students across the country, which is approximately 12% of the eligible low-income students in restructuring schools. (This \$3,000 scholarship includes the approximately \$1,500 existing Title I per-pupil allocation that would flow with the child.) Both ED and DPC are committed to including a robust choice program in the reauthorization proposal.

But there will ultimately be a strategic choice to make on whether you will demand that any reauthorization proposal must contain a private school choice experiment. Given the new landscape in Congress, ED and OLA believe it will be extremely difficult to get any private school choice proposal passed, since Republicans are not united on this issue and we do not have the votes for it to pass. DPC believes that reauthorization is far more likely to gain support from skeptical conservatives if it takes a stand on choice. But every veto-level requirement creates a higher risk of not getting a reauthorization bill passed during the last two years of your Administration. Eventually you may need to decide whether to threaten to veto any measure that fails to expand school choice options for parents and students.

Building On Results: A Blueprint For Strengthening NCLB

Tonight, President Bush Will Discuss His Priorities For The Reauthorization Of The No Child Left Behind Act (NCLB). In 2001, President Bush worked with Republicans and Democrats to pass NCLB with overwhelming support, and he was proud to sign it into law in 2002. President Bush is committed to reauthorizing NCLB this year and building on the good progress that has been made. Strengthening and reauthorizing NCLB is critical – if we were to lower standards and roll back accountability now, we would be leaving children to the former status quo that failed them for decades.

- **NCLB Is Raising Student Achievement For Millions Of Children In Schools Nationwide.** Because of NCLB, every State and the District of Columbia now hold schools accountable for results by testing every child and evaluating students by student group. Minority students are closing the achievement gap, and student achievement is rising – more reading progress was made by 9-year-olds in five years than in the previous 28 years combined, and reading and math scores for 9-year-olds and fourth-graders have reached all-time highs.
- **Reauthorization Offers An Opportunity To Make Some Common-Sense Changes To Strengthen NCLB And Increase Flexibility, But We Must Preserve NCLB's Core Principles:**
 - All students must be able to read and do math at grade level or above by 2014.
 - We must have higher expectations and demand greater accountability in order to improve the academic achievement of every student and to close the achievement gap using annual assessments and disaggregated data.
 - We must have effective teachers in core academic subjects in every classroom.
 - We must provide timely information and real options – including intensive tutoring and choice for children in consistently underperforming schools – for all parents with children in failing schools so they can make the best decisions for their children.
- **The President's Proposals To Strengthen NCLB Further The Goals Of His American Competitiveness Initiative.** Math and science skills are critical for success in college and the workplace. Our students must be equipped with the knowledge and skills to compete in the global economy.

We Must Strengthen NCLB To Increase Flexibility And Help Struggling Schools Improve

- 1. We Must Encourage Higher Academic Standards And Further Increase The Quality Of Available Information On Student Performance.**

- **We Will Maintain Annual Academic Assessments And Accountability.** States must continue to report student assessment results to parents and hold schools accountable for improving the performance of all students. The disaggregation of achievement results and required 95 percent participation rate must continue to ensure that schools cannot hide failure to teach every child.
- **We Will Promote High State Academic Standards.** To support greater transparency, we will require States to report the proficiency rates of both State and National Assessment of Educational Progress (NAEP) tests on the same public report card. Further, the Education Department will support cross-State comparisons by providing a platform for States and the general public to analyze and compare standards across the Nation.

2. We Must Strengthen Our Public Schools With Incentives For School Reform And Empower Parents With Options For Students To Receive After-School Tutoring And Attend Higher-Performing Schools.

- **We Will Target Resources To Help Struggling Schools Improve With School Improvement Grants.** School Improvement Grants will support implementation of schools' restructuring plans and will support States' efforts to closely monitor and review those plans for each restructured school and to provide technical assistance to turn around low-performing schools.
- **We Will Give States And Districts More Tools And Flexibility To Turn Struggling Schools Around.** To make the accountability provisions of NCLB more meaningful, States will have more flexibility to precisely focus their technical assistance and interventions and direct resources to schools identified for improvement, corrective action, or restructuring.
- **We Will Strengthen School Restructuring.** Schools subject to restructuring for chronic underperformance will be required either to make substantial changes in staff or to reconstitute the schools' governance structure.
- **We Will Require Persistently Underperforming Schools To Offer "Promise Scholarships."** These scholarships will enable low-income students to transfer to private schools or out-of-district public schools, or receive intensive tutoring. Federal funds will follow the students to their new schools.
- **We Will Offer Competitive Grants Through The "Opportunity Scholarships Program" To Help Communities Expand School Choice Options For Low-Income Parents And Students.** Similar to the Washington, D.C., choice program that the Federal government has funded since 2004, families would be able to send their children to a private school through a locally designed scholarship program. They could also seek intensive tutoring.
- **We Will Increase The Availability Of High-Quality Charter Schools, Which Provide Important Options For Parents.** Charters will also have a greater degree of flexibility to use their grants in executing planning and startup activities.

- **We Will Expand Access To Tutoring.** We will ensure that districts notify parents whose children are eligible for tutoring and require school districts to make full use of the Federal funds set aside for tutoring and other school choice activities.
- **We Will Help Parents Get The Information They Need In Time To Make Informed Decisions About Their Children's School Choice Options.** We will strengthen enforcement mechanisms to ensure parents receive proper and timely notice of their tutoring and choice options, and school districts will be allowed to use Federal funds to conduct high-quality parent outreach campaigns.

3. We Must Help Teachers Close The Achievement Gap Through Incentives For Effective Teachers And Research-Based Instructional Tools.

- **We Will Expand The Teacher Incentive Fund.** The Teacher Incentive Fund supports State and local efforts to reward teachers who raise student achievement and work in needy schools.
- **We Will Retain The Successful Reading First Program And Expand The Striving Readers Program To Ensure Students Have The Literacy Skills They Need To Make Academic Progress.** Reading First is the largest, most focused, and most successful early reading initiative ever undertaken in this country. To date, more than 5,600 schools in 1,600 districts nationwide have participated in this program. The Striving Readers Program funds targeted, intensive intervention and quality literacy instruction in school curricula for grades 6-12.

4. We Must Incorporate The Education Components Of The American Competitiveness Initiative (ACI) Into NCLB, Thereby Raising The Rigor Of Our Nation's High Schools And Ensuring That Our Students Are Prepared For Success In The Competitive Global Economy.

- **We Will Strengthen The Teaching Of Math In Elementary And Middle Schools By Implementing The Math Now Program Based On The Recommendations Of The National Math Panel, Both Key Components Of The ACI.** This program will provide resources to help teachers use scientifically proven practices, including those soon to be recommended by the National Math Panel, so that students enter high school ready to take advanced coursework.
- **We Will Increase Academic Rigor, As Outlined In The ACI, By Training More Teachers And Making Rigorous Advanced Placement Classes Available To More Low-Income Students.**
- **Academic Competitiveness Grants Will Be Used To Provide Further Incentives For Students To Complete A Rigorous High School Program Of Study.** The program provides additional grant aid to low-income first- and second-year college students who complete a rigorous program of study in high school.

- **We Will Encourage Talented Professionals, Especially In The Fields Of Math And Science, To Share Their Expertise In The Classroom Through The Adjunct Teacher Corps Proposed In ACI.** Competitive grants will be provided for school districts to engage in partnerships with public and private organizations to take advantage of the expertise in their communities.
- **We Will Encourage A Greater Focus On Science By Including Student Achievement Results In Science In Accountability Decisions.** States will add science to their assessment systems at three grade levels by 2008. The reauthorized law will incorporate an expectation that all students achieve proficiency in science by the 2019-20 school year.
- **We Will Commit Significant New Resources To Help High Schools Ensure Their Students Meet High Standards And Graduate On Time.** To ensure that high schools have the resources to help low-income students, there will be a substantial increase in funds for Title I high school students. Districts will be required to give their high schools at least 90 percent of the high schools' proportionate share of the new funds. A corresponding funding increase will ensure that elementary schools' Title I programs are not negatively affected.

5. We Must Measure Individual Student Progress And Focus Interventions On Students Who Have Not Reached Grade Level.

- **We Will Allow High-Quality Growth Models To Give Schools Credit For Improvement From Year-To-Year And Provide Another Way To Show Whether Achievement Gaps Are Closing.** States with well-established assessments and robust data systems may use growth models in their overall accountability system. Growth models allow States to measure individual students' progress over time.

President Bush Delivers State of the Union Address

United States Capitol
Washington, D.C.

9:13 P.M. EST

THE PRESIDENT: Thank you very much. And tonight, I have a high privilege and distinct honor of my own -- as the first President to begin the State of the Union message with these words: Madam Speaker. (Applause.)

In his day, the late Congressman Thomas D'Alesandro, Jr. from Baltimore, Maryland, saw Presidents Roosevelt and Truman at this rostrum. But nothing could compare with the sight of his only daughter, Nancy, presiding tonight as Speaker of the House of Representatives. (Applause.) Congratulations, Madam Speaker. (Applause.)

Two members of the House and Senate are not with us tonight, and we pray for the recovery and speedy return of Senator Tim Johnson and Congressman Charlie Norwood. (Applause.)

Madam Speaker, Vice President Cheney, members of Congress, distinguished guests, and fellow citizens:

The rite of custom brings us together at a defining hour -- when decisions are hard and courage is needed. We enter the year 2007 with large endeavors underway, and others that are ours to begin. In all of this, much is asked of us. We must have the will to face difficult challenges and determined enemies -- and the wisdom to face them together.

Some in this chamber are new to the House and the Senate -- and I congratulate the Democrat majority. (Applause.) Congress has changed, but not our responsibilities. Each of us is guided by our own convictions -- and to these we must stay faithful. Yet we're all held to the same standards, and called to serve the same good purposes: To extend this nation's prosperity; to spend the people's money wisely; to solve problems, not leave them to future generations; to guard America against all evil; and to keep faith with those we have sent forth to defend us. (Applause.)

We're not the first to come here with a government divided and uncertainty in the air. Like many before us, we can work through our differences, and achieve big things for the American people. Our citizens don't much care which side of the aisle we sit on -- as long as we're willing to cross that aisle when there is work to be done. (Applause.) Our job is to make life better for our fellow Americans, and to help them to build a future of hope and opportunity -- and this is the business before us tonight.

A future of hope and opportunity begins with a growing economy -- and that is what we have. We're now in the 41st month of uninterrupted job growth, in a recovery that has created 7.2 million new jobs -- so far. Unemployment is low, inflation is low, and wages

are rising. This economy is on the move, and our job is to keep it that way, not with more government, but with more enterprise. (Applause.)

Next week, I'll deliver a full report on the state of our economy. Tonight, I want to discuss three economic reforms that deserve to be priorities for this Congress.

First, we must balance the federal budget. (Applause.) We can do so without raising taxes. (Applause.) What we need to do is impose spending discipline in Washington, D.C. We set a goal of cutting the deficit in half by 2009, and met that goal three years ahead of schedule. (Applause.) Now let us take the next step. In the coming weeks, I will submit a budget that eliminates the federal deficit within the next five years. (Applause.) I ask you to make the same commitment. Together, we can restrain the spending appetite of the federal government, and we can balance the federal budget. (Applause.)

Next, there is the matter of earmarks. These special interest items are often slipped into bills at the last hour -- when not even C-SPAN is watching. (Laughter.) In 2005 alone, the number of earmarks grew to over 13,000 and totaled nearly \$18 billion. Even worse, over 90 percent of earmarks never make it to the floor of the House and Senate -- they are dropped into committee reports that are not even part of the bill that arrives on my desk. You didn't vote them into law. I didn't sign them into law. Yet, they're treated as if they have the force of law. The time has come to end this practice. So let us work together to reform the budget process, expose every earmark to the light of day and to a vote in Congress, and cut the number and cost of earmarks at least in half by the end of this session. (Applause.)

And, finally, to keep this economy strong we must take on the challenge of entitlements. Social Security and Medicare and Medicaid are commitments of conscience, and so it is our duty to keep them permanently sound. Yet, we're failing in that duty. And this failure will one day leave our children with three bad options: huge tax increases, huge deficits, or huge and immediate cuts in benefits. Everyone in this chamber knows this to be true -- yet somehow we have not found it in ourselves to act. So let us work together and do it now. With enough good sense and goodwill, you and I can fix Medicare and Medicaid -- and save Social Security. (Applause.)

Spreading opportunity and hope in America also requires public schools that give children the knowledge and character they need in life. Five years ago, we rose above partisan differences to pass the No Child Left Behind Act, preserving local control, raising standards, and holding those schools accountable for results. And because we acted, students are performing better in reading and math, and minority students are closing the achievement gap.

Now the task is to build on the success, without watering down standards, without taking control from local communities, and without backsliding and calling it reform. We can lift student achievement even higher by giving local leaders flexibility to turn around failing schools, and by giving families with children stuck in failing schools the right to choose someplace better. (Applause.) We must increase funds for students who struggle -- and make sure these children get the special help they need. (Applause.)

And we can make sure our children are prepared for the jobs of the future and our country is more competitive by strengthening math and science skills. The No Child Left Behind Act has worked for America's children -- and I ask Congress to reauthorize this good law. (Applause.)

A future of hope and opportunity requires that all our citizens have affordable and available health care. (Applause.) When it comes to health care, government has an obligation to care for the elderly, the disabled, and poor children. And we will meet those responsibilities. For all other Americans, private health insurance is the best way to meet their needs. (Applause.) But many Americans cannot afford a health insurance policy.

And so tonight, I propose two new initiatives to help more Americans afford their own insurance. First, I propose a standard tax deduction for health insurance that will be like the standard tax deduction for dependents. Families with health insurance will pay no income on payroll tax -- or payroll taxes on \$15,000 of their income. Single Americans with health insurance will pay no income or payroll taxes on \$7,500 of their income. With this reform, more than 100 million men, women, and children who are now covered by employer-provided insurance will benefit from lower tax bills. At the same time, this reform will level the playing field for those who do not get health insurance through their job. For Americans who now purchase health insurance on their own, this proposal would mean a substantial tax savings -- \$4,500 for a family of four making \$60,000 a year. And for the millions of other Americans who have no health insurance at all, this deduction would help put a basic private health insurance plan within their reach. Changing the tax code is a vital and necessary step to making health care affordable for more Americans. (Applause.)

My second proposal is to help the states that are coming up with innovative ways to cover the uninsured. States that make basic private health insurance available to all their citizens should receive federal funds to help them provide this coverage to the poor and the sick. I have asked the Secretary of Health and Human Services to work with Congress to take existing federal funds and use them to create "Affordable Choices" grants. These grants would give our nation's governors more money and more flexibility to get private health insurance to those most in need.

There are many other ways that Congress can help. We need to expand Health Savings Accounts. (Applause.) We need to help small businesses through Association Health Plans. (Applause.) We need to reduce costs and medical errors with better information technology. (Applause.) We will encourage price transparency. And to protect good doctors from junk lawsuits, we passing medical liability reform. (Applause.) In all we do, we must remember that the best health care decisions are made not by government and insurance companies, but by patients and their doctors. (Applause.)

Extending hope and opportunity in our country requires an immigration system worthy of America -- with laws that are fair and borders that are secure. When laws and borders are routinely violated, this harms the interests of our country. To secure our border, we're doubling the size of the Border Patrol, and funding new infrastructure and technology.

Yet even with all these steps, we cannot fully secure the border unless we take pressure off the border -- and that requires a temporary worker program. We should establish a legal and orderly path for foreign workers to enter our country to work on a temporary basis. As a result, they won't have to try to sneak in, and that will leave Border Agents free to chase down drug smugglers and criminals and terrorists. (Applause.) We'll enforce our immigration laws at the work site and give employers the tools to verify the legal status of their workers, so there's no excuse left for violating the law. (Applause.)

We need to uphold the great tradition of the melting pot that welcomes and assimilates new arrivals. (Applause.) We need to resolve the status of the illegal immigrants who are already in our country without animosity and without amnesty. (Applause.) Convictions run deep in this Capitol when it comes to immigration. Let us have a serious, civil, and conclusive debate, so that you can pass, and I can sign, comprehensive immigration reform into law. (Applause.)

Extending hope and opportunity depends on a stable supply of energy that keeps America's economy running and America's environment clean. For too long our nation has been dependent on foreign oil. And this dependence leaves us more vulnerable to hostile regimes, and to terrorists -- who could cause huge disruptions of oil shipments, and raise the price of oil, and do great harm to our economy.

It's in our vital interest to diversify America's energy supply -- the way forward is through technology. We must continue changing the way America generates electric power, by even greater use of clean coal technology, solar and wind energy, and clean, safe nuclear power. (Applause.) We need to press on with battery research for plug-in and hybrid vehicles, and expand the use of clean diesel vehicles and biodiesel fuel. (Applause.) We must continue investing in new methods of producing ethanol -- (applause) -- using everything from wood chips to grasses, to agricultural wastes.

We made a lot of progress, thanks to good policies here in Washington and the strong response of the market. And now even more dramatic advances are within reach. Tonight, I ask Congress to join me in pursuing a great goal. Let us build on the work we've done and reduce gasoline usage in the United States by 20 percent in the next 10 years. (Applause.) When we do that we will have cut our total imports by the equivalent of three-quarters of all the oil we now import from the Middle East.

To reach this goal, we must increase the supply of alternative fuels, by setting a mandatory fuels standard to require 35 billion gallons of renewable and alternative fuels in 2017 -- and that is nearly five times the current target. (Applause.) At the same time, we need to reform and modernize fuel economy standards for cars the way we did for light trucks -- and conserve up to 8.5 billion more gallons of gasoline by 2017.

Achieving these ambitious goals will dramatically reduce our dependence on foreign oil, but it's not going to eliminate it. And so as we continue to diversify our fuel supply, we must step up domestic oil production in environmentally sensitive ways. (Applause.) And to further protect America against severe disruptions to our oil supply, I ask

Congress to double the current capacity of the Strategic Petroleum Reserve.
(Applause.)

America is on the verge of technological breakthroughs that will enable us to live our lives less dependent on oil. And these technologies will help us be better stewards of the environment, and they will help us to confront the serious challenge of global climate change. (Applause.)

A future of hope and opportunity requires a fair, impartial system of justice. The lives of our citizens across our nation are affected by the outcome of cases pending in our federal courts. We have a shared obligation to ensure that the federal courts have enough judges to hear those cases and deliver timely rulings. As President, I have a duty to nominate qualified men and women to vacancies on the federal bench. And the United States Senate has a duty, as well, to give those nominees a fair hearing, and a prompt up-or-down vote on the Senate floor. (Applause.)

For all of us in this room, there is no higher responsibility than to protect the people of this country from danger. Five years have come and gone since we saw the scenes and felt the sorrow that the terrorists can cause. We've had time to take stock of our situation. We've added many critical protections to guard the homeland. We know with certainty that the horrors of that September morning were just a glimpse of what the terrorists intend for us -- unless we stop them.

With the distance of time, we find ourselves debating the causes of conflict and the course we have followed. Such debates are essential when a great democracy faces great questions. Yet one question has surely been settled: that to win the war on terror we must take the fight to the enemy. (Applause.)

From the start, America and our allies have protected our people by staying on the offense. The enemy knows that the days of comfortable sanctuary, easy movement, steady financing, and free flowing communications are long over. For the terrorists, life since 9/11 has never been the same.

Our success in this war is often measured by the things that did not happen. We cannot know the full extent of the attacks that we and our allies have prevented, but here is some of what we do know: We stopped an al Qaeda plot to fly a hijacked airplane into the tallest building on the West Coast. We broke up a Southeast Asian terror cell grooming operatives for attacks inside the United States. We uncovered an al Qaeda cell developing anthrax to be used in attacks against America. And just last August, British authorities uncovered a plot to blow up passenger planes bound for America over the Atlantic Ocean. For each life saved, we owe a debt of gratitude to the brave public servants who devote their lives to finding the terrorists and stopping them.
(Applause.)

Every success against the terrorists is a reminder of the shoreless ambitions of this enemy. The evil that inspired and rejoiced in 9/11 is still at work in the world. And so long as that's the case, America is still a nation at war.

In the mind of the terrorist, this war began well before September the 11th, and will not end until their radical vision is fulfilled. And these past five years have given us a much clearer view of the nature of this enemy. Al Qaeda and its followers are Sunni extremists, possessed by hatred and commanded by a harsh and narrow ideology. Take almost any principle of civilization, and their goal is the opposite. They preach with threats, instruct with bullets and bombs, and promise paradise for the murder of the innocent.

Our enemies are quite explicit about their intentions. They want to overthrow moderate governments, and establish safe havens from which to plan and carry out new attacks on our country. By killing and terrorizing Americans, they want to force our country to retreat from the world and abandon the cause of liberty. They would then be free to impose their will and spread their totalitarian ideology. Listen to this warning from the late terrorist Zarqawi: "We will sacrifice our blood and bodies to put an end to your dreams, and what is coming is even worse." Osama bin Laden declared: "Death is better than living on this Earth with the unbelievers among us."

These men are not given to idle words, and they are just one camp in the Islamist radical movement. In recent times, it has also become clear that we face an escalating danger from Shia extremists who are just as hostile to America, and are also determined to dominate the Middle East. Many are known to take direction from the regime in Iran, which is funding and arming terrorists like Hezbollah -- a group second only to al Qaeda in the American lives it has taken.

The Shia and Sunni extremists are different faces of the same totalitarian threat. Whatever slogans they chant, when they slaughter the innocent they have the same wicked purposes. They want to kill Americans, kill democracy in the Middle East, and gain the weapons to kill on an even more horrific scale.

In the sixth year since our nation was attacked, I wish I could report to you that the dangers had ended. They have not. And so it remains the policy of this government to use every lawful and proper tool of intelligence, diplomacy, law enforcement, and military action to do our duty, to find these enemies, and to protect the American people. (Applause.)

This war is more than a clash of arms -- it is a decisive ideological struggle, and the security of our nation is in the balance. To prevail, we must remove the conditions that inspire blind hatred, and drove 19 men to get onto airplanes and to come and kill us. What every terrorist fears most is human freedom

-- societies where men and women make their own choices, answer to their own conscience, and live by their hopes instead of their resentments. Free people are not drawn to violent and malignant ideologies -- and most will choose a better way when they're given a chance. So we advance our own security interests by helping moderates and reformers and brave voices for democracy. The great question of our day is whether America will help men and women in the Middle East to build free societies and share in the rights of all humanity. And I say, for the sake of our own security, we must. (Applause.)

In the last two years, we've seen the desire for liberty in the broader Middle East -- and we have been sobered by the enemy's fierce reaction. In 2005, the world watched as the citizens of Lebanon raised the banner of the Cedar Revolution, they drove out the Syrian occupiers and chose new leaders in free elections. In 2005, the people of Afghanistan defied the terrorists and elected a democratic legislature. And in 2005, the Iraqi people held three national elections, choosing a transitional government, adopting the most progressive, democratic constitution in the Arab world, and then electing a government under that constitution. Despite endless threats from the killers in their midst, nearly 12 million Iraqi citizens came out to vote in a show of hope and solidarity that we should never forget. (Applause.)

A thinking enemy watched all of these scenes, adjusted their tactics, and in 2006 they struck back. In Lebanon, assassins took the life of Pierre Gemayel, a prominent participant in the Cedar Revolution. Hezbollah terrorists, with support from Syria and Iran, sowed conflict in the region and are seeking to undermine Lebanon's legitimately elected government. In Afghanistan, Taliban and al Qaeda fighters tried to regain power by regrouping and engaging Afghan and NATO forces. In Iraq, al Qaeda and other Sunni extremists blew up one of the most sacred places in Shia Islam -- the Golden Mosque of Samarra. This atrocity, directed at a Muslim house of prayer, was designed to provoke retaliation from Iraqi Shia -- and it succeeded. Radical Shia elements, some of whom receive support from Iran, formed death squads. The result was a tragic escalation of sectarian rage and reprisal that continues to this day.

This is not the fight we entered in Iraq, but it is the fight we're in. Every one of us wishes this war were over and won. Yet it would not be like us to leave our promises unkept, our friends abandoned, and our own security at risk. (Applause.) Ladies and gentlemen: On this day, at this hour, it is still within our power to shape the outcome of this battle. Let us find our resolve, and turn events toward victory. (Applause.)

We're carrying out a new strategy in Iraq -- a plan that demands more from Iraq's elected government, and gives our forces in Iraq the reinforcements they need to complete their mission. Our goal is a democratic Iraq that upholds the rule of law, respects the rights of its people, provides them security, and is an ally in the war on terror.

