



UNITED STATES DEPARTMENT OF EDUCATION

2010 PROGRESS REPORT

BACKGROUND

The Obama Administration's cradle-to-career agenda is designed with the President's goal of becoming number one in the world in college completion by 2020. To meet that goal, we have focused on the following:

- Saving and creating education jobs
- Driving Pre-K-12 reform at the state and local level
- Advancing educational equity
- Increasing college access, affordability, and completion
- Transforming the federal role in education to support innovation across the states and in local communities.

SAVING AND CREATING JOBS

When President Obama took office, American schools were facing a potential catastrophe. Some experts estimated that as many as 600,000 education jobs would be lost. The American Recovery and Reinvestment Act provided nearly \$100 billion for education. That included the State Fiscal Stabilization Fund (SFSF), which provided \$48 billion to states to protect jobs as well as \$10 billion in Title I funding for disadvantaged students and \$11 billion in IDEA funding for special education students. In less than five months, the Obama Administration awarded grants to all states and territories.

American Recovery and Reinvestment Act (ARRA)

States report that SFSF and other Recovery Act funds saved or created more than 325,000 education jobs as well as an additional 75,000 jobs in public safety and other non-education functions.

- "The bottom line is it helped save jobs and it helped the district from going into a greater downward spiral," said Ricardo Medina, superintendent of Coachella Valley Unified. That district cut about \$8 million from its 2009-10 budget and is working to fill a \$16 million hole for 2010-11. "It would have been catastrophic if we did not receive that money." [*The Desert Sun*, 5/23/10]
- Palm Springs Unified Superintendent Lorri McCune called the stimulus money "huge." "The cuts would have been much more severe had we not had the money that came from the federal government," she said. "We feel even just keeping people employed for one more year obviously makes a huge impact for them and, certainly for us, more teachers makes a difference," she said. The money helped limit increases to class sizes and provided intervention teachers and extra training. [*The Desert Sun*, 5/23/10]
- In March, New Haven Deputy Superintendent of Schools Philip Russell told the New Haven Register that the \$1.5M in stimulus funds the district received saved the jobs of 30 teachers. "Without stimulus funds, we'd have to lay off 30 teachers." [*New Haven Register*, 3/4/10]

EdJobs Bill

Due to ongoing state and district budget shortfalls and potential layoffs of thousands of teachers, the Obama Administration worked with Congress during the spring and summer of 2010 to secure \$10 billion to support up to 160,000 education jobs in the 2010-11 school year.

DRIVING PRE-K-12 REFORM AT THE STATE AND LOCAL LEVEL

In the past 18 months, the momentum for education reform has been gaining. A quiet revolution is underway in states and school districts, driven in part by incentives being offered by the Department of Education. Just \$5 billion in federal incentives – less than 1 percent of total education spending in America – has unleashed an avalanche of pent-up education innovation and reform activity at the state and local level.

Race to the Top

The \$4.35 billion Race to the Top fund has generated unprecedented activity around the four areas of reform: adopting rigorous standards, elevating the teaching profession to reward excellence, turning around low-performing schools, and building better data systems to drive reform.

- 46 states and the District of Columbia submitted comprehensive reform plans to compete for the \$4 billion available from Race to the Top's state grant program. (Almost 90 percent of America's 49.3 million public school students live in these jurisdictions.)
- Delaware and Tennessee won the first phase of the competition. The District of Columbia, Florida, Georgia, Hawaii, Maryland, Massachusetts, New York, North Carolina, Ohio, and Rhode Island won the second phase of the competition.
- 12 winning states serve 13.6 million students taught by 980,000 teachers in 25,000 schools. These students represent 28 percent of all students in America, and include 40 percent of the nation's African-American students, 19 percent of the Hispanic students, 27 percent of the Asian-American and Pacific Islander students, and 31 percent of the students with disabilities.
- Beyond having a significant, direct impact on their own students, these states will help blaze the path for education reform across the nation.
- In every one of the states that applied for a grant, stakeholders came together for tough conversations and put together thoughtful and comprehensive statewide plans to tackle reform. Our Administration will actively encourage and support all of these states as they continue to move forward with their plans, and will foster cross-state collaborations around the critical education issues facing everyone.

