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**Race-Race Initiative Policy:
Education-Education Opportunity
Zones**

Withdrawal/Redaction Sheet

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COLLECTION:

Clinton Presidential Records
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 Elena Kagan
 OA/Box Number: 14369

FOLDER TITLE:

Race- Race Initiative Policy: Education-Education Opportunity Zones

2009-1006-F

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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
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- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

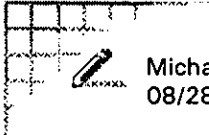
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Michael Cohen
08/28/98 03:29:58 PM

Record Type: Record

To: Elena Kagan/OPD/EOP

cc: Jose Cerda III/OPD/EOP, Bruce N. Reed/OPD/EOP

Subject: Re: approps battles

With respect to zones, I think it will be next to impossible to fund it out of any already authorized program, in large part because we know the Obey and Porter are opposed to this. Before sending up Zones legislation, we considered seeking funds for it under the Title 1 Demonstration Program, which would be the only appropriate existing authority. However, this is the same authority that Obey&Porter used for their new comprehensive school reform program last year--and they are not going to fund our program as well out of the same authority. Riley talked to Obey about this in the beginning of the year. Obey was adamantly opposed to this approach, which is why we wound up seeking separate authorization rather than going the appropriations route in the first place.

We can and should try again, but I think it will be an uphill fight. I think the first step here is to see if Obey is more open now than before.

Questions And Answers on Education Opportunity Zones
For internal use only -- May 7, 1998

Q: What is the purpose of the Education Opportunity Zones?

A: This initiative will help accelerate and expand progress in high-poverty urban and rural school districts that are on the right track, and highlight models of success. Education Opportunity Zones will demonstrate how a serious approach to high standards benefits all students. Funds will be targeted to improve low performing schools, expand opportunities for student achievement, broaden choices for families, and hold schools, teachers, and students accountable for results.

Q: How do the Zones relate to the President's other new initiatives?

A: Education opportunity zones are part of a broader set of initiatives to help strengthen urban and rural schools. President Clinton has also proposed new initiatives to reduce class size in the primary grades, modernize school buildings, recruit and prepare teachers for underserved urban and rural areas, and dramatically expand the availability and quality of child care and after-school learning opportunities. These and other proposals will have a powerful impact on improving the prospects of children in some of our poorest communities.

Controversial Issue
Q: Are you proposing this initiative as an alternative to respond to Republican calls for vouchers?

A: The President is committed to strengthening public schools, not abandoning them. Along with other new initiatives that will help raise achievement for urban and rural students, like school construction and teacher recruitment and preparation, we are proposing Education Opportunity Zones in response to the clear need for sharp improvements in the nation's poorest school districts and to encourage and expand promising school reform efforts that are taking a disciplined, effective approach centered on high standards. The fact is that 90% of our students attend public schools, and our primary responsibility, especially with limited federal resources, is to make sure that the public schools they attend are among the best in the world. This means concentrating our time and money on raising academic standards, improving teaching, providing schools with technology and other up-to-date learning tools, and creating charter schools and other forms of choice within the public school system. In contrast to vouchers, the Education Opportunity Zones will support effective local efforts to improve education for all students in participating districts, rather than just a few.

New Q
Q: What kind of support do you expect to receive in Congress?

A: We were pleased to note that when introduced in Congress by Senator Kennedy and Congressman Clay they were joined by TK co-sponsors in the House and TK co-

spoonors in the Senate. Improving public schools in our most disadvantaged communities should be a bipartisan national priority. Lawmakers in both parties are keen on finding tough, effective ways to address low achievement in some of our largest cities, and we expect this proposal to gain strong bipartisan support.

Q: How many grants are expected to be awarded and what will be their size?

A: The Zone initiative would invest approximately \$200 million in FY 99, and \$1.5 billion over five years. We expect to fund over 50 grants to urban and rural communities. The Zones will be selected in two rounds, the first in FY 1999, and the second in FY 2001. Grants will be awarded for 3 years. Districts may receive further support in years 4 and 5 only if they have demonstrated success in reaching the agreed benchmarks.

Q: How do these new Zones differ from Empowerment Zones and Enterprise Communities?

A: The Education Opportunity Zones initiative and the EZ/EC initiative support one another, but are distinct. Education Opportunity Zones will consist of entire school districts or consortia of school districts. Empowerment Zones and Enterprise Communities are specific neighborhoods or regions that may or may not be contiguous with school districts. While both are in the spirit of bringing the community together behind focused efforts to address local challenges, Education Opportunity Zones are especially designed to address the educational needs of their communities and school districts, whereas the EZ/EC initiative is aimed at broader community revitalization strategies, which can include education but also extend to economic development, community development, and job training. Communities with a strong EZ/EC effort with a significant focus on education will be well-positioned to rally the community together behind the kinds of effective school reforms that will be supported by Education Opportunity Zones.

Q: Do Zone districts have to participate in the national tests?

A: No. We are pleased that 16 major school districts have already made a commitment to take part in the national tests of 4th grade reading and 8th grade math, but participation in these tests is voluntary. However, successful Education Opportunity Zone applicants must show that they have firmly integrated challenging standards and tests (which could include state, local, or national assessments) into their strategies for raising student achievement.

Q: Will Education Opportunity Zones receive a preference for other initiatives, such as school construction funding?

A: At this time, there are no plans to provide additional incentives for participation beyond in the Education Opportunity Zones initiative beyond the added funding and flexibility that all Zones will receive. However, other new initiatives will include features targeting

assistance on the kinds of high poverty communities that the Zones are designed to assist.

EDUCATION OPPORTUNITY ZONES: STRENGTHENING URBAN AND RURAL SCHOOLS

January 26, 1998

I challenge every school district to adopt high standards, to abolish social promotion, to move aggressively to help all students make the grade through tutoring, and summer schools, and to hold schools accountable for results, giving them the tools and the leadership and the parental involvement to do the job.

-- President Bill Clinton, October 28, 1997

HELPING RAISE ACHIEVEMENT FOR STUDENTS IN HIGH POVERTY COMMUNITIES. President Clinton's Education Opportunity Zones initiative will strengthen public schools and help students master the basics where the need is the greatest: in high poverty urban and rural communities where low expectations, too many poorly prepared teachers, and overwhelmed school systems create significant barriers to high achievement. The Education Department will select approximately 50 high poverty urban and rural school districts that agree to: (1) use high standards and tests of student achievement to identify and provide help to students, teachers and schools who need it; (2) prevent students from falling behind by ensuring quality teaching, challenging curricula, and extended learning time; and (3) end social promotion and turn around failing schools. Added investments in these communities will accelerate their progress and provide successful models of system-wide, standards-based reform for the nation. The President's initiative will invest \$200 million in FY99, and \$1.5 billion over 5 years, to raise achievement and share lessons learned with school districts around the country.

ENDING SOCIAL PROMOTION, AND GIVING SCHOOLS THE TOOLS TO HELP EVERY CHILD MEET HIGH EXPECTATIONS. To be selected as Education Opportunity Zones, school districts will have to demonstrate that they are using their existing funds effectively to raise student achievement by: ■ holding schools accountable for helping students reach high academic standards, including rewarding schools that succeed and intervening in schools that fail to make progress; ■ holding teachers and principals accountable for quality, including rewarding outstanding teachers, providing help to teachers who need it, and fairly and quickly removing ineffective teachers; ■ ensuring students don't fall behind, by providing a rich curriculum, good teaching and extended learning opportunities; ■ ending social promotions and requiring students to meet academic standards at key transition points in their academic careers; and ■ providing students and parents with school report cards and expanded choice within public education.

EXTRA RESOURCES TO IMPROVE TEACHING, LEARNING, AND LEADERSHIP. School districts will use Education Opportunity Zone funds to support standards-based, district-wide reforms such as: ■ rewarding schools that make significant gains in student achievement; ■ turning around failing schools by implementing proven reform models, or closing them down and reconstituting them; ■ providing extra help to students who need it to meet challenging standards, through after-school, Saturday, and/or summer school programs; ■ building stronger partnerships between schools and parents, businesses, and communities; ■ implementing sound management practices and accountability systems; ■ providing intensive professional development to teachers and

principals; ■ helping outstanding teachers earn master teacher certification from the National Board for Professional Teacher Standards and giving them bonuses when they do; and ■ implementing programs to identify low performing teachers, assist them to improve, and remove them if they fail to do so.

COMPETITIVE GRANTS TO SUPPORT PROMISING MODELS. Districts will be selected as Education Opportunity Zones under a competitive, peer-review process. A mix of large and smaller urban areas will be selected to participate, as well as rural school districts and consortia. Each urban Education Opportunity Zone will receive a 3-year grant of \$10-25 million per year (depending upon size and proposed activities), and each rural Zone will receive from \$250,000 to \$3 million (for consortia). Zones will be selected in two rounds, the first in FY 1999, and the second in FY 2001. Successful applicants will have broad-based partnerships to support their reforms -- including parents, teachers, local government, business and civic groups, institutions of higher education and other key stakeholders. Successful applications will show how the district will use all available resources -- federal, state, and local, as well as any business or foundation funds -- to carry out its reform strategy and maintain it once these federal funds are no longer available.

REWARDS FOR DEMONSTRATED STUDENT ACHIEVEMENT GAINS. Each Education Opportunity Zone will agree to specific, ambitious, benchmarks for improved student achievement, lower dropout rates and other indicators of success, for districtwide performance and specific student subgroups. Districts may receive further support in years 4 and 5 only if they have demonstrated success in reaching those benchmarks.

GREATER FLEXIBILITY IN USING OTHER FEDERAL RESOURCES. All schools in an Education Opportunity Zone school district -- regardless of poverty level -- will become eligible for schoolwide flexibility in the use of federal education funds. Requirements pertaining to school accountability, as well as special education, health, safety, and civil rights, will continue to be met.

ASSISTANCE TO HELP DISTRICTS FIND AND SHARE WHAT WORKS. The Department of Education will offer technical assistance, use technology to help districts consult with each other, and disseminate lessons learned to communities nationwide. Special attention will be given to helping school districts design and implement strategies for providing students who need it with early intervention and extra help to enable them to meet promotion standards. In addition, a national evaluation of the Education Opportunity Zones will be conducted, with the results helping to inform the next reauthorization of the Elementary and Secondary Education Act.

BOLD ACTION TO HELP CHILDREN IN OUR CITIES AND RURAL AREAS. Education Opportunity Zones are part of a broader set of initiatives to help strengthen high-poverty urban and rural schools. President Clinton is also proposing new initiatives to reduce class size in the primary grades, modernize school buildings, recruit and prepare teachers for underserved urban and rural areas, and dramatically expand the availability and quality of child care and after-school learning opportunities. These and other proposals will have a powerful impact on improving the prospects of children in some of our poorest communities.

EDUCATION OPPORTUNITY ZONES QUESTIONS AND ANSWERS

January 25, 1998

What is the purpose of the Education Opportunity Zones?

This initiative will help accelerate and expand progress in high-poverty urban and rural school districts that are on the right track, and highlight models of success. Education Opportunity Zones will demonstrate how a serious approach to high standards benefits all students. Funds will be targeted to improve low performing schools, expand opportunities for student achievement, broaden choices for families, and hold schools, teachers, and students accountable for results.

How does the Zone initiative relate to the President's other new initiatives?

Education opportunity zones are part of a broader set of initiatives to help strengthen urban and rural schools. President Clinton has also proposed new initiatives to reduce class size in the primary grades, modernize school buildings, recruit and prepare teachers for underserved urban and rural areas, and dramatically expand the availability and quality of child care and after-school learning opportunities. These and other proposals still to be announced will have a powerful impact on improving the prospects of children in some of our poorest communities.

Are you proposing this initiative as an alternative to respond to Republican calls for vouchers?

The President is committed to strengthening public schools, not abandoning them. Along with other new initiatives that will help raise achievement for urban and rural students, like school construction and teacher recruitment and preparation, we are proposing Education Opportunity Zones in response to the clear need for sharp improvements in the nation's poorest school districts and to encourage and expand promising school reform efforts that are taking a disciplined, effective approach centered on high standards. The fact is that 90% of our students attend public schools, and our primary responsibility, especially with limited federal resources, is to make sure that the public schools they attend are among the best in the world. This means concentrating our time and money on raising academic standards, improving teaching, providing schools with technology and other up-to-date learning tools, and creating charter schools and other forms of choice within the public school system. In contrast to vouchers, the Education Opportunity Zones will support effective local efforts to improve education for all students in participating districts, rather than just a few.

This initiative clearly encourages districts to discontinue social promotion. How do you respond to criticisms of that approach?

The President strongly believes that we shouldn't promote kids who are not ready because it will hurt them over the long term. This initiative is designed to hold teachers and schools accountable, as well as students. Rather than punishing kids, this initiative attempts to create the conditions under which districts take steps to ensure that students are ready to meet standards the first time, rather than falling behind and needing remediation.

What communities will be eligible for the Zone initiative? How many school districts will be eligible to participate?