In order to make progress toward this goal, the Iraqi government must stop the sectarian violence in its capital. But the Iraqis are not yet ready to do this on their own. So we're deploying reinforcements of more than 20,000 additional soldiers and Marines to Iraq. The vast majority will go to Baghdad, where they will help Iraqi forces to clear and secure neighborhoods, and serve as advisers embedded in Iraqi Army units. With Iraqis in the lead, our forces will help secure the city by chasing down the terrorists, insurgents, and the roaming death squads. And in Anbar Province, where al Qaeda terrorists have gathered and local forces have begun showing a willingness to fight them, we're sending an additional 4,000 United States Marines, with orders to find the terrorists and clear them out. (Applause.) We didn't drive al Qaeda out of their safe haven in Afghanistan only to let them set up a new safe haven in a free Iraq.

The people of Iraq want to live in peace, and now it's time for their government to act. Iraq's leaders know that our commitment is not open-ended. They have promised to deploy more of their own troops to secure Baghdad -- and they must do so. They pledged that they will confront violent radicals of any faction or political party -- and they need to follow through, and lift needless restrictions on Iraqi and coalition forces, so these troops can achieve their mission of bringing security to all of the people of Baghdad. Iraq's leaders have committed themselves to a series of benchmarks -- to achieve reconciliation, to share oil revenues among all of Iraq's citizens, to put the wealth of Iraq into the rebuilding of Iraq, to allow more Iraqis to re-enter their nation's civic life, to hold local elections, and to take responsibility for security in every Iraqi province. But for all of this to happen, Baghdad must be secure. And our plan will help the Iraqi government take back its capital and make good on its commitments.

My fellow citizens, our military commanders and I have carefully weighed the options. We discussed every possible approach. In the end, I chose this course of action because it provides the best chance for success. Many in this chamber understand that America must not fail in Iraq, because you understand that the consequences of failure would be grievous and far-reaching.

If American forces step back before Baghdad is secure, the Iraqi government would be overrun by extremists on all sides. We could expect an epic battle between Shia extremists backed by Iran, and Sunni extremists aided by al Qaeda and supporters of the old regime. A contagion of violence could spill out across the country -- and in time, the entire region could be drawn into the conflict.

For America, this is a nightmare scenario. For the enemy, this is the objective. Chaos is the greatest ally -- their greatest ally in this struggle. And out of chaos in Iraq would emerge an emboldened enemy with new safe havens, new recruits, new resources, and an even greater determination to harm America. To allow this to happen would be to ignore the lessons of September the 11th and invite tragedy. Ladies and gentlemen, nothing is more important at this moment in our history than for America to succeed in the Middle East, to succeed in Iraq and to spare the American people from this danger. (Applause.)

This is where matters stand tonight, in the here and now. I have spoken with many of you in person. I respect you and the arguments you've made. We went into this largely united, in our assumptions and in our convictions. And whatever you voted for, you did not vote for failure. Our country is pursuing a new strategy in Iraq, and I ask you to give it a chance to work. And I ask you to support our troops in the field, and those on their way. (Applause.)

The war on terror we fight today is a generational struggle that will continue long after you and I have turned our duties over to others. And that's why it's important to work together so our nation can see this great effort through. Both parties and both branches should work in close consultation. It's why I propose to establish a special advisory council on the war on terror, made up of leaders in Congress from both political parties. We will share ideas for how to position America to meet every challenge that confronts us. We'll show our enemies abroad that we are united in the goal of victory.

And one of the first steps we can take together is to add to the ranks of our military so that the American Armed Forces are ready for all the challenges ahead. (Applause.) Tonight I ask the Congress to authorize an increase in the size of our active Army and Marine Corps by 92,000 in the next five years. (Applause.) A second task we can take on together is to design and establish a volunteer Civilian Reserve Corps. Such a corps would function much like our military reserve. It would ease the burden on the Armed Forces by allowing us to hire civilians with critical skills to serve on missions abroad when America needs them. It would give people across America who do not wear the uniform a chance to serve in the defining struggle of our time.

Americans can have confidence in the outcome of this struggle because we're not in this struggle alone. We have a diplomatic strategy that is rallying the world to join in the fight against extremism. In Iraq, multinational forces are operating under a mandate from the United Nations. We're working with Jordan and Saudi Arabia and Egypt and the Gulf States to increase support for Iraq's government.

The United Nations has imposed sanctions on Iran, and made it clear that the world will not allow the regime in Tehran to acquire nuclear weapons. (Applause.) With the other members of the Quartet -- the U.N., the European Union, and Russia -- we're pursuing diplomacy to help bring peace to the Holy Land, and pursuing the establishment of a democratic Palestinian state living side-by-side with Israel in peace and security. (Applause.) In Afghanistan, NATO has taken the lead in turning back the Taliban and al Qaeda offensive -- the first time the Alliance has deployed forces outside the North Atlantic area. Together with our partners in China, Japan, Russia, and South Korea, we're pursuing intensive diplomacy to achieve a Korean Peninsula free of nuclear weapons. (Applause.)

We will continue to speak out for the cause of freedom in places like Cuba, Belarus, and Burma -- and continue to awaken the conscience of the world to save the people of Darfur. (Applause.)

American foreign policy is more than a matter of war and diplomacy. Our work in the world is also based on a timeless truth: To whom much is given, much is required. We hear the call to take on the challenges of hunger and poverty and disease -- and that is precisely what America is doing. We must continue to fight HIV/AIDS, especially on the continent of Africa. (Applause.) Because you funded our Emergency Plan for AIDS Relief, the number of people receiving life-saving drugs has grown from 50,000 to more than 800,000 in three short years. I ask you to continue funding our efforts to fight HIV/AIDS. I ask you to provide \$1.2 billion over five years so we can combat malaria in 15 African countries. (Applause.)

I ask that you fund the Millennium Challenge Account, so that American aid reaches the people who need it, in nations where democracy is on the rise and corruption is in retreat. And let us continue to support the expanded trade and debt relief that are the best hope for lifting lives and eliminating poverty. (Applause.)

When America serves others in this way, we show the strength and generosity of our country. These deeds reflect the character of our people. The greatest strength we have

is the heroic kindness, courage, and self-sacrifice of the American people. You see this spirit often if you know where to look -- and tonight we need only look above to the gallery.

Dikembe Mutombo grew up in Africa, amid great poverty and disease. He came to Georgetown University on a scholarship to study medicine -- but Coach John Thompson got a look at Dikembe and had a different idea. (Laughter.) Dikembe became a star in the NBA, and a citizen of the United States. But he never forgot the land of his birth, or the duty to share his blessings with others. He built a brand new hospital in his old hometown. A friend has said of this good-hearted man: "Mutombo believes that God has given him this opportunity to do great things." And we are proud to call this son of the Congo a citizen of the United States of America. (Applause.)

After her daughter was born, Julie Aigner-Clark searched for ways to share her love of music and art with her child. So she borrowed some equipment, and began filming children's videos in her basement. The Baby Einstein Company was born, and in just five years her business grew to more than \$20 million in sales. In November 2001, Julie sold Baby Einstein to the Walt Disney Company, and with her help Baby Einstein has grown into a \$200 million business. Julie represents the great enterprising spirit of America. And she is using her success to help others -- producing child safety videos with John Walsh of the National Center for Missing and Exploited Children. Julie says of her new project: "I believe it's the most important thing that I have ever done. I believe that children have the right to live in a world that is safe." And so tonight, we are pleased to welcome this talented business entrepreneur and generous social entrepreneur -- Julie Aigner-Clark. (Applause.)

Three weeks ago, Wesley Autrey was waiting at a Harlem subway station with his two little girls, when he saw a man fall into the path of a train. With seconds to act, Wesley jumped onto the tracks, pulled the man into the space between the rails, and held him as the train passed right above their heads. He insists he's not a hero. He says: "We got guys and girls overseas dying for us to have our freedoms. We have got to show each other some love." There is something wonderful about a country that produces a brave and humble man like Wesley Autrey. (Applause.)

Tommy Rieman was a teenager pumping gas in Independence, Kentucky, when he enlisted in the United States Army. In December 2003, he was on a reconnaissance mission in Iraq when his team came under heavy enemy fire. From his Humvee, Sergeant Rieman returned fire; he used his body as a shield to protect his gunner. He was shot in the chest and arm, and received shrapnel wounds to his legs -- yet he refused medical attention, and stayed in the fight. He helped to repel a second attack, firing grenades at the enemy's position. For his exceptional courage, Sergeant Rieman was awarded the Silver Star. And like so many other Americans who have volunteered to defend us, he has earned the respect and the gratitude of our entire country. (Applause.)

In such courage and compassion, ladies and gentlemen, we see the spirit and character of America -- and these qualities are not in short supply. This is a decent and honorable country -- and resilient, too. We've been through a lot together. We've met challenges

and faced dangers, and we know that more lie ahead. Yet we can go forward with confidence -- because the State of our Union is strong, our cause in the world is right, and tonight that cause goes on. God bless. (Applause.)

See you next year. Thank you for your prayers.

###

ELEMENTARY & SECONDARY EDUCATION

Building On Results: A Blueprint for Strengthening the No Child Left Behind Act

January 2007

"Five years ago, we rose above partisan differences to pass the *No Child Left Behind Act*, preserving local control, raising standards, and holding those schools accountable for results.... Now the task is to build on the success, without watering down standards, without taking control from local communities, and without backsliding and calling it reform."
—President Bush

With President Bush's signing of the *No Child Left Behind Act* in 2002, Americans united behind the idea that "every child can learn." Now, as Congress begins to reauthorize the law, we take the next step to ensure that **every child *does* learn.**

In his State of the Union Address, President Bush discussed his plans for the law's reauthorization. **Building On Results: A Blueprint for Strengthening the *No Child Left Behind Act*** is designed to provide additional tools to our schools and educators to help America's students read and do math at grade level by 2014.

We know what works: high standards, accountability, more choices for parents, and sound, proven methods of instruction. These principles have yielded real and sustainable results. Under *No Child Left Behind*, our students have made strong academic progress, particularly in the earlier grades. **Reading and math scores are at all-time highs and achievement gaps are closing.**

The *No Child Left Behind Act* has evolved from idea to law to a way of life. It's the foundation upon which we must build, and the time to act is now. To strengthen the law, the President proposes to:

- Strengthen efforts to close the achievement gap through high standards, accountability, and more options for parents.

- Give states flexibility to better measure individual student progress, target resources to students most in need, and improve assessments for students with disabilities and limited English proficiency.

- Prepare high school students for success by promoting rigorous and advanced coursework and providing new resources for schools serving low-income students.

- Provide greater resources for teachers to further close the achievement gap through improved math and science instruction, intensive aid for struggling students, continuation of Reading First, and rewards for great progress in challenging environments.

- Offer additional tools to help local educators turn around chronically underperforming schools and empower parents with information and options.

HIGHLIGHTS OF BUILDING ON RESULTS:

Every Child Performing at or Above Grade Level by 2014

Accountability—States will be held accountable for ensuring that all students can read and do math at grade level by 2014. They will disaggregate test scores, participate in the National Assessment of Educational Progress (NAEP), and report state and NAEP results to parents on the same report card.

Flexibility for Innovation and Improvement

Growth Models—States will be able to use growth models to measure individual progress towards grade-level proficiency by 2014, as long as they have robust data systems and well-established assessments, and set annual goals based on proficiency, not on students' backgrounds.

Prioritized Support for Schools—States will be able to focus more federal resources, interventions, and technical assistance on schools with the greatest needs, such as those identified for improvement or corrective action.

Flexibility—States will be able to prioritize their school improvement activities based on the specific needs and successes of the school. To help states and districts tailor programs for their needs, 100 percent of specified federal funds may be moved among programs.

Students With Disabilities—Allows states to tailor assessments to small groups of students with disabilities with modified or alternate achievement standards as long as they are of high technical quality and promote challenging instruction.

English Language Learners—Schools will be recognized by state accountability systems for making significant progress in teaching limited English proficient (LEP) children critical English language skills.

Safe Schools—In order to create safe and healthy learning environments, states will be given funds to provide districts with training, technical assistance, and information on best practices. In addition, the Safe and Drug-Free Schools grant program will be consolidated and focused.

Challenging Our Students and Preparing Them to Succeed

Graduation Rates—All 50 Governors have agreed to use a more accurate graduation rate. By 2011-12, this school-level data must be disaggregated and reported in state accountability calculations.

Rigorous Coursework—By 2010-11, states must develop course-level academic standards for English and mathematics that prepare high school students to succeed in college and the global workplace. By 2012-13, states will administer assessments aligned to these standards for two years of English and mathematics and publicly report the extent to which all students are on track to enter college or the workplace fully prepared.

Advanced Classes—More teachers will be trained to lead Advanced Placement and International Baccalaureate classes. In addition, Academic Competitiveness Grants will continue to provide financial incentives for students to take a rigorous course of study in high school and college.

High School Students—Federal Title I funds will be substantially increased to serve low-income high school students. Funding for low-income elementary and middle schools will be protected.

Adjunct Teacher Corps—Talented and qualified professionals from math, science, and technology fields will be encouraged to teach middle and high school courses, especially in low-income schools.

Helping Teachers Close the Achievement Gap

Teacher Incentive Fund—The Fund will help states and districts reward teachers and principals who make progress in raising student achievement levels or closing achievement gaps, as well as educators who choose to serve in the neediest schools.

Math Achievement—To improve math achievement, the President's *Math Now for Elementary School Students* and *Math Now for Middle School Students* programs will provide competitive grants to train teachers in proven instructional methods, including upcoming findings of the National Math Panel.

Science Achievement—Beginning in 2008-09, disaggregated results from science assessments will factor into state accountability calculations, with grade-level proficiency expected for all students in science by 2019-20.

Reading Achievement—The Striving Readers program, which provides intensive intervention to students in grades 6-12 who are struggling to reach grade level in reading / language arts, will be expanded to reach more students. We will continue to invest in Reading First, the largest, most successful early reading initiative ever undertaken in this country.

Rural School Districts—New teachers in small, rural school districts will have additional time to meet Highly Qualified Teacher requirements. Larger rural districts will have the flexibility to use federal funds that are currently available to only the smallest districts. Finally, larger per-child Supplemental Educational Services (SES) amounts will be provided for qualified rural students.

Strengthening Public Schools and Empowering Parents

School Improvement Fund—Funds will be targeted to ensure improvement in some of the nation's most challenging schools. School Improvement Grants will support implementation of the schools' improvement plans and will assist states' efforts to closely monitor and review those plans while providing technical assistance to turn around low-performing schools.

Promise Scholarships—Public schools that go into restructuring status will be required to offer private school choice, intensive tutoring, or inter-district public school choice through Promise Scholarships to low-income students in grades 3-12. Federal funds will follow the child to his or her new school, to be supplemented by a federal scholarship of \$2,500.

Opportunity Scholarships—This new program will support local efforts to expand public and private school choice options within a set geographic area. Modeled after the Washington, D.C. choice program that the federal government has funded since 2004, it would enable students to attend a private school through a locally designed scholarship program. Families could also seek additional tutoring for their children.

Staffing Freedom at the Most Troubled Schools— Schools that are required to be restructured will be able to remove limitations on teacher transfers from their collective bargaining agreements, similar to contract revisions permitted under bankruptcy law, so that the school leadership is able to put the most effective staff in place.

Charter Schools—The federal charter school program will support all viable charter applications that improve academic outcomes. In addition, local decisions to convert schools identified for restructuring into charter schools will be allowed, even if the total number of charter schools would then surpass a state's charter cap.

Supplemental Educational Services (SES)—Tutoring and after-school instruction will be offered to all low-income students who attend a school in improvement status from the first year forward, one year earlier than before. In addition, districts will be asked to spend all relevant federal funds or risk their forfeiture, eliminating the disincentive to support SES and choice programs.

Building on Results: Policy Proposals

1. Every Child Performing at or Above Grade Level by 2014

Overview

We remain committed to ensuring that all students can read and do math at grade level or better by 2014. This is the basic purpose and mission of the *No Child Left Behind Act*. According to the 2006 National Assessment of Title I Interim Report, four states are currently on track for meeting the goal—Delaware, Kansas, North Carolina, and Oklahoma. With its Starting Strong Initiative, South Dakota has advanced the timetable, calling on all third-graders to be proficient in reading and math or on track to proficiency by 2010. With high standards, accountability and decisions based on sound data and science, we believe students in all states can achieve similar success.

Summary of Proposals

a. **Maintain Annual Academic Assessments and Accountability**

Information is at the core of *NCLB*. Over the past five years, states have developed the ability to provide regular and reliable reporting about student achievement. Through annual assessments, parents now receive information about how well their child is doing in school and about how well a school is educating all children. To complete the current *NCLB* requirements, states will add science to their assessment systems at three grade levels by 2008.

Two critical components of *NCLB*—measuring achievement and holding schools accountable for results—must continue. First, states will continue to assess students in reading / language arts and math in each of grades 3–8. To help states ensure they are reaching towards high standards and to provide a comparative benchmark, the National Assessment of Educational Progress (NAEP) will continue to be administered in the fourth and eighth grades in reading and math, with all states participating. Second, in keeping with current law, states will report student assessment results to parents and hold schools accountable for improving the performance of all students. The disaggregation of achievement results and the required 95 percent participation rate, hallmarks of *NCLB*, will continue to ensure that students in critical subgroups (race, ethnicity, English language proficiency, disability, and socio-economic status) remain the focus of attention.

b. **Promote High State Academic Standards**

The administration will maintain its commitment to local control as states continue to establish the required academic standards and assessments for students. To support greater transparency, states must report the proficiency rates for state and NAEP assessments on the same public report card. Further, the Department of Education will support cross-state comparisons by providing a platform for states and the general public to analyze and compare standards across the nation.

2. Flexibility for Innovation and Improvement

Overview

The real work of educating America's students does not happen at the federal level. It happens in the states and schools. States and localities have the primary responsibility to direct and manage education. They should have the opportunity to innovate and show creativity as they work to meet the fundamental goals of *No Child Left Behind*.

Additional flexibility, options and tools will be offered to help states improve their accountability systems and demonstrate gains in student achievement. These include the use of growth models to measure progress and the ability to focus interventions and resources on students who have yet to reach grade level.

Summary of Proposals

a. Greater Use of Growth Models

One clear benefit from *NCLB*'s focus on transparency of information—and from increased federal resources for that purpose—is improved data systems in the states. Many states can now implement more sophisticated accountability systems to measure and follow the progress of individual students. A growth-based accountability model is one of those systems.

For those states with well-established assessments and robust data systems, growth models will be permitted in their overall accountability systems. Growth models allow states to measure individual students' progress over time, giving schools credit for improvement from year to year and providing another way to show whether achievement gaps are closing. They may be particularly useful in charting the progress of students whose achievement may follow a different path from that of their peers, such as students with disabilities or LEP students. This information can be used to identify not only struggling students seeking to master state standards, but also proficient students at risk of stalling and falling behind. It is important to point out that a growth model is a tool to achieve proficiency by 2014, not a loophole to avoid it.

For a growth model to work under **Building on Results**, it must follow these core principles:

- **Growth Toward Standards**—The growth model must ensure that all students are proficient by 2014 in reading / language arts and math while setting individual student progress measures to ensure that achievement gaps are closing for all student groups. The annual goals must be based on grade-level proficiency, not on student background or school characteristics.
- **Assessments and Data**—Schools and districts must be held accountable for the performance of each student subgroup in reading / language arts and mathematics in grades 3–8. Student participation rates and one other academic indicator must be included as separate academic indicators in the state accountability system.

The use of these principles to design a state's growth model will ensure that accountability has a clear and defined meaning—accelerated growth toward the 2014 goal, not just an arbitrary amount of progress.

b. **Flexibility Through Prioritized Support for Schools**

Another result of improved data systems and rigorous accountability mechanisms is the opportunity to treat schools appropriately based on their record in meeting accountability targets. Capitalizing on improved state data systems, states will be able to prioritize their school improvement activities based on the specific needs of the school.

To make the accountability provisions of *NCLB* more meaningful, states will have more flexibility to precisely focus their technical assistance, interventions and direct resources to schools identified for improvement, corrective action or restructuring. This flexibility will help states do what is necessary to enable all students to read and do math at grade level or better by 2014 in a more effective and efficient manner.

For example, schools will be able to focus their choice options and SES resources on students not yet proficient, so long as the "all-students" group meets the state's proficiency target and the school meets the 95 percent participation requirement for assessments. This would apply to schools in both school improvement and corrective action status. Schools undergoing restructuring, on the other hand, still must offer choice and SES to all currently eligible students. To ensure parents are properly informed of their choice and SES options on a timely basis, only school districts that notify parents of their choice and SES options no later than 30 days prior to the beginning of the school year will be permitted to prioritize their support activities.

c. **Provide More Flexibility in Use of Federal Funds**

Current state and local flexibility provisions are too limited to provide significant, meaningful flexibility to states and districts. Under **Building on Results**, states' ability to efficiently and effectively direct federal resources will be expanded. We will streamline the application process for federal support and afford states greater flexibility in allocating federal funds throughout the state.

Transferability, a useful tool that helps states and districts tailor federal programs and funds to meet local needs, will also be expanded. The amount of funds that may be transferred will be raised to 100 percent. Currently, states and local education agencies making adequate yearly progress may transfer just 50 percent of applicable funds. *Perkins Act* funds will be included in the pool of funds that could be transferred. Furthermore, the transferability provisions will be revised to make it easier for local education agencies (LEAs), in consultation with private schools, to consolidate and transfer funds reserved for private school students and teachers.

The secretary of education will be permitted to respond comprehensively when there is a natural disaster or other major emergency (as was the case following the 2005 Gulf Coast hurricanes). Finally, additional rural districts will be given flexibility that is currently available only to the smallest rural districts.

d. **Improved Assessments and Accountability for Students with Disabilities**

NCLB is committed to the academic achievement of students with disabilities. Therefore, students with disabilities must participate fully and meaningfully in state assessments. To ensure districts receive credit for their work in helping these students make academic progress, states will have the option of assessing a small group of students with disabilities based on alternate and modified achievement standards. These standards must meet high quality standards and promote challenging instruction so students with disabilities can reach the highest possible levels of achievement.

e. **Accelerate English Language Acquisition for LEP Students**

By disaggregating achievement data by student subgroups, *NCLB* has focused attention on the academic achievement of our nation's more than 5 million-strong and growing population of LEP students. **Building on Results** will maintain a strong commitment to assessment and accountability for all LEP students in the content areas as a driving force for improving instruction and outcomes. More attention will be focused on English language acquisition as the foundation for academic achievement. To acknowledge the close relationship between the development of English language proficiency and academic content proficiency, as well as to create incentives to accelerate the learning of English, state accountability systems will include a provision to recognize schools making significant progress in moving LEP students toward English language proficiency.

f. **Support Innovation in the Safe and Drug-Free Schools Program**

Many schools and education agencies have made great strides toward creating safe and drug-free learning environments. The 2006 Indicators of School Crime and Safety found declining crime rates in our nation's schools. But we must do more. The Safe and Drug-Free Schools (SDFS) grant program was designed to support the creation of positive and safe learning environments through education and prevention activities. To ensure this objective is carried out, states will be given funds to provide school districts with training, technical assistance and information regarding effective models and strategies to create safe, healthy and secure schools. In addition, the current SDFS national programs will be consolidated into a single, more flexible discretionary program focused on four areas: Emergency Planning, Preventing Violence and Drug Use, School Culture and Climate, and Emerging Needs.

3. **Challenging Our Students and Preparing Them to Succeed**

Overview

When 90 percent of the fastest-growing jobs require postsecondary education or training, it is unacceptable that almost a third of incoming high school students—and about half of African-American and Hispanic students—do not make it to graduation day on time. Many are not challenged by their coursework; others fall behind in earlier years and do not catch up in the more fast-paced high school environment.

Since the National Governors Association held its National Education High School Summit in 2005, many states have worked to increase the rigor of high schools. The reauthorization of *NCLB* must set a national expectation of real high school reform. **Building on Results** establishes the expectation that every high school student graduate on time with a diploma that indicates readiness for success in postsecondary education and the 21st-century workforce.

Summary of Proposals

a. **Improve Graduation Rates**

There can be no debate about the need to increase the number of high school students who graduate with a meaningful diploma and relevant skills. All 50 governors have agreed to use a more accurate graduation rate calculation in the National Governors Association's Graduation Rate Compact. By no later than 2011–12, all states must report school-level, disaggregated results of their four-year cohort graduation rates in state accountability calculations. In the meantime, all states must report district-level disaggregated results of the Average Freshmen Graduation Rate (AFGR) in state accountability calculations.

b. **Ensure That Students Graduate Ready to Succeed**

In this global economy, it is critical that the K–12 and higher education communities work together to build common expectations for high school students so they are fully prepared to enter college or the workforce with the skills they need to succeed. Under **Building on Results**, states must develop by 2010–11 course-level academic standards for two years of English and math that will prepare high school graduates to succeed in college or the workplace. By 2012–13, states will administer assessments aligned to these standards and publicly report the extent to which all students are on track to enter college or the workplace fully prepared.

