

DOCUMENT RESUME

ED 332 349

EA 023 006

AUTHOR Elmore, Richard F.
 TITLE Educational Choice in Washington State: A Case of Choice. CPRE Report Series TC-003.
 INSTITUTION Center for Policy Research in Education.
 SPONS AGENCY Office of Educational Research and Improvement (ED), Washington, DC.
 PUB DATE Dec 90
 CONTRACT G008690011
 NOTE 30p.; For related studies, see EA 023 004-007.
 AVAILABLE FROM Publications, Center for Policy Research in Education, Eagleton Institute of Politics, Rutgers, The State University of New Jersey, New Brunswick, NJ (\$7.00 prepaid). Also available as part of a 4-title "School Choice Package" (Order No. PK-001, \$21.00 prepaid).
 PUB TYPE Reports - Descriptive (141) -- Guides - Non-Classroom Use (055)
 EDRS PRICE MF01/PC02 Plus Postage.
 DESCRIPTORS Basic Skills; *Dropout Programs; High Schools; Lobbying; *Nontraditional Education; Politics of Education; *Private School Aid; *Remedial Instruction; *School Choice; *State Legislation
 IDENTIFIERS Educational Clinics; *Washington

ABSTRACT

Educational clinics, as defined by Washington State law, are private organizations that teach basic academic skills and provide employment orientation in an individualized way to high school dropouts aged 13 to 19. The Educational Clinics Program was authorized by the state legislature in 1977, after extensive lobbying by members of a private firm specializing in academic remediation. The legislation was opposed by established educational interests, including the state superintendent of instruction. The law authorized state financial support for remediation for youth aged 16 through 19 who had either dropped out of school or were academically at risk and were referred by their schools. The law also provided that only state-certified teachers could staff the clinics, that enrollment in clinics should be limited to a fixed time period, and that payments to clinics should be based on performance. Over time, under heavy state monitoring, the clinics program has demonstrated significant results in both performance and cost. After initial opposition, clinics were incorporated into the state education agency's organization and budget and into local school systems' options for dropouts. (29 endnotes) (Author/MLH)

 * Reproductions supplied by EDRS are the best that can be made *
 * from the original document. *

CPRE

**CENTER FOR
POLICY RESEARCH
IN EDUCATION**
a consortium:

ED332349

Educational Clinics in Washington State

A Case of Choice

Richard F. Elmore

THE STATE UNIVERSITY OF NEW JERSEY
RUTGERS

**Michigan
State
University**

**STANFORD
UNIVERSITY**

**UNIVERSITY of
WISCONSIN-
MADISON**

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION
CENTER (ERIC)

- This document has been reproduced as received from the person or organization originating it
- Minor changes have been made to improve reproduction quality

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

L. McFarlane

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

EA 023 006

CENTER FOR POLICY RESEARCH IN EDUCATION (CPRE)

CPRE unites four of the nation's leading research institutions in a unique venture to improve the quality of schooling. The consortium members are: the Eagleton Institute of Politics at Rutgers, The State University of New Jersey; the School of Education at Michigan State University; the School of Education at Stanford University; and the Wisconsin Center for Education Research at the University of Wisconsin-Madison.

Sponsored by the U.S. Department of Education, CPRE conducts research on the implementation and effects of state and local education policies. By communicating its findings to policymakers, the Center attempts to contribute to the framing of education policies that will have a positive impact on children in classrooms.

CPRE's research activities are concentrated in five major areas:

- Policies on Curriculum and Student Standards
- Teacher Policies
- Educational Indicators and Monitoring
- New Roles and Responsibilities
- Evolution of the Reform Movement

In addition to conducting research in these areas, CPRE publishes reports and briefs on a variety of education issues. The Center also sponsors regional workshops for state and local policymakers.

Reports on Educational Choice

This paper is one of four reports dealing with educational choice recently published by CPRE. The analytical paper and three case studies, regularly \$7 each, are available as a package at a savings of 25 percent. To order the package of the four titles listed below for \$21, please specify *School Choice Package* (order # PK-001).

Working Models of Choice
Richard F. Elmore

The Minnesota Postsecondary Options Law: A Case of Choice
Doug A. Archbald

Community School District 4, New York City: A Case of Choice
Richard F. Elmore

Educational Clinics in Washington State: A Case of Choice
Richard F. Elmore

CPRE Research Report Series

Research Reports are issued by CPRE to facilitate the exchange of ideas among policymakers and researchers who share an interest in education policy. The views expressed in the reports are those of individual authors, and are not necessarily shared by the U.S. Department of Education, CPRE, or its institutional partners. This publication was funded by the U.S. Department of Education, Office of Educational Research and Improvement, grant number OERI-G008690011.

Copies of this report are available for \$7 each, 1 re-paid. Prices include book-rate postage and handling. Quantity discounts are available. Write: Center for Policy Research in Education, Eagleton Institute of Politics, Rutgers, The State University of New Jersey, New Brunswick, New Jersey 08901; attention: Publications. Phone: (201) 828-3872.