This initiative will target urban and rural school districts with a significant percentage or a large number of students in poverty. In order to be selected as Zones, districts will have to show that they have already begun to raise student achievement, or that they have begun to put into place credible and effective improvement policies. Well over a thousand districts will be eligible, including districts in every state.

How many grants are expected to be awarded and what will be their size?

The Zone initiative would invest approximately \$200 million in FY 99, and \$1.5 billion over five years. We expect to fund over 50 grants to urban and rural communities. Urban school districts will receive grants of \$10-25 million per year (depending on the size and proposed activities). Rural communities will receive grants of \$250,000 to \$3 million (for consortia) per year.

The Zones will be selected in two rounds, the first in FY 1999, and the second in FY 2001.

How do these new Zones differ from Empowerment Zones and Enterprise Communities?

The Education Opportunity Zones initiative and the EZ/EC initiative support one another, but are distinct. Education Opportunity Zones will consist of entire school districts or consortia of school districts. Empowerment Zones and Enterprise Communities are specific neighborhoods or regions that may or may not be contiguous with school districts. While both are in the spirit of bringing the community together behind focused efforts to address local challenges, Education Opportunity Zones are especially designed to address the educational needs of their communities and school districts, whereas the EZ/EC initiative is aimed at broader community revitalization strategies, which can include education but also extend to economic development, community development, and job training.

Do Zone districts have to participate in the national tests?

No. We are pleased that 15 major city school districts have already made a commitment to take part in the national tests of 4th grade reading and 8th grade math, but participation in these tests is voluntary. However, successful Education Opportunity Zone applicants must show that they have firmly integrated challenging standards and tests (which could include state, local, or national assessments) into their strategies for raising student achievement.

What kind of support do you expect to receive in Congress?

Improving public schools in our most disadvantaged communities should be a bipartisan national priority. Lawmakers in both parties are keen on finding tough, effective ways to address low achievement in some of our largest cities, and we expect this proposal to gain strong bipartisan support. We have been working with Congressman Bill Clay of St. Louis, Ranking Democrat on the House Education and the Workforce Committee, who has submitted urban education renewal legislation which has helped to shape our own proposal.

EDUCATION OPPORTUNITY ZONES
QUESTIONS AND ANSWERS
For internal use only -- January 26, 1998

Overall Questions

What is the purpose of the Education Opportunity Zones?

This initiative will help accelerate and expand progress in high-poverty urban and rural school districts that are on the right track, and highlight models of success. Education Opportunity Zones will demonstrate how a serious approach to high standards benefits all students. Funds will be targeted to improve low performing schools, expand opportunities for student achievement, broaden choices for families, and hold schools, teachers, and students accountable for results.

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Qualified Applicants

What communities will be eligible for the Zone initiative?

High-poverty urban and rural school districts will be targeted under this initiative. In order to be selected as Zones, districts will have to show that they have already begun to raise student achievement, or that they have begun to put into place credible and effective improvement policies.

How many school districts will be eligible to participate?

This initiative will target urban and rural school districts with a significant percentage or a large number of students in poverty. This means that well over a thousand districts will be eligible, including districts in every state.

Are Zones entire school districts or smaller areas within school districts?

Entire school districts, or consortia of districts, will be designated Education Opportunity Zones. Grant funds may be used for district-wide activities such as improving sound management and assessment systems, as well as to improve low-performing schools. Districts may choose to target their resources under the initiative to subsets of low-performing schools.

Will large cities receive a preference for designation as Zones?

Proposed legislation will direct the Secretary to seek to ensure that both large and smaller urban areas are selected to participate, as well as rural school districts. We expect that urban school districts will receive a substantial proportion of funding under the initiative.

Can consortia of districts apply to be Zones?

Yes, consortia of districts can apply. We anticipate that most consortia will be comprised of rural school districts.

Can charter schools participate in the program?

Under state law, public charter schools are generally either Local Educational Agencies (LEAs) or public schools within an LEA. Charter schools that are part of an urban or rural school district designated as an Education Opportunity Zone may benefit from this program. Charter schools that are considered an LEA themselves are eligible to apply only if they meet the eligibility criteria for all LEAs. That is, they must be high poverty and serve a small town or rural community or an urban area. While charter schools may be eligible to apply, the purpose of this initiative is to demonstrate that a district-wide, serious approach to high standards can help raise achievement.

Are private schools eligible for funding under this program?

Private schools cannot be designated as Education Opportunity Zones, but students, teachers and administrators associated with private schools within an area served by a Zone will be eligible to participate, on an equitable basis, in training and extended learning programs supported by the initiative. Likewise, private school teachers and administrators will also be eligible to receive

materials and information developed through the grants.

Can schools serving Native American students apply for funds?

Yes. Most BIA schools and schools that serve large concentrations of Native American students will qualify as eligible applicants under this program. Many of these schools are rural and have high percentages of students from low income families. Proposed legislation will direct the Secretary to seek to ensure that there is an equitable distribution of grants among geographic regions of the country and to rural schools serving large concentrations of Native American students.

[Can territories and outlying areas apply for this program?]

Grant Size and Scope

How many grants are expected to be awarded and what will be their size?

The Zone initiative would invest approximately \$200 million in FY 99, and \$1.5 billion over five years. We expect to fund over 50 grants to urban and rural communities. Urban school districts will receive grants of \$10-25 million per year (depending on the size and proposed activities). Rural communities will receive grants of \$250,000 to \$3 million (for consortia) per year.

The Zones will be selected in two rounds, the first in FY 1999, and the second in FY 2001.

Are grants renewable?

Grants will be awarded for 3 years. As part of their original grant award, districts will agree to a rigorous performance partnership that includes specific benchmarks for student success. Districts may receive further support in years 4 and 5 only if they have demonstrated success in reaching the agreed benchmarks.

Will districts have to provide matching funds?

No, districts will not have to provide an explicit match. However, a successful applicant will have to show how it will use all available resources, including the new funds sought under the Education Opportunity Zones program, in order to carry out its plan to raise student achievement. Moreover, each applicant must show how it will continue to carry out its strategies using other resources at the conclusion of Zones funding. Education Opportunity Zone funding will be structured to phase out in latter years.

Application Process and Grant Activities

What will districts have to include in their applications for funds? Must they indicate which schools they will target for improvement?

Districts will have to demonstrate in their applications that they are using their existing funds effectively and have already begun to raise student achievement, or, at a minimum, that they have begun to put into place credible and effective improvement policies. They will also need to explain how they will address key aspects of effective local reform such as: holding schools accountable for helping students reach high academic standards, including rewarding schools that succeed and intervening in schools that fail to make progress; holding teachers and principals accountable for quality, including rewarding outstanding teachers, providing help to those who need it, and fairly and quickly removing ineffective teachers; ensuring students don't fall behind, by providing a rich curriculum, good teaching and extended learning opportunities; ending social promotions and requiring students to meet academic standards at key transition points in their academic careers; and providing students and parents with expanded choice within public education.

Applicants must also demonstrate the support of all key stakeholders -- including parents and teachers. They must describe how they will use all available resources -- federal, state, local, and private -- to carry out their reform strategies and how they intend to maintain the reform effort once federal funds expire. Furthermore, successful applicants will need to describe how they will intervene in schools and how they will measure progress, including defining rigorous benchmarks for success.

How will Zones be selected?

Districts or consortia will be selected under a competitive, peer-review process. Reviewers will be looking for districts which best address the purposes of the program and which demonstrate the greatest likelihood of modeling successful approaches for raising achievement in high poverty urban and rural areas.

What kinds of activities can the grant funds support?

School districts will use Education Opportunity Zone funds for key activities such as: providing extra help to students who need it to meet challenging standards, through after-school, Saturday, and/or summer school programs; providing bonuses to schools that make significant gains in student achievement; turning around failing schools by implementing proven reform models, or closing them down and reconstituting them or reopening them as charter schools; building stronger partnerships between schools and parents, businesses, and communities; implementing sound management practices and accountability systems; providing intensive professional development to teachers and principals; helping outstanding teachers earn master teacher certification from the National Board for Professional Teacher Standards and giving them bonuses when they do; and implementing programs to identify low performing teachers, assist them to improve, and remove them if they fail to do so.

What flexibility will districts have in the use of other resources?

All public schools within an Education Opportunity Zone -- regardless of poverty level -- will become eligible for schoolwide flexibility in the use of federal education funds. In other words, under the proposal, the 50% poverty threshold ordinarily required for a school to become a schoolwide project would not apply to Education Opportunity Zone schools. However, requirements pertaining to school accountability, as well as special education, health, safety, and civil rights, will continue to be met.

What technical assistance will be available for Zones?

The Department of Education will provide expert technical assistance to the Education Opportunity Zones through its technical assistance providers and by convening grantees to share information and ideas. It will also utilize technology to help districts consult with each other and disseminate lessons learned to urban and rural communities across the U.S.

How will grantees be held accountable for results?

During the negotiation of each grant award, each Zone will agree to a rigorous performance partnership with the Secretary of Education. The performance partnership must include specific, ambitious, disaggregated benchmarks in student achievement, dropout rates, and other indicators of success. Districts will receive additional financial support in years 4 and 5 only if they have demonstrated success in reaching their agreed upon benchmarks.

Mr. Clay's legislation provides for the President to direct other agencies -- beyond Education -- to assist local schools with problems like school construction. Does the President's proposal include a similar feature?

The White House and the Department of Education are beginning to consult with other federal agencies to determine what kinds of assistance could be offered and what sort of arrangements would be most appropriate.

Connections to other initiatives

How do these new Zones differ from Empowerment Zones and Enterprise Communities?

The Education Opportunity Zones initiative and the EZ/EC initiative support one another, but are distinct. Education Opportunity Zones will consist of entire school districts or consortia of school districts. Empowerment Zones and Enterprise Communities are specific neighborhoods or regions that may or may not be contiguous with school districts. While both are in the spirit of bringing the community together behind focused efforts to address local challenges, Education Opportunity Zones are especially designed to address the educational needs of their communities and school districts, whereas the EZ/EC initiative is aimed at broader community revitalization strategies, which can include education but also extend to economic development, community development, and job training. Communities with a strong EZ/EC effort with a significant focus on education will be well-positioned to rally the community together behind the kinds of effective school reforms that will be supported by Education Opportunity Zones.

Do Zone districts have to participate in the national tests?

No. We are pleased that 15 major city school districts have already made a commitment to take part in the national tests of 4th grade reading and 8th grade math, but participation in these tests is voluntary. However, successful Education Opportunity Zone applicants must show that they have firmly integrated challenging standards and tests (which could include state, local, or national assessments) into their strategies for raising student achievement.

How do Zones relate to the Comprehensive School Reform Program? Do Zones have to implement comprehensive school reform programs in their schools?

These two programs are distinct, but complementary, and both are geared to help students reach high academic standards.

The Education Opportunity Zones initiative distributes comparatively large grants from the Department of Education to a fairly limited number of competitively selected, high-poverty districts. The purpose of this initiative is to demonstrate that a serious approach to high standards, entailing accountability for students, teachers, and schools, can help raise achievement across an entire district, or at least within a sizable portion of a district.

The Comprehensive School Reform program established during the last session of Congress provides formula funds to states which then distribute the funds competitively to a significant number of districts on behalf of individual schools. The purpose of the Comprehensive School Reform program is to get individual schools to successfully adopt tested reform models, or develop new, effective models based on research. CSR funds can help school in Education Opportunity Zones implement proven models of reform, and can help provide additional resources for Zones to use for turning around failing schools. The Education Department will encourage states to make sure these important resources are available to school districts eligible to be selected as EOZ's.

Will Education Opportunity Zones receive a preference for other initiatives, such as school construction funding?

At this time, there are no plans to provide additional incentives for participation beyond in the Education Opportunity Zones initiative beyond the added funding and flexibility that all Zones will receive. However, other new initiatives will include features targeting assistance on the kinds of high poverty communities that the Zones are designed to assist.

Process Issues

What kind of support do you expect to receive in Congress?

Improving public schools in our most disadvantaged communities should be a bipartisan national priority. Lawmakers in both parties are keen on finding tough, effective ways to address low achievement in some of our largest cities, and we expect this proposal to gain strong bipartisan support. We have been working with Congressman Bill Clay of St. Louis, Ranking Democrat on the House Education and the Workforce Committee, who has submitted urban education renewal legislation which has helped to shape our own proposal.

How will the Administration solicit input from outside groups?

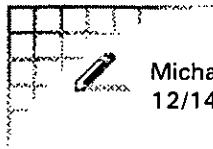
Last winter and spring the Department hosted five meetings with experts in urban education to discuss urban needs and effective strategies for improving urban education. Many of these groups have participated in meetings throughout the year to offer advice on addressing urban education issues. Thus, the Administration's proposal already reflects more than a year of input from key groups committed to strengthening urban schools. Going forward, there will be many other opportunities for additional input as the legislation and grant competition are designed.

When will a bill go to Congress?

Work is underway at the Department to prepare legislative specifications, but we plan to do additional consultations with Congress and stakeholders in the education community before transmitting our proposal to the Hill.

Do you anticipate that all districts cited as examples in your materials will be selected for the program?

No. Each district cited helps illustrate one or more of the kinds of policies and activities to be supported under the Zones initiative, but no single district -- urban or rural -- best addresses each of the purposes of the program or will automatically be selected.