While these college-ready standards and assessments will not be required to be used as part of the accountability system, states will continue to use their current *NCLB* high school assessment for accountability decisions. States will receive technical assistance to improve their high school content standards and assessments.

c. **Promote Rigor in High School Coursework**

Rigorous coursework in high schools is critical to ensuring that students are learning the skills they need to compete in the global economy. Low-income students who complete a rigorous high school course of study are eligible for an Academic Competitiveness Grant (ACG) to help with college costs. The ACG program provides additional grant aid to low-income first- and second-year college students who complete a rigorous program of study in high school. Through **Building on Results**, we can increase academic rigor and simultaneously increase the number of students who may receive those grants by making Advanced Placement and International Baccalaureate classes available to more students and by training teachers to lead them. To promote student participation in courses required for success in college, states will report completion rates of these college readiness courses by relevant subgroups.

d. **Increase Funding for High Schools That Serve Low-Income Students**

To ensure that high schools have the resources to help low-income students, there will be a substantial increase in funds for Title I high school students. Currently, Title I funds tend to be primarily allocated toward elementary schools. Districts will have to give their high schools at least 90 percent of the high schools' proportionate share of the increased funds. A corresponding funding increase will ensure that elementary schools' Title I programs are not negatively affected.

e. **Provide Specific Expertise Through a New Adjunct Teacher Corps**

Many schools, particularly in low-income areas, suffer from a lack of qualified or expert instructors. The Adjunct Teacher Corps will offer an opportunity for talented and dedicated professionals from outside the teaching profession to share their expertise in core academic subjects, especially math and science, in middle and high school classrooms. Competitive grants will be provided for school districts to engage in partnerships with other public and private organizations and institutions to take advantage of the expertise in their communities.

4. Helping Teachers Close the Achievement Gap

Overview

The academic progress made by states and students in the last five years is testament to the fact that the achievement gap is not intractable. However, while we have narrowed the gap, we are a long way from closing it. Teachers are instrumental to this effort. They must be equipped with the most current, research-based instructional tools to help them do their jobs. We need to find ways to get our best teachers into our neediest schools. And we must offer more intensive instruction and tutoring to help children catch up and keep pace.

Summary of Proposals

a. **Reward Exceptional Teaching**

Bringing every student up to grade level demands high-quality teachers. The Teacher Incentive Fund will provide resources to help states and school districts develop compensation systems that reward teachers and principals who make progress in raising student achievement and closing achievement gaps. Teachers and principals who choose to work in the neediest schools can also be rewarded.

b. **Focus On Mathematics Achievement**

According to a 2004 Department study, only a small fraction of mathematics coursework in our nation's middle schools has scientific evidence of effectiveness. To strengthen the teaching of math in elementary and middle schools, President Bush has proposed the Math Now program, which will provide resources to help teachers use scientifically proven practices, including those soon to be recommended by the National Math Panel, so that students enter high school ready to take challenging and advanced coursework.

Math Now for Elementary School Students will provide competitive grants to improve math instruction for elementary school students so that they learn the skills necessary to take and pass algebra in middle school.

Math Now for Middle School Students will provide grants to improve the instruction of middle school students who are performing significantly below grade level so that they may learn the skills necessary to take and pass algebra and other challenging courses.

c. **Focus On Science Achievement**

In introducing the American Competitiveness Initiative in 2006, President Bush announced his commitment to improving student achievement in math and science in order to maintain our nation's competitive advantage. Including science in *NCLB* accountability determinations will encourage a greater focus on this critical subject and ultimately lead to greater science achievement. Beginning in 2008–09, disaggregated results from science assessments at three grade levels will factor into state accountability calculations. The reauthorized law will incorporate an expectation that all students achieve proficiency in science by the 2019–20 school year.

d. **Build Expertise in Reading Instruction Through Reading First**

The administration is committed to ensuring that every child can read by the third grade. To meet this goal, the administration will continue to invest in and expand Reading First, the largest, most focused and most successful early reading initiative ever undertaken in this country. The program applies scientifically based reading research and instructional tools and assessments to help teachers improve student achievement. To date, more than 5,600 schools in 1,600 districts nationwide have participated in Reading First. State programs funded by Reading First have served approximately 1.8 million students, and more than 100,000 teachers have benefited from its professional development.

The early results are extremely promising. For the 2004–05 school year, students in Reading First schools demonstrated increases in reading achievement across all performance measures. The percentage of second-grade students who met or exceeded proficiency in reading on Reading First outcome measures of fluency increased from 33 percent in 2003–04 to 39 percent in 2004–05 for economically disadvantaged students; from 27 to 32 percent for LEP students; from 34 to 37 percent for African-American students; from 30 to 39 percent for Hispanic students; and from 17 to 23 percent for students with disabilities.

e. **Offer Teachers Tools to Reach Older Struggling Readers**

The Striving Readers program, which serves students in grades 6–12, will fund school-level instructional strategies designed to increase reading achievement through targeted, intensive intervention and quality literacy instruction throughout the curriculum. The program will measure its impact and success through a rigorous experimental research evaluation process. On the strength of the program's success, Striving Readers will expand its reach to serve a greater number of struggling readers.

5. Strengthening Public Schools and Empowering Parents

Overview

Before the *No Child Left Behind Act* was passed, parents—especially those of modest means—were often relegated to the education sidelines. When their child's school did not improve, they were given few alternatives. *NCLB* has empowered families with new options, including the choice to attend a better-performing public school or a public charter school. The law also provides free tutoring and after-school help, called Supplemental Educational Services (SES), to qualified low-income students. Hundreds of thousands have taken advantage of this opportunity. Finally, *NCLB* enables teachers, parents and community leaders to work together to turn around chronically underperforming schools. Together, these policies provide an incentive to public schools to improve or lose their customers.

We remain committed to restructuring and fixing troubled public schools. But we must also provide more parents the opportunity to make appropriate choices for their children. To that end, we support the spread of charter schools and new Promise Scholarships to meet the growing demand.

Summary of Proposals

a. **Invest in the School Improvement Fund**

Funds will be targeted to ensure improvement in some of the nation's most challenging schools. School Improvement Grants will support implementation of the schools' improvement plans and will assist states' efforts to closely monitor and review those plans for each school while providing technical assistance to turn around low-performing schools.

b. **Strengthen School Restructuring**

Some schools that are subject to restructuring for chronic underperformance are simply not pursuing the quality and depth of reform that will lead to adequate yearly progress. Current law permits these schools to implement only minor reforms as corrective actions even when they are in the fifth year of program improvement. Under **Building on Results**, the menu of actions authorized under restructuring will commit these schools either to make substantial changes in staff or to reconstitute the schools' governance structure, except in special circumstances (e.g., when a school is in restructuring status only because of the performance of one subgroup).

Additionally, consistent with state law, the reauthorized law would permit operation of a school in restructuring status to be turned over to an elected official such as a city mayor, in addition to a state education agency as allowed under current law.

c. **Enhance Choice Through Public and Private School Scholarships**

The administration strongly believes in public education. We also believe that private schools are an important and effective alternative for many parents, especially those whose children attend chronically underperforming schools. Parents deserve the opportunity to have their child attend a quality school. Public schools that go into restructuring status will offer Promise Scholarships, which would allow low-income students in grades 3–12 to attend a private school or an

out-of-district public school, or receive intensive tutoring. Federal funds will follow the child to his or her new school. This money will be supplemented by a federal scholarship of \$2,500, for an average total scholarship of approximately \$4,000. Students attending a private school under these provisions would take their state's assessment or a standard national assessment in the same grades and subjects assessed in their original school. Students selecting intensive tutoring would receive scholarships of up to \$3,000.

The need to offer low-income parents the option of private schools for their children is intensified by a lack of real public school choices in some districts. Nationally, only around 1 percent of eligible students have exercised *NCLB*'s public school choice option and transferred to a higher-performing public school. This low participation rate is often due to districts' inability to accommodate parents' transfer requests because high-quality local public school options are lacking.

For communities that want to expand local options for parents, the administration will provide additional resources through a competitive grant program known as Opportunity Scholarships, with preference given to areas with large numbers of schools in improvement status. Modeled after the Washington D.C., choice program that the federal government has funded since 2004, this program would enable students to attend a private school through a locally designed scholarship program. Families could also seek additional tutoring for their children. The scholarship amount provided to a student would be the sum of the tuition, fees and costs, including any necessary transportation expenses, for the school they would attend, or an amount equivalent to the average per-pupil expenditure in public schools in the state in which the recipient resides, whichever is less. To be eligible for Opportunity Scholarships, students must be from low-income families and be assigned to schools identified for improvement, corrective action or restructuring.

d. Provide Additional Staffing Freedom at the Most Troubled Schools

Schools that are required to be restructured will be authorized by Title I law to remove limitations on teacher transfers from their collective bargaining agreements, similar to contract revisions permitted under bankruptcy law. Removal of these provisions will provide these schools with greater freedom to pursue aggressive reform by ensuring that the school leadership has the right staff in place. This provision will apply only to schools in restructuring, not to all schools in the district.

e. Augment Charter School Options

In order to enhance charter school availability and performance, the federal charter school program will now support all viable charter applications that can improve outcomes for students. Charters will also have a greater degree of flexibility to use their grants in executing planning and startup activities. Similarly, we will support local decisions to reopen schools identified for restructuring as charter schools, even if state law limits the number of possible charter schools within that state.

Fiscal Year 2008 Budget Summary — February 5, 2007

Five years ago we rose above partisan differences to pass the No Child Left Behind Act, preserving local control, raising standards, and holding schools accountable for results. And because we acted, students are performing better in reading and math. Minority students are closing the achievement gap. Now, the task is to build on the success without watering down standards, without taking control from local communities and without backsliding and calling it reform.

*President George W. Bush
January 23, 2007*

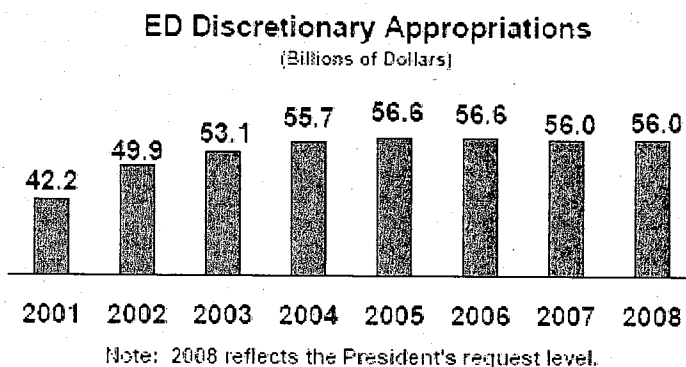
Section I. Summary of the 2008 Budget

Five years ago the *No Child Left Behind Act* (NCLB) launched a revolution in our education system by insisting that all students should be proficient in reading and math by 2014 and demanding comprehensive reforms to reach this national goal, including strong assessment and accountability systems, a highly qualified teacher in every classroom, more choices for students and parents, a new emphasis on school improvement, and the use of research-based instructional practices.

Under NCLB, States and local school districts have made enormous strides in putting these reforms in place, and the first returns are promising. The latest results from the National Assessment of Educational Progress show that we have reversed a decade of stagnation in student achievement, with scores rising significantly in both reading and math in the early grades and achievement gaps between African-American and Hispanic students and their white peers falling to all-time lows.

Now it is time to work again with a bipartisan Congress on a reauthorization of NCLB that will preserve and strengthen its core principles. The Administration has developed a reauthorization proposal that would continue efforts to close achievement gaps through high State standards and strong accountability, encourage more rigorous coursework in our middle and high schools to prepare students for postsecondary education and the workforce, give States and school districts new tools and resources to help turn around low-performing schools, and provide more options to parents with students in such schools.

In particular, both the Administration's NCLB reauthorization proposal and its 2008 budget request would focus on providing additional resources and reforms at the high school level, where too many of our schools graduate students who are not prepared for either postsecondary education or employment in the global economy, and where more than 1 million students annually leave school without graduating at all.



The 2008 request would address this basic challenge to American competitiveness and individual success by providing substantial new resources both to strengthen our high schools and to increase incentives, particularly for students from low-income families, to stay in school, work hard, and go to college.

For 2008, the President is requesting \$56.0 billion in discretionary appropriations for the Department of Education, the same as the 2007 level. Discretionary appropriations for the Department have grown by \$13.8 billion, or 33 percent, since fiscal year 2001.

Key increases in the 2008 budget include the following:

\$1.2 billion for a reauthorized Title I Grants to Local Educational Agencies program that would more fairly distribute Title I resources to the high school level, strengthen assessment and accountability in our high schools, provide more choices to students and parents, and encourage more effective restructuring of chronically low-performing schools.

\$500 million for a reauthorized Title I School Improvement Grants program that, along with the existing 4-percent reservation of Title I Grants to LEAs funds for school improvement, would double the investment in turning around low-performing schools while ensuring that States have the resources they need to play their essential role in LEA and school improvement.

\$365 million in new funding to improve math and science instruction in K-12 schools, requested as part of the President's American Competitiveness Initiative.

\$300 million to expand private school choice and supplemental educational services options for the parents of students in Title I schools that have been identified for improvement, corrective action, and restructuring.

A \$550 increase in the maximum Pell Grant award to \$4,600, a 14 percent increase that would represent the largest growth in the maximum grant in over 30 years. The request includes an additional \$800 increase in the maximum Pell Grant over the next 5 years, to \$5,400 in fiscal year 2012, that would enable more low-income students to attend college.

A 50 percent increase in Academic Competitiveness Grants awarded to Pell Grant recipients in the first 2 years of college who completed a rigorous high school curriculum, from \$750 to \$1,125 for first-year students and from \$1,300 to \$1,950 for second-year students.

\$35 million for the Department's portion of the President's multi-agency National Security Language Initiative, which in addition to contributing to national security would help US citizens compete in the global marketplace.

The 2008 request for the Department of Education provides these significant increases in key areas while helping to keep overall Federal spending on track to meet the President's goal of eliminating the deficit by 2012. In addition to these increases and continued commitment to other priorities like Reading First, State Assessment Grants, and Special Education Grants to States,

the overall request proposes significant discretionary and mandatory savings. For example, the discretionary request includes the proposed elimination or consolidation of 44 programs for a total savings of almost \$2.2 billion. On the mandatory side, the request would save nearly \$19 billion over 5 years by reducing excessive subsidies in the student loan programs.

Discretionary and mandatory components of the request are shown below:

Total Department of Education Appropriations
(in billions of dollars)

	2006	2007 Request	2008
Discretionary	\$56.6	\$56.0	\$56.0
Mandatory	41.6	9.7	6.6
Total	<u>98.2</u>	<u>65.7</u>	<u>62.6</u>

The 2007 discretionary level assumes enactment of a full-year continuing resolution. Also, the discretionary spending totals exclude \$1.9 billion in education assistance to areas affected by hurricanes Katrina and Rita in fiscal year 2006, and \$0.2 billion in similar assistance in fiscal year 2007.

Mandatory costs, primarily for the postsecondary student aid programs, fluctuate from year to year due to changes in interest rates and other factors. The \$31.9 billion reduction in mandatory costs from 2006 to 2007 largely reflects a one-time downward re-estimate of student loan costs because of changes in interest rate and consolidation loan assumptions, along with the one-time \$4.3 billion appropriation in 2006 to eliminate the cumulative Pell Grant funding shortfall.

Federal funding makes up about 8.9 percent of the estimated \$584 billion that America is spending on elementary and secondary education during the 2006-07 school year. The relatively small size of the Federal investment in education dictates an emphasis on promising, research-based programs that have the potential to leverage more effectively the much larger State and local share of national education spending to bring about real improvement in student achievement. This is the primary goal, for example, of the strong State accountability systems required by No Child Left Behind. Under the President's request, funding for NCLB programs would rise by \$1.2 billion in fiscal year 2008, from \$23.3 billion to almost \$24.5 billion, an increase of \$7.1 billion, or 41 percent, since NCLB was enacted.

The combination of discretionary and non-discretionary resources in the President's budget is focused on the following areas.

SUPPORTING NO CHILD LEFT BEHIND REAUTHORIZATION

The request would provide \$24.5 billion to support the Administration's reauthorization proposal for the Elementary and Secondary Education Act. This proposal would provide additional resources at the high school level, encourage more rigorous instruction and coursework in our middle and high schools, make available more meaningful choice options to students in low-performing schools, and significantly increase the resources available to States and LEAs to

support school improvement efforts, particularly through a stronger emphasis on fundamental staffing and governance changes in schools undergoing restructuring. These and other reauthorization changes are discussed in more detail in the section on Elementary and Secondary Education. Key parts of the request that support the reauthorization include:

\$13.9 billion for Title I Grants to Local Educational Agencies, an increase of \$1.2 billion, or 9.4 percent, primarily to drive more Title I funding to high schools so that they have the resources to implement the reforms and interventions that are working to improve achievement at the elementary level.

\$500 million in first-time funding for Title I School Improvement Grants to support strong and effective State leadership in helping to turn around low-performing schools and school districts. Funds would be evenly split between building State capacity to lead LEA and school improvement efforts and additional resources for LEAs working to turn around low-performing schools.

\$411.6 million for State Assessment Grants to maintain support for strong State assessment systems and support the development and implementation of 2 years of high school assessments that would be required by the Administration's reauthorization proposal for Title I.

\$300 million to expand private school choice and tutoring options for America's students and families, including \$250 million for **Promise Scholarships**, a new formula program to give low-income students in restructuring schools the opportunity to transfer to private schools or public schools in other districts, or to obtain intensive tutoring; and \$50 million for **Opportunity Scholarships**, which would award competitive grants to a broad range of entities, including municipalities, non-profit organizations, and other entities, to carry out innovative programs that give students in low-performing schools the opportunity to transfer to another public or private school or obtain intensive supplemental services.

A \$365 million increase to support the American Competitiveness Initiative by strengthening the capacity of our schools to improve instruction in mathematics and science:

- **\$125 million for the Math Now for Elementary School Students** initiative, modeled after Reading First, to implement proven practices in math instruction, including those that will be recommended by the National Math Panel, that focus on preparing K-6 students for more rigorous math courses in middle and high school.
- **\$125 million for a new Math Now for Middle School Students** initiative, based on the principles of the Striving Readers program, to support research-based math interventions in middle schools.
- **A \$90 million increase for Advanced Placement** to provide a new emphasis on training teachers and expanding opportunities for students, particularly in high-poverty schools, to take high-level Advanced Placement and International Baccalaureate courses in math, science, and critical foreign languages.

- **\$25 million for the Adjunct Teacher Corps** to create opportunities for qualified professionals from outside the K-12 educational system to teach secondary-school courses in the core academic subjects, with an emphasis on mathematics and the sciences.

A \$68.4 million increase for the Striving Readers program, funded for the first time in fiscal year 2005, to significantly expand the development and implementation of research-based interventions to improve the skills of teenage students who are reading below grade level.

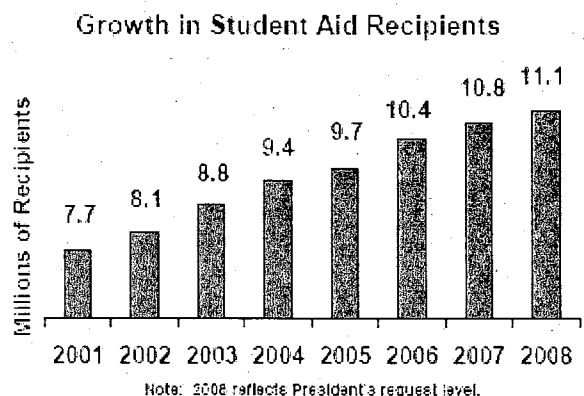
\$1.0 billion for Reading First State Grants and \$117.7 million for Early Reading First to maintain support for comprehensive reading instruction, grounded in scientifically based reading research, that enables all young children to read well by the end of third grade. The request for Early Reading First, which consolidates this program with the Early Childhood Educator Professional Development program, would also help strengthen partnerships between preschool providers and institutions of higher education that provide professional development to early childhood educators.

\$2.8 billion for Improving Teacher Quality State Grants to help States ensure that all teachers of core academic subjects are highly qualified and to strengthen teachers' subject-matter knowledge and teaching skills.

\$199 million for the Teacher Incentive Fund to expand support for State and local efforts to develop and implement performance-based financial incentives for teachers and principals. This program helps close the equity gap in access to the best teachers and principals by rewarding those who raise student achievement, close achievement gaps, and work in hard-to-staff schools.

POSTSECONDARY STUDENT FINANCIAL ASSISTANCE

In 2008 the Department of Education will administer over \$90 billion in new grants, loans, and work-study assistance to help over 11 million students and their families pay for college. The total includes more than \$15 billion in Pell Grants to nearly 5.5 million students, or 200,000 more than the 2007 level, and increases the maximum award by \$550—the largest increase in over 30 years—to \$4,600. Most Federal postsecondary student aid is delivered through guaranteed and direct student loans, which are expected to total \$73 billion in 2008. These grant and loan programs will help millions of Americans obtain the benefits of postsecondary education and play a vital role in strengthening our Nation by providing advanced training for today's global economy.



A key finding by the Secretary's bipartisan Commission on the Future of Higher Education, which issued its final report in September 2006, was the disproportionate impact of rising college costs on low-income families. Over the past 15 years, the amount needed to attend a public 4-

year college has grown to nearly half of the annual income of families in the bottom quartile of earnings.

In response, the 2008 request includes substantial new investments in need-based grants to postsecondary students from low-income families. In addition, the Administration is developing administrative and other proposals to make students and their families more aware of their eligibility for financial aid, and how best to prepare academically and financially for college. Key components of this financial aid are the Pell Grants and Academic Competitiveness Grants/SMART Grants programs, for which the request includes significant increases in 2008:

A \$550 increase in the Pell Grant maximum award to \$4,600 in 2008. This level would pay 100 percent of tuition and fees at an average public community or technical college, and 75 percent of the tuition at an average 4-year public institution. In addition, the Administration is proposing to raise the maximum Pell Grant by \$200 annually from 2009 through 2012, to \$5,400. All increases over the 2006 maximum award of \$4,050 would be paid for with savings from the mandatory student loan programs.

A 50 percent increase in Academic Competitiveness Grants (ACG) awarded to Pell Grant recipients in the first 2 years of college for strong academic preparation and achievement. This proposal would complement the Administration's ESEA reauthorization proposal, which calls for more rigorous coursework in the Nation's high schools, because Academic Competitiveness Grants are awarded to students from low-income families who complete a rigorous high school curriculum. ACG awards would rise from \$750 to \$1,125 for first-year students and from \$1,300 to \$1,950 for second-year students.

HIGHER EDUCATION PROGRAMS

In addition to student financial assistance, the request provides continuing support for institutional development at colleges and universities serving large percentages of minority students, and funds opportunities for postsecondary students to gain international expertise and training as language and area specialists. Highlights include the following:

\$402.8 million for the Aid for Institutional Development (HEA Title III) programs to maintain support for institutions that help close achievement and attainment gaps between minority students and their non-minority peers, including Historically Black Colleges and Universities and Historically Black Graduate Institutions.

\$94.9 million for Developing Hispanic-serving Institutions to maintain support for postsecondary education institutions that serve large percentages of Hispanic students. This program is a key part of the Administration's effort to increase academic achievement, high school graduation, postsecondary participation, and life-long learning among Hispanic-Americans.

\$105.8 million for the International Education and Foreign Language Studies (IEFLS) programs, to help meet the Nation's security and economic needs through the development of expertise in foreign languages and area and international studies. The request includes \$1 million as part of the President's National Security Language

Initiative to establish a nationwide e-Learning Clearinghouse to deliver foreign language education resources to teachers and students across the country.

\$828.2 million for the Federal TRIO Programs and \$303.4 million for Gaining Early Awareness and Readiness for Undergraduate Education Programs (GEAR UP), which provide educational outreach and support services to help an estimated 1.6 million disadvantaged students to enter and complete college.

BUDGET AND PERFORMANCE INTEGRATION

As part of the President's Management Agenda, the Administration developed the Program Assessment Rating Tool (PART) to assess and improve program performance and achieve better results. Each program receives scores for program purpose and design, strategic planning, program management, and program results, as well as an overall rating of Effective, Moderately Effective, Adequate, Ineffective, or Results Not Demonstrated (RND).

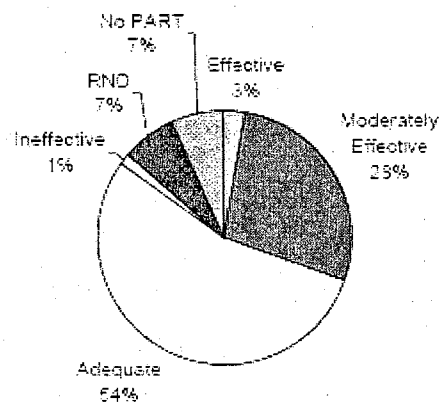
In 2006, the Department assessed 15 programs, bringing the number of programs assessed using the PART since 2002 to 89. Of these, the Administration rated 4 programs Effective, 7 programs Moderately Effective, 26 programs Adequate, 4 programs Ineffective, and 48 programs RND. Key results of the 2006 PART process included Effective ratings for the Reading First State Grants and Adult Education State Grants programs, and a Moderately Effective rating for the Title I Grants to Local Educational Agencies program—the cornerstone of No Child Left Behind.