CPRE

**CENTER FOR
POLICY RESEARCH
IN EDUCATION**
a consortium:

Educational Clinics in Washington State

A Case of Choice

Richard F. Elmore

December 1990

THE STATE UNIVERSITY OF NEW JERSEY

RUTGERS

**Michigan
State
University**

**STANFORD
UNIVERSITY**

**UNIVERSITY of
WISCONSIN-
MADISON**

CPRE Research Report Series TC-003
© 1991 BY CENTER FOR POLICY RESEARCH IN EDUCATION

CONTENTS

ABSTRACT	v
ACKNOWLEDGEMENTS	vi
EDUCATIONAL CLINICS IN WASHINGTON STATE	1
The Setting	1
The Politics of Educational Clinics	4
Operation of the Clinics Program	12
Effects	17
Conclusion	20
NOTES	23

ABSTRACT

The Educational Clinics Program in Washington State was authorized by the state legislature in 1977, after extensive lobbying by members of a private firm specializing in academic remediation. The legislation was opposed by established educational interests, including the state Superintendent of Public Instruction. The law authorized state financial support for remediation for youth, aged 16 through 19, who had either dropped out of school or were academically at risk and were referred by their schools. The law also provided that only state-certified teachers could staff the clinics, that enrollment in clinics should be limited to a fixed period of time, and that payments to clinics should be based on performance.

Over time, under heavy monitoring by the state, the clinics program has demonstrated significant results in both performance and cost. After initial opposition, clinics were incorporated into the state education agency's organization and budget and into local schools systems' education options for dropouts.

This paper is one of three case studies dealing with educational choice. The other two case studies are Community School District 4, New York City: A Case of Choice by Richard F. Elmore, and The Minnesota Postsecondary Options Law: A Case of Educational Choice by Doug A. Archbald. Each case study was designed either to be used separately or in conjunction with Working Models of Choice, an analytical paper, by Richard F. Elmore. The basic facts of the separate cases are incorporated into the analytical paper. The cases, however, include little explicit analysis, and are as descriptive as possible. The cases may be used, then, as a vehicle to provoke analysis and discussion of public school choice independently of the author's analysis of the issue.

ACKNOWLEDGEMENTS

The author wishes to acknowledge the assistance of Betty Jane Narver and Kathy Elias, Institute for Public Policy and Management, University of Washington in gathering background materials and scheduling interviews, as well as Al Rasp, Director of Testing and Evaluation in the Office of the Superintendent of Public Instruction, and Ron Perry, staff member of the Legislative Budget Committee, for providing valuable background information and documents. Charles Davis provided a close and critical reading of an earlier draft and added considerable clarity to the final version. Betty Malen also provided helpful comments. The views expressed here are those of the author alone.

* * * * *

Richard F. Elmore is professor of education at the Graduate School of Education, Harvard University. He is also senior research fellow with the Center for Policy Research in Education. His current research focuses on the effects of state and local policy on schools and classrooms and on changes in school structure based on novel conceptions of teaching and learning.

Dr. Elmore is senior author and editor of Restructured Schools: The Next Generation of Education Reform (Jossey-Bass, 1990) and co-author of Steady Work: Policy Practice and Reform in American Education (RAND Corporation, 1988). He has held positions previously at Michigan State University, the University of Washington, and the Office of the Secretary of Health, Education and Welfare of the Federal government. He is president of the Association for Public Policy and Management and a member of the Committee on Child Development of the National Research Council and the National Academy of Science.

EDUCATIONAL CLINICS IN WASHINGTON STATE

THE SETTING

Education, in one form or another, has been on the policy agenda regularly over the past decade in Washington State, less because the state is a national leader in educational innovation and more because of the state's chronic fiscal problems. The state economy is heavily dependent on forest products, aerospace manufacturing, and agriculture--all cyclical sectors, each with its own particular set of problems. In the late 1960s, performance lagged in all three sectors, especially aerospace, causing the state's most severe economic recession. During periods of economic decline, the state's highly regressive and inelastic tax structure, which includes no income tax and a heavy reliance on sales and property taxes, produces little state revenue. The 1960s recession was followed by a modest period of economic growth in 1972 through 1979, which prompted the legislature to approve a series of tax cuts amounting to about 20 percent of state revenue. When the 1981 recession hit, the legislature refused to raise taxes, causing deep state expenditure cuts. Demands of elementary and secondary education on the state treasury increased sharply throughout this period.

In 1977, as a result of a lawsuit filed by a number of local school districts led by Seattle, the state supreme court upheld a lower court decision requiring the state to fully fund "basic education," and charged the legislature with implementing the decision. The legislature, anticipating the court decision, enacted a major school finance reform which defined basic education in terms of student-staff ratios and set in motion a phase-down of the use of special local property tax levies to fund education. This solution caused the

state's share of elementary and secondary expenditures to jump from about 40 percent in the mid-1970s to nearly 80 percent in the late-1980s. This increase in the state's share occurred during a period of very little real growth in state revenue, which meant that there was a severe redistribution within the state budget toward elementary and secondary education and away from other state-funded functions. The redistributive politics and the sheer magnitude of the state's share means that education is a major political issue in every session of the legislature and in every state election campaign.

Washington prides itself in having a part-time citizen legislature. The state constitution authorizes the legislature to meet for 105 days in odd-numbered years for sessions that include both budget and policy, and 60 days in even numbered years for budget only. In recent years, the legislature has often convened more frequently for longer periods, with relatively heavy committee work between sessions, resulting in what many legislators regard as a full-time responsibility with part-time compensation. Increasing legislative workloads have resulted in higher turnover among legislators. The legislature has full-time staff for major committees and individual members, which provides an institutional base for legislative influence and continuity when part-time members are not in the capitol. Because state policy in recent years has been dominated by fiscal issues, the legislative fiscal committees and party leadership have exercised more influence over state policy than the substantive committees, including education committees.