Challenged by Race to the Top to reform statewide education practice:

- 34 states reviewed and changed state education laws or policies to make them more conducive to reform, including lifting caps on charter schools and promoting the use of student achievement data to inform teacher evaluations.
- 48 states worked together to create a voluntary set of rigorous college- and career-ready standards that are internationally benchmarked.
- As of late August, 35 states and DC have adopted those standards. Those states enroll more than three-quarters of the students in the nation.

“Over the past decades, federal education policy has veered between the incredibly intrusive to the appallingly supine. The Obama administration, however, has used federal power to incite reform, without dictating it from the top.” [David Brooks, NYT, 6/3/2010]

“With only \$4.3 billion — less than 1 percent of federal, state and local education dollars — Race to the Top is one of many small, relatively inexpensive projects that lawmakers plopped into the recovery act. What's striking about the competition, which awards millions to the states that best adopt Duncan-backed policies, is that the secretary arguably got more states to buy his brand of

change in 18 months than any other U.S. school chief had in the Cabinet-level Education Department's 29-year history." [McClatchy Newspapers, 8/8/10]

The Race to the Top Assessment Program dedicated up to \$350M in Race to the Top funds for consortia of states that wish to collaborate in developing the next generation of tests to measure common college- and career-ready standards. In participating states, the new tests will replace the current low-quality bubble tests with tests that are instructionally useful, measure whether students are mastering standards and on-track to college- and career-readiness, and present data to teachers, parents and students in ways that are clear, useful, and actionable. These tests will be designed from the outset to include students with disabilities and English learners, to ensure that they are appropriately assessed. 44 states and the District of Columbia are members of at least one consortium applying to the assessment competition. Those jurisdictions enroll 85 percent of the nation's public school students.

The Obama Administration is working with Congress to secure another year of funding for Race to the Top, to fund additional states and/or districts willing to take on comprehensive and bold reforms to improve outcomes for students.

Investing in Innovation (i3)

The \$650 million i3 program supports research-based innovative programs that help close achievement gaps and improve outcomes for high-need students. Nearly 1,700 applicants put forward innovations for consideration, and from this enormous outpouring of interest, the Obama Administration has identified 49 school districts, nonprofits, and institutions of higher education as recipients of funding under the Investing in Innovation fund. These grants will leverage an additional \$130 million from the private sector to support innovative reforms.

The finalists that will receive the largest i3 grants to scale up their proven programs have established histories of raising the achievement of poor and minority children. These grants alone will serve almost 2 million low-income children.

- The KIPP Foundation will train 1,000 principals to lead KIPP schools and other public schools. By 2018, almost 100,000 students will be enrolled in schools led by a principal trained under this program. An estimated 80 percent of those students will be from low-income families.
- The Reading Recovery program will prepare a total of 3,750 new teachers to use its research-based, short-term literacy intervention. The program will focus on teachers in persistently low-performing schools that are scheduled to be turned around under the federal Title I program. By 2018, Reading Recovery teachers whose training was funded by i3 will be providing individualized tutoring to 90,000 students and small-group or classroom instruction to an additional 400,000.
- The Success for All Foundation will expand its network of high-performing schools to 1,100 elementary schools, reaching 550,000 students in five years.
- Teach for America will expand its teacher corps by 13,500 teachers, who will be teaching 850,000 low-income students per year.

Our Administration is working with Congress to secure another year of funding for i3, allowing it to identify and fund the expansion of additional effective strategies to raise achievement, particularly for poor and minority students.