A rating of RND typically identifies a lack of long-term goals, annual performance measures, or reliable data—management issues that often can be addressed by ED internally, though program statutes sometimes contribute to the problem because they do not include clear and measurable objectives, results-based accountability mechanisms, or authority to gather reliable data on program outcomes. The Department works to improve the effectiveness of its programs to the extent possible under current law, and also works with the Congress on accountability and data quality issues when statutes are reauthorized. One recent advance was the full implementation of *EDFacts*, a centralized information management system for K-12 education programs. *EDFacts* will streamline the collection of timely, accurate program performance and student achievement data and facilitate its analysis and use to improve program management.

The PART is a particularly useful tool in the effort to meet the President's goal of eliminating the deficit by 2012, and the Administration is using the PART to ensure that limited resources, in the Department of Education and other Federal agencies, are targeted toward those programs and activities most likely to achieve positive results.

In general, this means investments will continue to be made in programs receiving a PART rating of Effective, Moderately Effective, or Adequate, while most programs rated Ineffective will be proposed for elimination or reform. For programs rated RND, the Administration will

2008 ED Request by PART Rating



Note: 85 percent of 2008 funding is for programs rated Effective, Moderately Effective, or Adequate.

generally support continued funding if the programs are likely to demonstrate results in the future. However, the Administration will propose the termination of RND programs that unnecessarily duplicate other activities or suffer from such major flaws in design or execution that they are unlikely to demonstrate improved performance in the future.

For the quarter ending on September 30, 2006, the Department achieved its first "green" rating for budget and performance integration on the President's Management Scorecard by establishing efficiency measures for all programs that have undergone a PART assessment and conducting marginal cost analyses of three programs. With the publication of the President's Budget, 94 percent of the Department's budget will have been reviewed using the PART. This includes \$400 million associated with small programs for which the Department was not required to conduct a PART assessment.

President Bush Meets with Parochial Education Leaders and Parents

Roosevelt Room

1:45 P.M. EDT

THE PRESIDENT: Secretary Spellings and I have just had the privilege of talking to some of our country's leading educational entrepreneurs. We had the privilege of talking to parents whose lives have been positively affected by our Catholic school system. One of the great assets in the United States is the Catholic schools, which oftentimes educate the so-called hard to educate -- and they do so in such a spectacular way.

The question is how do we make sure that this important asset is sustainable? How do we make sure that our Catholic schools meet the needs of parents, like Patricia, meet the expectations of some of our educational leaders, like Ben. And one way is for the federal government to provide opportunity scholarships for parents, so that they can redeem that scholarship at a school of their choice.

We've got such a program like that here in Washington, D.C. It's been a very successful program, and Congress needs to make sure it gets fully funded. If any congressman doubts the utility of a program, all they've got to do is speak to Wendy Cunningham, whose daughter takes advantage of this special funding for people, that enables her to say "My school isn't meeting the needs, therefore I'd like to make another choice." A parental choice is a very important part of educational excellence. And one way to make sure that that's the case is not only to fully fund the D.C. Opportunity Scholarship, but to provide these kinds of scholarships for school systems outside of Washington.

For example, we just heard from Margaret Dames who has got a marvelous school program in Bridgeport, Connecticut. And it seems like it makes sense to me for a parent in Bridgeport to be able to have the same kind of opportunity that a parent here in Washington, D.C. has. Congress needs to reauthorize the No Child Left Behind Act, as well. We want all schools to be excellent. We want every school, public or parochial, to meet expectations and to give our children the skill sets necessary to realize the great promise of the country.

One thing is for certain, if you're interested in educational excellence, you can look at the Catholic schools in the United States of America, because they provide it -- and for that, this country is very grateful.

Thank you all for coming, appreciate your time.

PRESS RELEASES

**Statement from Secretary Spellings on Georgetown University
Report on D.C. School Choice Program**

FOR RELEASE:

May 18, 2007

Yesterday Georgetown University released a report on the D.C. School Choice Program, highlighting the positive parental satisfaction with the program. U.S. Secretary of Education Margaret Spellings today issued the following statement:

It comes as no surprise that parents know what's best for their children. Programs like the D.C. Opportunity Scholarship Program give families the power to choose the school that's right for them. The promising results and positive feedback in this report underscore the importance of giving families options.

By expanding school choice, No Child Left Behind helps parents act as real advocates for their children—which remains one of the President's top priorities. In his 2008 budget proposal, President Bush proposed \$300 million to expand private school choice with Promise and Opportunity Scholarships that would give more of America's students the options they need to succeed.

As a parent, I know that there is nothing more important than giving our children the chance to learn and succeed in this increasingly competitive world. The D.C. School Choice Program is leading the way in providing opportunities for students and families so that success is within reach.

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PRESS RELEASES

Report Evaluates D.C. Opportunity Scholarship Program

Report examines impact of Program after one year

FOR RELEASE:

June 21, 2007

Washington, D.C. — The U.S. Department of Education's Institute of Educational Sciences (IES) today released a report "*Evaluation of D.C. Opportunity Scholarship Program: Impacts After One Year*," as part of its annual reports to Congress on program evaluation results. The D.C. Opportunity Scholarship Program provides low-income families in our nation's capital more options for obtaining a quality education by offering scholarships for up to \$7,500 for students to attend participating D.C. private schools. This is the third report in a series and the first to describe the impacts of the Program on those who applied for and were given the option to move from a public school to a participating private school of their choice in Washington, D.C.

"The report's findings are in step with rigorous studies of other voucher programs, which have not typically found impacts on student achievement in the first year," said Secretary of Education Margaret Spellings. "School choice programs like the D.C. Opportunity Scholarship Program empower parents with more opportunities to choose a school that's right for their child—and we know that parents are pleased with the success of the Program in providing effective education alternatives."

The report studies five key outcomes of the D.C. Opportunity Scholarship Program: school differences; academic achievement; parental perceptions of school satisfaction and safety; student reports of school satisfaction and safety; and the impact of using a scholarship. The analysis estimates the effects of the program approximately seven months after the start of the students' first school year in the program and finds no statistically significant difference in test scores overall between students who were offered a scholarship and students who were not offered a scholarship.

While the report did not find significant gains in achievement for participants after the first year, it indicated a significant positive impact on parental perceptions of school satisfaction and safety. Students who were offered a scholarship were also more likely to attend a school with a music program and a computer lab than students not offered a scholarship.

The report is based on a randomized control trial that examines 2,308 eligible applicants to the Program who were not already attending private schools and who entered a lottery for a scholarship. The sample was evenly divided between males and females, and the average household in the sample had approximately three children, supported by an average annual income of \$17,356. Of the sample group, nearly 100% were identified as minority, and 12% as having special needs.

Key findings of the report include:

After one year, there was no clear evidence of a statistically significant difference in test scores between students who were offered a scholarship and students who were not offered a scholarship.

Overall, students who were offered the scholarship were performing in math and reading at levels comparable to students not offered a scholarship;

The study's results showed a positive impact on math achievement for two subgroups of students: students who had not previously attended a D.C.

public school classified as in need of improvement and students with relatively higher baseline test scores.

The Program had a substantial and consistently positive impact on parental satisfaction and their perceptions of school safety.

Of the parents whose child received a scholarship, 74% gave their child's school a grade of "A" or "B" compared to 55% of parents whose children did not receive scholarships.

The Institute of Educational Sciences will conduct future reports on the impact of two and three years of participation in the Program, retention, graduation, and school characteristics, as well as gauge the impact of the Program on D.C. public schools.

The full text of the report, "*Evaluation of D.C. Opportunity Scholarship Program: Impacts After One Year*" is available online at: <http://ies.ed.gov/ncee/pubs/20074009/index.asp>.

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PRESS RELEASES

\$36.5 Million in Charter Schools Grants Announced

Grants to help charter schools with facilities financing

FOR RELEASE:

June 29, 2007

Four grantees will receive a total of \$36,531,346 in grants through the Credit Enhancement for Charter School Facilities Grants program, Secretary of Education Margaret Spellings announced today. These organizations will use the funds to increase credit worthiness and help them obtain facilities financing for charter schools. They are:

Housing Partnership Inc. in Boston, Mass., \$15,000,000

Illinois Facilities Fund in Chicago, Il., \$10,000,000

Low Income Investment Fund in San Francisco, Calif., \$5,000,000

Michigan Public Educational Facilities Authority in Lansing, Mich., \$6,531,246

The Credit Enhancement for Charter School Facilities program provides assistance to help charter schools meet their facility needs. Under this grant program, funds are provided on a competitive basis to public and nonprofit entities, and consortia of those entities, to improve the credit of charter schools to allow them to obtain financing for school facilities.

"Charter schools are one of the fastest-growing sources of school choice in American education today, but many can't obtain financing for the facilities they need to house their schools," Secretary Spellings said. "These grants will help communities open up new spaces to charter schools so that, in turn, these schools can open their doors to new students."

Despite the popularity of charter schools with parents, teachers and the public, these distinctive public schools face barriers. A high percentage of leaders at new charter schools point out that inadequate facilities have impeded the implementation of their charters. Unlike traditional local education agencies, charter schools generally lack the ability to issue general obligation bonds backed by property taxes, and they are often perceived to be credit risks by lenders.

The Credit Enhancement for Charter Schools Facilities grants help improve educational options for students and parents by targeting funds to areas with the greatest need for public school choice.

For more information on the grant program visit
<http://www.ed.gov/programs/charterfacilities/index.html>

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PRESS RELEASES

14 Grantees Share \$25 Million in Funds from the Voluntary School Choice Program

FOR RELEASE:

July 27, 2007

U.S. Secretary of Education Margaret Spellings announced today that 14 projects in 12 states will share \$25 million in grants under No Child Left Behind's Voluntary School Choice Program (VSCP) to help states and school districts create or expand public school choice initiatives.

"Parents know what's best for their children. By giving families more choices and injecting a little competition into the system, we support innovations that help students and schools improve," Spellings said.

The grantees—states, school districts or partnerships—are in Florida, Michigan, Oregon, Illinois, Texas, Connecticut, Pennsylvania, New York, Massachusetts, Minnesota, Alaska, and South Carolina. Seven grantees are also recipients from the first implementation of the program in 2002.

The VSCP is a competitive program that supports projects for up to five years that aim to offer the widest variety of choices to students in participating schools, including options that allow students to transfer from low-performing schools to higher performing schools, and projects that seek to implement an inter-district approach. Under No Child Left Behind, students in under-performing Title I schools must be given the option to transfer to a higher performing school in their school district, if their school has not met adequate yearly progress for two consecutive years.

Grantees develop the program with parental and community involvement, in concert with those who will carry out the program, including teachers, administrators and other staff. Some grantees use the first project year to plan and design the public school choice initiative.

To ensure the widest possible reach and participation, the funds can be used to help notify parents about the existence of the choice program, what the program offers and the program's availability. A portion of the funds can be used to provide transportation (or the costs of transportation to and from public elementary, secondary or charter schools) for students selected to participate in the program.

For more program information visit www.ed.gov/programs/choice/index.html.

Grantees and their first-year funding amounts follow (* return grantee):

- * Miami-Dade Public Schools — \$2,097,901
- * Florida Department of Education — \$1,884,543
- * Hillsborough County School District (Fla.) — \$2,163,164
- Utica Community Schools (Mich.) — \$2,500,825
- * Portland Public Schools (Ore.) — \$1,597,242
- * Chicago Public Schools — \$2,700,364
- KIPP Schools (Texas) — \$1,246,490
- * Minnesota Department of Education — \$1,867,208
- Beaver Valley Intermediate Unit (Penn.) — \$1,439,620
- New York City Department of Education — \$2,456,984

Foxborough Regional Charter School (Mass.) — \$95,582
Yukon-Koyukuk School District (Alaska) — \$1,486,716
University of South Carolina — \$405,114
*New Haven Public Schools (Conn.) — \$1,694,747

** \$1.8 million in supplemental funding including in total \$25 million

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[MILLER-MCKEON DISCUSSION DRAFT]**TITLE I—AMENDMENTS TO
TITLE I**

- Sec. 101. Amendments to the matter preceding part A.
Sec. 102. Amendments to subpart 1 of part A (Basic Program Requirements).
Sec. 103. Amendments to subpart 2 of part A (Allocations).
Sec. 104. Amendments to part C (Education of Migratory Children and Youth).
Sec. 105. Amendments to part D (Prevention and Intervention Programs for
Children and Youth Who Are Neglected, Delinquent, or At-
Risk).
Sec. 106. Amendments to part E (National Assessment of title I).
Sec. 107. Amendments to part F (Comprehensive School Reform).
Sec. 108. Amendments to part G (Advanced Placement).
Sec. 109. Amendments to part H (School Dropout Prevention).
Sec. 110. New parts I (Core Curriculum Development) and J (Expanded
Learning Time Demonstration Program).
Sec. 111. Amendments to former part I (redesignated as K: General Provi-
sions).

SEC. 101. AMENDMENTS TO THE MATTER PRECEDING PART**A.**

(a) **SCHOOL IMPROVEMENT.**—Section 1003 (20

U.S.C. 6303) is amended—

(1) by striking subsections (a) and (b) and in-
serting the following:

“(a) **STATE RESERVATIONS.**—Subject to subsection

(b)(4), each State shall reserve 5 percent of the amount

the State receives under subpart 2 of part A for fiscal

years 2008 through 2013 to carry out—

“(1) subsection (b);

“(2) the State’s responsibilities under sections

1116 and 1117, including the State educational

PRESS RELEASES

U.S. Assistant Deputy Secretary of Education Announces New Handbook for Giving Parents Options

FOR RELEASE:

September 20, 2007

U.S. Assistant Deputy Secretary Morgan Brown today announced the release of a new publication, *Giving Parents Options*. This new "handbook" for local and state administrators and educators provides strategies for informing parents of educational options for students and recommends effective ways to implement public school choice and supplemental educational services (SES) under No Child Left Behind.

"Thanks to No Child Left Behind, schools are now required to provide parents with the information and options they need to ensure their children receive the high-quality education they deserve," U.S. Secretary of Education Margaret Spellings said. "Resources like this show how informing parents and increasing parental involvement is key to improving student achievement. I encourage all states and districts to read this handbook and consider which ideas and practices they can implement to help their students."

Giving Parents Options provides concrete strategies and tips, based on best practices from around the country, to help educators improve their outreach to parents and to offer families quality SES and public school choice options. The handbook includes a range of ideas, such as ensuring readability of parent notices, coordinating public school choice under NCLB with other choice programs and options and managing SES at the school level.

Giving Parents Options is part of Secretary Margaret Spellings' initiative to increase participation in the public school choice and SES options. This initiative also included an Outreach Tour of 14 school districts during the 2006-07 school year, and a National Summit on SES and Public School Choice in June 2007.

Free hard copies of the handbook are available and can be ordered from ED Pubs www.edpubs.org: Order Number ED003762P

Copies can also be downloaded free from the Department's website: www.ed.gov/admins/comm/choice/options/index.html

For more information about parental options and No Child Left Behind please visit www.ed.gov/nclb/choice/index.html and www.ed.gov/nclb/choice/help/ses/index.html

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Empowering Parents With More Choices For Their Children's Education
President Bush Proposes New Pell Grants For Kids Program, Announces White House Summit On Inner City Children And Faith-Based Schools

Tonight, President Bush will ask Congress to support a new \$300 million "Pell Grants for Kids" scholarship program to help poor children reach their full potential. Like the Federal Pell Grant program, which students can use to attend the public or private college of their choice, Pell Grants for Kids would offer scholarships to low-income children in underperforming elementary and secondary schools, including high schools with significant dropout rates. These scholarships would help with the costs of attending an out-of-district public school or nearby private or faith-based school.

- **The President will also announce that a White House Summit on inner city children and faith-based schools will be held this spring in Washington, D.C.** Non-public schools, including faith-based schools, have helped to educate generations of low-income students; however, they are disappearing at an alarming rate. As we continue working to improve urban public schools through the No Child Left Behind Act, we must also work to preserve the critically important educational alternatives for underserved students attending chronically underperforming public schools. This Summit will help increase awareness of the challenges faced by low-income students in the inner cities and address the role of non-public schools, including faith-based schools, in meeting the needs of low-income inner city students.

Pell Grants For Kids Will Provide New Options For Parents Of Children Trapped In Underperforming Schools

Pell Grants for Kids would support State and local efforts to increase educational options for low-income K-12 students enrolled in the Nation's most troubled public schools. Under the Pell Grants for Kids program, the Education Department would make competitive awards to States, cities, local educational agencies, and nonprofit organizations to develop K-12 scholarship programs for eligible low-income students attending schools that have not made adequate yearly progress under No Child Left Behind for five years, or that have a graduation rate of less than 60 percent.

- **Students in chronically underperforming schools could use scholarships to pay tuition, fees, and other education-related expenses at higher-performing out-of-district public schools or nearby private or faith-based schools.** These scholarships would supplement aid already available through the Title I Grants to Local Educational Agencies program and the Individuals with Disabilities Education Act (IDEA), which would follow the child.
- **Pell Grants for Kids is modeled after the highly successful Federal Pell Grant program for college students.** The Federal Pell Grant program provides low-income students with financial support to attend any of more than 5,000 public, private, and faith-based colleges. The same choice, flexibility, and support now available to students seeking a quality college education should be

offered to low-income families with children in chronically low-performing schools.

President Bush also calls on Congress to fund \$800 million of scholarships for 21st Century Learning Opportunities. These scholarships will give parents the opportunity to enroll their children in high-quality after-school and summer school programs aimed at increasing student achievement, including programs run by faith-based and community organizations.

The D.C. Opportunity Scholarship program has helped more than 2,600 low-income students in our Nation's capital attend the schools of their choice. The Federal government has funded this program since 2004 and has provided scholarships to some of Washington's poorest children. The D.C. Opportunity Scholarship program receives four applications for every available scholarship, and a recent poll found strong community support for the program.

A White House Summit On Inner City Children And Faith-Based Schools Will Help Urban Communities Prevent The Loss Of Educational Alternatives For Their Low-Income Students

Despite their educational successes, urban faith-based schools are disappearing at an alarming rate. This is especially troubling for minority students. Since 1970, the minority population at Catholic schools, for example, has increased by 250 percent, and the non-Catholic population has increased by more than 500 percent. Yet these important institutions are disappearing for financial reasons. From 1996 to 2004, nearly 1,400 urban inner city faith-based schools closed, displacing 355,000 students into other institutions.

A White House Summit will unite educators and community leaders to develop local strategies to partner with these schools in serving our Nation's urban students. The Summit will bring together national, State, and local leaders in education, policymaking, research, philanthropy, business, and community development to:

1. Draw greater attention to the lack of high-quality educational alternatives available to low-income urban students;
2. Highlight the impact non-public schools, including faith-based schools, have had in the education of youth in America's inner cities;
3. Increase awareness of the challenges facing these schools; and
4. Identify innovative solutions to the challenges facing these schools so they can continue serving their communities.

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Fiscal Year 2009 Budget Summary — February 4, 2008

Section II. A. Elementary and Secondary Education

Overview

Six years after President Bush signed the No Child Left Behind Act of 2001 (NCLB) into law, on January 8, 2002, Congress faces the challenge of renewing the Nation's commitment to the principle that all students—regardless of family income or racial or ethnic background, disability, or limited English proficiency—should reach grade-level standards in reading and mathematics by 2014. Under NCLB, which reauthorized the Elementary and Secondary Education Act of 1965 (ESEA), States have for the first time implemented rigorous educational accountability systems based on their own academic standards and assessments that are used to measure student and school performance, report on results, identify weaknesses, and develop effective interventions that both address the needs of individual students and help turn around low-performing schools.

These changes have had a positive impact on overall academic achievement, while also helping to reduce longstanding achievement gaps between racial and ethnic groups. In June 2007, the Center on Education Policy (CEP) published a study, entitled *Answering the Question that Matters Most: Has Student Achievement Increased Since No Child Left Behind?*, that drew on State-reported assessment results to show that, under NCLB, the Nation's schools are on the right track:

In most States with 3 or more years of comparable test data, student achievement in reading and math has gone up since NCLB was enacted.

There is more evidence of achievement gaps between groups of students narrowing since 2002 than of gaps widening, even though these gaps remain unacceptably large.

In 9 of the 13 States with sufficient data to compare achievement trends before and after the enactment of NCLB, average yearly achievement gains were greater after NCLB took effect than before.

The CEP findings confirm earlier-reported data on reading and math achievement from the National Assessment of Educational Progress that highlighted strong growth in reading achievement in the early grades from 1999-2004, all-time high math scores for 4th- and 8th-graders, and a decline in the achievement gaps in reading and math between African-American and Hispanic students and their white peers to all-time lows.

These reports of higher achievement are encouraging, but the State accountability systems created under NCLB also tell us that with only two-thirds of American students currently reaching the proficient level on State reading and mathematics assessments, there is much more work to be done. In particular, States identified more than 11,500 schools for improvement in the

2007-08 school year, including almost 4,000 schools that are either preparing or implementing fundamental restructuring plans. We also have increasingly reliable data documenting low graduation rates—resulting from high dropout rates—in far too many of our Nation's high schools.

And while hundreds of thousands of students are taking advantage of the public school choice and supplemental educational services options made available under NCLB, the percentage of eligible students participating in these options remains unacceptably low, primarily due to the absence of high-quality choices in too many school districts across the Nation.

In 2007, the Administration drew on the data and experience gathered during the first 5 years of NCLB implementation to develop a reauthorization proposal designed to build on the successes of NCLB and address new challenges. This proposal, which was shared with the Congress in late summer 2007, focused on (1) increasing flexibility for States and school districts to turn around low-performing schools, (2) improving the academic achievement of students in our high schools, and (3) expanding choice options for students in chronically low-performing schools.

The 2009 budget request for elementary and secondary education programs is based on the Administration's reauthorization proposal, and President Bush will continue to work with the Congress to complete a reauthorization of the ESEA that preserves and strengthens the core principles of NCLB. At the same time, the Administration believes it is appropriate—given the delays in the reauthorization process—to adopt administrative changes that can give States, school districts, and schools new tools and flexibility to more effectively implement NCLB prior to completion of reauthorization. An early example of such administrative actions was the December 2007 decision by Secretary Spellings to open up the "growth model pilot" to all States.

Highlights of the 2009 budget for elementary and secondary education programs include:

\$14.3 billion, an increase of \$406 million or 2.9 percent, for a reauthorized Title I Grants to Local Educational Agencies program that would more fairly distribute Title I resources to the high school level, strengthen assessment and accountability in our high schools, provide more choices to students and parents, and encourage more effective restructuring of chronically low-performing schools. The 2009 request, combined with the \$1.1 billion increase provided in 2008, would make available a total of \$1.5 billion in new funds to implement the Administration's reauthorization proposal for Title I.

\$491.3 million, the same as the 2008 level, for a reauthorized Title I School Improvement Grants program that would help build State and local capacity to identify and implement effective interventions to turn around low-performing schools. The rapid growth in funding for this program, from the initial fiscal year 2007 appropriation of \$125 million, is justified by the equally rapid growth in the number of schools identified for restructuring.

\$408.7 million for State Assessment Grants to fund strong State assessment systems and support the development and implementation of 2 years of high school assessments that would be required by the Administration's reauthorization proposal for Title I.

\$1 billion for Reading First State Grants, an increase of \$607 million, to restore funding for this program that has proven its effectiveness in using research-based instructional methods to improve the reading skills of students in high-poverty, low-performing elementary schools.

\$100 million for the Striving Readers program, an increase of \$64.6 million over the 2008 level, to expand the development and implementation of research-based interventions that improve the skills of teenage students who are reading below grade level.

\$800 million for a reauthorized 21st Century Community Learning Centers program, renamed 21st Century Learning Opportunities, that would radically reform the current program into a scholarship fund enabling poor students in low-performing schools to enroll in high-quality after-school and summer school programs aimed at increasing student achievement.

\$300 million for a new Pell Grants for Kids program that would allow low-income K-12 students attending schools in restructuring or that have high dropout rates to transfer to local private schools or out-of-district public schools.

\$200 million for the Teacher Incentive Fund, an increase of \$102.7 million, to encourage States and school districts to reform compensation plans to reward principals and teachers who raise student achievement, close achievement gaps, and work in hard-to-staff schools.

\$175 million, an increase of \$131.5 million, for programs aimed at improving math and science instruction in K-12 schools as part of the President's American Competitiveness Initiative, including \$95 million for Math Now, \$70 million for AP/IB programs, and \$10 million for the Adjunct Teachers Corps.