Historically, governors have not played a major role in education policy. Because of its fiscal impact, elementary and secondary education is an extremely sensitive issue in gubernatorial politics, causing governors to treat it in an arms-length manner. As one Olympia insider said, "given the choice of dancing with an 800-pound gorilla or smiling alluringly from across the room, governors have chosen to smile alluringly." ¹ Institutionally,

the Governor's office now exercises its main influence in routine legislative business through the Office of Financial Management (OFM), a clearance agency for budget and policy issues which has gained influence in the 1980s. Prior to the emergence of OFM, the governor's influence on educational matters was exercised either through personal involvement with legislators or through a single staff person with a broad portfolio of responsibilities which might include elementary and secondary education as well as higher education and a variety of other matters.

The state's leading official in elementary and secondary education is the Superintendent of Public Instruction (SPI), an elective office with a four-year term. From 1972 through 1988, the SPI was Frank "Buster" Brouillet, former president of the Washington Education Association and former state legislator. The office of the SPI has a staff of about 200 people and exercises considerable autonomy in the preparation of budget and policy proposals. Because both the Governor and SPI are elected officials, the SPI deals independently with the legislature.

In demographic terms, Washington follows national averages closely. Black and Hispanic populations are in the neighborhood of 10-15 percent of total population, with significantly higher birth rates than in the white population. In the state's urban centers and in a few agricultural communities, the proportion of minority students attending public schools approaches 50 percent. As in the rest of the nation, the poverty population is increasingly composed of children and young single female heads of households.

The Washington Education Association (WEA), the state affiliate of the National Education Association (NEA), is the single most powerful education interest group, and

* Brouillet decided not to run for reelection in 1988 and was succeeded in January 1989 by Judith Billings.

possibly the most powerful interest group overall. The WEA, however, has problems influencing specific state policy decisions because its sheer size and its complex governance structure make responding to shifting coalitions difficult--a problem shared by NEA affiliates in other states. Other education interest groups--the school boards, and administrators, for example--have very little presence in state politics. Big business interests--the Boeing Company, the Weyerhaeuser Company, and the big banks, before they were purchased by out-of-state interests--exercise influence individually on issues close to their economic interests in a less visible, but often more effective manner. For the past seven or eight years, the chief executive officers of the state's leading corporations have convened themselves as the Washington Business Roundtable. The main output of the Roundtable has been a series of well-regarded studies and reports on elementary-, secondary-, and higher-education policy and finance. The Roundtable lobbies the legislature on behalf of its recommendations, but has not met with great success.

Generally speaking, education politics in Washington State is characterized by diffuse power exercised moderately. The largest shift in education policy in the period leading up to the educational clinics, the 1977 education finance reform, was judicially induced and essentially reactive. Beyond that, Washington had not been a leader in policy innovation.

THE POLITICS OF EDUCATIONAL CLINICS

Against the backdrop of the state's fiscal crisis and school finance reform, the educational clinics program was not a major political event, but it was in some senses well-adapted to the political context. The story of educational clinics is, in part, a story of the grit and persistence of a few advocates against political interests that were hostile or indifferent to their proposal, but it is also a story of how a modest idea develops political

appeal in a time of fiscal stringency.

In 1968, Rex Crossen an ex-schoolteacher from the Seattle suburb of Edmonds, founded a private, for-profit company called Educational Consultants, Incorporated (ECI). Crossen is, by some accounts, an entrepreneur with a social conscience, and by others, an opportunist. Crossen was frustrated by what he perceived to be the public schools' complacency and resistance to innovation. The kernel of his business idea was to apply his knowledge of teaching to a business that would specialize in the hard-to-teach, charging only for the results he produced. In 1969, Crossen recruited Charles Davis, who was attracted by Crossen's vision of doing well by doing good. Initially, ECI ran its own after-school tutorial program and a series of small training and tutorial projects funded by the state with federal employment and vocational rehabilitation funds. One of these projects was a performance contract with the State Department of Employment Security to train welfare recipients in secretarial skills. The terms of the contract allowed ECI to be paid only for those clients who gained employment and remained employed for 90 days. ECI placed enough of its trainees to develop a reputation for educational success, although financial success eluded it. From the secretarial training project, ECI expanded into other publicly funded ventures, including contracts to deliver adult basic education to Native Americans and welfare recipients. By 1974, ECI was operating three centers in the Puget Sound area (Everett, Seattle, Tacoma) and two in Eastern Washington (Yakima and Spokane), with a staff of about 50, including certified teachers, counselors, and support personnel. Press accounts at the time cite the commitment and enthusiasm of ECI personnel, many of whom had left the public schools disillusioned and angry. ²

According to Charles Davis, the idea for using educational clinics to serve high school dropouts came from two experiences in the early development of ECI. "In the

secretarial training program," Davis said, "we discovered that when you teach somebody how to type, their typing speed is, not surprisingly, directly related to their reading speed and comprehension. . . . Also, in 1973 and 1974, we were running four-week employment orientation classes for unemployed adults, teaching people how to get jobs. We decided we would run one session for teenagers. It was a total disaster because their basic academic skills were so terrible that they were unemployable." ³ Out of this idea grew a basic skills summer program, funded out of the operating revenues of ECI. Through this program ECI developed a dedicated following of former students and parents.