Michael Cohen
12/14/97 12:13:47 PM

Record Type: Record

To: Barry White/OMB/EOP

cc: Barbara Chow/OMB/EOP, Robert M. Shireman/OPD/EOP, Wayne Upshaw/OMB/EOP

Subject: Re: Summary of Education Budget decisions

Barry--thanks for doing this. A couple of points:

1. There are still competing notions of what this memo should do. My understanding is that Bruce and Gene still want a different memo. They want an update for the President on possible state of the union announcements resulting from budget decisions made on Friday, in a number of policy areas--including but not limited to education. They had not been thinking of a education budget summary. Elena is taking a shot at this today, and will use a lot of what you wrote about new initiatives.

2. I've substituted a different version of the Opportunity Zones (inserted below), to more reflect how both DPC and ED see this initiative. The key difference between us and you on this is the relationship between the Zones and Obey/Porter, an issue we took up again in the Thursday meeting, attended by Wayne and Mary as well as DPC and ED staff. I don't know if they've had any chance to brief you yet, so I'll give you a quick update. Additional details on the emerging design and budget will be available Monday.

While both programs more or less share a similar view about comprehensive school reform, especially as applied to failing schools, there are some very important differences between them that preclude the level of integration you have been pushing for. Put simply, the Zones proposal is intended to concentrate additional resources in a small number of urban and rural areas, while the Obey/Porter program is intended to do the opposite--to spread money out to a large number of schools all over the country, with no real concentration in high poverty areas. Its clear from our meeting with Cheryl that both Obey and Porter will resist any efforts to concentrate the funds--it works against each of their political interests. At the same time, the President is quite happy with the more concentrated approach; it fits with other targeted initiatives (Title V and the mentoring initiative) and with School Construction proposal, and enables him to make a strong case that he is working to address the problems and challenges in high poverty communities. It would be a major mistake for us to shift from that focus and adopt Obey and Porter's approach.

This means that we are not trying to integrate these two initiatives in ways that you have previously suggested, or implied in the draft memo. We are, however, working to ensure that the implementation of the Obey/Porter funds and the design of the Zones are mutually reinforcing, and that communities that participate in both are enabled and required to integrate the funds from the two. Bill Kincaid is working on a summary of how we agreed to do this; I'll make sure you get it Monday.

New Zones language:

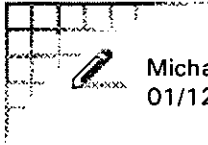
Education Opportunity Zones: \$225 million. (ramping up in the outyears). This initiative will establish 25-40 Education Opportunity Zones in high-poverty, low achieving rural school

districts which demonstrate a track record of improving student achievement and of implementing serious standards-based reforms (e.g., ending social promotions, rewarding effective schools and teachers, turning around failing schools and removing incompetent teachers). The resources will help the Zone districts strengthen their efforts and become models for other communities throughout the country.

3. I've also added Title V to the list of new initiatives, so that the package is complete. Here's the language for that initiative:

Education Opportunity Zones: \$225 million. (ramping up in the outyears). This initiative will establish 25-40 Education Opportunity Zones in high-poverty, low achieving rural school districts which demonstrate a track record of improving student achievement and of implementing serious standards-based reforms (e.g., ending social promotions, rewarding effective schools and teachers, turning around failing schools and removing incompetent teachers). The resources will help the Zone districts strengthen their efforts and become models for other communities throughout the country.

Teacher Recruitment and Preparation: \$67 million. Announced last July, this program will help bring nearly 35,000 outstanding new teachers into high poverty urban and rural schools over the next five years, and upgrade the quality of teacher preparation programs serving many of the same communities.




Michael Cohen
01/12/98 03:31:04 PM

Record Type: Record

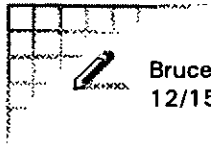
To: Elena Kagan/OPD/EOP

cc:

Subject: Re: Ed Opp Zones  .

I don't think we should release a figure on this yet. Bruce told me on Friday that Zones would be announced in SOTU (though it wasn't mentioned in the draft he shared this morning). If for some reason we don't include it in SOTU, I know there is interest in the VP's office in having him do some kind of urban ed event shortly after SOTU. If the Zones have been announced by then, he package all of the other initiatives that have a particular urban impact (e.g., increase\$ for Title 1, the mentoring initiative, school construction, class size, etc.) to show the Administration's total effort to help kids in urban schools. If the Zones haven't been formally announced by then, we might want the VP to do that as well, and let him release the numbers.]

Racial Policy -
Ed Op Zones




Bruce N. Reed
12/15/97 03:29:37 PM

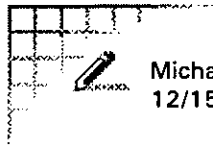
Record Type: Record

To: Michael Cohen/OPD/EOP

cc: Elena Kagan/OPD/EOP

Subject: Re: Heads up on Opportunity Zones 

Be polite, and incorporate their ideas where possible, but this issue has already been settled. We can't step forward now and say well, sorry, there's no \$ upfront.



Michael Cohen
12/15/97 02:40:56 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc:

Subject: Heads up on Opportunity Zones

An issue surfaced today during a meeting with ED and OMB staff as we continue to nail down the details of the Zones proposal that you need to be aware of. The short version (details below) is that OMB may not yet be on board with our version of Zones, and Frank Raines may still be wedded to (his) alternative version.

I assume that since DPC, ED and POTUS all have a common view of this, OMB's lingering concerns don't matter much. However, since the budget is not yet nailed down, and I'm not entirely clear on the process for completing the design of an initiative that has already been leaked and incorporated into the working budget, I thought I shouldn't entirely blow this off, and that you ought to know where things stand.

So here's the deal:

You recall that OMB has had a different conception of this initiative than we have. OMB has seen this as a pot of funds with which to reward school districts that have made significant achievement gains with their own funds and federal funds, since new federal programs focused on higher standards (Goals 2000 and an overhauled Title 1) began to be put in place in 1995. They'd get a relatively modest amount of funding in the first 3 years of the program, and then a big increase in years 4 and 5 only if they've made significant achievement gains.

In contrast, we've seen this more as a pot of funds we could use to bribe more districts in implementing Chicago-style reforms in order to create models of urban and rural improvement. The funding needs to be up front both to support implementation and to provide an incentive for districts to step up to some particularly difficult challenges.

As a result of lots of discussions with Barry White and his staff, starting from just before our leak, we've designed a proposal that pretty well merges both views--we keep our financial inducement for Chicago reforms, and build in a reward-for-performance component in two parts of the program. First, by requiring districts that compete for the funds to demonstrate that they already have a track record of improving academic performance, district-wide or at least in a few schools where they set out to turn things around. Second, districts that show significant achievement gains over the 3-year grant they receive get a bonus of two years of additional funding, although at a lower rate than the first 3 years. DPC and ED are together on this.

Today, Wayne Upshaw and Mary Cassel from OMB indicated that Frank Raines had been directly involved in shaping the OMB proposal and really felt strongly about their particular version of rewards-for-performance, including in particular the back-loading of funding. No one in OMB has yet gone back to him to get his views on the new approach that has emerged. They will get a memo on this to him tomorrow. Bill is revising our 2-page description of the program to reflect the progress we have made since the leak, and we will make sure this goes to Frank.

In our meetings and work, I've continued to move along according to our own design, while looking for ways to incorporate OMB's ideas where ever possible. I assume that's the best thing to do unless Frank weighs in and tries to move us in another direction--at which point both of you will be called in for the final battle.



November 3, 1997

NOTE TO ELENA KAGAN

Mike asked me to share with you the enclosed, which is the current draft of Education's urban initiative.

-- Bill K.

UNITED STATES DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education
600 Independence Avenue, S.W. - Portals
Washington, D.C. 20202-6100

Telephone: 202-401-0113 Fax: 202-205-0303

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FROM: _____

Organization: OESE (Judith Johnson)

Telephone #: (202) 401-0113

MESSAGE:

Mike, Gerry has not seen this
version. The editing is many much
longer than I anticipated. I am NOT
SATISFIED with this version as a final product -
CONSIDER IT A DRAFT! (Cameuned Jack's have

been just wonderful
to work with (see)
~~Pat patience~~
JUDITH

CREATING HIGH PERFORMING URBAN SCHOOL SYSTEMS: A GRANT PROPOSAL

A VISION FOR URBAN SCHOOLS

One of the great strengths of this nation is the promise that individuals can rise to their highest potential. Education is critical, however, for ensuring that promise and sustaining the economic and democratic freedoms of this country. Our urban communities are no exception.

Students should leave urban schools fully equipped with the knowledge and skills to participate as productive citizens in the 21st century. Urban schools currently serve 22% of the nation's students, and many are not adequately meeting the needs of their students. The problems in urban school districts are not unique, but they are magnified by their pure size and concentration. Urban schools have higher concentrations of poverty, lower test scores, fewer qualified teachers, worse conditions for learning, and more outdated management systems than other districts. According to the latest Phi Delta Kappan poll, 70% of the public believes that urban school problems are severe. Urban districts can point to many successful schools, but they are not found systemwide. A decade of experience in school reform tells us that the key to school improvement is changing the organization and management of the entire system.

This concept paper proposes establishing an urban education grant program to identify and support urban school districts that are willing to transform themselves into high performing management systems that support increased student achievement. In such a system all students are expected to reach high academic standards. There is a clear strategic plan that includes a powerful vision, mission, values, goals, objectives, timelines, and a budget. Each component of the system supports the strategic plan, the components are clearly connected to other parts of the system, and all are focused on teaching and learning. In such a system every employee is focused on improving student achievement, and is held accountable for student results. They are in turn supported by opportunities to continually improve their knowledge and skills for helping all students reach high standards. Schools have powerful, challenging academic programs that are based on high standards, are supported by meaningful assessments, and have aligned research-based instructional strategies delivered by high quality teachers and principals. Such a high performing system collects and analyzes data to document school progress and make mid-course adjustments as necessary. It also uses data to drive management and accountability decisions.

Urban school districts have many of the elements of a high performing system, but they are not coherent parts of a comprehensive plan to improve student achievement. The road to creating a coherent system is rocky, and urban districts need support in the transformation process. Funds from such federal programs as Title I, Eisenhower, Goals 2000, and School-to-Work, as well as the Individuals with Disabilities Education Act and the Carl D. Perkins Vocational Education Act

can be used to strengthen urban academic programs. In addition, several Administration initiatives are under consideration to support academic and school infrastructure programs. (See Appendix A.) However, urban districts need support to build and strengthen their accountability systems to complement their academic initiatives.

A strong accountability system will help districts and schools judge proposed policies and procedures to see that they constructively motivate and support improved student performance. It provides a means of holding schools, staff, and students responsible. With such a system, districts can target assistance to and intervene in failing schools, provide rewards and sanctions for teachers and principals, and strengthen supports for students while holding them accountable for learning.

Federal seed money through this grant will support fundamental reforms in urban districts, the lessons of which can be disseminated nationwide. This proposal provides a rationale for:

- targeting interventions in failing schools;
- rewarding and sanctioning teachers and principals; and
- strengthening student supports and accountability.

It closes with a brief description of the elements of a grant competition and some preliminary ideas for national leadership activities.

ISSUE 1: TURNING AROUND FAILING SCHOOLS.

A key component of any plan to raise student achievement in urban schools will need to be school accountability. Schools must be held accountable for student results and districts must be held accountable for turning around those schools that do not meet student needs. Districts are taking increasingly tough measures to improve schools, but need assistance to strengthen their accountability systems and provide interventions or sanctions in failing schools.

What research tells us:

- *High poverty, inner city schools can work.* The Title I Special Strategies Study provided several key findings related to successful programs in high poverty schools. It found that a key to successful school turn-around is a thorough assessment of school strengths and areas in need of improvement before implementing a schoolwide program. Schools have many research-based improvement models from which to choose to meet their needs, but they must be sure that there is full and active district, school administration, and faculty commitment. An effective principal and fully committed faculty is also important. Long-term, targeted technical assistance and professional development tied to school-specific needs is often key to program implementation. Finally, sustained commitment to the core design features of a school improvement strategy is critical.

- *A clear, meaningful accountability system is critical.* Research on high performing organizations indicates that all players in the system -- students, parents, teachers, and administrators -- must know the measures of success and stakes for performance, including rewards and sanctions. (citation?) According to Elmore, Abelman, and Fuhrman, an effective accountability system has three components: 1) a focus on student performance; 2) the use of standards and an assessment aligned to standards as a basis to measure student achievement; and 3) a system of rewards, penalties and intervention strategies to introduce incentives for individual and collective improvement. Cities like Chicago has paired its focus on improving academic achievement with a clear accountability system and is beginning to see evidence of school turn arounds.
- *Direct interventions, including school reconstitution, seems to be having an effect in some districts.* If a school does not improve after significant technical assistance and support, then a district must take more drastic interventions such as reconstituting a failing school. San Francisco, Chicago, and New York, all have examples of successful school intervention efforts, including reconstitution.
- *Resources must be used differently in turn-around schools.* Adding new money or a new program to old, existing programs will not by itself turn around a school. Implementing a comprehensive school improvement program requires rethinking the way that resources are used to support school improvement strategies.