\$730 million for English Language Acquisition State Grants, an increase of \$29.6 million, reflecting the Administration's policy of providing increases to selected programs serving disadvantaged populations and programs that have made improvements in program management or performance. In addition, the requested increase would help the program meet the needs of the rapidly growing LEP student population.

\$451.7 million for Title I Migrant Education and Neglected and Delinquent State agency programs, an increase of \$23 million or 5.4 percent, reflecting the Administration's policy of providing increases to selected programs serving disadvantaged populations and programs that have made improvements in program management or performance.

Title I Grants to Local Educational Agencies

	2007	2008	2009 Request
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B.A. in millions

\$12,838.1 \$13,898.9 \$14,304.9

Title I, Part A of the ESEA provides supplemental education funding, especially in high-poverty areas, for locally designed programs that offer extra academic support to help raise the achievement of students at risk of educational failure or, in the case of schoolwide programs, to help all students in high-poverty schools meet challenging State academic standards. This formula-based program serves more than 20 million students in nearly all school districts and more than 54,000 public schools—including two-thirds of the Nation's elementary schools.

Title I schools help students reach challenging State standards through one of two models: "targeted assistance" that supplements the regular education program of individual children deemed most in need of special assistance; or a "schoolwide" approach that allows schools to use Title I funds—in combination with other Federal, State, and local funds—to improve the overall instructional program for all children in a school. More than 30,000 participating schools use the schoolwide approach.

Both schoolwide and targeted assistance programs must employ effective methods and instructional strategies grounded in scientifically based research, including activities that supplement regular instruction, such as after-school, weekend, and summer programs. Schools also must provide ongoing professional development for staff working with disadvantaged students and implement programs and activities designed to increase parental involvement.

Participating schools must make adequate yearly progress (AYP) toward annual, State-established proficiency goals aimed at ensuring that all students are proficient in reading and math by the 2013-14 school year. Schools that do not make AYP for at least 2 consecutive years must develop and implement improvement plans, and school districts must permit students attending such schools to transfer to a better-performing public school, with transportation provided by the district.

Schools that do not improve are subject to increasingly tough corrective actions—such as replacing school staff or significantly decreasing management authority at the school level—and can ultimately face restructuring, which involves a fundamental change in governance, such as conversion to a charter school or placement under private management. Students attending schools that have not made AYP for 3 or more years may obtain supplemental educational services (SES)—paid for by the district—from the public- or private-sector provider selected by their parents from a State-approved list.

Under section 1003(a) of the ESEA, States must reserve 4 percent of the Title I funds allocated to their LEAs for school improvement activities, and must subgrant 95 percent of these funds to LEAs with schools identified for improvement, corrective action, or restructuring. At the request level, States would reserve up to \$570 million for school improvement activities.

NCLB Brought Revolutionary Change

Title I was first authorized by the Elementary and Secondary Education Act of 1965, but by 2001—after 37 years and \$135 billion in funding—there was little, if any, evidence that the Federal government's largest elementary and secondary education program had a positive effect on educational achievement. The No Child Left Behind Act, which reauthorized Title I in 2002, brought revolutionary change and has produced significant results:

Every State has established academic standards and implemented reading and math assessments in grades 3-8 and one high school grade.

Every State has established annual achievement objectives aimed at ensuring that all students are proficient in reading and math by 2014.

Every State is identifying schools for improvement and providing additional resources and technical assistance to help those schools make AYP.

Every State is working to ensure that all new and veteran teachers are highly qualified, and highly qualified teachers now teach more than 90 percent of classes.

Every State has established lists of approved SES providers, with more than 3,100 operating nationwide.

In the 2006-07 school year, 650,000 students in low-performing schools obtained SES or transferred to a higher-performing public school.

Most importantly, as described in the Overview of this section, both State assessments and the National Assessment of Educational Progress have documented consistent gains in student achievement and a narrowing of achievement gaps, thanks in large part to historic improvement in achievement by the minority and low-income students served by Title I.

Results like these and strong evidence that the program is well implemented helped Title I Grants to LEAs earn a Moderately Effective rating from the Administration's Program Assessment Rating Tool (PART) in 2006. The PART found that the program is well structured to meet its goals, is effectively and efficiently implemented, has established meaningful long-term performance measures and annual targets, and is contributing to higher proficiency levels among the students served by the program.

NCLB Reauthorization

The 2009 request would build on this success by providing \$14.3 billion to support critical program improvements included in the Administration's comprehensive reauthorization proposal for Title I Grants to LEAs. These improvements are focused in the areas of high school reform, strengthening adequate yearly progress, expanding choice options for students and parents, and supporting more fundamental restructuring efforts at chronically low-performing schools. The request for Title I, on top of the \$1.1 billion increase provided in fiscal year 2008, provides a solid funding base for the Administration's reauthorization proposal. These Title I increases, coupled with other increases for special populations under such programs as English Language Acquisition State Grants and Individuals with Disabilities Education Act Part B Grants to States, will help keep the Nation's schools on the path toward 100-percent proficiency in 2014.

High School Reform

Steady progress in the early grades under NCLB has helped bring into sharp relief the extent to which high schools are often left behind by most education reforms. To help expand NCLB accountability principles at the high school level, the Administration's reauthorization proposal would require assessment in math and in reading or language arts in two additional high school

grades, using assessments that are aligned with college and work-ready standards required for high school graduation, including aligned course-level outcomes. These new assessments, which must be in place by the end of the 2012-13 school year and which are funded in part by a \$409 million 2009 request for State Assessments, would strengthen the impact of Title I accountability requirements at the high school level by giving parents, teachers, and principals more information on the progress of high school students toward State proficiency standards. The new assessments also would let students know if they are on track to graduate from high school prepared to succeed in either college or the workforce.

In addition to the new assessments, States would be required, by 2011-12, to use a graduation rate definition that meets the conditions established by the National Governors Association, and would be required to make significant annual improvement in the graduation rate a condition for making AYP.

The reauthorization proposal would provide additional resources at the high school level to help carry out these reforms by realigning Title I funding so that local allocations to high schools more closely reflect the enrollment of students from low-income families in those schools. This would be accomplished by requiring LEAs to ensure that the proportion of their Title I, Part A funds allocated to their high schools is at least 90 percent of the share of low-income students enrolled in those schools. Under current law, the share of Title I dollars reaching the high school level (grades 9-12) has ranged from just 8-10 percent over the past decade, even though during that period high schools enrolled about one-fifth of the low-income K-12 students who are the focus of Title I.

Strengthening AYP

In addition to requiring improvement in the graduation rate for high schools to make AYP, the reauthorization proposal would require States to include the results of science assessments in their AYP determinations beginning with the 2008-09 school year. States would set annual measurable objectives for science so that all students are proficient in science by 2020. States also would be permitted to incorporate student academic growth into their AYP definitions so long as they adhere to key No Child Left Behind accountability principles, such as the inclusion of all students, subgroup accountability, and ensuring that all students are proficient in reading and mathematics by 2014.

Expanding Choice for Students and Parents

The reauthorization proposal would expand choices for students and parents by requiring LEAs to offer both public school choice and supplemental educational services (SES) to students enrolled in schools identified for a first year of improvement; doubling the per-child SES expenditure cap for students with disabilities, limited English proficient students, and students in rural districts; tightening requirements for use of the 20-percent reservation for choice-related transportation and SES; and permitting LEAs to use up to 1 percent of this reservation for parent outreach and assistance aimed at promoting greater participation in public school choice and SES options. The proposal also would increase the number of transfer options under public school choice by permitting schools that miss AYP for only one subgroup to serve as "receiving schools." In addition, LEAs would be required to offer private school choice to students from low-income families who are attending schools that are in restructuring status.

Promoting Fundamental Restructuring of Chronically Low-Performing Schools

Reports and evaluation data on restructuring under NCLB have highlighted the limited, tentative nature of most restructuring plans, which too often bear more resemblance to the corrective action phase of improvement than to the fundamental changes in structure and governance envisioned by the statute. The reauthorization proposal would encourage adoption of more fundamental, far-reaching restructuring strategies by eliminating the "any other major restructuring" option, reducing the impact of collective bargaining agreements on restructuring-related staffing changes, permitting the charter school restructuring option regardless of any State caps on the numbers of charter schools, and authorizing the operation of a school by an elected official, such as a city mayor, as an approved alternative governance arrangement under a restructuring plan.

In addition, the Administration would help ensure that States and school districts have the resources to carry out effective restructuring and other interventions by repealing the section 1003(e) "hold-harmless" provision and permitting States to withhold the full 4 percent for school improvement even if it reduces regular Title I, Part A allocations to LEAs below the prior-year level. This provision often prevents States from withholding the full 4 percent, and occasionally prohibits States from withholding any improvement funding. For example, according to the Center on Education Policy, for school year 2007-08, 3 States will not be able to reserve any school improvement funds and 29 States in total will be unable to reserve the full 4 percent.

Finally, the 2009 budget also includes a separate \$9.2 million request for **Title I Evaluation**, primarily to support studies designed to produce rigorous scientific evidence on the effectiveness of education programs and practices, including practices critical to the effective use of Title I, Part A funds.

School Improvement Grants

	2007	2008	2009 Request
B.A. in millions	\$125.0	\$491.3	\$491.3

Section 1003(g) of the Elementary and Secondary Education Act (ESEA) authorizes formula grants to States to provide assistance for local school improvement activities required by section 1116(b) of the ESEA for Title I schools that do not make adequate yearly progress for at least 2 consecutive years. Authorized activities include the development and implementation of school improvement plans, professional development for teachers and staff, corrective actions such as instituting a new curriculum, development and implementation of restructuring plans, and the provision of public school choice and supplemental educational services options.

The 2009 request would continue funding at \$491.3 million, maintaining the same overall level of school improvement assistance while supporting a reauthorized program that would significantly increase State-level capacity to aid LEA and school improvement efforts.

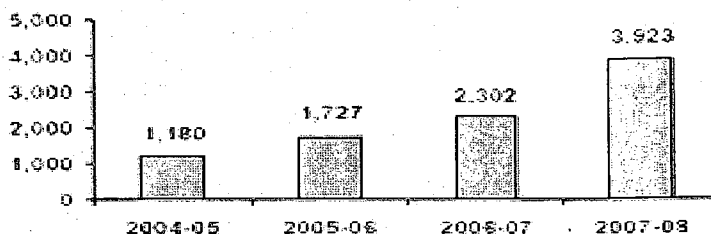
Current law permits States to reserve just 5 percent of school improvement funding to pay for the statewide systems of "intensive and sustained support for and improvement for local educational agencies and schools." This limitation has meant that few States have been able to deliver on the NCLB promise of meaningful and substantial assistance to LEAs and schools identified for improvement.

The National Assessment of Title I:

Final Report identified resource

limitations as "a moderate or serious challenge" to implementing the school improvement provisions of NCLB, citing obstacles in the following areas: adequacy of State-level staff size (45 States); adequacy of State-level staff expertise (30 States) adequacy of State funding (40 States); and adequacy of Federal funds allocated for State systems (39 States). These data highlight the importance of capacity-building efforts at the State level.

Schools Identified for Restructuring



It is important to note that these data come from surveys conducted during the 2004-05 school year, when fewer schools were identified for improvement and far fewer were identified for the more demanding restructuring phase of improvement. Between the 2004-05 and 2007-08 school years, the total number of schools identified for improvement increased by more than 1,800, or 18.5 percent, while the number of schools identified for restructuring more than tripled, rising from 1,180 in 2004-05 to 3,923 in 2007-08.

The Administration's reauthorization proposal for School Improvement Grants would address the capacity issues affecting State support for school and LEA improvement by permitting States to reserve up to 50 percent of their allocations under section 1003(g) for State-level efforts to identify and implement effective interventions to turn around low- performing schools and school districts.

Pell Grants for Kids

	2007	2008	2009 Request
B.A. in millions	—	—	\$300.0

The Pell Grants for Kids program would provide competitive grants to support local efforts to increase educational options for low-income K-12 students enrolled in the Nation's most troubled public schools, namely, Title I schools in restructuring status or high schools with significant dropout rates. Eligible students would receive scholarships to pay tuition, fees, and other education-related expenses at out-of-district public schools or nearby private schools. These scholarships would complement funds made available through the Title I program and the Individuals with Disabilities Education Act (IDEA).

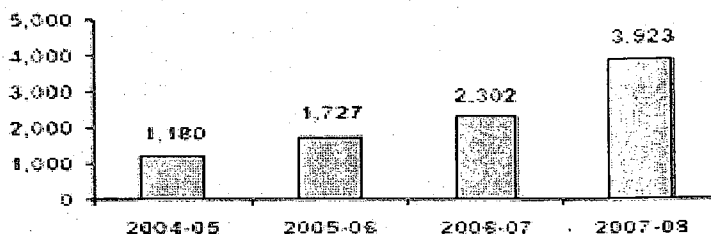
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Students attending persistently low-performing schools deserve the opportunity to pursue other educational options, including attending a higher-performing out-of district public or nearby private school, while those schools are being restructured. Current law requires local educational agencies (LEAs) to provide students who attend such schools the option of attending a higher-performing public school; however, many LEAs, particularly urban LEAs, have few such options available and thus few meaningful choices for parents.

Under the Pell Grants for Kids program, the Department would make competitive awards to States, municipalities, LEAs, and public or private nonprofit organizations (including faith-based and community organizations) to develop K-12 scholarship programs for eligible low-income students attending schools that are in restructuring status under Title I or that have a graduation rate of less than 60 percent. In making awards, priority would be given to applicants that propose to serve students in areas with large numbers or percentages of low-performing schools and also to those applicants that propose to augment the Federal scholarships with additional funds in order to ensure that parents can pay the tuition and fees at the school of their choice.

Parents of eligible students who choose to send their child to an out-of-district public school or nearby private school would receive a scholarship equal to the sum of tuition, fees, and other costs, including necessary transportation costs, for the new school, or the average per-pupil expenditure of public schools in the State where the recipient resides, whichever is less. Scholarship recipients would be required to take their States' assessments or a nationally normed test in each grade and subject required under Title I.

21st Century Learning Opportunities (21st Century Community Learning Centers)

	2007	2008	2009 Request
B.A. in millions	\$981.2	\$1,081.2	\$800.0

As currently authorized, this program helps communities establish or expand centers that provide extended learning opportunities for students and related services to their families. From their formula grants, States make competitive awards to school districts, community-based organizations, faith-based organizations, and other public or private entities for projects that primarily serve students attending high-poverty schools. States give priority to projects serving students who attend schools identified for improvement or corrective action under Title I, and projects emphasize activities that prepare students to meet State and local achievement standards in core academic subjects. However, a national evaluation of the program and the program's performance data to date cast doubt on whether the program is achieving results; in particular, performance data indicate that there has been little improvement in key academic outcomes since 2004.

The request is based on a proposal to transform the program into an after-school and summer-school scholarship program, renamed the 21st Century Learning Opportunities program, that would give parents greater choices in the selection of extended-learning opportunities for their children and focus the program more precisely on using the time outside of school to improve educational achievement consistent with State standards.

Under the reauthorized program, the Department would continue to allocate funding by formula to States, which would award competitive grants to public or private nonprofit organizations to administer scholarships for students from low-income families who attend schools that have been identified for school improvement, corrective action, or restructuring under Title I, or who attend schools with a graduation rate of less than 60 percent. In making awards, the Department would require States and their subgrantees to ensure the high quality of the academic component of the after-school programs at which students use their scholarships, and to ensure that those components are aligned with State educational standards. States would also have to explain in their applications how they would ensure that families can choose from a variety of high-quality providers, including faith-based and community organizations, and how they would align activities funded under this program with supplemental educational services provided under Title I. Although local projects could provide additional activities, such as recreation programs and arts, the primary use of Federal funds would be supporting efforts clearly geared toward generating higher academic achievement of disadvantaged students.

A 2003 PART analysis gave the currently authorized program an Adequate rating and high scores for purpose, planning, and management, while identifying weaknesses related to accountability. The Department has taken steps to improve the program's data collection system and to use data and program evaluations to improve program management.

State Assessments
(B.A. in millions)

	2007	2008	2009 Request
State Grants	\$400.0	\$400.0	\$400.0
Enhanced Assessment Instrument	7.6	8.7	8.7
Total	407.6	408.7	408.7

This program provides formula grants to States to pay the cost of developing the additional standards and assessments required by NCLB and, if a State has put in place such standards and assessments, to pay for the administration of those assessments or other related activities. Funds also may be used to develop standards and assessments in subjects other than those required by NCLB and to improve the reliability and validity of assessment systems. Other allowable uses include paying the costs of working in voluntary partnership with other States to develop standards and assessments, professional development aligned with State standards and assessments, and support for data reporting and other components of the State accountability systems required under NCLB.

Under Title I, States select or develop their own assessments aligned with State academic achievement standards. States were required to put in place annual assessments in reading and mathematics in grades 3-8 and in one high school grade by the end of the 2005-2006 school year, and to implement annual science assessments in three grade spans (3-5, 6-9, 10-12) by the 2007-2008 school year.

The 2009 request would provide \$400 million to support, as part of the Administration's ESEA reauthorization proposal, the development of 2 years of high school assessments in reading and mathematics that would be aligned with college and work-ready standards, including aligned course-level outcomes. These new assessments would support the Administration's strategy for using the ESEA reauthorization to drive NCLB reforms to the high school level. The remaining \$8.7 million would fund Enhanced Assessment Instruments grants to assist States in improving the quality of assessment for limited English proficient students and students with disabilities. Additional funding for improvement of student assessment is proposed under the Fund for the Improvement of Education.

A 2004 PART analysis of State Assessment Grants produced a rating of Adequate, finding that the program has a clear purpose, is operated well, and meets an important need.

Reading First (B.A. in millions)

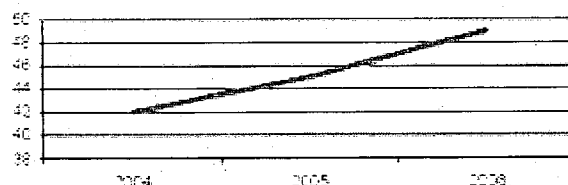
	2007	2008	2009 Request
Reading First State Grants	\$1,029.2	\$393.0	\$1,000.0
Early Reading First	117.7	112.5	112.5
Total	1,146.9	505.5	1,112.5

The Reading First initiative is a critical test of the emphasis of No Child Left Behind on the use of research-based instruction to improve student achievement. The Reading First State Grants program provides formula grants to help school districts and schools provide professional development in reading instruction for teachers and administrators, adopt and use diagnostic reading assessments for students in kindergarten through third grade to determine where they need help, implement reading curricula that are grounded in scientifically based research, and provide reading interventions for young grade-school children. The program responds to research showing that students who cannot read well by fourth grade have a greater likelihood of dropping out and facing a lifetime of diminished success.

Performance data for Reading First State Grants show clear early reading gains (across all grades and targeted populations) after only a few years of implementation. In addition, nationwide data show a continuing need for the program, as too many young children do not master reading—the most basic and essential skill required for more advanced learning—

during their early elementary school years. For example, 56 percent of all fourth graders in high-poverty schools scored below the "basic" reading level on the 2007 National Assessment of Educational Progress. Reading First activities help increase reading gains, reduce the number of children who fall behind in reading, provide additional help to children who need it, and lower

The percentage of third grade students in Reading First schools who score at or above proficient on State reading assessments



the number of children referred to special education due to low reading scores. The Reading First State Grants program received a PART rating of Effective in 2006, reflecting in large part the clear early reading gains documented by performance data.

Congress sharply reduced Reading First State Grants funding in fiscal year 2008 in response to management problems identified in Office of Inspector General (OIG) reports. The Department has implemented all of the OIG recommendations for the program, including decisive steps to ensure that problems related to perceived conflicts of interest do not recur. In addition, the Administration's reauthorization proposal for Reading First includes amendments to strengthen the screening process for conflicts of interest, define the types of programs that can be implemented using Reading First funds, increase accountability in large LEAs, improve targeting of program funds to the schools most in need of support, and expand flexibility in the Targeted Assistance Grants program.

The Administration believes that Reading First's problems are now in the past, that the program is well managed and generating consistently positive achievement outcomes, and that Congress should restore funding to the level required for States to continue fully implementing this necessary program. The 2009 request would provide \$1 billion for Reading First State Grants in support of this goal.

Early Reading First complements Reading First State Grants by providing competitive grants to school districts and non-profit organizations to support activities in preschool programs designed to enhance the verbal skills, phonological awareness, letter knowledge, and pre-reading skills of children from birth through age 5. Funds are focused on communities with high numbers of low-income families. A 2006 PART review rated Early Reading First Moderately Effective. The 2009 request would support up to 36 new Early Reading First projects.

The Administration's reauthorization proposal for Early Reading First would strengthen partnerships between preschool providers and institutions of higher education that provide professional development to early childhood educators by requiring all Early Reading First projects to have a strong educator professional development component. This change would promote more efficient administration of ESEA early childhood discretionary grants and ensure that their activities include an appropriate focus on scientifically based reading readiness and high-quality professional development.

Striving Readers

	2007	2008	2009 Request
B.A. in millions	\$31.9	\$35.4	\$100.0

The request includes a \$65 million expansion for this program, first funded in 2005, which supports research-based interventions to help improve the skills of secondary school students who are reading below grade level. Such students often are at risk of dropping out of school because of their poor reading skills, which can affect their performance in all subject areas.

The request would fund competitive awards for: (1) the development, implementation, and testing of research-based reading interventions designed to improve the reading skills of students reading significantly below grade level; (2) rigorous evaluations, including evaluations that use experimental research designs, of reading interventions being implemented in the Nation's secondary schools to determine their efficacy; and (3) activities to improve the quality of literacy instruction across the curriculum in schools receiving program funds. The Administration's ESEA reauthorization proposal would create a separate authority for the Striving Readers program, which is currently funded under the Title I Demonstration authority.

Math Now

	2007	2008	2009 Request
B.A. in millions	—	—	\$95.0

The Math Now program authorizes competitive grants to improve instruction in mathematics for students in kindergarten through 9th grade. Grantees will implement research-based mathematics programs to enable all students to reach or exceed grade-level achievement standards and prepare them to enroll in and pass algebra courses.

School districts that receive funds would use them to: (1) implement mathematics programs that are research-based and reflect a demonstrated record of effectiveness; (2) provide professional development to teachers and, if appropriate, administrators and other school staff, on the implementation of mathematics initiatives designed to improve student achievement, improve mathematical content knowledge, increase the use of effective instructional practices, and monitor student progress; and (3) conduct continuous progress monitoring to measure student progress and identify areas in which students need help learning mathematics. School districts could also use their funds to adopt and use mathematics instructional materials and assessments, implement classroom-based assessments, provide remedial coursework and interventions for students, provide small groups of students with individualized instruction, conduct activities to improve teachers' content knowledge, and collect and report performance data.

Advanced Placement (B.A. in millions)

	2007	2008	2009 Request
Advanced Placement and International Baccalaureate Programs (COMPETES Act VI-A-II)	—	—	\$70.0
Advanced Placement (ESEA I-G)	\$37.0	\$43.5	—
Total	37.0	43.5	70.0

Under the recently enacted America COMPETES Act, this program presents a new vision for advanced placement, as embodied in the President's American Competitiveness Initiative. As with the program authorized under Title I, Part G of the Elementary and Secondary Education Act (ESEA), the purpose of the new AP/IB program is to support State and local efforts to increase access to advanced placement classes and tests for low-income students in order to better prepare them for success after high school. However, the new authority targets Federal support more specifically on the preparation of teachers to teach classes in the critical subjects of mathematics, science, and the critical foreign languages, and on encouraging more students from high-need schools to take and pass AP and IB courses and tests in those subjects. In addition, by requiring a 2-to-1 non-Federal-to-Federal match, it is designed to leverage Federal support in a manner that, over a period of years, will result in a dramatic increase in the creation of AP and IB programs in critical subjects in high-need schools. Further, by authorizing salary incentives to teachers who become qualified to teach AP and IB courses in the critical subjects or whose students pass the AP and IB tests in those subjects, it is designed to create additional incentives for the expansion of advanced placement programs in the schools that most need them.

The request is an increase of \$26.5 million over the 2008 appropriation for the Advanced Placement program authorized under ESEA. The request also includes appropriations language providing that fiscal year 2009 funds will first be used to pay continuation costs under the ESEA Advanced Placement Incentive (API) Grant program and to meet State needs for AP test fees under the ESEA program, with all remaining funds used under the new authority. The inclusion of this language would ensure that State needs for tests fees subsidies continue to be met and that grants made in prior years are not cut off. Of the requested amount, roughly \$12 million would be required to fund State applications for the Test Fees program and approximately \$11 million would fund API continuation grants under the ESEA program, leaving an estimated \$47 million for new grants under the COMPETES Act authority. Funds available for new awards will support projects expanding AP offerings and participation in mathematics, science, and critical foreign languages.