In 1974-75, ECI launched a public relations and lobbying campaign to secure state and local funding for educational clinics. Among ECI's advisory board members were C. David Gordon, lobbyist for the Association of Washington Business; Kay Bullitt, a prominent civic activist in Seattle; Annette Weyerhauser, of the Weyerhauser timber family; and Booth Gardner, then President of Laird Norton, a Tacoma business concern, later a county executive and now governor. Among ECI's state legislative allies during the mid-1970s was August Mardesich, from Everett, at that time the most powerful person in the legislature. Mardesich later lost his seat, after being charged with bribery, but not convicted, in connection with a political scandal involving the legalization of gambling in the state.

In 1975, ECI also approached the Seattle Public Schools with a proposal for a clinic for Seattle dropouts. The district rebuffed ECI. The staff memo to the school board on the ECI proposal previewed the political opposition that public school people would later mount at the state level. The memo said, in part,

The proposal is aimed at high school drop-outs which ECI alleges are not now being served in Seattle. However, they cannot provide data to substantiate this and I do not agree that this is the case. . . ECI is a

commercial, profit-making corporation, and as such is entitled to pursue its interests in the open market. However, to grant them a privileged status in relation to the school district is unfair to other competitors, many of whom have been seeking arrangements with the District over the past several years. Philosophically, I do not believe it is correct to spend public funds, whether from our district or from SPI, to support a commercial program intended to meet the needs which school districts themselves have a responsibility to meet. [The option proposed by ECI] is open with the public school system in an already-existing program. ⁴

Davis and Crossen viewed these arguments as self-serving and disingenuous. Data on the incidence of the dropout problem were not available, they observed, because the district didn't collect them. Granting ECI's request could not have given ECI "privileged status" since the district had no intention of allowing any outside concerns, profit-making or not-for-profit, to mount programs in the district.

Davis, who at that point had become vice president of ECI, later observed,

It was very peculiar, when we started getting successful results with academically low-performing students, the public schools got very defensive and said, in effect, "we're already doing a good job of what they [ECI] are proposing to do, but if we're not, then we should get whatever money is available, not them." It was the sort of logic, I guess, that public school people understand. Our response was to say, "Look, you had these people in first, second, third grades, and so on, and you have failed them. Now let us try, because we think we can succeed."⁵

ECI took its case to the state legislature in 1975 in anticipation of the 1976 session. With Mardesich as an ally, and persistent lobbying, they succeeded in securing a \$276,000 addition to the SPI budget for a pilot program to support private vendors of educational services for dropouts. Then-governor Daniel Evans vetoed the bill on the advice of education interest groups and budget advisors. The governor's rationale for the veto was that there was no legislative authority under which to fund the program. In 1977, ECI tried again, this time succeeding in getting a \$400,000 program authorized and approved by the

governor. The legislation authorized Superintendent of Public Instruction Buster Brouillet to prepare regulations specifying the terms under which educational clinics would be certified by the state board of education.

The law provided, among other things, that: (1) educational clinics could employ only state-certified teachers as instructors, (2) clinics could be reimbursed only for serving students who had been dropouts of public schools for at least 30 days and whose status was verified by the school they last attended, (3) dropouts should be allowed to re-enter and graduate with their class if their academic progress while out of school was sufficient, (4) clinic graduates should be allowed to take the Test of General Educational Development (GED), to secure high school graduation equivalency, and (5) clinics could be reimbursed by the state for their services, up to the limit of the state appropriation, on the basis of performance criteria specified by the SPI. Regulations for the clinics program were issued in the spring of 1978, and the first contracts were issued in July 1978.

Reflecting on the politics surrounding the educational clinics program, a veteran of state education policymaking observed:

They [ECI] got the bill passed by pure grit and persistence. They really had very little going for them except their own beliefs and their influence with the legislative leadership and a few members. No one took them very seriously to start with. Buster [Brouillet] and his staff regarded them as extremely annoying, but not as particularly threatening. The education organizations had bigger things to worry about, and aside from being defensive about the dropout issue, they gave the impression they wanted the clinics program to go away, either by getting some piddling bill passed or by killing it-- it didn't much matter. The whole story is about a couple of people with an idea, and just the right amount of political clout to get it through.⁶

This relatively benign view was, however, not shared by everyone in the legislative arena. The clinics issue came onto the political agenda just as a number of citizen and education groups were mobilizing for a major campaign to reform state education finance.