School Improvement Grants

With \$3.5 billion in Recovery Act funding and annual funds through the budget process, the Obama Administration is dedicating over \$4 billion to challenge states and districts to implement bold reforms that will transform the 5,000 lowest-performing schools in America. Title I School Improvement Grants will provide up to \$6 million per school over three years to dramatically transform these lowest-performing schools into safe environments where students are learning. As the school year begins, more than 500 schools across the country are already participating. In doing this difficult work, educators have many successful models to work from, including the Academy for Urban School Leadership schools in Chicago, the Mastery Charter schools in Philadelphia, Locke High School in Los Angeles, George Hall Elementary School in Mobile, Alabama, and West Carter Middle School in Olive Hill, Kentucky.

Promise Neighborhoods

Modeled after the very successful Harlem Children's Zone, the Promise Neighborhoods program will support community-based efforts to provide cradle-to-career services designed to improve educational outcomes for students in distressed neighborhoods. By the end of September, the Obama Administration will allocate \$10 million to support up to 20 planning grants. 339 communities applied for just 20 planning grants in FY 2010 – 48 of them representing rural areas and 21 serve Tribal communities.

BLUEPRINT FOR EDUCATION REFORM: A FAIR, FLEXIBLE AND FOCUSED PROPOSAL TO REAUTHORIZE ESEA

In March 2010, the Administration released *A Blueprint for Reform*, a 41-page outline of our proposals for reauthorizing the Elementary and Secondary Education Act (ESEA, currently known as No Child Left Behind). First passed in 1965 as part of President Lyndon Johnson's war on poverty, the law's focus was, and remains, ensuring that low-income students have access to an excellent education.

This reauthorization offers a major opportunity to re-envision the federal role in education by supporting innovation in states and districts through additional competitive grant funding and improved technical assistance and support, while still maintaining the traditional federal role of providing formula funding targeted toward high-need students.

Broadly, our Administration's proposal is defined by three words: fair, flexible and focused. It will create a fair system of accountability that holds everyone to high standards and give greater flexibility and support to most schools so they can develop solutions that will work for their students, while focusing on persistently low-performing schools and schools with significant achievement gaps. These proposals will emphasize supporting schools and teachers in helping students reach these standards, and on recognizing and learning from success.

Under a re-designed ESEA, our Administration will maintain the foundational formula funding the federal government provides to districts serving high-need students, including the \$14.5 billion Title I formula program. Then, in part through a proposed \$3 billion increase in K-12 funding for FY2011, our Administration has proposed greater competitive funding to support states, school districts, nonprofits, and universities in developing and scaling up promising and proven approaches to long-standing challenges. These challenges include preparing and supporting teachers and leaders so they can be more effective, turning around low-performing schools, developing comprehensive approaches to meeting the full range of student needs, starting

innovative new schools, and supporting high-quality instructional systems in literacy, STEM, and all the components of a well-rounded education.

EARLY LEARNING: RAISING THE BAR

Our Administration is committed to developing new models and approaches that will support improved standards and outcomes across early learning settings. By setting a high standard of quality to promote early learning, child development, and school readiness, the Obama Administration's early learning agenda will ensure that more children enter kindergarten prepared with the healthy cognitive, social, emotional and physical skills necessary for success.

In order to enhance the level of quality in early learning programs and increase access to such programs, the Departments of Education and Health and Human Services have established an Interagency Policy Board to increase coordination among the major early learning funding streams across the two Departments that serve children from birth through third grade. Our Administration is working to strengthen and expand early learning investments through reauthorization of ESEA in both competitive and formula programs. The Blueprint for ESEA Reform encourages the development and implementation of comprehensive early learning assessment systems that can be used to improve early learning instruction and promote continuous program improvement. Both the Race to the Top and the Investing in Innovation program encourage applicants to include early learning proposals in their applications, and more than a quarter of the winning applicants in i3 include components of high-quality early learning programs. Lastly, the current Recently, the U.S. Senate Appropriations Committee advanced legislation for FY 2011 funding which includes \$300 million to support the Administration's Early Learning Challenge Fund, a national competition to provide grants to model states that offer bold and innovative strategies to integrate and improve state systems of early learning.