Adjunct Teacher Corps

	2007	2008	2009 Request
B.A. in millions	—	—	\$10.0

This initiative would create an Adjunct Teacher Corps that would draw on the skills of well-qualified individuals outside of the public education system to meet specialized teaching needs in secondary schools. Instead of the usual focus on certification or licensure of such individuals, the initiative would concentrate on helping schools find experienced professionals who can bring real-world experience to their explanation of abstract mathematical concepts or scientific principles in hard-to-fill teaching positions.

Funds would be used to make competitive grants to partnerships of school districts and States or appropriate public or private entities to create opportunities for professionals with subject-matter expertise to teach secondary-school courses in the core academic subjects, particularly in

mathematics and science. Adjunct teachers might teach one or more courses on the school site on a part-time basis, teach full-time in secondary schools while on leave from their jobs, or teach courses that would be available online or through other distance learning arrangements.

Title I State Agency Programs
(B.A. in millions)

	2007	2008	2009 Request
Migrant Education	\$386.5	\$379.8	\$399.8
Neglected and Delinquent	49.8	48.9	51.9
Total	436.3	428.7	451.7

Migrant Education State Grants provide formula-based assistance in meeting the special educational needs of nearly 636,000 children of migrant agricultural workers by helping States identify and pay the higher costs often associated with serving such children. The Department also uses a portion of funding to improve inter- and intra- State coordination of migrant education activities. The request includes a \$20 million increase for the program, reflecting the Administration's policy of providing increases to selected programs serving disadvantaged populations and programs that have made improvements in performance, management, or efficiency, as demonstrated through the PART process.

The Administration's reauthorization proposal for the program would improve and simplify the State allocation formula and ensure that allocations respond to shifts in State counts of migrant students; improve targeting of services to migrant students by strengthening the program purpose language and sharpening the provisions that determine which students receive priority for program services; increase the set-aside for migrant coordination activities (from \$10 million to \$12.5 million); and add a new authority to set aside up to \$5 million of program funds over the life of the authorization for an evaluation of the program.

The Migrant Education State Grants program received a PART rating of Adequate in 2006. While the review found that the program is on track to meet its long-term performance objectives, it also noted inaccuracies in State identification and counting of eligible students. In response, the Department has developed a plan to review the reliability and validity of States' reported error rates and is providing States with technical assistance and support in ensuring accurate and timely student identification. In addition, in 2007 the Department began operating the new Migrant Student Record Exchange System, which is designed to enable States to exchange migrant student data records efficiently and expeditiously and provide an accurate, unduplicated count of the number of migrant students on a national and statewide basis.

The Title I **Neglected and Delinquent** program makes State formula grants to support educational services for an estimated 134,000 children and youth in State-operated institutions. The request includes a \$3 million funding increase, reflecting the Administration's policy of

providing increases to selected programs serving disadvantaged populations and programs that have made improvements in program management or performance.

The Title I Neglected and Delinquent program received a PART rating of Results Not Demonstrated in 2005, primarily due to the absence of performance targets and data. In response, the Department improved data collection procedures and established performance targets. The program underwent a PART evaluation again in 2007 and, based on improvements in data quality and program accountability, received a rating of Adequate.

In response to the 2007 PART improvement plan recommendations, the Department is continuing to improve technical assistance to States to help ensure they are providing effective transition services to help students continue further schooling or employment, and to develop better means of tracking achievement data once students leave institutions, including data on high school graduation rates.

English Language Acquisition
(B.A. in millions)

	2007	2008	2009 Request
Language Acquisition State Grants	\$620.5	\$649.9	\$677.6
National Activities	43.5	45.5	47.4
Native American Grants	5.0	5.0	5.0
Total	669.0	700.4	730.0

Title III of the Elementary and Secondary Education Act (ESEA) authorizes formula grants to States based on each State's share of the Nation's limited English proficient (LEP) and recent immigrant student population. Grants help States design and implement statewide activities meeting the educational needs of their LEP students. States must develop annual measurable achievement objectives for LEP students that measure their success in achieving English language proficiency and meeting challenging State academic content and achievement standards.

The request includes a \$29.6 million increase for the program, reflecting the Administration's policy of providing increases to selected programs serving disadvantaged populations and programs that have made improvements in program management or performance. In addition, the requested increase would help the program meet the needs of the rapidly growing LEP student population.

The request also would provide continued support for Title III **National Activities**, including the National Professional Development Project, the National Clearinghouse for English Language Acquisition and Language Instructional Programs, and evaluation.

The Administration's reauthorization proposal for Title III would make minor changes to the program, including strengthening the standards applicable to teachers and paraprofessionals who educate LEP students.

The program received a PART rating of Results Not Demonstrated in 2006, largely due to the lack of data to document the program's success in improving student outcomes.

Improving Teacher Quality State Grants

	2007	2008	2009 Request
B.A. in millions	\$2,887.4	\$2,935.2	\$2,835.2

NCLB required States and school districts to ensure that all teachers were highly qualified—as defined by individual States consistent with ESEA requirements—by the end of the 2005-2006 school year. While the States have not yet met this requirement, more than 90 percent of teachers nationwide are now highly qualified, and nearly all States have put in place comprehensive plans for meeting the 100 percent target. The Improving Teacher Quality State Grants program is a major source of flexible Federal funding to help States and school districts strengthen the skills of the teaching force and meet the highly qualified teacher requirement. Program funds support high-quality professional development that research indicates can improve teaching skills that raise student achievement.

State-level activities may include changes to teacher certification or licensure requirements, alternative certification, tenure reform, merit-based teacher performance systems, and differential and bonus pay for teachers in high-need subject areas. School districts may use funds for professional development, recruitment and retraining of teachers and principals, merit pay, mentoring, and other activities.

The proposed \$100 million reduction reflects a decision to increase investment in the Teacher Incentive Fund in order to expand support for State and local initiatives that introduce performance-based teacher and principal compensation systems and provide incentives for the most effective teachers to serve in the most challenging schools. While most teachers are now considered to be highly qualified, these teachers are not distributed equitably across all school districts. It is appropriate to shift a portion of funds to the Teacher Incentive Fund to promote these important compensation reforms and assist districts in their efforts to ensure that all students are taught by effective teachers.

The Department also would continue developing the knowledge base on teacher effectiveness by reserving up to \$14.2 million (one-half of 1 percent) of the appropriation for evaluation and related activities.

The initial PART review of this program, in 2003, rated it Results Not Demonstrated. A second review in 2005 gave the program a Moderately Effective rating, based on progress in reaching performance targets and evidence that the Department has initiated rigorous program evaluations and improved its technical assistance to States and districts.

Teacher Incentive Fund

	2007	2008	2009 Request
B.A. in millions	\$0.2	\$97.3	\$200.0

This program provides grants to encourage school districts and States to develop and implement innovative performance-based compensation systems that reward teachers and principals for raising student achievement and for taking positions in high-need schools. States and LEAs, either alone or in partnership with non-profit organizations, may apply for competitive grants to develop and implement performance-based compensation systems for public school teachers and principals. These compensation systems must be based primarily on measures related to student achievement.

The \$102.7 million increase would support a significant expansion of State and school district efforts to develop and implement innovative compensation systems that provide financial incentives for teachers and principals who raise student achievement and close the achievement gap in some of our Nation's highest-need schools and that attract highly qualified teachers to those schools.

Mathematics and Science Partnerships

	2007	2008	2009 Request
B.A. in millions	\$182.2	\$179.0	\$179.0

This program makes formula grants to help States and localities improve academic achievement in mathematics and science. It promotes development of teaching skills by elementary and secondary school teachers, including skill in integrating teaching methods based on scientifically based research and technology into the curriculum. Partnerships focus on developing rigorous mathematics and science curricula, distance learning programs, and incentives to recruit college graduates with degrees in math and science into the teaching profession.

A 2006 PART review of this program produced a Results Not Demonstrated rating due to limited performance and evaluation data. In response, the Department revised the program's performance measures and expects baseline performance data to become available in 2008.

Troops-to-Teachers

	2007	2008	2009 Request
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B.A. in millions	\$14.6	\$14.4	\$14.4
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The Troops-to-Teachers program helps to improve public school education by recruiting, preparing, and supporting members of the military service as teachers in high-poverty public schools. The Department of Defense administers the program through a memorandum of agreement with ED. A 2006 report by the Government Accountability Office found that the program contributes significantly to the diversity of the population of new teachers, with high percentages of men and minorities as participants. Teachers recruited through the Troops-to-Teachers program also teach math, science, and special education in significantly higher proportions than traditional public school teachers.

A 2003 PART analysis of the Troops-to-Teachers program produced an Adequate rating, concluding that, while the program is accomplishing its objectives, it would benefit from short- and long-term performance measures and more transparent reporting of results. The Department has responded to these findings by establishing performance measures and improving reporting.

Transition to Teaching

	2007	2008	2009 Request
B.A. in millions	\$44.5	\$43.7	\$43.7

This program supports alternative routes to teacher certification and other innovative approaches for recruiting, training, and placing mid-career professionals, recent college graduates, and educational paraprofessionals in high-need schools and supporting them during their first years in the classroom. The request would support some 88 grants to help States and communities recruit and retain capable and qualified teachers in our Nation's public schools.

The program received a PART rating of Adequate in 2005, based on high scores for purpose, measurable goals, and progress in making performance data available to the public. In response to PART findings, the Department has improved the reliability and comparability of performance data and implemented program efficiency measures.

The Administration's reauthorization proposal for Transition to Teaching would permit the participation, in some circumstances, of veteran teachers seeking additional credentials, and would better align the authorized activities with participating LEAs' plans for recruiting and retaining teachers in high-need schools.

Teaching American History

	2007	2008	2009 Request
B.A. in millions	\$119.8	\$117.9	\$50.0

This program makes competitive grants to school districts for professional development to strengthen the teaching of traditional American history as a separate subject in elementary and secondary schools. The Administration recognizes the importance of American history in preparing future generations of students to become responsible citizens and to participate fully in our democracy. However, the number of quality applications for assistance under this program in recent years does not justify the current level of funding. The reduced request would fund approximately 50 to 55 new awards, roughly the number of high-quality applications likely to be submitted.

A PART analysis completed in 2004 produced a Results Not Demonstrated rating for this program, primarily due to the absence of long-term and annual performance targets and data. In response, the Department is collecting new data, setting performance targets, and developing a strategy for making the data available to the public.

Literacy Through School Libraries

	2007	2008	2009 Request
B.A. in millions	\$19.5	\$19.1	\$19.1

This program helps school districts improve literacy skills by providing students with increased access to up-to-date school library materials and professionally certified school library media specialists. The 2009 request would fund roughly 75 competitive grants that would support the efforts of libraries to help children learn to read well by making information available to all students, training students and teachers about how to obtain and make use of information, and increasing access to technology and information for students in low-income schools.

Charter Schools Grants

	2007	2008	2009 Request
B.A. in millions	\$214.8	\$211.0 ¹	\$236.0

¹Planned activities for fiscal year 2008 include approximately \$190 million for the Charter Schools grants program (including national activities), \$12.7 million for Charter School Facilities Incentive Grants, and \$8.3 million for Credit Enhancement for Charter School Facilities.

This program increases public school choice options by supporting the planning, development, and initial implementation of public charter schools. States also may use a portion of their funds for dissemination of information on successful charter school practices. In addition, a portion of the appropriation is used for the State Charter School Facilities Incentive Grants program, which provides competitive matching funds to States that offer per-pupil financial assistance to charter schools to obtain facilities. Forty States and the District of Columbia have charter school laws

that offer regulatory flexibility in exchange for greater accountability for improving student performance. Over the last decade, with support from this program, the number of charter schools nationwide has grown from only a handful to more than 4,000.

The \$25 million increase requested for 2009 would increase support for the planning and start up of charter schools, a key element of the Administration's efforts to expand quality school choice for students and parents.

This request is supported by a 2005 PART analysis that gave the program an Adequate rating and high scores for purpose, program management, and demonstrated results, while identifying weaknesses related to data collection and public availability of results. The Department is taking steps to eliminate those weaknesses.

Credit Enhancement for Charter School Facilities

	2007	2008	2009 Request
B.A. in millions	\$36.6	— ¹	\$36.6

¹The Department will use \$8.3 million for this program from the appropriation for the Charter Schools Grants program, as permitted by the fiscal year 2008 appropriation.

Expanding the number of charter schools is a key Administration strategy for increasing the options available to parents seeking the best educational opportunities for their children. A major obstacle to the creation of charter schools in many communities is limited access to suitable academic facilities. The Credit Enhancement for Charter School Facilities program provides competitive grants to public and nonprofit entities that help charter schools secure the financing needed to purchase, construct, renovate, or lease academic facilities. For example, a grantee might provide guarantees and insurance on bonds and leases. The request would leverage an estimated \$333 million and support more than 200 charter schools over the course of the grants.

Magnet Schools Assistance

	2007	2008	2009 Request
B.A. in millions	\$106.7	\$104.8	\$104.8

The request would support continuation awards to approximately 40 local educational agencies to operate magnet schools that are part of a court-ordered or court-approved desegregation plan to eliminate, reduce, or prevent minority group isolation in elementary and secondary schools. Magnet schools address their desegregation goals by providing a distinctive educational program that attracts a diverse student population. The Department would use about \$1.5 million for evaluation and dissemination activities.

A 2004 PART analysis of this program produced an Adequate rating and high scores for purpose, management, and evaluation strategy, while also noting weaknesses in the collection and public dissemination of performance data. The Department is working to improve data collection and to develop a plan for making performance data accessible to the public.

Voluntary Public School Choice

	2007	2008	2009 Request
B.A. in millions	\$26.3	\$25.8	\$25.8

This program supports efforts to establish intradistrict and interdistrict public school choice programs to provide parents, particularly parents whose children attend low- performing public schools, with greater choice for their children's education. Competitive grants support planning and implementation costs associated with new programs, tuition transfer payments to public schools that students choose to attend, and efforts to expand the capacity of schools to meet the demand for choice. The Department made 14 new awards in 2007, with a priority for projects that provide interdistrict choice and aim to improve the academic achievement of secondary school students. The 2009 request would provide the third year of funding for these awards.

Fund for the Improvement of Education (B.A. in millions)

	2007	2008	2009 Request
B.A. in millions	\$16.1	\$121.9	\$52.3

The Fund for the Improvement of Education (FIE) supports nationally significant programs, administered through a combination of discretionary grants and contracts, to improve the quality of elementary and secondary education at the State and local levels and help all students meet challenging State academic achievement standards. The budget would provide funding for two components of the National Security Language Initiative: \$5 million for the Language Teacher Corps, which would provide training to college graduates with critical language skills who are interested in becoming foreign language teachers, and \$3 million for a Teacher-to-Teacher Initiative that would fund intensive summer training sessions for foreign language teachers, especially teachers of critical need languages.

The request also would provide \$15 million in competitive grants for activities designed to promote early literacy for infants and preschool children; \$10 million for an initiative to help ensure that high-need public schools have high-quality teachers and \$5 million for a similar program for nonpublic schools; \$5 million for a comprehensive assessment systems demonstration project; and \$5 million for technical assistance to States to help them improve student assessments.

Other proposed activities include \$2 million to continue a Data Quality Initiative launched in fiscal year 2006 that is intended to improve the quality of Department evaluations and data collections for its elementary and secondary education programs and \$1.3 million for State Scholars, a program that supports partnerships that encourage high school students to complete a rigorous academic curriculum.

Foreign Language Assistance

	2007	2008	2009 Request
B.A. in millions	\$23.8	\$25.7	\$25.7

This program provides 3-year competitive grants to State educational agencies to support systemic approaches to improving foreign language learning in States, and to local educational agencies to establish, improve, and expand foreign language instruction. As part of the President's National Security Language Initiative, the Department will continue to give priority to State and local proposals to provide instruction in critical foreign languages, such as Arabic, Chinese, Japanese, Korean, and Russian, as well as languages in the Indic, Iranian, and Turkic families.

In fiscal year 2008, Congress provided approximately \$2.4 million for 5-year grants to LEAs, in partnership with institutions of higher education, to establish or expand articulated programs of study in the critical foreign languages. These new grants will enable students, as they advance through elementary and secondary school and then college, to attain a superior level of proficiency in languages critical to U.S. national security and economic prosperity. The budget request would expand this initiative in 2009, allowing some 25 new grants to be made, while also supporting an estimated 35 new grants to LEAs under the regular program.

Comprehensive Centers

	2007	2008	2009 Request
B.A. in millions	\$56.3	\$57.1	\$57.1

The Comprehensive Centers, selected competitively in 2005, are structured to provide intensive technical assistance to increase the capacity of State educational agencies (SEAs) to help districts and schools meet the key goals of *No Child Left Behind*, including 100-percent proficiency in reading and math by the 2013-14 school year, highly qualified teachers in every classroom, the use of research-based instructional methods and curricula, and increased choices for students and parents.

The system includes 16 regional centers that work with SEAs within specified geographic regions to help them implement NCLB school improvement measures and objectives. In addition, 5 content centers provide in-depth, specialized support in key areas, with separate

centers focusing on (1) assessment and accountability; (2) instruction; (3) teacher quality; (4) innovation and improvement; and (5) high schools. Each content center pulls together resources and expertise to provide analyses, information, and materials in its focus area for use by the network of regional centers, SEAs, and other clients.

The antecedent comprehensive centers program received a PART rating in 2004 of Results Not Demonstrated. The Department responded to the initial recommendations by embedding newly developed common measures for technical assistance programs into the new program. Those measures will determine the quality, relevance, and usefulness of the centers' products and services. The Department will establish long-term performance goals, targets, and time frames for the measures in 2008, once baseline data become available.

Rural Education

	2007	2008	2009 Request
B.A. in millions	\$168.9	\$171.9	\$171.9

The Rural Education Achievement Program (REAP) authorizes two programs to assist rural school districts in carrying out activities to help improve the quality of teaching and learning in their schools. The Small, Rural School Achievement program provides formula funds to rural school districts that serve small numbers of students, and the Rural and Low-Income School program provides funds to rural school districts that serve concentrations of poor students, regardless of the district's size. Funds appropriated for REAP are divided equally between these two programs. The request would maintain support for rural, often geographically isolated, districts that face significant challenges in implementing NCLB accountability requirements. The Administration's reauthorization proposal would create a more equitable distribution of funds and improve efficiency in administration of the Small, Rural School Achievement program, while providing additional flexibility to LEAs receiving funds under the Rural and Low-Income School program.

The 2006 PART analysis of the Rural Education program produced a Results Not Demonstrated rating, primarily due to the absence of student achievement data for the program's annual and long-term performance measures at the time of the initial review. In response, the Department is currently collecting performance data and developing a strategy for making the data available to the public.

Safe and Drug-Free Schools and Communities (B.A. in millions)

	2007	2008	2009 Request
State grants	\$346.5	\$294.8	\$100.0
National activities	149.7	137.7	182.0

Total	496.2 ¹	432.5 ¹	282.0
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¹Excludes amounts for the Alcohol Abuse Reduction and Mentoring Program funded under Safe and Drug-Free Schools and Communities National Programs in 2007 and 2008, which are proposed for termination in 2009.

The Safe and Drug-Free Schools and Communities (SDFSC) State Grants program supports research-based approaches to drug and violence prevention. PART reviews conducted in 2002 and 2006 found that the structure of the program is flawed, spreading funding too thinly to support quality interventions and failing to target schools and communities in greatest need of assistance. Accordingly, the Administration's reauthorization proposal would significantly change the structure of the program by requiring State educational agencies to support local implementation of effective models for the creation of safe, healthy, drug-free, and secure schools. Such activities could include, for example, provision of training, technical and financial assistance, and local capacity building to school districts to support their efforts to deter student drug use; to prepare for, prevent, mitigate, respond to, and recover from crises arising from violent or traumatic events or natural disasters; and to restore the learning environment in the event of a crisis or emergency. The reduced request for SDFSC State Grants in 2009 would support this reauthorization proposal.

The Administration also is proposing to consolidate SDFSC National Programs into a single, flexible discretionary program focused on four priority areas: (1) emergency management planning; (2) preventing violence and drug use, including student drug testing; (3) school culture and climate, including character education; and (4) other needs related to improving students' learning environment to enable those students to learn to high academic standards. Grantees would be required, to the extent possible, to implement interventions that reflect scientifically based research. The 2009 request includes \$10 million for drug prevention or school safety programs informed by scientifically based research or that will use such research to demonstrate their effectiveness, and \$77.8 million for grants to school districts for comprehensive, community-wide "Safe Schools/Healthy Students" drug and violence prevention projects. Other activities include \$30 million for school emergency preparedness initiatives and \$5 million for initiatives in emergency preparedness for institutions of higher education (IHEs), \$11.8 million for school-based drug testing for students, \$23.8 million for character education programs in elementary and secondary schools, and \$5 million to provide emergency response services to LEAs and IHEs under Project SERV (School Emergency Response to Violence).

Ready-to-Learn Television

	2007	2008	2009 Request
B.A. in millions	\$24.3	\$23.8	\$23.8

This program supports the development and distribution of educational video and related materials for preschool children, elementary school children, and their parents that are intended to improve school readiness and academic achievement.

A 2004 PART analysis of this program produced a Results Not Demonstrated rating, primarily due to a lack of consistent or reliable data on program results, and a recommendation that the Department take additional steps to better understand the impact of the program. In response, the Department has made three key changes. First, the Department is requiring that all new children's television programming content be informed by scientifically based research in reading and early literacy. Second, grantees must conduct rigorous evaluations using experimental or quasi-experimental designs. And third, instead of a single, large award, the Department has made three smaller competitive awards (two programming and one outreach award) to different grantees. The request would continue support for these three awards.

High School Equivalency Program and College Assistance Migrant Program
(B.A. in millions)

	2007	2008	2009 Request
High School Equivalency Program	\$18.6	\$18.2	\$18.2
College Assistance Migrant Program	15.4	15.1	15.1
Total	34.0	33.3	33.3

The **High School Equivalency Program** (HEP) funds competitively selected projects to help low-income migrant and seasonal farm workers gain high school diplomas or equivalency certificates. The **College Assistance Migrant Program** (CAMP) makes competitive grants to provide stipends and special services, such as tutoring and counseling, to migrant students who are in their first year of college. The 2009 request would support approximately 84 HEP and CAMP projects.

The Department completed a PART analysis of these programs in 2004. Both programs were rated Results Not Demonstrated due to weaknesses related to data collection and accountability. In response, the Department developed a new annual performance report for the HEP program that will improve collection of comparable performance data across grantees; the Department expects to develop a similar annual performance report for the CAMP program in 2008.

Indian Education
(B.A. in millions)

	2007	2008	2009 Request
Grants to Local Educational Agencies	\$95.3	\$96.6	\$96.6
Special Programs for Indian Children	19.4	19.1	19.1
National Activities	4.0	3.9	3.9

Total	118.7	119.6	119.6
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Indian Education programs supplement the efforts of State and local educational agencies and Indian tribes to improve educational opportunities for Indian children. The programs link these efforts to broader educational reforms underway in States and localities in order to ensure that Indian students benefit from those reforms and achieve to the same challenging academic standards as other students.

Grants to Local Educational Agencies provide formula grants to public and Department of the Interior/Bureau of Indian Education-supported schools for activities to improve the educational achievement of Indian students. **Special Programs for Indian Children** includes \$9.2 million in competitive grants for the American Indian Teacher Corps and the American Indian Administrator Corps, to support training for Indian teachers and administrators to take positions in schools that serve concentrations of Indian children, and \$9.7 million for competitive demonstration grants to improve educational opportunities for Indian children in such areas as early childhood education and college preparation.

The request also provides \$3.9 million for **National Activities**, which funds research, evaluation, and data collection designed to fill gaps in our understanding of the educational status and needs of Indians and to identify educational practices that are effective with Indian students. The program also provides technical assistance to school districts and other entities receiving Indian Education formula and discretionary grants.

The 2007 PART analysis of the Indian Education Grants to Local Educational Agencies program produced an Adequate rating. In response to an initial PART review in 2006, which resulted in a Results Not Demonstrated rating, the Department established several new long-term and annual performance measures to complement the existing national-level data on Indian students' performance on the NAEP. Further, the Department has taken steps to improve management of the program by developing a web-based Performance Measures Tracking System, which maintains grant application and performance data within the *EDFacts* system.

Supplemental Education Grants (Compact of Free Association Amendments Act)

	2007	2008	2009 Request
B.A. in millions	\$18.0	\$17.7	\$17.7

The request would maintain support for Supplemental Education Grants to the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI), as authorized by the Compact of Free Association Amendments Act of 2003 (P.L. 108-188). Under this program, the Department transfers funds and provides recommendations on funding to the Department of the Interior, which makes grants to the FSM and RMI for educational services that augment the general operations of the educational systems of the two entities.