Another political veteran observed:

For a lot of us involved in the school finance issue, the ECI people were a real annoyance and distraction from the important business confronting the state, plus the fact that a lot of people in Olympia didn't entirely trust their [ECI's] motives. They were everywhere when the legislature was in session, like a couple of terriers--pushing their own single-interest issue, on a matter that could only directly benefit them financially, and not particularly interested in the broader education issues confronting the state. Their actions didn't sit well with a lot people. ⁷

Still another veteran observed:

A lot of people felt that they [ECI] were trying to get their toe in the door with a relatively small program to start, so that they could eventually become eligible for big-time funding under the state basic aid formula. That would, of course, be a major departure from state policy--a move in the direction of privatization.⁸

On this issue, Charles Davis was frank. "Our goal," he said, "was first to get an appropriation and later to get educational clinics into the basic aid formula. There is no reason why the paramount duty clause [a key provision in the state constitution defining the state's responsibility for education] shouldn't apply to school dropouts. If the kids aren't in the public schools, then the money should go where they are. The existing clinics program is a good bandaid, but the real solution is more fundamental." ⁹

These diverse political positions persist. Some view the clinics program as a minor political sideshow, of little consequence to state education policy, positive or negative. Others view the clinics with a sense of foreboding, either because they fear opening the door to privatization of public education or because clinics divert scarce resources away from what others regard as important priorities in the public school system.

By the time the clinics program was established, ECI had declared bankruptcy. From that point forward, ECI has been in continuous operation, and is the only profit-making firm receiving support under the clinics program, but it has chronically teetered

on the brink of insolvency. In 1987, Crossen and Davis left their positions in ECI, stating that it was time to change from entrepreneurial to managerial leadership. Both retain their financial interest in the firm and both serve on the firm's board of directors. In Davis' words, "We never turned a profit, though we offered high-quality, successful programs. It finally came to the point where I had to leave and make some money."¹⁰

In its early years, the clinics program had a tenuous and uncertain existence. Putting SPI in charge of the program had a straightforward, if somewhat perverse, bureaucratic logic. SPI was, after all, the state agency in charge of education programs. On the other hand, the clinics program was hardly at home in SPI. Brouillet had opposed the program, and his opposition continued after its legislative approval. His agency was not particularly well equipped to administer the program, since clinics didn't easily fit with other programs in the agency's portfolio. And the program was not a significant addition to the agency's overall budget and authority. The program also presented SPI with a serious problem. The law provided for broad participation of organizations interested in mounting clinics, but only ECI was prepared to do so immediately. In the words of one SPI staff member, "Buster had to scare up other organizations to participate in the program to keep it from becoming the preserve of ECI."¹¹

In 1978, a legislative opponent of the clinics program in the House introduced an amendment requiring that SPI prepare a report on the owners and directors of clinics. The Senate amended the proposal, requiring that the Legislative Budget Committee (LBC), a bi-partisan audit arm of the legislature, prepare a report on the operation of clinics every two years. The LBC report was to concern itself with the level of reimbursement for each clinic, the cost per student, comparisons of student academic progress with other educational alternatives, and a report of the ownership and management of each clinic

receiving state reimbursement. According to Davis, the Senate sponsor of the amendment, State Senator (now U.S. Congressman) Sid Morrison, was surprised "when I welcomed this amendment, realizing that impartial evaluations would be much more persuasive than our own."¹²

The reporting requirement could be read as a straightforward accountability requirement. But to clinic advocates it had a hostile edge. One legislative insider observed wryly, "imagine what would happen if we subjected public school programs to the same level of scrutiny."¹³ The expectation of opponents was that the clinics would prove to be no more effective than regular public schools and more expensive, undermining the rationale for the program.

Brouillett's biennial budget proposal contained no request for funding for educational clinics in the years immediately following the authorization of the program. Appropriations were, however, added by the legislature. The SPI also had some difficulty, either intentional or inadvertent, in allocating appropriated funds to the clinics in a way that provided steady cash flow. This budgetary uncertainty created constant fiscal problems for the clinics. In 1985, a provision was added to the authorizing legislation for the clinic program requiring SPI to submit a biennial budget request and to institute a quarterly funding system. At about this point, Davis recalls, Brouillett's and SPI's posture toward the program changed from opposition and passive resistance to reluctant support. Asked in a Senate Ways and Means hearing whether he had softened his position toward the clinics program because he "seen the light or felt the heat," Brouillett replied, "Perhaps it was a little of both."¹⁴

OPERATION OF THE CLINICS PROGRAM

An organization can be certified as an educational clinic, under the provisions of Washington State law, if it is a private organization teaching basic academic skills and providing employment orientation in an individualized way to high school dropouts from the ages of 13 through 19. As noted above, the law provides that students must have been out of school for at least 30 days to qualify as dropouts, and must present written verification of their status from the school they last attended. Later the law was amended to provide that students may be admitted immediately to a clinic if they are referred by the school they attend, or if they are officially expelled or suspended from school. To qualify for certification as an educational clinic, an organization must meet a number of regulatory requirements, including employment of state-certified personnel in instructional roles, individual diagnosis and prescription of instructional programs for students, evaluation of individual student progress, and financial soundness. In addition, organizations must show evidence of "past superior performance. . .based upon consideration of individual educational gains. . . the backgrounds of students, and the cost effectiveness of the clinic's program."¹⁵ To sustain its certification, a clinic must demonstrate that it "produces educational gains in students which relate directly to the individual learning objectives and educational and/or employment goals established for the student."¹⁶ Once certified, clinics are entitled to reimbursement under the law for diagnostic screening and instruction. Clinics are reimbursed on a per-student, per-instructional-hour basis, according to a sliding scale that provides higher rates for individualized than for small-group instruction. Clinics are required to provide documentation of class size in their requests to SPI for reimbursement. Clinics are reimbursed for up to 75 days instruction, and up to an additional 60 days upon filing a petition with the state that contains a report on the

student's educational problems and a plan estimating the additional time required to reach the student's objectives.