Our proposal:

A federal grant should be primarily focused on district efforts to turn around failing schools. Districts must demonstrate their commitment to implementing a rigorous and fair accountability system and intervening in failing schools.

- *Building systems of rigorous and fair accountability:* An urban grant should support the design and implementation of an effective school performance and information system, including district and school report cards, in order to hold teachers, principals, and schools accountable for student achievement. Systems should be anchored on challenging academic standards and assessments aligned with those standards, along with high quality, disaggregated data on student and school progress toward achieving tougher standards, and other measures such as improved attendance, discipline, safety, and drop-out rates. Districts could use part of their grant funds to consult with other districts regarding effective indicators of school performance. They could also use these funds to disseminate information on their accountability system to parents, teachers, and school administrators. Specific assistance should be provided to low performing schools that will be most affected by a rigorous accountability system, so that they are prepared to fully participate in the accountability process.

- ***Targeting failing schools and schools in decline:*** The bulk of these grant funds should be used for intervening in failing schools. Such interventions should occur on a continuum from technical assistance and professional development to school reconstitution. Districts could use grant support to provide technical assistance to failing schools or to newly reconstituted schools on issues such as conducting their needs assessment, selecting research-based instructional programs for their schools, and providing intensive professional development and curriculum improvements. Grant funds could go to schools that are implementing comprehensive school reform programs for the start-up costs of these efforts (current estimates are approximately \$50,000 per school for the first year). Grant funds could also be used for the start-up of charter schools that can provide alternatives for students who currently attend failing schools.

ISSUE 2: REWARDING AND SANCTIONING TEACHERS AND PRINCIPALS

In order to turn around failing schools and manage a high performing urban school system, urban districts must ensure that they attract, retain and continually develop high quality teachers and school principals. This will require ongoing, sustained professional development opportunities for new and veteran teachers and principals, as well as a meaningful accountability system that rewards competence and intervenes or sanctions poor performers.

What research tells us:

- ***Students need good teachers who provide enriching programs.*** Student learning is clearly affected by the qualifications and experiences of their teachers. (Webster, 1988) When students are asked to identify "the one change" that would be most important in helping them learn more, "having good teachers" was at the top of the list. Students are hungry for structure, discipline, and more rigorous standards. (Public Agenda, 1997).
- ***Teacher accountability makes a difference.*** Teachers are more effective when they are treated as professionals who are empowered to use their skills, rewarded for good work, and sanctioned for incompetence. (Citation -- bullet 2) In contrast, the failure of school administrators to take action against teacher incompetence results in decreased student achievement, low teacher morale, diminished confidence in schools, teacher and administrator liability, and increased litigation (McGrath, 1993). A study of the Kentucky performance-based accountability system also found that the accountability system motivated teachers and resulted in school improvement. (Kelley, 1997)
- ***Effective principals are critical for school success.*** Principals as instructional leaders are the linchpin of systemic reform in the classroom. School leaders are expected to make sense of programs, provide instructional leadership, keep buildings safe and functional, manage and develop a mix of students, parents, community members and classified and

non-classified staff, and allocate and administer shrinking budgets while sharing decision-making authority. According to Kotter, effective principals are instructional leaders who have the knowledge and skills and ongoing professional development experiences to: implement research-based, dynamic models of school change; provide meaningful supervision that focuses on constructive analysis of the instructional climate; guide staff as adult learners; provide opportunities for staff to collaborate and learn from practice during the school day; and use data to support planning for ongoing student achievement

- *School principals must also be held accountable for student performance.* Outstanding schools have outstanding principals. Districts consistently tell us that they need good principals. For example, in District 2 in New York, Superintendent Tony Alvarado found that principals were so critical to school improvement that he replaced 20 principals of the roughly 30 schools in the district as he implemented a school reform plan. (Elmore, 1996)

Our proposal:

We propose that an urban grant be used in conjunction with other funds to develop a meaningful accountability system for teachers and school administrators that includes ongoing professional development opportunities as well as rewards and sanctions based on student performance. Developing rigorous accountability measures will take an investment of time, money, and professional development to ensure that it is fair, is based on incentives that really matter to the teachers and principals of a district, and is understandable to all participants.

- *Rewarding Good Teachers:* We must retain good teachers in urban schools. Rewards do not necessarily have to be financial, but could include intrinsic rewards such greater decision making authority and continuous learning opportunities. For example, teachers could be rewarded with continued opportunities to remain in the classroom and school, rather than moving up and out of classrooms. Career ladders can be modified to provide creative and experienced teachers the power, prestige, and salaries that will keep them actively engaging students. Teachers are continuous learners, and can be supported by administrators who encourage them to try out new teaching methods and help generate new ideas for work in the classroom.
- *Counseling Out Incompetent Teachers:* One of the most intractable problems in schools is removing incompetent teachers. Districts could use a federal grant to work cooperatively with unions and administrators to develop programs of ongoing mentoring and support that include mechanisms to counsel incompetent teachers out of the classroom. Clear sanctions for continually low-performing teachers could be developed to help schools release incompetent teachers.

- ***Providing ongoing professional development opportunities to improve the knowledge and skills of teachers:*** If urban districts are going to turn around their failing schools, they must ensure that new teachers are supported and that veteran teachers have ongoing, sustained professional development opportunities. We propose that a district receiving an urban grant, demonstrate how it will comprehensively and systemically approach professional development for its teachers in a way that is tailored to meet the unique demands of their school programs.
- ***Strengthening instructional leadership:*** School principals and other instructional leaders are critical for raising student achievement. If meaningful change is going to occur in urban schools, leadership must go beyond the traditional management training of most principals to the kind of visionary leadership that will impact curriculum and instruction and build capacity throughout the school district. An urban education grant should support State, local, and higher education initiatives that provide instructional leaders with the knowledge and skills and ongoing professional development experiences to implement research-based, dynamic models of school change and to provide instructional leadership and supervision for teachers.
- ***Holding principals accountable:*** Principals are ultimately accountable for student learning in their schools. Their leadership enables teachers to meet diverse student learning needs. Districts must have in place mechanisms to select, hire, and retain principals on the basis of their ability to learn and implement the district's overall strategy. They must also have mechanisms to remove ineffective principals. In exchange, principals should be able to recruit, hire, nurture, retain and fire or counsel-out teachers in their schools which requires that they be able to evaluate and support teachers in the classroom based on a strong foundation in content and good pedagogy.

ISSUE 3: STRENGTHENING STUDENT ACCOUNTABILITY

The bottom line of a good school accountability system is student performance. Measuring student progress against challenging academic standards provides critical information to teachers, parents and students about how students are doing and where they need additional assistance. It also provides a mechanism for students to be held accountable. Students deserve to have enriching learning opportunities and support tailored to meet their learning needs, and in return they must also be held accountable for learning.

What research tells us:

All students can learn to challenging academic standards.

Many cities are getting tough on social promotion.

Students respond to codes of discipline and responsibility.

Our proposal:

- ***Strengthen accountability for student behavior to support learning.*** Standards of conduct must be clear for students. Consequences for violent and disruptive behavior must be swift and meaningful. Notification of parents for chronic absenteeism must be consistent. Districts could use this grant opportunity to rethink their student accountability system.
- ***Hold students accountable for learning.*** Many urban schools are plagued by a peer culture that discourages academic achievement. Urban districts could use funds to support initiatives to change that culture through such programs as recognition of outstanding peers, highlighting popular role models, and mentoring. Students can also be held accountable for high stakes assessments paired with rich academic supports for those students who do not move on in grade.

THE ELEMENTS OF A DISCRETIONARY GRANT PROGRAM

This section of our proposal is an outline of what would be required to receive an urban education grant under this program.

The Department proposes highly competitive, three-year grants to urban school districts to raise student achievement by building high performance systems, and especially turning around the most troubled schools. These grants should support the development of a strong accountability system with targeted interventions in failing schools, and rewards and sanctions for principals, teachers, and students.

Eligible Applicants:

Urban Local Education Agencies (LEAs) or consortia of LEAs in partnership with businesses, community-based organizations, institutions of higher education, parent organizations, teacher unions, community collaboratives, and/or service providers. Categories are:

- **Large urban LEA Category---**urban LEAs administering schools with a total enrollment of 100,000 or more elementary and secondary students.
- **Medium-sized urban LEA Category---** urban LEAs administering schools with a total enrollment of 50,000 but less than 100,000 elementary and secondary students.

Estimated Grant Size:

The Department currently has a \$320 million placeholder in its FY 99 budget request for an urban education initiative. The large urban LEA grants would range from 10 to 15 million dollars and the medium-sized LEAs would range from 5 to 10 million dollars.

Selection Criteria/Application Requirements:

It is understood that districts may be in different stages of implementing their reform plans. Therefore these grant funds may be tailored to meet the unique needs of individual school districts, as long as those activities are tied to an overall plan for improving student performance. Applicants would be asked to provide information to support the following elements.

- *Background and overview of the district's educational improvement plan.* The grant proposal should include information about the district's strategic plan. Grant proposals must be tied to an overall plan for school improvement across the district and include research-based strategies for school improvement. Proposals must also demonstrate widespread commitment to a local education reform plan, including commitment from the mayor, community groups, business, and the local teachers' union.
- *Accountability design and implementation.* The proposal should describe a data system, or a proposed system, tied to student achievement that will be used to assess school progress over time. Such a system must be used to show evidence of progress for the whole school, disaggregated by student population, including students with special needs. It should be based on challenging academic standards and aligned assessments that produce current, reliable data on students' academic performance and that provide accurate and timely school-based indicators in such areas as attendance, discipline, and drop-pout rates.

The accountability system should include clear interventions or sanctions for low performing schools, such as targeted supports, personnel changes, technical assistance, and reconstitution. Other components of the accountability system should include the development of a process to reward good teachers and principals and counsel out incompetent ones. A system of incentives should be developed that includes input from teachers, principals, students, community, business, and parent groups. Districts would be able to use these grant funds to design and implement these accountability measures.

- *Strategies for turning around failing schools.* Applicants must demonstrate how this grant will work in conjunction with other funds to improve student academic performance in the most troubled schools. Proposals should include such strategies as implementing a challenging curriculum and instructional practices; technical assistance and support for whole school change; and professional development.

- *Evidence that funds will be used with other resources to support comprehensive strategies to improve schools.* Applicants should demonstrate how this grant would be used in conjunction with other resources to turn around the district's most troubled schools.

PROPOSED NATIONAL LEADERSHIP ACTIVITIES

Urban communities could benefit greatly from opportunities to share lessons learned and from technical assistance. National leadership activities could support such efforts. In addition, national leadership could document progress and lessons learned in grant recipients and disseminate effective strategies and lessons to cities nationwide.

We propose reserving a portion of the urban grant funds for such national activities. These activities might include: *(These are simply place holders, more specific proposals will be coming...)*

- *A White House conference regarding urban education issues.*
We propose a White House conference in the spring of 1998 that focuses on urban education. In particular, the conference should focus on effective strategies for turning around failing schools and sessions on building meaningful accountability systems that hold schools, principals, teachers, and students accountable for student learning.
- *A virtual office to support urban schools and to provide technical assistance.*
Using technology, the Department can set up networks of urban educators, researchers, and technical assistance providers to support school reform efforts. (See Appendix B)
- *Documentation and Information dissemination.*

**APPENDIX A
CURRENT INITIATIVES THAT SUPPORT URBAN EDUCATION**

The Clinton Administration has proposed several major initiatives, many of which are currently under consideration in Congress, that would strengthen urban schools. These initiatives should be a central part of an overall urban strategy.

Pending Legislation:

- **School Construction:** Our FY 99 budget proposal again includes a school construction proposal for a one-time infusion of \$5 billion that will stimulate \$20 billion in school construction and renovation over the next four years. This proposal requires legislative action. These funds would pay for half of the interest costs on school construction bonds or similar financing mechanisms. Half of the funds available under this program would be targeted to the nation's largest 100 cities. Cities would also be eligible to compete with other districts for the other half of the funds available under this program. Through this program, schools could obtain financing to make emergency repairs, to correct health and safety problems, to make technological upgrades, to improve energy efficiency, to ensure access for individuals with disabilities, and to build new schools needed to accommodate growing enrollments.

- **Title V Reauthorization Proposal for Professional Development:** The professional development programs included in the Administration's higher education reauthorization proposal would greatly benefit urban schools. The proposal includes a program to recruit new teachers for underserved areas. This will greatly help urban school systems which traditionally have difficulty recruiting certified teachers and are often forced to rely on a large pool of uncertified teachers. Our proposal for lighthouse partnerships for professional development could also benefit urban districts. Both programs include provisions to support training for paraprofessional educators to become certified teachers. Since a great number of paraprofessionals are in urban districts, this would help increase their ranks of certified teachers. It may also increase the diversity of the urban teaching pool since a majority of paraprofessionals come from racial and ethnic minority groups.