P.L. 108-188 eliminated RMI and FSM participation in most domestic formula grant programs funded by the Departments of Education, Health and Human Services, and Labor, and created this program to supplement separate education support programs under the Compact. The request would allow the RMI and FSM to support programs that focus on improving the educational achievement of students in the two Freely Associated States.

Education for Homeless Children and Youths

	2007	2008	2009 Request
B.A. in millions	\$61.9	\$64.1	\$64.1

This program provides formula grants to States, which subgrant most funds to LEAs for tutoring, transportation, and other services that help homeless children to enroll in, attend, and succeed in school. In addition to academic instruction, the program helps ensure access for these children to preschool programs, special education, and gifted and talented programs.

While nearly all States have eased residency requirements and improved transportation and immunization policies to ensure greater access for homeless students over the past decade, those students continue to be at significant risk of educational failure. The request would maintain support for State and local activities designed to reduce that risk.

This program received an Adequate rating following a 2006 PART review, which found that the program is generally well managed and has a good performance data collection system in place. However, the review also identified weaknesses in the areas of evaluation and efficiency data. The Department has now established baseline data and set targets for the program's efficiency measure.

Impact Aid (B.A. in millions)

	2007	2008	2009 Request
Payments for Federally Connected Children:			
Basic Support Payments	\$1,091.9	\$1,105.5	\$1,105.5
Payments for Children with Disabilities	49.5	48.6	48.6
Facilities Maintenance	5.0	4.9	4.9
Construction	17.8	17.5	17.5
Payments for Federal Property	64.4	64.2	64.2
Total	<u> </u>	<u> </u>	<u> </u>

1,228.5 1,240.7 1,240.7

The Impact Aid program provides financial support to school districts affected by Federal activities. The property on which certain children live is exempt from local property taxes, denying districts access to the primary source of revenue used by most communities to finance education. Impact Aid helps to replace the lost local revenue that would otherwise be available to districts to pay for the education of these children.

The \$1.1 billion request for **Basic Support Payments** would provide formula grants for both regular Basic Support Payments and Basic Support Payments for Heavily Impacted LEAs.

The \$48.6 million request for **Payments for Children with Disabilities** would provide formula grants to help eligible districts meet their obligations under the Individuals with Disabilities Education Act to provide a free appropriate public education for federally connected children with disabilities.

The Department of Education owns and maintains 24 school facilities that serve large numbers of military dependents. The \$4.8 million request for **Facilities Maintenance** would fund essential repair and maintenance of these facilities and allow the Department to continue to transfer schools to local school districts.

School districts also generally pay for most of their school construction costs using their own resources and rely on property taxes to finance these costs. Districts affected by Federal operations have limited access to those sources of funding. Continuing the policy established in the fiscal year 2008 appropriation, the entire \$17.5 million proposed for **Construction** would be used for competitive grants, rather than the formula grants that are also currently authorized under the program. Unlike the formula grants, the competitive grants are targeted to the LEAs with the greatest need and provide sufficient assistance to enable those LEAs to make major repairs and renovations.

The \$64.2 million request for **Payments for Federal Property** would provide formula-based payments to districts that generally have lost 10 percent or more of their taxable property to the Federal Government.

For reauthorization, Administration proposals would improve the Impact Aid funding formulas, achieving greater equity in allocations, particularly in Basic Support Payments.

PART assessments have produced mixed results for Impact Aid programs. A 2005 PART analysis of Impact Aid Basic Support Payments and Payments for Children with Disabilities resulted in a Results Not Demonstrated rating, based on the lack of data on how well program funds are targeted, while also acknowledging the Department's efficiencies in managing payments. In response, the Department contracted for a study that is examining the effectiveness of the program formulas in delivering assistance to Federally affected school districts.

A 2005 PART analysis of Impact Aid Construction produced an Adequate rating and high scores for purpose, program management, and results that show improvement in grantees' ability to improve the condition of their school buildings. A 2004 PART analysis of Payments for Federal Property produced a Results Not Demonstrated rating based on the lack of annual and long-term

performance measures for the program. In response, the Department created two new performance measures to track the program's operational efficiency.

Training and Advisory Services (Title IV of the Civil Rights Act)

	2007	2008	2009 Request
B.A. in millions	\$7.1	\$7.0	\$7.0

This program supports 10 regional Equity Assistance Centers, selected competitively, that provide services to school districts on issues related to discrimination based on race, gender, and national origin. Typical activities include disseminating information on successful practices and legal requirements related to nondiscrimination, providing training to educators to develop their skills in specific areas, such as in the identification of bias in instructional materials, and technical assistance on selection of instructional materials.

A PART analysis of this program conducted in 2005 produced a Results Not Demonstrated rating, primarily due to the absence of performance targets and data. In response, the Department developed a survey to measure the quality, relevance, and usefulness of the services provided by the program and to collect data that allow the comparison of this program to other technical assistance programs. The program is scheduled for review under the PART again in 2008.

CHOICES FOR PARENTS

Helping Families By Supporting and Expanding School Choice

July 2008

"Parents know what is best for their children. Expanding educational options for parents is one of the hallmarks of the No Child Left Behind Act and it remains one of the President's highest priorities."

— Secretary of Education Margaret Spellings

The No Child Left Behind Act Increases Parents' Choices

Empowering Parents With Information:

Under the *No Child Left Behind Act* (NCLB), states and school districts must provide "report cards" for parents—that is, information tailored for parents telling them about the quality of education at their child's school. Written in an easy-to-read format, these report cards ensure that parents and taxpayers know which schools are achieving and how.

Included in the report cards are student achievement data broken out by race, ethnicity, gender, English language proficiency, as well as breakouts by whether the students are immigrants or have disabilities, and whether they are disadvantaged.

States and school districts must also provide parents and children in struggling schools timely notification of the public school choice and supplemental services options that may be available for their children.

Expanding Public School Choice:

Under the *No Child Left Behind Act*, children in schools in need of improvement must be given the opportunity to transfer to other public schools in their district, including public charter schools, and school districts are required to tell parents about this option, as well as pay for transportation to the other schools. During the 2006-2007 school year almost 120,000 eligible students took advantage of this option.

Supplemental Educational Services:

Under the *No Child Left Behind Act*, children from low-income families who attend schools in need of improvement for two or more consecutive years are given the opportunity to receive free supplemental services—such as tutoring and other academic services provided outside the regular school day—from a variety of state-approved providers. Parents have the opportunity to choose the provider that best meets the needs of their children.

Many types of organizations are eligible to be supplemental service providers, including faith-based organizations, for-profit companies, school districts, private schools, charter schools and other community groups. As of May 2008, 3,050 providers were approved by states to offer supplemental services.

The President's FY 2009 Budget proposed a \$406 million increase for Title I (up 63% since 2001) to ensure that high-poverty schools have the extra resources they need to help all students reach proficiency. Districts must set aside an amount equal to 20

percent of their Title I allocation for supplemental services and transportation for public school choice.

During the 2006-2007 school year almost 530,000 students took advantage of the supplemental services option.

Expanding Options for Parents and Children

The *No Child Left Behind Act* significantly expands educational choice for parents and children. In many school districts, however, there are too few alternatives for parents seeking quality educational options. The President's 2009 budget reflects his commitment to expanding options for parents by including funding for programs such as:

Charter Schools

The President's 2009 budget provides \$236 million to continue the Charter School Program, which increases public school choice options by supporting the planning, development, and initial implementation of public charter schools. In 2008, more than 1.2 million students are being educated in 4,300 public charter schools in 40 states and the District of Columbia.

NCLB specifically includes public charter schools as an option for families deciding to transfer their children from a school identified for improvement.

Credit Enhancement for Charter School Facilities Program

This program supports competitive grants to public and nonprofit entities to help charter schools finance their facilities through such means as providing loan guarantees, insuring debt and other activities to encourage private lending. The President's FY 2009 budget requested \$36.6 million for Credit Enhancement.

Magnet Schools

Magnet schools provide distinctive educational programs that attract diverse student populations. The President has requested \$104.8 million for this program in his 2009 budget.

In the 2007-2008 school year, 175 schools from 41 districts took advantage of this program, benefiting 128,000 students.

Voluntary Public School Choice Program

The President's 2009 budget provides \$25.8 million for this program, which offers grants to states and school districts to establish or expand innovative public school choice programs. Viable public school choices for NCLB transfers include magnet, charter, virtual, alternative, specialized, and thematic school programs.

D.C. Opportunity Scholarship Program (OSP)

Authorized under the *DC School Choice Incentive Act*, the DC OSP is the first federally funded scholarship program in the U.S. Created in 2004, the program provides scholarships to cover tuition, fees and transportation expenses for students from low-income families in the District of Columbia to attend participating private

schools of their choice. Students enrolled in the program can receive up to \$7,500 in financial assistance to pay for their education at a private school.

For the 2007–08 school year, DC OSP provided over 1,900 students with scholarships to attend private schools.

The President's 2009 budget requested \$18 million for the program.

Pell Grants For Kids

The proposed Pell Grants for Kids program would offer \$300 million in scholarships to enable poor students in struggling schools to transfer to a new school of their choice. Modeled after the successful Federal Pell Grant program, Pell Grants for Kids would support state and local efforts to increase educational options for low-income K-12 students enrolled in the Nation's most troubled public schools. Under the Pell Grants for Kids program, the Education Department would make competitive awards to States, cities, local educational agencies, and nonprofit organizations to develop K-12 scholarship programs for eligible low-income students attending schools that have not made adequate yearly progress under the No Child Left Behind Act for five years, or that have a graduation rate of less than 60 percent. Students could use scholarships to pay tuition, fees, and other education-related expenses at higher-performing out-of-district public schools or nearby private or faith-based schools.

COPY
FROM ORM

THE WHITE HOUSE

WASHINGTON

April 15, 2008

THE PRESIDENT HAS SIGNED
4/16/08

INFORMATION

MEMORANDUM FOR THE PRESIDENT

FROM: KARL ZINSMEISTER

SUBJECT: NO CHILD LEFT BEHIND (NCLB) ADMINISTRATIVE ACTIONS

Because its requirements remain in place so long as Congress appropriates funding, No Child Left Behind does not have to be reauthorized this year. In December 2007, you and your advisors agreed that if Congress failed to reauthorize before March, then the Department of Education should act this year to refine the law through new pilots and regulations. It is now clear that reauthorization is not going to happen this year, so the Administration is acting. Your advisors and the Secretary have developed a set of actions that address areas of consensus for improving NCLB by providing more flexibility where necessary and more oversight where needed. We recommend your approval.

Highlights of Proposed New Regulations

Strengthening inclusion of students in accountability: Requires States to submit for review by experts and secretarial approval an explanation of how they establish the minimum number of students (n-size) for calculating subgroup performance in Adequate Yearly Progress (AYP).

Rationale: Test scores from very small groups of students are not reliable measures of school performance. As a result, States establish a minimum number of students below which subgroup scores are not counted for the purposes of determining whether schools are making AYP. This regulation will help prevent the abuse of some schools that use a high n-size number to omit the performance of certain groups of students in accountability decisions.

Anticipated Reaction: States will likely be pleased that we are not setting a national n-size number but will not be happy with the requirement to submit their State plan. Civil rights advocates will be pleased that we are taking steps to prevent States from excluding minority subgroups from accountability.

High school graduation rates: Establishes a uniform definition of the graduation rate by 2013 using a method agreed to by the National Governors Association (NGA). States will be required to disaggregate graduation rates, set a graduation rate goal, and define "continuous and substantial improvement" for purposes of making AYP decisions.

Rationale: A uniform method of calculating graduation rates is needed to improve transparency, raise expectations, and hold schools, districts, and States accountable.

Anticipated reaction: Given that States pledged to implement the NGA graduation rate, they should be supportive of the proposed definition. Nonetheless, they will be concerned about their technical capability to calculate the more sophisticated graduation rate. They will also have concerns about disaggregating the data and meeting AYP goals since it will increase the number of schools identified as needing improvement.

Multiple measures: Clarifies that measures of student performance may include multiple testing formats (e.g., short answer, multiple choice, essay questions) as well as multiple assessments within a subject area. This stands in contrast to Chairman Miller's proposal, which would allow for multiple soft measures, such as college enrollment or tests outside core areas, that dilute the importance of reading and mathematics achievement tests.

Rationale: Addresses complaints that accountability is based on a single measure or form of assessment, such as just multiple choice tests. For example, this clarifies that States can use both reading and writing assessments to calculate AYP for reading.

Anticipated reaction: Not likely to generate strong opposition.

National Assessment of Educational Progress (NAEP) data on State and local report cards: Requires States to include their schools' scores on this national benchmark in their annual reports to the public. Today, this data is only reported on the U.S. Department of Education and State websites.

Rationale: Allows citizens to compare their State standards to national norms.

Anticipated reaction: Not likely to generate strong opposition.

Supplemental Education Services (SES) Tutoring: Requires States to consider evidence of success and parent recommendations in approving and monitoring SES providers. Requires that a district work with community-based organizations to inform parents of SES and choice options before the districts can reallocate unused choice and SES funds. Schools would be required to use unspent funds on choice or SES the next year, with any remainder thereafter returned to the Treasury.

Rationale: These provisions will help ensure that schools make choice and SES available to eligible students before reallocating the funds to other purposes. The monitoring criteria will help States approve and assess providers.

Anticipated reaction: SES providers will appreciate the enhanced transparency. Schools will balk at requirements and the "use it or lose it" provision.

Restructuring: A school's restructuring plan must be rigorous and address the reasons for the schools being in restructuring. For example, a school that fails to make AYP in reading for five consecutive years must engage in restructuring that could consider replacing the school's reading staff.

Rationale: Helps to close a loophole in the current statute that allows districts to satisfy the requirement for restructuring by taking less aggressive action such as just replacing a principal.

Anticipated Reaction: States and schools may resist any new requirement that appears to make it more difficult to get away with doing very little under restructuring.

Public school choice: Clarifies that parents must be notified at least two weeks before the start of the school year in cases in which students are eligible under NCLB to choose to attend another school.

Rationale: Schools that notify parents about their public-school-choice options before the first day of school have higher participation rates than those that notify on or after the first day of school. Yet for the 2007-08 school year, only 29 percent of schools notified parents before the start of the school year, as required by law. This is one reason why only 1 percent of the 6 million eligible students exercised their public-school-choice option.

Anticipated reaction: Many schools will resist this requirement, just as they have resisted existing requirements; however, parents and students will benefit.

Proposed Pilots

The Education Department is using its waiver authority to create, expand, or improve these pilot programs:

Differentiated Accountability: Not all schools identified as "In Need of Improvement" under NCLB are the same. Of the schools identified for improvement in 2005-06, 56 percent were the result of low achievement among all students, indicating a widespread problem. But 14 percent were identified because of problems in a single subgroup. The Department's pilot, announced in March, provides States with the flexibility to assign different labels and consequences to schools in need of improvement. This flexibility allows States to blend their own accountability systems with NCLB, further embedding the principles of accountability, transparency, and choice.

Growth Model: A growth model gives schools credit for student improvement over time by tracking individual student achievement year to year rather than just student performance on one assessment at the end of the year. The Department announced in December 2007 the expansion of an existing pilot program to allow all 50 States to apply for permission to use a growth model as part of their accountability system.

SES Pilot Expansion: Under current law, schools identified as needing improvement must offer public school choice in the first year followed by choice and SES in the second year. Under an existing pilot, up to seven districts within a State are allowed to offer both SES and public school choice to students in the first year of school improvement. This would remove the limit on the number of districts that can participate within a State.

Improving District SES Practices: Districts in need of improvement are currently prohibited by regulation from serving as SES providers. In 2006 the Department launched a pilot program to make an exception for up to ten school districts in order to ensure more eligible students receive SES. The Department has already approved four districts but plans to tighten SES rules to prevent these districts, and others approved in the future, from abusing this opportunity. Districts would also be required to allow other providers to operate on-site in school buildings and provide multiple opportunities for parents to select an approved provider.

PRESS RELEASES

U.S. Secretary of Education Margaret Spellings Announces Proposed Regulations to Strengthen No Child Left Behind

Focus on Improved Accountability and Transparency, Uniform and Disaggregated Graduation Rates and Improved Parental Notification

FOR RELEASE:

April 22, 2008

U.S. Secretary of Education Margaret Spellings today announced proposed new regulations to strengthen and clarify No Child Left Behind (NCLB). The proposed regulations focus on improved accountability and transparency, uniform and disaggregated graduation rates and improved parental notification for Supplemental Education Services and public school choice. The Secretary made the announcement at the Detroit Economic Club in Detroit, Mich.

"I'm proposing new policy tools that will give families lifelines—and empower educators to create dramatic improvement," said Secretary Spellings. "Many are actions that have gained broad support through conversations on how to strengthen No Child Left Behind. While I will continue working with legislators to renew this law, I also realize that students and families and teachers and schools need help now. So, at the President's request, I'm moving forward to empower educators to take actions that families have been waiting for."

The Secretary noted that these new regulations build on NCLB's positive results and are consistent with the law's core principles of annual testing, publishing data and helping schools that fall behind. She added that in her travels to nearly two dozen states—which included meetings with governors, state school chiefs and state legislatures—discussions focused on how states and districts can improve struggling schools, more accurately measure dropout rates and chart student progress over time.

Several of the proposed regulations seek to clarify elements of the law that demand school systems be accountable for results and transparent in their reporting to parents and the public, including requiring that states publish data from the Nation's Report Card alongside data from their own tests for students. The Secretary emphasized that measures of student academic achievement may include multiple types of questions and multiple assessments within a subject area. In addition, a state's accountability system must ensure the inclusion of all sub-groups of students by adopting appropriate N-sizes.

Building on the Department's growth model pilot program, the proposed regulations would outline the criteria that States must meet in order to incorporate individual student progress into the State's definition of Adequate Yearly Progress (AYP). Secretary Spellings is also proposing to strengthen the provisions of the law on school restructuring. Schools in restructuring need the most significant intervention, and a recent study found that 40 percent of schools in restructuring did not implement any of the restructuring options under the law. The proposed regulations will clarify that restructuring interventions must be more rigorous and that interventions must address the reasons for the school being in restructuring.

To continue the dialogue and address some of the more technical needs of the states and their departments of education, Secretary Spellings proposed the creation of a National Technical Advisory Council. The council will be made up of experts in the fields of education standards, accountability systems, statistics and psychometrics and be tasked with advising the Department on highly complex and technical issues and ensuring state standards and assessments are of the highest technical quality.

Noting that, according to a recent study, 75 percent of high school students in Detroit public schools do not graduate on time, Secretary Spellings announced the Department would build on the work of the National Governor's Association to establish a uniform graduate rate that shows how many incoming freshman in a given high school graduate within four years.

"Over their lifetimes, dropouts from the class of 2007 alone will cost our nation more than 300 billion dollars in lost wages, lost taxes and lost productivity," said Secretary Spellings. "Increasing graduation rates by just five percent, for male students alone, would save us nearly eight billion dollars each year in crime-related costs."

All states would use the same formula to calculate how many students graduate from high school on time and how many drop out. The data would then be made public so that educators and parents can compare how students of every race, background and income level are performing.

States will be allowed to use an interim calculation on a transitional basis, but every high school in every state will be required to report new graduation rates for accountability purposes no later than 2013. In the meantime, each state will be responsible for setting a graduation rate goal and for disaggregating data by subgroup to report and determine AYP. Beginning in the 2008-2009 academic year, in order to make AYP, a school or district would have to meet the graduation goal or demonstrate their continuous and substantial improvement from the prior year.

Additionally, the Secretary is proposing rules to ensure parents are notified in a clear and timely way about their public school choice and supplemental education service options. The proposed regulations will ensure that states make more information available to the public about what tutoring providers are available, how these providers are approved and monitored, and most importantly, how effective they are in helping students improve.

"Research has shown that effective tutoring programs can reduce the achievement gap by 10 to 15 percent," said Secretary Spellings. "The problem is, these options will not make a difference if parents don't know they're available. I hope these proposed regulations will assist parents in getting the extra help their children may need to succeed."

The regulations proposed by the Secretary are published online in today's Federal Register for public comment. Hard copies of the Federal Register will be available on Wednesday, April 23.

For further information on how the regulations will strengthen NCLB, including a link to the Federal Register, please visit <http://www.ed.gov/policy/elsec/reg/proposal/>.

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President Bush Attends White House Summit on Inner-City Children and Faith-Based Schools

Ronald Reagan Building
Washington, D.C.

■ Fact Sheet: Providing Greater Opportunities for Our Children by Ensuring Access to Faith-Based Schools

■ In Focus: Education

■ White House Summit on Inner-City Children and Faith-Based Schools

10:23 A.M. EDT

THE PRESIDENT: Thank you, all. Aysia, thanks for the introduction -- you did a fabulous job. I'm told that you're a very hard worker who loves school, and it's clear you always wear a smile. She's a member of her school's Student Advisory Group, has performed in plays ranging from Shakespeare to "The Lion King," writes short stories. And as you just heard her explain, she loves all language arts. Well, that's good -- some people say I'm pretty artful with language, as well. (Laughter and applause.)

It is clear she has a promising future because of the education she is receiving at Saint Ann's. Unfortunately, thousands of other children like her are missing out on these opportunities because America's inner-city faith-based schools are closing at an alarming rate. And so that's why we've convened this summit: to discuss how we can extend lifelines of learning to all America's children. And I want to thank you for coming.

I take this summit seriously. Obviously you do, as well. My administration looks forward to working with you. This is a national objective, to make sure every child gets a good education. And I really appreciate you coming.

I want to thank my friend and Secretary of Education, Margaret Spellings, for joining with us today. I thank the Acting Secretary of HUD, Roy Bernardi.

Archbishop Wuerl, thank you very much, sir, for being here. We were just talking about what a glorious week it was to welcome His Holiness to America. It was an extraordinary moment for all who were directly involved, and I think extraordinary moment for all of America. I got to know Archbishop Wuerl in Pittsburgh. I hope I conveyed to him my sense that providing a sound education for every child is one of the really important challenges for America. I happen to believe it is one of the greatest civil rights challenges. I am fully aware that in inner-city America some children are getting a good education, but a lot are consigned to inadequate schools.

And I believe helping these children should be a priority of a nation. It's certainly a priority to me. I married a teacher who has worked in inner-city schools; I helped raise one, as well. And helping inner-city children receive the education they deserve is so important as we head into the 21st century to make sure every child has got the skills necessary to succeed. That's what a hopeful country is all about.

Over the past seven years we have worked to strengthen the public school system. In other words, we haven't given up on public schools; quite the contrary, we've tried to help them succeed by passing the No Child Left Behind Act. In some circles it's controversial. I don't think it should be controversial, however, to demand high standards for every child. I don't think it should be controversial to insist upon accountability to see if those children are meeting those standards. And I don't think it should be viewed as controversial to say to a public school, if children are falling behind, here's supplementary services to help that individual child catch up. (Applause.)

As a result of accountability measures, I can now say that 8th graders set a record high for math scores. In other words, in order to be able to say that, you have to measure in the first place. When I was governor of Texas, I didn't like a system where we just simply guessed -- you know, "Do you think the child is learning?" "I don't know, maybe, maybe not." (Laughter.) That's unacceptable, particularly when a child's life is at stake.

We've learned that scores for minority and poor students are reaching all-time highs in a number of areas. And that's great. As a matter of fact, there's an achievement gap in America that is unacceptable. The good news is it's beginning to narrow. The problem is, is that while the No Child Left Behind Act is helping to turn around many struggling schools, there are still children trapped in schools that will not teach and will not change.

Today nearly one-half of children in America's major urban school districts do not graduate on time -- one-half of our children in major urban school districts do not get out of school on time. In Detroit, one student in four makes it out of the public school system with a diploma. When schools like these fail our inner-city children it is unfair, it's unacceptable and it is unsustainable for our country.

And so there are a variety of solutions. One is to work hard to improve the public school system, but also another solution is to recognize that there is a bright future for a lot of children found in faith-based schools. (Applause.)

The faith-based school tradition is not a 21st century phenomenon. A Quaker school opened in Philadelphia in 1689. A Jewish day school opened in New York more than 40 years before the American Revolution. And during the 19th century Catholic schools in our biggest cities welcomed children of poor, European immigrants. Can you imagine what it would -- what it's like to be an immigrant coming to America, can't hardly speak the language, and find great solace in two institutions -- one church and two schools? And generations of Americans have been lifted up. Generations of the newly arrived have been able to have hopeful futures because of our faith-based schools. It's been a - - it's a fact. It's a part of our history. Frankly, it's a glorious part of our history.

Today, our nation's poorest -- in our poorest communities, religious schools continue to provide important services. And as they carry out their historic mission of training children in faith, these schools increasingly serve children, you know, that don't share their religious tradition. That's important for people to know, that there's a lot of students who, for example, may not be Catholic, who go to the schools and get a great education. That's what we ought to be focused on: how to get people a great education.