In the most recent year for which data are available, 1987-88, eight organizations received state reimbursement as educational clinics. These eight clinics were distributed across seven counties, concentrated in the five western urban counties of the state and in population centers in the rural eastern part of the state. The clinics served about 1800 students. ECI was the only for-profit firm running clinics--one in Everett, a small city north of Seattle, and one in Tacoma, Seattle's neighbor to the south--serving about 400 students. ECI served more students than its nearest competitor by nearly a factor of two. The other organizations operating clinics included two Native American groups, one affiliate of the national organization, Opportunities Industrialization Centers (OIC), and four local non-profit organizations, including two alternative schools operating under contract with local school systems. The biennial state appropriation for the clinics program has risen steadily, from \$425,000 in its first year to \$2.4 million in the 1987-89 biennium, and \$3.7 million in the 1989-1991 biennium.¹⁷

Since its early, uncertain years, the clinics program has become a routinized and stable function of SPI. Clinic certification and reimbursement are run through the SPI office with responsibility for private education under the state's Assistant Superintendent for Special Services and Professional Programs. Data collection on clinic performance is managed by the SPI's Director of Testing and Evaluation. By the mid-1980s, the SPI's certification and data collection efforts had become so well developed that the Legislative Budget Committee, which was originally charged with producing biennial evaluations of the program, asked the legislature to be relieved of its responsibility. SPI staff generally downplay the earlier political tensions around the program and view it as an integral part

of the state's arsenal of dropout programs.

At the local level, clinics have become a stable, if marginal, part of the educational landscape. Dan Hanson, director of ECI's Everett clinic and a 14-year ECI veteran, recalled that in the early years of the program relations with public schools were difficult. "We were viewed as a threat and there were all sorts of low-level conflicts and difficulty with the schools over things like the certification of kids as dropouts. We got almost no kids through referrals from the schools. About three-quarters of our referrals came from friends and relatives. Now our relations with the schools have mellowed considerably; we probably get about half our students through referrals from the schools. In the beginning about 80 percent of our students took the GED; now about 40 percent do, and the rest return to school to try and graduate. My hunch is that about half the kids who return to school don't complete."¹⁸

Hanson says the Everett clinic deals with young people from about 12 school districts, covering a wide range of urban and rural areas. "But the kids who come to us from different areas have very similar problems. Most have single parents who work. Most have been retained in grade at least once. Most have experienced no success whatsoever in school and are completely turned off by learning. And many have been physically abused. I have noticed also that the level of general knowledge of students coming to us has declined. We have lower scores on the general information parts of the entry tests than we've ever had."¹⁹

Instruction in the clinics focuses on remedial work in basic academic subjects, with minor variations, such as classes in Indian culture and history in the clinics run by Indian organizations. The state's reimbursement schedule creates incentives for tutorial and small-group instruction, but class sizes vary within the same clinic from one-on-one to 15 or 20

students per teacher, depending on the ability level of the students and subject matter. The state requires entry and exit testing of students using the Peabody Individual Achievement Test. Most clinics assign students to ability groups based on initial assessment and then move students through well-defined levels of instruction based on periodic performance assessments. One clinic departs from this structure by offering a program that is tailored to notions of "open education" where students are allowed more discretion in their work. Every clinic includes some provision for separating those who intend to return to school from those preparing to take the GED. In some settings the separation is done after a basic instructional program, in others students are grouped early.

Dan Hanson, of ECI's Everett clinic, says that pressures of enrollment and funding have meant that ECI has not paid as much attention to curriculum and instruction as it should:

We developed our curriculum about six years ago around reading, math, science, social studies, using materials from a wide variety of sources and the energy of a group of creative independent teachers. We have not been able to give the curriculum the kind of attention lately that it deserves. . . . The kind of kids we teach and the financial pressures we operate under have a big impact on what we teach. We are not trying to give students specific knowledge to prepare them for specific roles. We're trying to increase their general functional levels so they can pass the GED or return to school with some confidence. We have to take them where they are and advance them quickly. We have to deal with them flexibly, based on their entering level and their personal outlook and problems.

And we have to offer an essentially open-entry, open exit program, rather than a program organized around academic terms to adapt to the flow of students in and out school. We can't say to a kid who shows up on the doorstep in October ready to start, "come back in February when the next group starts." ²⁰

Absence rates run as high as 30 to 40 percent on certain days of the week, but positive completions--defined as GED or high school graduation--are comparable to those of the public schools, with a population that is, by definition, much higher risk than the modal school population.