- **America Reads:** Reading will play a critical role in improving the education of urban children -- 47% of whom scored below the basic level on the 1994 NAEP. The Administration has proposed legislation for a \$260 million initiative for FY 98 that would support Parents as First Teachers programs and individualized tutoring programs after school, on weekends, and in summers. Tied to this initiative, the Administration is encouraging colleges and universities to send 100,000 students into their communities as reading tutors. Colleges and universities are being asked to devote half of their new Federal Work-Study money to community service jobs, and the Department is waiving the requirement for local agencies to match the Federal investment. The President's budget also includes a major expansion of Head Start to reach one million pre-school children in

2002 so that they will enter school ready to learn.

- **Reauthorization of the Vocational and Adult Education Acts:** The Administration's proposal for vocational education and adult education reauthorizations contain provisions to target resources to communities and populations with the greatest need. Our proposals to target formulas to high poverty areas would benefit urban school districts. Our proposals are designed to improve student academic achievement, school-to-work opportunities, welfare reform, and family literacy. The reauthorizations also push program improvement by establishing priorities for quality programs, and creating links between these acts and planning and services under other Federal education programs. The proposal for vocational education encourages each State to use those funds for activities in the State school-to-work plan, Goals 2000 plan, and other reform efforts, including schoolwide programs.

Authorized Programs, Pending Funds:

- **21st Century Learning Centers:** Our FY 98 budget request includes a \$50 million program that would support extended learning time for youth in inner city and rural schools. Grants would be used to establish community learning centers in local public schools that offer stimulating, safe, supervised, and cost-effective after school, weekend or summer havens for children and youth. Recent research shows that a stimulating environment of this type can improve thinking skills and language skills of participating children and youth. These programs would have a focus on offering learning activities.
- **National Research Center on School Leadership:** The Department's FY 99 budget request includes funding for a national research center on school leadership which would focus on improving district and school leadership as well as the support systems that must operate in a coherent manner to provide improved teaching and learning.
- **Title I Whole School Reform:** A proposal has been put forward by Congressman Obey for a whole school reform program totaling \$200 million in FY 98 (\$150 million under Title I, and \$50 million under the Fund for the Improvement of Education). These funds would support \$50,000 competitive grants to as many as 4,000 schools to start-up research-based models of whole school reform. These schools will focus on implementing challenging academic standards, engaging teachers, and strengthening parental and community support. This program, however, is open to all schools, it does not have an urban or a Title I focus.

Current Initiatives with a Clear Urban Focus:

- **New American High School Reform Initiative:** In the spring of 1995, the Department began encouraging high school reform efforts that focus on helping all students achieve high levels of academic skills and prepare for college and careers, especially through whole school reform. The Department identified five urban high schools to receive

assistance in expanding and promoting their reforms and serve as models for other districts. We are working with these schools to revamp their curriculum, improve teaching methods, and raise expectations for both students and teachers. They are creating smaller, safer learning environments, and building partnerships with community leaders, businesses, and parents. The Department is expanding this initiative to 30 schools this year.

- **Urban-Rural School-to-Work Opportunities Grants:** A total of 46 grants have been awarded to urban areas to assist in establishing comprehensive school-to-work systems. These grants are made directly to local school-to-work partnerships that serve areas of concentrated poverty.
- **Educational Technology:** The new E-rate put forward by the FCC as part of the Universal Services provision of the Telecommunications Act provides essential support to urban school districts so they can access Internet services at heavily discounted rates for both wiring schools and connecting to the Internet. Educational technology offers a powerful tool to improve teaching and learning and bring all children into the Information Age. This Administration has made significant investment into expanding access to educational technology through both discounted rates and through grants such as the Technology Literacy Challenge Fund and the Technology Innovation Challenge Grants.
- **NSF Urban Systemic Initiative:** The National Science Foundation funds grants to urban school districts for comprehensive reforms to improve student achievement in math and science.

APPENDIX B

A VIRTUAL OFFICE

Background: As a byproduct of discussions related to OESE's involvement with the Urban Initiative, discussions have begun to consider the most effective role OESE might play to develop a new type of assistance for urban school districts seeking to improve their schools. In an era of expanded use of technology and telecommunications a question was raised as to how OESE might take some leadership to place some of the expertise that existed across the nation concerning school improvement within reach of urban superintendents, principals and their teachers. Discussions have been held with a number of experts to develop a prototype "virtual office" for at least one city that OESE is currently working with to determine the viability of providing advice from experienced education professionals who might serve as "remote mentors" to their counterparts. Additional materials and services might also be made available on-line to support the work of such mentors. This first discussion paper addresses some of the key issues involved with how the concept could work and what might be some important next steps.

◆ **What is The Meaning of a Virtual Office?** The meaning of "virtual" as applied to an organization such as a corporation, library or business is that the work of the organization is not carried out in any one physical space. Instead of an organization being defined in terms of function and location, a virtual organization distributes the work among a number of people at different locations to accomplish a particular task. There are now on the internet a rapidly expanding number of virtual hospitals, law offices and corporations.

Additionally, the U.K government has recently announced (in a consultative document) the formation of a virtual teacher centre. As we move deeper into the knowledge revolution brought about by telecommunications technology, we are learning about the value of human mediated technologies --mentoring partnerships that can occur around mutual interests across remote locations using the Internet; virtual reference desks that connect experts at major universities with school students, and even virtual hospitals, law offices and corporations. All such entities are capable of brokering the connection between knowledge seekers and knowledge providers, not just in the U.S. but also globally. In the case of education the escalating demands for new knowledge to address the issues of how to improve the quality of schooling for all children calls for us to expand upon the existing professional development networks on the Internet and other on-line reference services. Nowhere is this type of assistance more necessary than in our high poverty areas where good schools exist and are flourishing and at the same time many remain frustrated that we have not been able to "scale up" the remainder so all children can reach the same high standards. We need to take

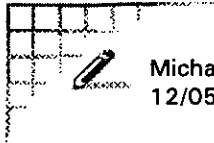
advantage of technologies that can help all answer the perennial question "what works" and be guided to those who really know because not only did they live the problem they lived the solution. While there are a number of on-line resources that help teachers and administrators find on-line answers to questions, neither membership in an electronic discussion group or listserv can provide the type of authoritative guidance that comes with connecting with experts who have practical knowledge concerning the desired change strategy.

- ◆ **What is the Rationale for a Virtual Education Office?** President Clinton has said that every problem in education has been solved by someone --our challenge is to connect those who have the answers with those with the questions. One of the obstacles we face in making that connection is that those who are busy solving America's education problems are often too busy to write articles or provide a detailed enough blue print to guide others. Articles and blueprints are also static--they represent an effort to capture something alive and moving and cannot substitute for what people often look for when they seek guidance. Thousands of file cabinets in countless schools and administrative offices are filled with the failures of past efforts. As emerging research suggests, part of the problem we face in implementing new ideas in education is that few ideas are implemented in a consistent enough manner to affect the core curriculum.¹ Richard Elmore has suggested that part of the problem as to why good ideas do not seem to penetrate the core of teaching and learning is a lack of incentives for more than a handful of teachers who are "intrinsically enough motivated to question their practice on a fundamental level and to look to outside models." In urban situations these problems are often complicated by a lack of outside assistance, many distractions and a lack of consistent leadership. Additionally, the the need to focus on raising test scores, often mitigates against any desire to take on new ideas that might be perceived as risky. In this type of environment there is a danger that a new reform strategy will exacerbate pre-existing problems is very real. It is not suprising that many of today's urban school districts are among the slowest to develop schoolwide approaches or depart from failed methods. New ideas have proven false hopes in the past and many have grown distrustful of the principals who develop

¹ Richard Elmore has suggested that there is now a "significant body of circumstantial evidence" that points to "a deep systemic incapacity of American schools, and the practitioners who work in them, to incorporate, develop and extend new ideas about teaching and learning in anything but a small fraction of schools and classrooms." Elmore quotes from Larry Cuban's study of large-scale reforms of curriculum and pedagogy *How Teachers Are Taught: Constancy and Change in American Classrooms, 1890-1980* that progressive practices (defined as a movement away from a teacher centered to more student-centered pedagogy) "seldom appeared in more than one-fourth of the classrooms." Michael Fullan, also quoted by Elmore has argued that "schools routinely undertake reforms for which they have neither the institutional nor the individual competence."

Xmas tree schools--with so many ideas the curriculum lacks a coherent focus. The merit of a "Virtual Office" is that it will provide some authoritative guidance from people who understand the context, who as the phrase has it "have been there" and know the dangers of unplanned and non systemic strategies.

- ◆ **How a Virtual Office Can Work:** A teacher, administrator or principal can get connected to the Virtual Office through a network computer. After pressing on an icon for their respective academies, they are introduced to a variety of options appropriate to their interest--curriculum and instruction, policy and governance, student learning issues, or new research topics etc. The query is sorted at a central location to identify the nature of the assistance required. Each academy will have a list of experts who have been validated as experts from their respective professional organizations and have agreed to donate up to 10 hours a month to assisting others over the Internet and through voice phone connection. Each academy will have an advisory group, appointed by a group of professional associations, that will help monitor the quality of the responses and serve to develop policies for effective archiving of information and collection of follow up data. In a response that requires from a particular expert more than one hour on-line time of assistance and/or a significant amount of research--there are a number of protocols the system will follow--design of a three person review team consisting of (as appropriate) two practitioner experts, and a regionally based practitioner/ expert. In some situations a one time individual response will be called for but these are expected to be the exception rather than the rule. The more common type of interaction will continue over the e.mail and by phone if necessary over the course of weeks if not months.



Michael Cohen
12/05/97 07:41:20 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP

cc: William R. Kincaid/OPD/EOP, Elena Kagan/OPD/EOP, Cathy R. Mays/OPD/EOP, Laura Emmett/WHO/EOP

Subject: Re: Education Opportunity Zones -- Take III

The reason for the second option is because we think it might be good to have two rounds of competition. The second round allows us to reach more places, and it gives districts who aren't ready to compete the first time an incentive to get their act together and undertake some serious reforms in order to compete for the second round, in Year 3 of the 5 year plan. This approach happens to reduce the cost in the first year somewhat.

However, I suspect this is far more detail than POTUS needs right now. I would also rather just give him the first approach and the \$250 figure, rather than something even lower to go after. I presume that if, as we continue to work on this, we decide the idea of two rounds is a good one and lower the first year cost in the process, the President won't mind. We can also keep the second option in reserve if we are pushed to lower the budget for this.

Race-Educ - Op Zones

URBAN-RURAL CHALLENGE GRANTS -- USE OF FUNDS
Urban District the Size of Cincinnati

REVISED DRAFT -- November 29, 1997

In order to address key priorities identified in this initiative, a school district the size of Cincinnati (52,000 students, 83 schools, 3,000 teachers) could make the following investments, which could be paid for with challenge grant funds, or with other federal, state and local funds.

Student Assistance and Accountability:	<u>Year 1</u>	<u>Year 3</u>
Extra help after school and summers (1,850 kids in summer; 26,000 kids in after-school)	\$ 4.5 M	\$ 4.5 M
Student accountability/info for parents and students	.5 M	.25 M
SUBTOTAL	\$5 M	\$4.75 M

Staff Effectiveness and Accountability:

Cash bonuses for effective schools (covers over 800 teachers at 25 schools)	\$660,000	\$660,000
Fees and bonuses for National Board certification (Fees for 150 teachers a year, bonuses for 75, or nearly 1 teacher per school)	487,500	862,500
Extra summer teacher professional development (Covers 600 teachers)	900,000	900,000
Training and salary supplements for teacher peer counseling (50 mentor-teachers)	500,000	500,000
Summer principal leadership institutes (Covers 50 principals)	250,000	250,000
SUBTOTAL	\$2.8 M	\$3.2 M

School Improvement and Accountability:

Support adoption of effective reforms/ reconstitution in lowest 10% of schools (8 additional schools per year)	\$1.2 M	\$2.2 M
SUBTOTAL	\$1.2 M	\$2.2 M

Public School Choice:

Public school choice info programs	500,000	250,000
Transportation (over 750 kids)	350,000	350,000
New School Start-ups (Help start 3 new schools per year)	300,000	300,000
<i>SUBTOTAL</i>	<i>\$1.15 M</i>	<i>\$.9 M</i>
<i>GRAND TOTAL</i>	<i><u>\$10.15 M</u></i>	<i><u>\$11.05 M</u></i>

OTHER FEDERAL DOLLARS FOR CINCINNATI**Porter-Obey**

Under preliminary estimates, Ohio could receive nearly \$6 M in Porter-Obey funds; no further breakdown currently available. Based solely on enrollment, one could expect that about 3% would go to Cincinnati, or about \$180,000 total. If, based on poverty, grant quality, etc., Cincinnati received 10% of Ohio's share, or \$600,000, that would be about 1/2 the amount projected here for beginning dramatic improvements or reconstitution in the lowest-achieving 10% of the district's schools.