In neighborhoods where some people say children simply can't learn, the faith-based schools are proving the nay-sayers wrong. These schools provide a good, solid academic foundation for children. They also help children understand the importance of discipline and character.

Yet for all the successes, America's inner-city faith-based schools are facing a crisis. And I use the word "crisis" for this reason: Between 2000 and 2006, nearly 1,200 faith-based schools closed in America's inner cities. It's affected nearly 400,000 students. They're places of learning where people are getting a good education and they're beginning to close, to the extent that 1,200 of them have closed. The impact of school closings extends far beyond the children that are having to leave these classrooms. The closings place an added burden on inner-city public schools that are struggling. And these school closings impoverish our country by really denying a future of children a critical source of learning not only about how to read and write, but about social justice.

We have an interest in the health of these institutions. One of the reasons I've come is to highlight this problem and say to our country: We have an interest in the health of these centers of excellence; it's in the country's interest to get beyond the debate of public/private, to recognize this is a critical national asset that provides a critical part of our nation's fabric in making sure we're a hopeful place.

And so I want to spend a little time talking about what can be done to help preserve these schools and provide, more importantly, a hopeful future. And that's what you're going to do after I leave, as well.

First, ensuring that faith-based schools can continue to serve inner-city children requires a commitment from the federal government. (Applause.) Federal funds support faith-based organizations that serve Americans in need. We got beyond the social service debate by saying that it's okay to use taxpayers' money to provide help for those who hurt. My whole theory of life was we ought to be asking about results, not necessarily process. When you focus on process you can find all sorts of reasons not to move forward. If you say focus on results, it then provides an outlet for other options than state-sponsored programs -- which is okay.

I mean, what I'm telling you is that we're using taxpayers' money to empower faith-based organizations to help meet critical needs throughout the country -- critical needs such as helping a child whose parents may be in prison understand there's hope; a critical need is helping a prisoner recently released realize there's a hopeful tomorrow; a critical need is to help somebody whip drugs and alcohol so they can live a hopeful life. And we do that in the social services.

We also provide federal funding support for institutions of higher learning. We're using taxpayers' money to enable somebody to go to a private university, a religious university. It's a long tradition of the United States of America.

So my attitude is if we're doing this, if this is a precedent, why don't we use the same philosophy to provide federal funds to help inner-city families find greater choices in educating their children. (Applause.)

There is a precedent for this, called the D.C. Choice Incentive Act. And we've got some advocates here for the D.C. Choice Incentive Act -- I know, I've worked with them -- and I'm surprised they're not yelling again. (Laughter.) The law created Washington's Opportunity Scholarship Program, which has helped more than 2,600 of the poorest children in our nation's capital find new hope at a faith-based or other non-public school. In other words, one way to address the closings of schools is to empower parents to be able to send their children to those schools before they close.

This is a successful program, I think it's safe to say. One way to judge whether it's successful is to look at the demand for the scholarship relative to the supplies of the scholarships. There's a lot of people who want their children to be able to take advantage of this program. As a matter of fact, demand clearly outstrips supply -- which says to me we ought to expand the program and not kill the program. (Applause.)

So we'll continue to work with Congress to not only reauthorize the program as it exists, but hopefully expand it -- so that parents will be able to -- (applause.)

I also proposed an idea that I really hope Congress takes seriously, and that is Pell Grants for Kids. This would be a \$300 million initiative that would help as many as 75,000 low-income children that are now enrolled in troubled public schools to be able to go to a school of the parents' choice. See, one of the -- what's very important to make sure that an accountability system works is there's actual consequences and outlets.

And one of the outlets would be if you're in a public school that won't teach and won't change, and you're -- qualify, here's a scholarship for you to be able to have an additional opportunity. And to me this is a good way to help strengthen the schools that I was talking about that are losing. I mean, one way to make sure you don't lose schools is you have people that are able to afford the education -- sustain the cash flow of these valuable American assets.

Pell Grants -- I want to remind our citizens Pell Grants have helped low-income young adults pursue the dream of a college education. And it is time to apply the same spirit to liberate poor children trapped in public schools that aren't meeting expectations. (Applause.)

State and local governments can help. Today, more than 30 state constitutions include so-called Blaine Amendments, which prohibit public support of religious schools. These amendments have their roots in 19th century anti-Catholic bigotry -- and today the legacy of discrimination continues to harm low-income students of many faiths and many backgrounds. And so state lawmakers, if they're concerned about quality education for children, and if they're concerned about these schools closing, they ought to remove the Blaine Amendments, they ought to move this -- (applause.)

There are other things state and local governments can do. I would call people's attention to the Pennsylvania Educational Improvement Tax Credit -- (applause) -- P-E-I-T-C, PEITC, which allows businesses to meet state tax obligations by supporting pre-K-through-12 scholarships for low-income students. It's an innovative way to use the tax code to meet a national -- in this case, state -- objective. The scholarships then allow

children to attend the school of their choice -- including religious schools. Since 2001, these tax credits have yielded more than \$300 million to help Pennsylvania families. It's an innovative use of the tax code to meet social objectives. All 12 high schools in the Pittsburgh district have seen increased enrollment each year the program has been in place. That's positive.

And so I would call upon state leaders to listen to what comes out of this conference and to think of innovative ways to advance education for all children. Faith-based schools can continue to serve inner-city children requires a -- to see that that happens requires a commitment from the business community. It's in corporate America's interest that our children get a good education, starting in pre-K through 12th grade.

In Chicago a group of Jesuit priests found an innovative way to finance children's education called Cristo Rey, and they convinced Chicago's businesses to become involved. It's interesting that the Jesuits took the initiative. I would hope that corporate America would also take initiative. (Laughter.) But four days of the week the children go to class and then on the fifth they report for work at some of Chicago's most prestigious firms.

The businesses get energetic, reliable workers for high-turnover jobs. The students get a top-notch education plus real work experience. They feel a sense of pride when they leave some of the city's most dangerous neighborhoods for the city's tallest skyscrapers. It's a program that is working, and many of the students take that same sense of pride and accomplishment to higher education.

It's interesting to note that Cristo Rey is now involved in 19 cities. In other words, good ideas can take hold. The job of this conference is to provide a kind of go-by for people who share a sense of concern about our nation's future. And hopefully from this summit good ideas will be spawning other good ideas -- at the federal level and the state and local level, at the corporate level, and then of course at the citizen level.

Citizens -- you know, we're a -- we are a compassionate nation. What I see is America at its very best, which is these millions of acts of kindness and generosity that take place, and it doesn't require a government law. Sometimes it takes a little higher authority than government to inspire people to acts of kindness and mercy. But it happens all the time in America. It truly does. One-third of Americans who volunteer do so through religious organizations. Many of them happen to be faith-based schools, by the way. When you hear about an America that volunteers, many of the volunteers are at faith-based schools.

I was struck by an interesting story that came out of Memphis, Tennessee. Ten years ago private donors gave approximately \$15 million to the church in Memphis to help revive Catholic schools in the city's poorest neighborhoods -- assets exist -- they're worried about them going away, so rather than just watch schools close, somebody -- individuals did something about it by putting up \$15 million. With the seed money, the diocese launched the Jubilee Schools initiative, and reopened Catholic schools that had been shuttered, actually in some cases, for decades. Today, 10 Jubilee schools serve

more than 1,400 students. Eighty-one percent of these children are not Catholic; nearly 96 percent live at or below poverty level.

With the help from Jubilee scholarship donors, tuition becomes whatever the family can afford. And the schools happen to be working, as well, which is really important. The program -- and the reason I can tell you is because test scores are up, they're not afraid to measure. You've got to be a little worried in our society when somebody says, I don't think I want to measure. That's like saying, I don't want to be held to account. The problem with that line of reasoning is that when you're dealing with our children, it's unacceptable. Of course you should be held to account. We ought to praise those who achieve excellence, and call upon those who don't to change so they can achieve excellence.

And so this school system is willing to measure, and it has been a great joy for the people of Memphis to watch excellence spread. And I want to thank those who have put forth the money, and call on all citizens to find ways they can contribute with their hearts to help educational entrepreneurs succeed -- is really what we're talking about, isn't it? Kind of innovation, they're willing to challenge the status quo if it's not working. I call it educational entrepreneurship -- so I'd consider yourself entrepreneurs, social entrepreneurs.

Faith-based schools can continue to serve inner-city children and sometimes they can get a good boost from higher education. It seems like to me it's -- when I was governor of Texas I tried to get our higher education institutions to understand that rather than becoming a source of remediation, they ought to be a source of added value. And one way to do so is to help these schools early on, to make sure that children don't slip behind in the basics.

I was impressed by Notre Dame's Alliance for Catholic Education, known as ACE, which prepares college graduates to work as teachers in under-served Catholic schools. It's an interesting way to participate in making sure the Catholic schools and the faith-based schools stay strong, and that is to educate teachers -- actually go in the classrooms to make sure that there's adequate instruction available. The people at Notre Dame commit to teach for two years as they earn their master's degree in education. And it turns out that when you get a taste for being a teacher, that you tend to stay. And so today there are about 650 ACE teachers and graduates who work at Catholic schools across the country.

And there's a -- I like the idea of these higher education institutions saying, okay, here's what I can contribute to making sure that elementary school and junior high school and high school education has high standards and excellence. And one way to do it is to support our faith-based schools all across the country.

And so that's what I've come to talk to you about. Here are some ways -- I mean, these are levels of society that ought to all be involved, and hopefully out of this meeting, that there's concrete action. We didn't ask you to come to Washington just to opine; we came and asked you to Washington to set good ideas out there for others to go by, because there's a lot of people in our country who share the same concern you share --

people understand what we're talking about here. This is pretty practical stuff. This isn't -- these are down-to-earth ideas on how to solve some of our nation's critical problems.

And so I'm -- let me end with a story here about Yadira Vieyra. Yadira says she goes to Georgetown University, and she said -- I was asking if Yadira was going to be here so I could ask her to stand here in a minute, and a fellow told me she's a little worried about missing class. So whoever Yadira's teacher is, please blame it on me, not her.
(Laughter.)

She is a -- she was born in Mexico -- Mexicana. And they moved to Chicago, probably to try to realize a better life -- I'm confident, to try to realize a better life. Mom and dad had a dream to give their family hope. There's no more hopeful place in the world, by the way, than the United States of America. We shouldn't be surprised when people come to America for a hopeful life. That's what America has been and should be.
(Applause.)

And then we shouldn't be surprised when the parents hope that their children get a great education, because there's nothing more hopeful for a parent than to know their child is receiving a good education. Well, that's what Yadira's folks wanted for her. So when the time came -- time for her to go to high school came, they wanted something better than a low-performing high school. You know, one of the interesting things about the accountability system -- a lot of people think that their child goes to the finest school ever, until the results get posted. (Laughter.)

And it's -- the whole purpose, by the way, is not to embarrass anybody, it's not to scold anybody. The whole purpose is to achieve excellence for every person. And so Yadira's parents I'm sure took a look at the school system and said, there's a better way. And so, guess what, she went to Cristo Rey, the program I just described to you. And she was challenged by the school's rigorous academics.

If you set low standards, guess what you're going to get? Low results. If you believe in every child's worth and every child can learn, it's important to set high standards and challenge the children, and that's what happened in the school she went to. She was inspired by great teachers. She said she was motivated by the school's amazing job program. And she is now at Georgetown University, one of the great schools -- universities in America. And guess what she wants to do when she leaves Georgetown? She wants to enroll in Notre Dame's ACE program. Yadira, thanks for coming.
(Applause.)

You either just got an A -- (laughter) -- or an F. (Laughter.) Either case, we're glad you're here -- (laughter) -- and I love your example. And the reason why it's important to have examples -- so that we get beyond the rhetoric and realize that we're dealing with the human potential. Someday not telling what Yadira's going to be in life, but one thing is for certain: it's going to be a productive citizen, and America will be better for it. And so we're glad you're here. Thank you for your spirit. Tell your parents, thank you.
(Applause.)

And so let me close with what happened at National Stadium with His Holy Father. When he celebrated mass there, one of the objects he blessed at the end of the mass was the new cornerstone of the Pope John Paul the Great High School in Arlington, Virginia. Isn't that interesting? I'm sure there was a lot of demands on His Holy Father, but he took time to bless the cornerstone of a school.

And my hope is, is that we're laying cornerstones for new schools here or revived schools; that we take the spirit of the Holy Father and extend it throughout the country, and work for excellence for every child; to set high standards, and when we find centers of excellence, not them go away, but to think of policy that will enable them to not only exist, not only survive, but to thrive. It's in our nation's interest. It's an important summit for America.

I thank you for bringing your talents, your energies and your efforts. I thank you for caring deeply about our young. And I thank you for being a part of what I believe is a necessary strategy to make sure America continues to be a hopeful place for all. God bless you. Thank you, all. (Applause.)

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Fact Sheet: White House Summit on Inner-City Children and Faith-Based Schools

"[T]he purpose of the summit is to highlight the lack of educational options facing low-income urban students. And we're going to bring together educators and clergy and philanthropists and business leaders, all aiming to urge there to be reasonable legislation out of Congress and practical solutions to save these schools – and more importantly, to save the children."

– President George W. Bush, 4/18/08

The White House Summit on inner-city children and faith-based schools will highlight the need to preserve the critically important educational alternatives for underserved students attending chronically underperforming schools. In his 2008 State of the Union Address, President Bush announced this summit as an opportunity to help increase awareness of the challenges faced by low-income students in the inner cities and address the role of non-public schools, including faith-based schools, in meeting the needs of low-income inner city students.

- **Despite their educational successes, urban faith-based schools are disappearing at an alarming rate.** From 2000 to 2006, nearly 1,200 inner city faith-based schools closed, displacing 425,000 students. This is especially troubling for minority students. Since 1970, the minority population at Catholic schools, for example, has increased by 250 percent, and the non-Catholic population in those schools has increased by more than 500 percent. Yet these important institutions are disappearing for financial reasons.

Panel I: Faith-Based Schools And The Common Good

Moderated by Assistant to the President for Domestic Policy Karl Zinsmeister, Panel I will highlight the impact faith-based urban schools have had in the education of youth in America's inner cities. For generations, America's faith-based urban schools have served many of this Nation's most disadvantaged students, including the children of recent immigrants and low-income minority families. Relying on contributions from families and donors instead of government aid, these schools have played an important role in the American story of upward mobility, educational opportunity, and civil rights.

- **Panel I Participants:** The Honorable Karl Zinsmeister, Assistant to the President for Domestic Policy, Moderator
 - Dr. Charles L. Glenn, Dean ad interim, School of Education and Fellow of the University Professors, Boston University
 - Dr. Joseph P. Viteritti, Blanche D. Blank Professor of Public Policy and Director, Graduate Program in Urban Affairs, Hunter College

- Dr. William Jeynes, Professor of Education, California State University, Long Beach Non-resident Scholar, Baylor University
- Reverend Dr. Floyd H. Flake, Senior Pastor, Greater Allen A.M.E. Cathedral of New York, President, Wilberforce University, Former U.S. Congressman

Panel II: Practical Realities On The Ground

Moderated by White House Faith-based and Community Initiatives Director Jay Hein, Panel II will focus on the challenges increasingly facing faith-based urban schools. Faith-based urban schools have changed countless young lives for the better, providing students with the academic skills and moral grounding needed to succeed throughout life. Their contributions to families and communities are immeasurable. Tragically, however, these schools, due to a wide array of financial challenges, are under mounting pressure, forcing thousands to close their doors with potentially many more to follow suit.

- **Panel II Participants:** The Honorable Jay Hein, Director, Office of Faith-Based and Community Initiatives, The White House, Moderator
 - Ms. Phylcia Lyons, Founder, President and CEO, School Choice Illinois
 - Reverend Joseph M. O'Keefe, S.J., Dean and Professor of Education, Lynch School of Education, Boston College
 - Dr. Vernard T. Gant, Director, Urban School Services, Association of Christian Schools International
 - Ms. Virginia Walden Ford, President, Black Alliance for Educational Options, Washington, D.C. Chapter, Executive Director, D.C. Parents for School Choice

Lunch Plenary: Educational Options And America's Cities

Moderated by Education Secretary Margaret Spellings, the lunch plenary will focus on the positive influence high-quality school choices have had on American communities. In addition to their value to students and families, faith-based schools and other public school alternatives contribute to America's cities more broadly. Safe, academically rigorous schools have a positive influence on community stability, employment, crime, and much more. Protecting such schools is in the interest of the citizens and leaders of neighborhoods, cities, States, and the Nation.

- **Lunch Plenary Participants:** The Honorable Margaret Spellings, Secretary, Department of Education, Moderator

- The Honorable Stephen Goldsmith, Chairman, Corporation for National and Community Service, Former Mayor, Indianapolis, IN
- The Honorable Nancy Grasmick, Maryland State Superintendent of Schools
- The Honorable Roy Bernardi, Acting Secretary, U.S. Department of Housing and Urban Development, Former Mayor, Syracuse, NY

Panel III: Community Solutions

Moderated by Scott Hamilton, Panel III will focus on community solutions to keep faith-based urban schools strong. Despite the significant challenges it faces, this sector of K-12 education has numerous good-news stories that demonstrate that with energetic leadership, creativity, and commitment, faith-based urban schools can continue to thrive for generations to come.

- **Panel III Participants:** Mr. Scott Hamilton, President, School Risk Management, Moderator
 - Dr. Mary C. McDonald, Superintendent of Catholic Schools, Diocese of Memphis
 - Mr. Tom Tillapaugh, Founder and Administrator, Denver Street School System, President, National Association of Street Schools
 - Mr. B.J. Cassin, Founder and Chairman, Cassin Educational Initiative Foundation
 - Reverend Timothy R. Scully, C.S.C., Professor of Political Science and Director and Fellow, Institute for Educational Initiatives, University of Notre Dame
 - Mr. David Zwiebel, General Counsel and Executive Vice President of Government and Public Affairs, Agudath Israel of America

Panel IV: Public Policy Options

Moderated by Ray Simon, Panel IV will discuss innovative public policies that help under-served communities. Government leaders have developed public policies that provide educational opportunities to disadvantaged children, including at faith-based schools that follow the Federal Government's and State Governments' constitutional and statutory rules governing the separation of church and state.

- **Panel IV Participants:** The Honorable Ray Simon, Deputy Secretary, U.S. Department of Education

- Mr. Anthony R. Picarello, Jr., General Counsel, United States Conference of Catholic Bishops
- The Honorable Anthony A. Williams, Chairman, D.C. Children First, Former Mayor, District of Columbia, Chief Executive Officer, Primum Public Realty Trust
- Dr. Ronald T. Bowes, Assistant Superintendent for Public Policy and Development, Diocese of Pittsburgh
- Dr. Lawrence D. Weinberg, Author, Religious Charter Schools: Legalities and Practicalities

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PRESS RELEASES

Report Reaffirms Academic Gains for DC Opportunity Scholarship Participants

Department of Education's Institute of Educational Sciences Report Shows Program Positively Impacts Students' Reading Achievement and Increases Parental Satisfaction

FOR RELEASE:

June 16, 2008

Washington, D.C. - The U.S. Department of Education's Institute of Educational Sciences (IES) today released a report, "Evaluation of the D.C. Opportunity Scholarship Program: Impacts After Two Years," reaffirming parental satisfaction and academic gains among the scholarship participants.

Reading achievement improved for three large subgroups of students, comprising 88 percent of participating students. In fact, their gains put them about two to four months ahead of their peers who did not receive a scholarship. While the report found no statistically significant difference in test scores overall between students who were offered a scholarship and students who were not offered a scholarship, achievement trends are moving in the right direction. The positive effects found in this year's report are larger than those in last year's report, and whenever statistically significant effects were found, they favored students who were offered scholarships.

"The D.C. Opportunity Scholarship Program is a lifeline of hope and opportunity for these low-income students who are striving for a better future for themselves and their families," said U.S. Secretary of Education Margaret Spellings. "The academic gains indicated in the report show that students have chosen to work hard, and their families have chosen to make the commitment to support them in their new schools. While it reflects the reality that this program is still in its early stages, this report also tells me that no one in a position of responsibility can sever this lifeline right now and leave these kids adrift in schools that are not measuring up-not when they have chosen to create a better future for themselves."

The program allows low-income families in our nation's capital to ensure their children receive the quality education they deserve. In 2008, these families received \$14.8 million in scholarships to cover tuition, fees and transportation expenses to attend the participating private elementary or secondary school of their choice. Today's report found a high degree of parental satisfaction with the students' new schools. If Congress were to discontinue funding for the program and scholarship recipients were forced to return to D.C. public schools, 86 percent of those students would be attending schools that did not meet "adequate yearly progress" in 2006-2007.

The report studies five key outcomes of the D.C. Opportunity Scholarship Program: school differences; academic achievement; parental perceptions of school satisfaction and safety; student reports of school satisfaction and safety; and the impact of using a scholarship.

For more information about the D.C. Opportunity Scholarship Program, please visit <http://www.ed.gov/programs/dcchoice/index.html>. To read today's report, please visit <http://ies.ed.gov/ncee/pubs/20084023.asp>.

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D.C. School Choice Opportunity Scholarships Expand Options for Families

June 2008

"The D.C. Opportunity Scholarship Program is a lifeline of hope and opportunity for these low-income students who are striving for a better future for themselves and their families. The academic gains indicated in the report show that students have chosen to work hard, and their families have chosen to make the commitment to support them in their new schools. While it reflects the reality that this program is still in its early stages, this report also tells me that no one in a position of responsibility can sever this lifeline right now and leave these kids adrift in schools that are not measuring upâ€"not when they have chosen to create a better future for themselves."

— Secretary Margaret Spellings

The Federal Government is committed to strengthening the education opportunities for all children in our Nation's capital.

The D.C. Opportunity Scholarship Program is part of a unique, locally-developed three-sector initiative to reform D.C.'s public schools, replicate high-performing charter schools, and provide scholarships to some of Washington's poorest children.

Children enrolled in the program can receive \$7,500 in scholarship funding to attend the private school of their choice.

Created in 2004, the program provides high-quality education options to more than 1,900 low-income children every year.

D.C. Opportunity Scholarships are designed to help the children who need it most.

The average household income of participating families is \$22,736 for a family of four, all participating students come from families below 185 percent of the poverty line, and nearly 100 percent are minorities.

86 percent of scholarship students would otherwise attend public schools that did not meet "adequate yearly progress" standards in 2006-07.

The Institute of Education Sciences report, "Evaluation of the D.C. Opportunity Scholarship Program: Impacts After Two Years" reaffirms academic gains among participants and parental satisfaction with their children's education and safety:

Reading test scores of three subgroups of students, representing 88 percent of participating students¹, were higher by the equivalent of two to four months of additional schooling.

Last year's study found that math scores were higher for subgroups representing 83 percent of participating students.

The positive effects found in this year's report are larger than those in last year's report, and whenever statistically significant effects were found, they always favored students who were offered scholarships. While this evaluation found no statistically significant difference in test scores overall between students who were offered a scholarship and students who were not offered a scholarship, achievement trends are moving in the right direction.

Parents of scholarship students expressed greater satisfaction with their children's education and more confidence that their children would be safe at school.

Demand for the program remains high. Over 7,000 students have applied for scholarships and eligible applicants represent 12 percent of the low-income student population in D.C.

Next year's evaluation will examine impacts on student achievement three years after application to the program.

Georgetown University studies also show the Program is making a difference for students and families:

As a result of participating in the Program, parents' involvement in their children's education increased.

Participating students are demonstrating enthusiasm for school and an improved attitude toward learning.

Given the positive trends in achievement, in combination with high parental satisfaction and strong demand, Congress must act to continue providing these important options for parents and their children.

The "three-sector" approach adopted by Congress for improving educational opportunities for DC schoolchildren must continue in order to provide all students in the nation's capital, especially those most disadvantaged, with the opportunity to succeed.

President Bush's 2009 budget contained record funding for education reform in the District of Columbia, including \$18 million for D.C. Opportunity Scholarships, and an additional \$56 million for the D.C. public school system and the city's growing charter school sector. Crafted in collaboration with the District's Mayor and Chancellor of schools, this package supports the ongoing efforts to make sure all children have access to high-quality schools, whether traditional public, charter, private, or parochial.

According to a study by the Greater Washington Urban League, D.C. residents are overwhelmingly in favor of this overall package, with more than two-thirds (69 percent) of residents in favor of the plan.

For more information, please visit the U.S. Department of Education's web site at: <http://www.ed.gov/programs/dcchoice/index.html>.

¹ Three subgroups showing gains: students who applied in the first year of program implementation; students who had previously attended DC public schools that were not identified for improvement; and students who scored in the top 2/3rd of the evaluation's baseline testing. The performance of this group of relatively higher performing students is equivalent to about the 30th percentile nationally, and thus substantially below the national norm at the 50th percentile.