ADVANCING EDUCATIONAL EQUITY

President Obama and Secretary Duncan believe that every child deserves a world-class education. When they say every child, they mean every child, regardless of skin color, national origin, ethnicity, gender, or disability status. Equity is at the heart of our Administration's education agenda:

- The U.S. Department of Education's reinvigorated Office for Civil Rights (OCR) takes in thousands of complaints each year and has already launched more than two dozen compliance reviews. The office also provides technical assistance to states, districts, and institutions of higher education.
- Eighty percent of K-12 funding in the President's 2011 budget is for formula programs, including programs for students who are low-income, homeless, migrant, and English learners.
- The Administration's competitive education programs will reward proposals that give priority to high-need students, providing an incentive to expand services and programs for students who need them the most.
- The Blueprint for ESEA Reform includes several competitive and formula programs that will help prepare, attract and retain the best teachers in schools that serve large shares of poor and minority children.
- Throughout the Blueprint for ESEA Reform, the Obama administration proposed numerous strategies to improve equity in education, from phasing out the comparability loophole – an existing policy that allows districts to use accounting measures to hide inequities in funding for poor and minority children – to focusing on teacher equity and dramatically improving

our lowest-performing schools that disproportionately serve low-income and minority students.

In March of 2010, OCR opened an enforcement action in the Los Angeles Unified School District (LAUSD) examining whether LAUSD provides English learners (EL) with an effective program of English language development and meaningful access to core curricular content. The review will also examine whether the district regularly evaluates the implementation and effectiveness of the EL program and communicates effectively with parents of EL students. The enforcement action in Los Angeles will ensure that 240,000 English learners have access to equal educational opportunities.

To address concerns of the Beaufort, S.C., community over a proposed charter school that would have been a racially isolated white school, the Office for Civil Rights negotiated a revised desegregation plan for the school district. This updated plan allowed the charter school to open so long as it met rigorous goals for increasing African-American enrollment, staff, and school leadership and governance. Just one year later, Riverview Charter School has substantially increased its population of African-American students and is on track to meet the goals of its desegregation agreement. In addition, the school has recruited minority parents for its board of directors, increased the number of minority staff, completed the first of its annual cultural competence and community relations training sessions, and undertaken other measures to ensure that the school reflects the greater Beaufort community.

COLLEGE ACCESS, AFFORDABILITY, AND COMPLETION

President Obama has established a goal to again lead the world with the highest proportion of college graduates by 2020. To reach this 2020 goal:

- America must raise its college completion rate from 40 to 60 percent and provide college pathways for more than 11 million young people to enter and graduate from America's colleges and universities, beyond the 17 million who have a college degree today.
- Given the current rate of college completion and projected population growth, it is estimated that approximately 3 million more young people will graduate from college over the next ten years, leaving a gap of 8 million students that are needed to reach the President's 2020 goal.
- The Obama Administration has called for an all-hands-on deck approach by higher education leaders, public and private stakeholders, parents, and students to help raise college graduation rates and increase the number of students entering and successfully completing degrees at America's community colleges and four-year colleges and universities.

Pell Grants

Pell Grants are the main source of federal aid for low-income students. Thirty-six percent of bachelor's degree recipients use Pell Grants to help them pay for at least one year of college. Pell Grants play an essential role in helping adults return to college to improve their job skills and qualifications. Of the recipients, almost half are age 24 or older. Pell Grants are also especially important in rural areas. The Rural Community College Alliance has described the increase in Pell as "the single most important federal action" to increase college access in rural America.

For decades, the federal government has subsidized private banks that provided student loans. The Obama administration eliminated the subsidy to banks and now makes all loans directly to students, saving \$68 billion over the next seven years. The savings help pay for new Pell Grants and other programs to boost college completion and support community colleges to meet President Obama's 2020 college completion goal.