Goals 2000	\$141,500
Technology	[number from district seemed questionable]
Title I	\$19.9 M
Title II	\$314,500

**DRAFT
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**Strengthening Public Schools By Raising Standards, Expanding Opportunity, and
Requiring Accountability**

OPPORTUNITY AND RESPONSIBILITY FOR REACHING CHALLENGING ACADEMIC STANDARDS. The Administration is developing an Education Opportunity Zones initiative. This competitive challenge grants program is aimed at demonstrating comprehensive, coordinated and effective approaches to expanding opportunities for students in high poverty urban and rural school districts, coupled with a balanced approach to increased responsibility for results for schools, educators and students themselves. High-poverty school districts will be eligible for additional Federal funding *if* (1) they now adopt tough reform measures -- like those adopted in Chicago -- that make administrators, principals, teachers, and students truly accountable for success or failure, and (2) in time, show real improvements in student achievement.

To receive funds, local school districts will demonstrate how they will:

- provide students and parents with choice within the public school system;
- hold schools accountable for helping students reach academic standards, including rewarding schools that succeed and intervening in schools that fail to make progress;
- hold teachers and principals accountable for quality, including rewarding outstanding teachers, and implementing processes for fairly and quickly removing ineffective teachers.
- require students to meet academic standards at key transition points in their academic careers.

School districts can use Education Opportunity Zone funds to:

- provide extra help to students in need it in order to meet challenging standards, through after-school or Saturday tutoring programs and/or summer school.
- provide bonuses to schools that make significant gains in student achievement, and turn around failing schools by implementing proven reform models, providing intensive teacher training, building stronger partnerships between schools and parents, businesses and community-based organizations, or closing down failing schools and reopening them as charter

schools.

- provide needed training to teachers and principals; reward outstanding teachers by helping them earn certification as master teachers from the National Board for Professional Teaching standards and providing them with financial incentives when they do; and implement programs to identify low performing teachers, providing them help to improve, and removing them fairly and quickly if they don't.

Examples of Local School Districts Using These Approaches. (See Attachment)

Spreading Practices Nationwide. These are the kinds of approaches that must be replicated everywhere in order to strengthen public schools. The President's Education Opportunity Zones challenge grants will help demonstrate how they can work and spread them to cities and rural communities with students that can benefit from them the most. They will help make sure that our most disadvantaged students are held to high academic standards and helped to reach them. They will help make sure that disadvantaged students can choose among good public schools, and are not trapped in failing schools. They will help reach the President's goal of having at least one Master Teacher in every school, which is particularly important for students in high poverty schools, because these schools often have the least well prepared teachers.

Budget. No information to be provided at this time. These initiatives have not yet been finalized. Consultation with the education community, state and local officials, higher education, community groups and others is still underway. Final budget numbers will not be determined until the FY 1999 budget process is completed.

**CHALLENGE GRANTS FOR URBAN AND RURAL EDUCATION
OPPORTUNITY ZONES -- EXAMPLES OF ACTIVITIES THAT COULD
BE SUPPORTED UNDER THE PROPOSAL**

Proposed FY 99 Budget Initiative

DRAFT -- November 29, 1997

Student Assistance and Accountability:

- In **Chicago**, many students participate in the district's Lighthouse after-school program, which features intense reading/math instruction, social other enrichment activities, and a meal. Students in the district who perform below minimum standards at key transition grades (3, 6, 8 and 9) are required to participate in a seven-week "SummerBridge" program and pass a test before moving on to the next grade. Over 45,000 students were served in the SummerBridge program in 1997, and over 144,000 students participated in some form of summer activity.
- This summer **Denver** served approximately 2,400 students in grades 3, 5, and 8 who were required to attend summer school to address subpar reading scores.
- The **Long Beach** school district required 1,600 third graders who had not attained reading proficiency by the end of the year to attend five-week tutorial sessions.
- In **Cincinnati**, student promotion is now based on specific standards that define what students must know and be able to do. The standards are designed to prepare students to pass the state's ninth-grade proficiency test.
- As part of the superintendent's focus on reading, the **Houston** school district is hiring 150 reading coaches. The coaches, mainly college students tutor about 1,000 children on a one-to-one basis at \$10 an hour. Designed by the University of Texas at Dallas, the program will use an intensive approach. The university is training the tutors and the district is funding the program from the general budget.

Staff Effectiveness and Accountability:

- **Charlotte-Mecklenburg's** Benchmark Goals program gives cash awards of \$750 to \$1,000 to teachers in schools when their students meet a range of goals based on their previous performance. The goals are structured so that schools have an incentive to raise the achievement of their lowest performing

students. It also focuses on goals for African American students, who historically have been under-achievers in the Charlotte school system, ensuring that schools work to close the achievement gap with white students.

- In **Cincinnati**, school district administrators' pay raises are now linked to job performance, with automatic cost-of-living adjustments and salary rates being replaced with new criteria, including performance on several measures such as student test scores and graduation rates. The district is also preparing a system for providing financial rewards to schools based on student achievement, to take effect in 1998-99.
- In **St. Paul**, the school district is collaborating with the teachers' union and the University of Minnesota on Project 20/20 to support teachers through the National Board for Professional Teaching Standards (NBPTS) certification process. The district pays the application fees and the university and other partners develop and conduct professional support programs for the candidates.
- States like **North Carolina** and **Kentucky**, and school districts like **Los Angeles**, are providing significant salary increases to reward National Board Certified Master Teachers.
- Peer review and assistance programs help beginning teachers learn to teach and help veterans who are having difficulty improve their teaching or leave the classroom without union grievances or delays. In **Cincinnati**, for example, low-performing teachers can be assigned to an intervention program where they gain assistance from colleagues and administrators, and if unable to improve, are counseled out of the profession or removed. In **Cincinnati**, as well as **Toledo**, while most teachers improve their performance, roughly one-third of the teachers referred to intervention have left teaching by the end of the year, through resignation, retirement or dismissal.

In **Rochester**, expert, experienced teachers can be selected through a rigorous evaluation process as "lead teachers" and given significant salary stipends to become involved with peer counseling, or to take on other reform-related priorities such as consulting with new teachers, accepting positions in "intervention" schools, and developing curricula. **Columbus** and **Seattle** also have aggressive peer review programs.

- **New York City's** Community District 2 places an unusually strong emphasis on providing ongoing opportunities for teachers to build skills and learn from one another. For example, the district enables visiting teachers to observe and practice with a highly accomplished teacher for three weeks while their classrooms are taught by another experienced teacher. District 2 registered the

second highest standardized test scores in math and reading in the city.

- In 1996, **Memphis** opened its new Teaching and Learning Academy, which coordinates professional development opportunities for all teachers in the district. The Academy offers workshops in all major areas of school reform including leadership, core content, performance assessment, and uses of technology.

School Improvement and Accountability:

- **The San Francisco** Unified School District places low-performing schools on a one-year probationary period, during which they are expected to improve student performance. If there is no improvement, the school is reconstituted. All staff must reapply for jobs at their school, and the Board hires a new principal, who in turn hires a new teaching staff and support staff. The new team must then put together an improvement plan to raise student achievement. Since the 1993-94 school year, ten schools have been reconstituted.
- **The Charlotte-Mecklenburg** school system distributes to parents easy-to-read student learning goals at the beginning of the school year. The district then follows up with school report cards on student attendance and performance that are distributed to parents and every household in the district, and are published in the newspaper, in part to help inform parents' decisions about the district's magnet schools.
- In **Chicago**, schools can be placed on probation due to low student achievement. These schools will be targeted for aggressive intervention strategies by the district, such as providing intensive help and training from expert teams of educators, or, where necessary, replacing ineffective principals and teachers. In the event of persistent failure, the district may shut down and reorganize the schools. Seven high schools were reconstituted between the 1996-97 and 1997-98 school years.

Chicago also recognizes a number of exemplary schools, providing financial rewards of \$5,000 and \$10,000 to the winners to become professional development centers for other schools. Seventeen schools were awarded exemplary status in the first year.

- As part of **Kentucky's** school accountability program under the Kentucky Education Reform Act, schools that do not reach academic and non-academic (attendance, retention, dropout, transition to the next level of schools or the job market) accountability targets must develop their own school improvement plan. If a school fails to improve over the next two years, the state assigns a distinguished educator to provide support and advice to the

school. If the school's performance continues to decline, the state can assume control. Although the state has yet to take over a school, 88 schools were recently identified as being in decline and nine have been placed in the "crisis" category. The state also rewards schools that have demonstrated substantial progress by distributing \$27 million to 502 schools in 1997.

- Late last summer, **Cleveland** reconstituted two elementary schools that had failed to meet district-mandated school performance indicators and where there had been significant internal strife among staff members. The district reassigned the schools' principals and asked all teaching staff to reapply for their positions. As a result, about two-thirds of teachers at the reconstituted schools are new to the buildings this year. And earlier this year **Denver**, working closely with the teacher's union there, reconstituted two elementary schools, replacing nearly the entire staff at each.
- **New York City** also has a union-district negotiated process for "redesigning" schools identified by the state as failing. Such schools can replace approximately half the incumbent teaching faculty.
- In **Memphis**, since 1995, about half of all schools have adopted a "break-the-mold" reform model, including several of the models developed by the New American Schools Development Corporation.

Public School Choice:

- In **Boston**, all parents choose their child's public school, and have a wide array of options ranging from neighborhood schools, magnet schools, and pilot and public charter schools which operate under performance contracts that provide them with greater autonomy and accountability for results.
- The **Houston** Independent School District recently instituted an open choice program. Parents may send their children to any of the district's 258 schools provided the school is enrolled at 95 percent of capacity or below. The district is currently analyzing available space and plans to publish the information in the near future; parents will apply to the district transfer office to change schools. HISD will not transport students to schools outside their attendance area. In addition to this choice program, the district has launched an aggressive effort to support in-district charter schools.
- **Cambridge** allows every family to choose a public school for their child. The school district provides information on every school and has created parent centers to help parents learn about and choose a public school for their child. More than 90% of parents get their

first choice of kindergarten for their child, and most get one of their top picks at all grade levels.

The **San Diego** school district has helped parents, teachers, and principals create more than a dozen public charter schools that stay open only as long as they do a good job. These are all schools of choice, publicly accountable and open to students from around the school district.

- In August 1997, **Denver** opened its first charter school as the Pioneer Charter School (PCS). PCS is a joint effort of the school district and the University of Denver (DU), enrolling 320 students from throughout Denver in grades Pre-K-5, with priority given to students residing in specific economically depressed communities. The school is to serve as an incubator for practices to support high achievement for urban students. The school features a personalized instruction plan for each student; a year-round calendar (an additional 20 days each year and 45-day instructional periods with 15-day intersession breaks); an extended day that begins at 7:30 AM and ends at 6 PM; and access to basic health care, community and social and education services for students and their families.

M. Cohen
12/1

Strengthening Public Schools By Raising Standards, Expanding Opportunity, and Requiring Accountability

NEW ADMINISTRATION EDUCATION INITIATIVES UNDER DEVELOPMENT. The Administration is developing a package of new education initiatives designed to strengthen public schools, continue the push for all students to meet high academic standards, and help students take advantage of significant new financial aid for college. The initiatives are geared towards the needs of students and schools in impoverished urban and rural areas. These initiatives would:

- Declare high-poverty school districts as Education Opportunity Zones, making them eligible for additional Federal funding *if* (1) they now adopt tough reform measures -- like those adopted in Chicago -- that make administrators, principals, teachers, and students truly accountable for success or failure, and (2) in time, show real improvements in student achievement..
- Give low-income kids middle-class expectations of college and success by reaching them by the sixth or seventh grade with (1) a strong message about the college financial aid they are eligible for, and (2) intensive, sustained mentoring and other support through programs sponsored by partnerships of colleges and schools.
- Help communities throughout the country deal with the problems of overcrowded and aged school facilities, and the need for substantial renovations and repairs.

These initiatives have not yet been finalized. Consultation with the education community, state and local officials, higher education, community groups and others is still underway. Final budget numbers will not be determined until the FY 1999 budget process is completed.

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School districts can use Education Opportunity Zone funds to:

- provide extra help to students in need in order to meet challenging standards, through after-school or Saturday tutoring programs and/or summer school.
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Examples of Local School Districts Using These Approaches. (See Attachment)

Spreading Practices Nationwide. These are the kinds of approaches that must be replicated everywhere in order to strengthen public schools. The President's Education Opportunity Zones challenge grants will help demonstrate how they can work and spread them to cities and rural communities with students that can benefit from them the most. They will help make sure that our most disadvantaged students are held to high academic standards and helped to reach them. They will help make sure that disadvantaged students can choose among good public schools, and are not trapped in failing schools. They will help reach the President's goal of having at least one Master Teacher in every school, which is particularly important for students in high poverty schools, because these schools often have the least well prepared teachers.

Budget. No information to be provided at this time.

Q. Will local districts have to use the national test in order to participate in this initiative?

A. No, we have consistently said that use of the tests is voluntary and would not be a condition of receiving federal funds. We expect each district to demonstrate that they are using challenging academic standards--either their own or those adopted by the state. Of course, they are free to use the national tests if they wish, and 15 of the largest urban

school systems have already signed up to use the tests when they become available (in 2000). Keep in mind that the national reading and math standards are generally higher than what is being used in most states and districts; it would be unrealistic to use them for accountability purposes in the short run, though districts may want to phase this in over time.