Beneath the formal clinic curriculum, in Hanson's judgement, lies an informal one. "Most of these kids have not been treated well by the adults in their lives, and they come to us with deep, and usually well-founded, hostility toward these people. We try to teach them that the world is not necessarily like their experience, to give them a sense of trust, confidence, and appropriate behavior toward other people. These are the real basic skills."²¹

Clinic teachers, as noted above, must be state-certified. They typically work for a fraction of what they could earn in regular public schools--a starting salary of \$1,400 per month--and, in Hanson's words, "no tenure, no contracts, and raises that are based mainly on our financial situation and their success with kids." Teacher turnover is, not surprisingly, high, although two teachers in the Everett clinic had been there for at least three years. Working conditions are less-than-ideal. On a recent visit, the Everett clinic was occupying the second floor of decaying downtown commercial building. The heat was not working; the distinct chill in the air meant that teachers and students wore coats and jackets. The tables, chairs, desks, and materials had a well-used appearance, and the walls and carpeting had not had recent attention. Hanson noted that the clinic was having trouble with its landlord and would shortly move to another facility.²²

According to Hanson and the teachers at the Everett clinic, the clinic attracts teachers who have had unsatisfactory experiences with the public schools and are looking for a different setting in which to teach, or who are temporarily between public school jobs and want to sustain some contact with students. Teachers uniformly said they valued the opportunity to work with individual students and with small groups in ways that were difficult or impossible in public high schools. They also expressed frustration at the tenuous hold the clinics exercised over students and the difficulty of establishing and maintaining

trong relationships with students.

Interest in the clinics program in Washington State remains moderately active. The dropout problem received legislative attention in 1985, resulting in a legislatively mandated study, performed by SPI, that documented the extent of the problem and a large gap between the number of dropouts and the number of available slots in existing programs, including the clinics program. This study in turn resulted in increased funding for the clinics program and a special set-aside for expansion of clinics into areas where the dropout problem is most serious. The clinics program seems to have found a stable, if marginal, niche in the state's education program structure.

EFFECTS

The clinics program serves a small fraction of the total dropout population in the state. At the legislature's request, SPI prepared a report in 1987 on the magnitude of the dropout problem and the status of existing dropout prevention and retrieval programs. The report estimated that, in 1984-85, about 11,000 students had dropped out of school in the seven counties in which educational clinics had served fewer than 1,800 dropouts. In the same period, SPI estimated that about 15,000 students had dropped out of school state-wide.²³ By this estimate, then, clinics serve between 12 and 16 percent of the state's annual dropout population.²⁴

From its beginning, the clinics program was subjected to a level of scrutiny unusual for state education programs. As noted above, the Legislative Budget Committee (LBC) was required to produce biennial reports on the cost and effects of the program from 1979 through the mid-1980s. These reports consistently found that clinics were serving a population that had been disengaged from school for an extended period of time, that these

students were significantly behind their peers on standardized achievement tests upon entry to the program, that on average they made significant advances in achievement while in the program, that most clinic participants who took the GED passed it, and that most clinic participants were engaged in further education or work following their participation in the program.

Over the period 1980 to 1984, the average clinic enrollee was between 16 and 17 years old and had been out of school an average of about six months when they entered the program. The average time lapse between leaving school and entering the program seemed to be decreasing, from well over six months in 1981 to about four and one-half months in 1984, which observers attribute to increased referrals directly from the public schools.²⁵ Over the same period, the average enrollee was 2.5 years behind grade-level on tested achievement prior to enrollment. This achievement lag steadily increased over these years from 1.6 to 3.1, supporting the judgement that students were entering clinics with decreasing academic ability. The proportion of students from families on welfare was between 20 and 25 percent over this period, while the proportion on probation rose from 10 to 27 percent, and the proportion of enrollees not living with parents increased from 29 to 76 percent. The proportion of enrollees who were employed declined during this period from 32 to 12 percent.²⁶

About two-thirds of the students who entered clinics between 1980 to 1984 had both pre- and post-test scores on the Peabody Individual Achievement Test (PIAT). Average gains over this period were about five standard score points, or a grade-equivalent gain of a little over one year. Problems of selective attrition and test bias make these gains difficult to interpret, but it is possible to say that focusing on remedial academic work in a clinic setting seemed to have a significant positive effective on participants who were

engaged enough to stay through the pre- and post-test. These gains are far from trivial when you account for the fact that there is a 135-day limit on clinic participation and the average student participated for fewer than 30 days. The LBC estimates that over the 1980-1984 period about two-thirds of clinic participants were engaged in "constructive activities" (defined as school, work, or military) on exit from the program. A six-month follow-up of a random sample of enrollees, however, revealed that participation in these activities had declined to around 50 percent.²⁷

Between 1980 and 1984, the average cost per enrollee of the clinics program was between \$600 and \$700. The Legislative Budget Committee (LBC) attempted on several occasions to compare the cost of clinics with other alternative programs. These comparisons proved to be extremely difficult because clinic costs, for the most part, include both capital and operating costs, while other public programs typically report only operating costs. In addition, clinic programs are purposely structured differently from regular school programs. With these caveats, the LBC estimated that per-pupil expenditures in alternative high school programs for high-risk students averaged well over \$2,000 during the period when clinic per-student costs were in the \$600 to \$700 range.²⁸

Whatever their merit or meaning, these data have served to reinforce the verdict of the LBC that "educational clinics have provided effective, low-cost services to teenagers who have dropped out of the public school system." The LBC is careful to add, however, that:

Educational clinics should not be viewed as an alternative to four years of public high school education. Educational clinics provide short-term educational intervention services to students who have dropped out of the public system and who might not reasonably be expected to continue their education without outside help. Educational clinics have been successful at motivating such students to return to public school or to obtain the GED certificate.²⁹

CONCLUSION

Educational clinics program were well suited to the social, political, and fiscal climate of Washington State in the late 1970s, and they continue to be in the 1980s. Clinic advocates, despite their initial threat to established educational interests and the suspicions they raised among mainstream school policymakers, managed by grit and persistence to initiate and sustain the program. The program had much to recommend it: It was relatively inexpensive during a period when state revenues were extremely tight and new education expenditures were dominated by massive increases in state general aid. It addressed an important segment of the population--school dropouts--that mainstream public schools were manifestly underserving. And the terms of the clinic legislation required them to be effective or they would lose their claim to special treatment.