Through the American Recovery and Reinvestment Act, the fiscal 2010 budget, and the Health Care and Education Reconciliation Act of 2010, funding for Pell Grants has increased by more than \$40 billion. In the last two years, the maximum grant increased from \$4,241 to \$5,550 for FY2010. It will increase to \$6,110 by 2017.

Student Loans

From the 2007-08 academic year to the 2009-10 academic year, the number of student loans increased by 36 percent – from 15 million to 20.4 million. All across America, people are benefitting from the administration's historic investment in higher education.

- Marvin became a barber in Oakland, CA after graduating from high school 10 years ago. He returned to a community college and, with the help of a Pell grant, he transferred to UC Berkeley to study law on a full scholarship.
- After graduating with an M.B.A. from Xavier University, Meg worked in the private sector in San Francisco for six years, but decided to pursue a public service career after experiencing the impact of the economic downturn of the dot-com era. Graduating in May 2009 with an M.S.W. from Columbia University School of Social Work, she has been employed as a Program Specialist at the U.S. Department of Health and Human Services since October.
- When Joe lost his job, he decided to take advantage of assistance for displaced workers, earning his associate degree at Macomb Community College. Joe then landed a new job, making a fresh start as a maintenance mechanic working for the new Henry Ford West Bloomfield Hospital.

“This is a landmark piece of legislation by any yardstick,” said Terry Hartle, the senior vice president for government and public affairs for the [American Council on Education](#), a Washington-based organization representing higher education institutions. “I would not be surprised if it’s the major piece of higher ed legislation for several years.” Customer service from banks left a lot to be desired, so Parkland Community College in Champaign, IL, made the switch to 100 percent direct loans in 1995, said Tim Wendt, the director of financial aid and veterans services. “It’s been a positive for us.” With a common origination-disbursement center, financial aid offices can originate Pell Grants, direct lending, and parental loans in a one-stop shop, he said. And with the new law, students will have increased access to Pell Grants, one lender for loans, and better repayment terms. “This is one of those rare moments when Washington is actually working. Everything is just the way it should be for the student,” Mr. Wendt said. “After all, that’s why we are here; to give students access to education and, at community colleges, often giving them a second chance.”
[Education Week, June 9, 2010]

Income-Based Repayment

Under the Income-Based Repayment Program, college students with moderate incomes can better manage their debt with lower monthly payments linked to their income. If they work in public service their loans will be forgiven after 10 years. For everyone else, loans will be forgiven after 25

years. A teacher earning the average national salary will see loan payments reduced by \$12,725 over 10 years.

Simplifying the Free Application for Federal Student Aid (FAFSA)

Providing financial aid to students is a top priority in higher education. But that aid only helps if students apply for it and claim it. Until 2009, the online application for federal student aid was long and complicated. The Obama Administration has taken many steps to reduce the complexity of the form and the amount of time necessary to complete it. In a partnership with other federal agencies, the Department now allows applicants to retrieve tax records electronically, making it easier for users to complete the forms and more efficient for the Department to administer. Over the past two academic years, the number of federal student aid applicants increased by 35 percent – from 16.4 million to 22.1 million.

REFORMING THE FEDERAL ROLE IN EDUCATION

Just as the Administration has challenged stakeholders across the education community to improve educational opportunities and outcomes for all students, the Obama Administration has also committed to a more transparent and engaging role at the federal level to help all students keep on track toward college- and career-readiness.

Secretary Duncan has transformed the Department of Education from a compliance-driven bureaucracy to an engine of innovation that supports bold reforms at the state and local level, builds capacity for change across the entire system, and drives demand for quality education among parents and other stakeholders.

Secretary Duncan has personally traveled to 39 states over the past 18 months, while his senior staff has visited all of the others and several territories, holding countless town hall meetings and small group meetings with teachers, parents, administrators, community leaders, elected officials and others.

Secretary Duncan and his senior leaders are committed to improving the management of the Department, turning it into a place to attract the best education talent in the country.