SCHOOL-COLLEGE MENTORING INITIATIVE.

- Building on successful "I Have a Dream" type programs, this effort would target high-poverty students beginning by sixth or seventh grade and (1) make sure they know money is no longer a barrier to attending college, and (2) provide them with an adult mentor, other support services, and a connection to a college, *sustained from middle school through high school graduation.*
- Goal is to create, in all children, the *expectation* that they will go to college.
- A key role is envisioned for colleges to ensure a high-quality, sustained effort; *Administration officials have already sought advice from more than 200 college presidents and many education associations.*
- Research demonstrates that these types of efforts are effective. For example, in the rigorously-evaluated Quantum Opportunities Program, 42 percent of the participants attended college, compared to 16 percent in the control group.
- This would be connected to a wider information campaign to make all Americans aware of the financial aid that is now available for college.

SCHOOL CONSTRUCTION AND RENOVATION. President Clinton intends to continue to press the Congress to enact a School Construction Initiative, to help states and local communities throughout the country deal with the problems of overcrowded and aged school facilities, and the need for substantial renovations and repairs.

- Previous proposal was \$5 billion in interest subsidies, with half of it going to the 100 school districts with the largest number of poor children. Since then, a number of other proposals have been developed in Congress. We are reviewing all of the approaches.

**CHALLENGE GRANTS FOR URBAN AND RURAL EDUCATION
OPPORTUNITY ZONES -- *EXAMPLES OF ACTIVITIES THAT COULD
BE SUPPORTED UNDER THE PROPOSAL***

Proposed FY 99 Budget Initiative
DRAFT -- November 29, 1997

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In **Rochester**, expert, experienced teachers can be selected through a rigorous evaluation process as "lead teachers" and given significant salary stipends to become involved with peer counseling, or to take on other reform-related priorities such as consulting with new teachers, accepting positions in "intervention" schools, and developing curricula.

Columbus and **Seattle** also have aggressive peer review programs.

- **New York City's** Community District 2 places an unusually strong emphasis on providing ongoing opportunities for teachers to build skills and learn from one another. For example, the district enables visiting teachers to observe and practice with a highly accomplished teacher for three weeks while their classrooms are taught by another experienced teacher. District 2 registered the second highest standardized test scores in math and reading in the city.
- In 1996, **Memphis** opened its new Teaching and Learning Academy, which coordinates professional development opportunities for all teachers in the district. The Academy offers workshops in all major areas of school reform including leadership, core content, performance assessment, and uses of technology.

School Improvement and Accountability:

- **The San Francisco** Unified School District places low-performing schools on a one-year probationary period, during which they are expected to improve student performance. If there is no improvement, the school is reconstituted. All staff must reapply for jobs at their school, and the Board hires a new principal, who in turn hires a new teaching staff

and support staff. The new team must then put together an improvement plan to raise student achievement. Since the 1993-94 school year, ten schools have been reconstituted.

- The **Charlotte-Mecklenburg** school system distributes to parents easy-to-read student learning goals at the beginning of the school year. The district then follows up with school report cards on student attendance and performance that are distributed to parents and every household in the district, and are published in the newspaper, in part to help inform parents' decisions about the district's magnet schools.
- In **Chicago**, schools can be placed on probation due to low student achievement. These schools will be targeted for aggressive intervention strategies by the district, such as providing intensive help and training from expert teams of educators, or, where necessary, replacing ineffective principals and teachers. In the event of persistent failure, the district may shut down and reorganize the schools. Seven high schools were reconstituted between the 1996-97 and 1997-98 school years.

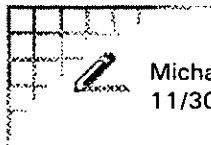
Chicago also recognizes a number of exemplary schools, providing financial rewards of \$5,000 and \$10,000 to the winners to become professional development centers for other schools. Seventeen schools were awarded exemplary status in the first year.

- As part of **Kentucky's** school accountability program under the Kentucky Education Reform Act, schools that do not reach academic and non-academic (attendance, retention, dropout, transition to the next level of schools or the job market) accountability targets must develop their own school improvement plan. If a school fails to improve over the next two years, the state assigns a distinguished educator to provide support and advice to the school. If the school's performance continues to decline, the state can assume control. Although the state has yet to take over a school, 88 schools were recently identified as being in decline and nine have been placed in the "crisis" category. The state also rewards schools that have demonstrated substantial progress by distributing \$27 million to 502 schools in 1997.
- Late last summer, **Cleveland** reconstituted two elementary schools that had failed to meet district-mandated school performance indicators and where there had been significant internal strife among staff members. The district reassigned the schools' principals and asked all teaching staff to reapply for their positions. As a result, about two-thirds of teachers at the reconstituted schools are new to the buildings this year. And earlier this year **Denver**, working closely with the teacher's union there, reconstituted two elementary schools, replacing nearly the entire staff at each.
- **New York City** also has a union-district negotiated process for "redesigning" schools identified by the state as failing. Such schools can replace approximately half the incumbent teaching faculty.
- In **Memphis**, since 1995, about half of all schools have adopted a "break-the-mold" reform model, including several of the models developed by the New American Schools

Development Corporation.

Public School Choice:

- In **Boston**, all parents choose their child's public school, and have a wide array of options ranging from neighborhood schools, magnet schools, and pilot and public charter schools which operate under performance contracts that provide them with greater autonomy and accountability for results.
- The **Houston** Independent School District recently instituted an open choice program. Parents may send their children to any of the district's 258 schools provided the school is enrolled at 95 percent of capacity or below. The district is currently analyzing available space and plans to publish the information in the near future; parents will apply to the district transfer office to change schools. HISD will not transport students to schools outside their attendance area. In addition to this choice program, the district has launched an aggressive effort to support in-district charter schools.
- **Cambridge** allows every family to choose a public school for their child. The school district provides information on every school and has created parent centers to help parents learn about and choose a public school for their child. More than 90% of parents get their first choice of kindergarten for their child, and most get one of their top picks at all grade levels.
- The **San Diego** school district has helped parents, teachers, and principals create more than a dozen public charter schools that stay open only as long as they do a good job. These are all schools of choice, publicly accountable and open to students from around the school district.
- In August 1997, **Denver** opened its first charter school as the Pioneer Charter School (PCS). PCS is a joint effort of the school district and the University of Denver (DU), enrolling 320 students from throughout Denver in grades Pre-K-5, with priority given to students residing in specific economically depressed communities. The school is to serve as an incubator for practices to support high achievement for urban students. The school features a personalized instruction plan for each student; a year-round calendar (an additional 20 days each year and 45-day instructional periods with 15-day intersession breaks); an extended day that begins at 7:30 AM and ends at 6 PM; and access to basic health care, community and social and education services for students and their families.



Michael Cohen
11/30/97 10:21:30 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc: Michael Cohen/OPD/EOP

Subject: IMPORTANT: Monday's education leak



LEAK

Attached is background material for the Monday leak of several of our new education initiatives: Education Opportunity Zones, Mentoring, and School Construction, with the most detail and emphasis on the Zones. The material was prepared as press paper for an event, though it won't be given it out. It includes a 3-page description of the initiatives, a 4-page set of examples of districts that are doing the kinds of things the Zones initiative promotes, and an example of how an urban district would use the grant funds. While this seems like a lot, it will enable whoever is going to talk to the press to seem knowledgeable, respond to questions, and control the amount of information and level of detail that is provided.

After reviewing the attached material, we've still got to deal with the following issues before we swing into action:

1. OMB Passback: OMB's passback last Wednesday provides a significant obstacle to our planned leak, since they proposed an alternative to this initiative. Our materials and OMB's proposal don't match up well at all. How do we negotiate this out with OMB before we can proceed?

OMB's passback did not approve the Department's urban initiative, but instead recommends a one-time \$500 million advanced appropriation for FY 2000, targeted to the same urban and rural districts we are aiming for. It has quite a different design as well -- it essentially (1) provides bonuses to school districts that show substantial gains in student performance sine FY 1995, when Goals 2000 and the overhauled Title 1 funds started flowing; (2) uses the Obey-Porter school reform funds in the FY 98 appropriations bill as the source of new funds to help districts that have not yet made significant gains; and, in a bow to the President's agenda, (3) requires districts to show progress toward eliminating social promotions.

This is basically Barry White's plan. While there are some interesting aspects to it--especially financial rewards for district performance and the incorporation of Obey-Porter and other federal funds--it is not the approach we have been taking with ED. Barry is well aware of where we are on this initiative.

2. Especially in light of the above issue, how much detail should we give the press at this point about the Education Zones initiative?

3. Assuming we go forward with our version of this, I've tried to find a balance between our hard-edge accountability emphasis, and a real emphasis on the added opportunities provided by the funding. In particular, I've specifically not used the words "end social promotions", and I've structured the materials so the issue can be approached with a great emphasis on providing extra help to kids, and indirectly, by way of examples (e.g., Chicago) of the kinds of practices we are trying to spread around the country.

4. Elena and I have not discussed who we leak this to, and I don't know what Sylvia has had in mind. I assume we want nationwide coverage prior to the Town Meeting, so I suggest USA Today and/or AP. The Post would also be good.

5. We also need to figure out who talks to the press. I think the options are any one of the three of us, Sylvia or Rahm. I trust us to get the right combination of spin and substance and, as important, to know what not to say in the interest of preventing a firestorm on the left.

6. We need to brief some of our friends on Monday as well. Elena and Minyon have discussed the need to brief members of the Black and Hispanic Caucuses; so far in preparation for this all I've been able to do is determine that Andy Blocker will not be around on Monday (leaving the CBC to Minyon) and leave messages for Minyon and Janet to call me.

We also need to give a heads up to some of the key education groups: AFT, NEA, Great City Schools and perhaps the Urban League and MALDEF, all of whom have been meeting with ED staff on urban issues. They are the most likely places the press will go for reaction; the Great City Schools will be the most helpful, and we should steer them there. If needed, I will enlist Gerry Tirozzi, the Assistant Secretary who has been leading this effort, to help out with these notifications.

**CHALLENGE GRANTS FOR URBAN AND RURAL
EDUCATION OPPORTUNITY ZONES**

Proposed FY 99 Budget Initiative

DRAFT -- November 20, 1997

This paper describes a **new initiative** to select a number of inner cities and poor rural areas as Educational Opportunity Zones, in which schools would receive special assistance in exchange for adopting policies such as extra help to students to master the basics, strengthening teaching and school leadership, no social promotion, removal of poorly performing teachers, fixing failing schools, and public school choice. Specifically, school districts competing for grants would be challenged to show how they will hold students, staff, and schools accountable and use all available resources to help students reach high standards:

- **Student Accountability:** To be selected as Education Opportunity Zones, participating districts must implement policies requiring students to meet challenging academic standards at key transition points before being promoted or graduating from high school. Districts would have to show how their regular instructional program, together with extra help for students identified as needing such assistance, would combine to ensure the academic success of every child. Critical to these efforts would be how schools will identify kids at risk of failure and how they will use Title I funds and other federal, state and local resources to provide extra help to these students, such as extended day enrichment/tutoring programs, Saturday academies, and summer school.
 - Districts would use challenge grant funds, and other funds, to support expanded learning opportunities for students that need it.
- **Staff Accountability:** Educational Opportunity Zones must clearly spell out how they will reward outstanding teaching, and also how they will identify poorly performing teachers and provide them with extra help or counsel them out of the classroom. Rewards and incentives should be offered to individuals or teams of teachers who meet high standards. For example, individual teachers should be assisted to attain certification by the National Board for Professional Teaching Standards and should be rewarded when they do, and districts should develop strategies for using these teachers in schools where they are needed the most. At the same time, participating districts must develop aggressive approaches for identifying failing teachers, and getting extra help to those who can improve their performance, and counseling those who can't out of the profession quickly and fairly.

Educational Improvement Zones must also show how they will recruit and build leadership capacity among the district's principals, and how they will develop rewards and sanctions for principals based on performance.

- Districts would use challenge grant funds for such activities as rewarding effective teams of teachers, paying fees and bonuses for those seeking national certification or other rigorous advanced study, and designing and implementing

effective approaches for identifying, counseling or removing chronically failing teachers. Districts could also use funds to design and implement principal leadership institutes, with a focus on effective curriculum and instruction.

- **School Accountability:** Finally, Educational Opportunity Zones must show how they will develop clear criteria and hold individual schools accountable for high standards of discipline and achievement. Schools showing significant gains should be rewarded through such incentives as financial bonuses or recognition programs. Conversely, failing schools must be given high quality technical assistance and overhauled using proven reform models, or, if schools still don't improve, they should be shut down and reconstituted, perhaps as smaller schools-within-schools or independent public charter schools. Educational Opportunity Zones must also demonstrate how they will ensure that families have the opportunity to choose which public school their children will attend, or that families have a choice of designs for their neighborhood school, especially if the neighborhood school doesn't provide a safe and academically challenging environment.
 - Districts would use challenge grant funds to reward effective schools and to intervene in and, where necessary, close down and replace schools that are failing. This would include assisting with professional development and other expenses of implementing proven reform models. Funds could also be used to design and launch programs to improve information on public school choices for parents.