In principle and in operation, educational clinics offer a distinct departure from the established structure of public education. Students are there by choice, although their choices have often been influenced by a complex set of prior factors, including failure in school, pressure from friends and family, and, increasingly, referrals from the established public school system. Clinics operate on a direct and efficient remedial strategy which entails moving a student through a prescribed set of learning activities in a short period time toward a clear goal--passing the GED or re-entering school. The financial and institutional incentives under which clinics work establish a regime that rewards tangible performance over a relatively short period of time. If these ideas were to be broadly applied to public education, they would raise serious questions about established practices in public secondary schools. But public school supporters can argue that, because clinics serve a specialized clientele and operate under a specialized mandate, they will appear to be more effective than schools that are required to serve a broader, more diverse clientele.

Educational clinics are important departures from the dominant structure and incentives of public education. But the story of educational clinics in Washington State is, in large part, a story of how unconventional ideas were domesticated and channeled into the established structure. Despite initial opposition and resistance from state and local administrators, clinic supporters have been able to mobilize a modest political constituency which keeps the program alive. As the issue of school dropouts became a more visible political issue, clinics were seen as one part of a range of solutions. Clinics never achieved the status to which Crossen and Davis aspired. They have never been eligible for support through the state basic aid formula, and they have never achieved anything other than marginal status as formal institutions in the local settings where they operate. In other words, clinics have come to occupy a small, but relatively stable, niche in the total array of programs of high-risk students, side-by-side with conventional high schools, alternative schools, and employment and training programs. While their funding has risen impressively over the life of the program, they enroll a small fraction of the eligible population and they account for an even smaller fraction of total education expenditures in the state. In other words, clinics have been absorbed by the structure they were designed to reform, with modest positive effects and little disruption of the existing system.

NOTES

1. Interview, October 24, 1987.
2. David Brewster, "Is the Profit Motive the Missing Key to Welfare Reform," Seattle Argus, September 27, 1974; Brandt Morgan, "ECI Specializes in 'Recycling' People," Seattle Post-Intelligencer Northwest Magazine, December 29, 1974.
3. Interview, November 16, 1987.
4. Memorandum from Mike Hickey to Members of the Seattle School Board, "Education Consultants Incorporated Proposal," July 22, 1975.
5. Interview November 16, 1987.
6. Interview, October 24, 1987.
7. Interview, October 24, 1987.
8. Interview, October 24, 1987.
9. Interview, November 16, 1987.
10. Ibid.
11. Interview, November 16, 1987.
12. Personal communication with the author, December 1, 1989.
13. Interview, November 16, 1987.
14. Interview, November 16, 1987.
15. Washington Administrative Code (WAC) 392-185-030.
16. WAC 180-95-020.
17. Joel Sherman, et al., Dropping Out of School, Volume III: Program Profiles (Washington, D.C.: Pelavin Associates, October 1987); Superintendent of Public Instruction, "Report to the Legislature on Educational Clinics and Public School Drop-Out Prevention/Retrieval Programs," Olympia, Washington, January 1987; and personal communication from Charles Davis, December 1989.
18. Interview, November 17, 1987.

19. Ibid.

20. Ibid.

21. Ibid.

22. In late 1989, Charles Davis added, "The clinic did move. Present facilities are better but need some improvement. The heat works." Personal communication with the author, December 1, 1989.

23. Superintendent of Public Instruction, State of Washington, Report to the Legislature on Educational Clinics and Public School Dropout Prevention/Retrieval Programs, January 1987, Exhibit 2, p. 6. These dropout statistics are based on district self-report, using a state-specified definition which classifies as dropouts students who "leave school for any reason, except death, without transferring to another school." The definition specifically excludes students who transfer to another school or who return to school during the reporting period.

24. Charles Davis adds, "The definition of dropout used in administering educational clinics differs from that used in collecting dropout statistics. Students who leave school and then enroll in an educational clinic are considered transfer students by the statisticians. Therefore, the analysis must be as follows: The latest SPI report, for 1987-88, shows 11,802 dropouts in the 11 counties where clinics are located. Add 2,000 former dropouts served by educational clinics for a total of 13,802 dropouts. The statewide total was 14,884 in the report or 16,884 including former dropouts in clinics. By this estimate, then, clinics serve between 12 and 15 percent of the state's annual dropouts." Personal communication with the author, December 1, 1989.

25. Charles Davis, personal communication with the author, December 1, 1989.

26. Legislative Budget Committee, State of Washington, Report on Educational Clinics, Program Years 1982-84, August 1985, Exhibit 7, p. 22.

27. Ibid. Also, Legislative Budget Committee, State of Washington, Report on Educational Clinics, Program Year 1979-1980, p. 2.

28. LBC Report, August 1985, p. 39.

29. Ibid., p. 42.