Eligibility: Districts eligible for the competition would be a subset of those districts that qualify as underserved areas in the Administration's Teacher Recruitment and Preparation Initiative: those with at least 20% poor students, or with at least 20,000 poor students, or that are the three school districts in the state with the largest number of poor children, provided that the districts are located either in a central city or a non-metropolitan area.

Grant Awards and Funding: In the first year of the initiative, 3-year competitive grants would be awarded by the Department of Education to 10-15 urban and 10-15 rural school districts (including districts serving Native American students) selected as Educational Opportunity Zones. Each urban grant would be worth approximately \$10-25 million, and each rural grant would be worth up to \$2 million, with a total FY 99 request of \$320 million.

Grantee Selection and Accountability for Results: Grantees would be selected through a rigorous peer review process. Distinguished peer reviewers would work with finalists to identify rigorous annual benchmarks of progress in implementing the district reform plan, as well as indicators of student achievement to be reached by the end of the third year. A consistent group of peer reviewers would reconvene each year to consider progress made by grantees and recommend to the Secretary whether funding should continue. At the end of three years, peer reviewers would carefully review measurable progress in student achievement to recommend whether the grant should be extended for an additional two years.

Effective, Flexible Use of Other Resources: There would be no explicit matching requirement for the first three years of a grant, although applicants would be challenged to show (and given priority for showing) how the district will use all available resources -- federal, state, and local, as well as any business or foundation funds -- in order to carry out its reform strategy, and how it intends to maintain the reform effort once federal funds are no longer available. Applicants would also be invited to identify any barriers to carrying out the reform plan posed by existing federal education requirements. Successful applicants will be given expedited consideration for waivers under existing authorities. If grants are extended beyond three years, applicants would be required to meet a matching requirement phased in to 50%, encouraging institutionalization and stability of the initiative.

Resources to Disseminate Lessons Learned. A small proportion of funds (no more than [5%]) would be set aside for national leadership activities, which would include: brokering technical assistance to meet the needs of successful grantees; using technology to establish a “virtual urban and rural office” at Education and help districts consult with each other on overcoming obstacles; and documenting success and lessons learned and disseminating that information nationwide.

Legislative Authority: This initiative would likely utilize existing legislative authority, such as the Title I demonstration authority in ESEA §1502(a).

Looking Ahead: This initiative should be viewed as testing out ideas for possible wider inclusion in the next ESEA reauthorization.

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Phone No. (Partial) (1 page)	11/26/1997	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Elena Kagan
OA/Box Number: 14369

FOLDER TITLE:

Race- Race Initiative Policy: Education-Education Opportunity Zones

2009-1006-F

bm4

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

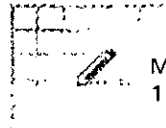
C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]



Michael Cohen
11/26/97 02:55:19 PM

Record Type: Record

To: Elena Kagan/OPD/EOP

cc:

Subject: leaks

Attached is a first cut at some talking points for Monday. Bob Shireman will be sending me his thoughts on the mentoring piece of this, and I will incorporate them as appropriate in a subsequent draft.

Keep the following in mind as you look at this:

1. I view this as the first draft; I'll be working more on this over the weekend. If you have comments, feel free to call, page, e-mail, or fax to me at home P6/(b)(6).

[001]

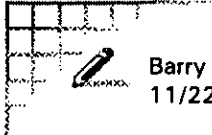
2. I've talked briefly to Andy Blocker, who agrees we need to give a heads up to the Hill. He is on vacation next week and will not be in on Monday. I've left messages for Minyon and Janet Murgia to call, but haven't heard from either. This will be a major task for Monday. When she talks to the CBC members on this, Minyon needs to figure out a way to link school construction to the tests--to remind them that as we proceed on this initiative, we expect them to support the tests.

3. I've tried to structure the talking points so they emphasize opportunity as much as accountability, especially with regard to social promotion. I've also tried to keep the details of the program general by talking about the kinds of practices we want to help replicate rather than on the requirements of the program. Do you think this works?

4. There is a set of education and urban-oriented groups (Great City schools, AFT/NEA, Urban League, etc.) that has been meeting on urban education issues with ED for the past 6-12 months or so. They are mainly on board on this direction--except for the social promotion piece. I think I need to brief at least a few of them on Monday before this is leaked to anyone, so they are prepared.

5. I suspect the way to leak this is comparable to what we did for the Teacher Preparation and Recruitment proposal--Rahm or Bruce calls the target press and gets them to talk to me on background for the details. Bruce could also do the background--he will be better at the soundbites than I will (though I'm pretty coachable!), though I will be able to deal with the substance at a greater level of depth if necessary. Bottom line: I'll do this anyway it makes the most sense.

Rac Iuit Policy - Educ -
Educ Opportunity Zones



Barry White
11/22/97 05:57:24 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Michael Cohen/OPD/EOP, Jacob J. Lew/OMB/EOP, William R. Kincaid/OPD/EOP
cc: Wayne Upshaw/OMB/EOP, Mary I. Cassell/OMB/EOP, Janet Himler/OMB/EOP, Robert M. Shireman/OPD/EOP
Subject: Alternative to the Urban Initiative

I mentioned in Gene's office the other day an alternative approach to addressing the struggle to raise educational achievement in high poverty areas (urban or rural in my formulation); this came out of the Education Branch's consideration of the Education Department FY 1999 Budget submission. I had discussed this some with Mike Cohen earlier, and I had the benefit of attending one meeting with Mike and ED's Tirozzi and Johnson. Attached is a two-page draft summary of the OMB staff proposal. It would:

reinforce and support current programs, like Title I, by mainly providing sizable money awards for demonstrated progress in raising student achievement, not just providing more money for more plans for the same things schools are supposed to be doing with Goals and title I and IDEA, etc.;

reach 50-100 districts or more, depending on award size;

for current needs money, incorporate the now free-standing Obey grants in a way that supports base program goals, without generating a separate program unconnected to the Administration's flagship efforts.

pick up some ideas from the DPC/Education discussions.

We propose to discuss this approach with Education next week as part of Passback as an item for the Presidential Priorities Reserve. We would appreciate the chance to go over it with you first to see how it looks to you compared to what you have been working on with Education.

I am also sharing this draft with Mike Smith, since we seem to be chatting collectively about the education initiatives these days.



ACHIEVE2.W

DRAFT November 22, 1997

Urban/Rural High Poverty Area Educational Achievement Awards

Premise: High poverty school districts, in which minorities are disproportionately represented, urban or rural, may have the greatest difficulty raising educational achievement, despite the significant sums of Federal monies for this purpose which they receive. There are examples of high-poverty districts that have high-performing, high-achieving schools. Reinforcing the importance of raising educational achievement through small near term awards building toward a substantial money award for proven success could provide the impetus needed in more high poverty districts to use resources more effectively and reach the goal.

Proposal Summary:

- A. School District Achievement Awards. The FY 1999 Budget would propose an advance appropriation in FY 1999 for use in FY 2000 of \$500 million, with equal amounts in each outyear, to provide awards to high achieving eligible districts.
- B. Funds to meet needs now. To give eligible districts new resources now so that they can better compete successfully for awards in FY 2000, in FY 1998 the Education Department would use the \$145 million appropriated for "Obey" school reform projects to make grants covering a two year period to competitively-chosen applications from high poverty, high need districts, so that those districts can implement research-based models of proven effectiveness in helping poor and minority children reach high standards and raise their achievement levels. Winners would get a "running start" toward competing successfully for Achievement Awards.
- C. Partnering Awards for Districts that are already high-poverty and high-achieving. \$25 million, would be sought each year beginning in FY 1999 for high-poverty, high-performance districts if they will serve as technical assistance partners to districts that hope to compete for the achievement awards. (An FY 1998 round might be available from re-directed school reform or other ED funds.) This aspect would also keep these "success story" places from feeling that they were left out.

Design elements:

- Eligible districts for school reform grants and for Achievement Awards would be those in each State that are in the highest quintile in terms of percentage of poverty, and, of those districts, ones that are in the lowest quintile in terms of scores on State assessments. [this needs refinement with real data

to see who is captured]


- Achievement Awards. Awards would be competitive grants to 50-100 eligible districts (or more), ranging from about \$3-15 million each, scaled to the size of the district. Awards would be made based on the most substantial or most significant demonstrated progress made since 1995 (the year of implementation of Title I reforms and Goals 2000) in raising student achievement. There would be rigorous non-Federal peer review panels to recommend the Award winners.
- Allowable uses of Achievement Awards. Subject only to the requirement to use the funds to further school improvement and continue progress in raising student achievement, districts would have complete flexibility in how they use the Achievement Awards they win.
- Achievement Award duration; succeeding cycles. Award winners would be eligible to receive payments for three years, with years 2 and 3 in declining amounts. (A match is possible but isn't necessary). There would be a new round of Achievement Awards each year with each year's new \$500 million covering both the declining amounts for years 2 and 3 continuation Awards, and the first year of new Awards.
- The uses of FY 1998 school reform funds could range across the known spectrum of successful techniques, including hiring better qualified teachers and administrators, expedited removal of low performing teachers and administrators, implementing curriculum based on high standards, involving parents in accountability and assessment systems, and the like. The focus will be on things known to raise student achievement.
- Ensure integration with existing Federal school improvement funds. School reform applicants would have to make clear how the new resources will complement and build upon Title I and IDEA resources in the district, and where applicable, Eisenhower, Goals, technology challenge grant, Even Start, and perhaps other Federal resources in the district.
- States would concur with school reform grant applications, and would have to attest to how grant application further progress toward the State's Goals 2000 plan. States should also concur with Achievement Award applications. States could have to commit to not reducing their level of effort for school reform grant or Achievement Award winners.
- Future school reform funds. No FY 1999 funds would sought for school reform grants, but funds would be sought in FY 2000 and each succeeding year for successive rounds of two year grants to continue the process of

helping districts compete for the succeeding rounds of Achievement Awards.

NOTE: The statutory structure of school reform funds in the appropriation language paragraphs clearly allows the above approach, but it is very different from the detailed report language. Negotiations with Obey and others would be necessary. Since it assures continued support for the program and makes it a key to larger successful programs, the approach should be saleable.

- **Social promotion.** The President is interested in moving against social promotion. A condition of consideration for both school reform grants and Achievement Awards could be demonstrated progress toward eliminating social promotions on a schedule consistent with achieving success in meeting high standards.


Pace Initiative policy - educ -
educ opportunity zones

 Bruce N. Reed
11/21/97 10:18:59 AM


Record Type: Record

To: Elena Kagan/OPD/EOP
cc:
Subject: Re: Various Important Stuff

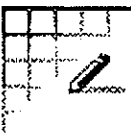
----- Forwarded by Bruce N. Reed/OPD/EOP on 11/21/97 10:19 AM -----

 Bruce N. Reed
11/21/97 10:18:38 AM

Record Type: Record

To: Michael Cohen/OPD/EOP
cc:
bcc: Records Management
Subject: Re: Various Important Stuff 

1. I'll check with Rahm on talking to Post and Times. Do it embargoed for Sunday papers, I don't care if it's background or record.
2. Be nice to Joan Huffer, but don't tell her too much about our big surprises yet
3. I know what you mean about the Zones, but Gene is going to take another several weeks on the mentoring deal, so it's zones or nothing. You don't have to firm up Dems for the tests until next year anyway, and we'll be for school construction, teachers, and mentors by Jan 28 at the latest. (We might be able to do teachers in mid-Dec, if we figure out how.)
Michael Cohen

 Michael Cohen
11/21/97 10:05:44 AM

Record Type: Record

To: Bruce N. Reed/OPD/EOP
cc: Elena Kagan/OPD/EOP
Subject: Various Important Stuff

1. Have you had a chance to check with Rahm on whether I should talk today to Peter Baker at

the Times and Rene Sanchez at the Post, on an embargoed basis. If we want them to be able to call Ravitch I should get started on that soon, because she will take off this afternoon.

If I do this, should I talk on background or on the record?

2. I indicated to Elena this morning that I think it would be a mistake to announce the urban zones initiative as the first of our education pieces. Regardless of its impact on the race dialogue, I'm convinced it will make the job of solidifying (gaining?) key Dem. support for the tests much more difficult. The social promotion stuff will just confirm their worst fears.

far better for the long term prognosis for the testing initiative if we led with the mentoring program, with a message along the following lines: (1) we've made college affordable for all kids, now we just need to help them get there; (2) here is my mentoring initiative that will give kids a helping hand and let them take advantage of higher ed opportunities; (3) we also need tough standards to help kids prepare for college--to make sure that they learn something and are academically prepared to take advantage of the opportunities.

The school construction and class size initiatives will both help tremendously with the opportunity crowd, but each time we talk about those we should also talk about how they will create learning environments to help kids reach high standards, and how we must have high standards to make these big investments pay off.

In the context of these initiatives, we will have far less trouble with our hard-edge no social promotion and other accountability policies, and far less trouble with the tests.

3. Joan Huffer from Daschle's office is calling me to find out what kind of education agenda we are thinking about for next year. How much can I tell her about what we are considering, with the usual caveats about nothing yet actually decided?