

1980 Annual Report

U.S. Department of Education



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U.S. Department of Education

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Report of the Secretary



Shirley M. Hufstедler

Origins of the Department

On October 17, 1979, when President Carter signed the enabling legislation, the Department of Education took its place at the President's Cabinet table. At long last, there was a national voice for education at the highest level of government—a voice made necessary by the many issues in education today which extend beyond the reach of state and local resources, and beyond their territorial jurisdictions as well.

During the last 30 years, profound changes in economics, demographics, technology, and social and cultural policies have deeply affected the nation's schools. Global events, ranging from wars in the Middle East and Indochina to migrations from Cuba and Central America, have also had repercussions on school districts all over America. Although the federal role in education has evolved in response to each of these national and international developments, it is not new. The federal government has played an important part in education from the earliest days of the Republic.

In one sense, the Department of Education can trace its origins to the land grants the Congress made for schools under the Land Ordinance of 1785 and the Northwest Ordinance of 1787. From these beginnings, federal assistance evolved along several different lines over the next 200 years. Gradually today's limited but essential federal role took shape.

Assistance for disadvantaged and handicapped students began in the mid-19th century with the founding of Howard University and Gallaudet College, and culminated 100 years later in the Elementary and Secondary Education Act (ESEA) of 1965. This landmark legislation was specifically designed to meet the needs of children from low-income families. The program has grown steadily under succeeding administrations and successive amendments. ESEA programs now serve more than 5.6 million disadvantaged elementary and secondary school children in 14,000 of the nation's 16,000 school districts.

Federal support for higher education began with the Morrill Act of 1862 (which provided land grants for state universities) and gained tremendous momentum with passage of the GI Bill during World War II. This initial effort to give financial assistance for higher education to qualified students was followed up in 1965 with passage of the Higher Education Act. As amended in 1972 and 1980, the Higher Education Act provides financial aid in the form of grants, loans, and work-study programs to more than one-half of all the postsecondary students in the United States—currently more than 3.6 million of them.

Federal assistance for vocational training traces its history to the Smith-Hughes Act of 1917. It took its current form with the Vocational Education Act of 1963. As amended in 1968 and

1976, the Act assists the more than 15 million young Americans enrolled in vocational education programs.

Although civil rights had been a federal concern since the 1860's, it was the civil rights movement of the 1950's and 1960's which awakened the national conscience to the invidious discrimination against black Americans. In 1954, the Supreme Court's landmark decision in *Brown vs. Board of Education* made desegregation of America's schools a constitutional imperative. Over the next 16 years the Congress responded with strong civil rights laws that addressed the needs not only of black Americans, but also of other groups who had suffered discrimination. The Office for Civil Rights was created to enforce Title VI of the Civil Rights Act of 1964 which forbids discrimination in federally assisted programs on the basis of race, color, and national origin. To its responsibilities were added enforcement of Title IX of the 1972 Education Amendments (sex discrimination), Section 504 of the Rehabilitation Act of 1973 (rights of the handicapped), and the Age Discrimination Act of 1979 (discrimination against older persons).

Educational research and information gathering at the federal level began in 1867 when the first Commissioner was appointed to head a non-Cabinet-level Department of Education for that purpose. The Congress gave new definition to this role by creating the National Institute of Education in 1972, the National Center for Education Statistics in 1974, and the National Institute of Handicapped Research in 1978. Along with improved research and data collection has come a more sophisticated effort at dissemination. The National Diffusion Network and other programs, including Financial Assistance for Educational Television, were created by the Congress to enhance national communication on educational subjects.

Over the years other federal responsibilities were defined. To help states, local communities, and institutions improve the quality of education, the Congress established agencies like the Fund for the Improvement of Post-secondary Education and the Institute

of Museum Services. Still other programs serve more than 4 million handicapped youngsters, 500,000 children of migrant workers, 60,000 refugee children, and gifted and talented students all over the country.

The kinds of federal involvement in education have changed dramatically since the land grants of 1785 because the nation has changed dramatically. From a sparsely populated agrarian country we have grown into an urbanized, industrialized, crowded nation. Where once only a handful of the elite could hope for any meaningful education, today we have more of our population in school for a longer period of time than any other country. One-room schools have given way to multiple service institutions providing wide varieties of educational service to adults as well as children.

We have created the most extensive, diverse, and pluralistic educational systems in the world. They are intricate combinations of public and private institutions, local, state, and federal. In addition to formal school settings, our educational complex includes libraries, museums, zoological and botanical gardens, research laboratories, television, and films.

So vast an educational enterprise is expensive. The United States spent in 1979-80 more than \$166 billion on education, or about 7 percent of our gross national product. The federal government is a limited and very junior partner in that endeavor, contributing just 8 percent of the cost of elementary and secondary education. Nevertheless, those federal dollars are precious. They focus on important national goals of access, equity, and quality. And they serve the needs of millions of disadvantaged youngsters who would otherwise go unserved or underserved.

Creating and Organizing the Department

Because the educational enterprise is so complex, federal efforts in support of it were bound to be fairly complex as well. Still, the governmental structure for managing and directing these programs did not keep pace with their development. By 1979,

more than 160 large and small education and civil rights programs were scattered in various departments and agencies in the nation's capital. The larger ones were housed in the Department of Health, Education, and Welfare (the Office of Education and the Office for Civil Rights) and the Department for Defense (Overseas Military Dependents' Schools).

The Office of Education had become a stepchild in the Department of Health, Education, and Welfare. The Health and Welfare components dwarfed it in size and consumed almost all of the HEW Secretary's time. A regulatory jungle enmeshed programs managed by multiple agencies. The rapid turnover of Commissioners of Education compounded managerial difficulties. Without a Cabinet-level Secretary, meaningful communications with foreign ministries of education were greatly hampered.

The idea of creating a Cabinet-level Department of Education had been brewing for many years. But it took a combination of circumstances to bring that idea to fruition: strong leadership by President Carter and Vice President Mondale, bipartisan leadership and support in the Congress, and the pressing reality of the need. All three coincided in 1979, and the act authorizing the creation of the Department of Education was signed on October 17, 1979.

President Carter announced his nomination of Shirley M. Hufstедler as the first Secretary of Education on October 29, 1979. The Senate confirmed the nomination on November 30, 1979. The authorizing legislation required that transition of programs and personnel to the Department be completed not later than 180 days from the date the Secretary took office (December 6, 1980)—except for phasing in the Overseas Dependents' Schools. Instead, the transition process was completed, and the Department's doors formally opened on May 4, 1980—a full month ahead of schedule and well below the estimated cost. Transition costs were met entirely with monies already allocated for ongoing administration. No additional funds were requested or appropriated to carry out the many transition responsibilities.

Immediately upon confirmation, the Secretary assembled transition teams and undertook a nationwide search for outstanding nominees for the top positions in the new Department. Recruitment and placement of 67 senior officials were completed by September 1980. Pursuing President Carter's strong commitment to affirmative action, over 60 percent of the Assistant Secretaries and other top officials were women and minorities—with no concessions on quality. The Department set the same high standards for appointments to councils, most notably the new Intergovernmental Advisory Council on Education.

Transition required the transfer of 8,002 employees and 160 programs from the Department of Health, Education, and Welfare and 4 other federal agencies. The Secretary's transition teams, composed of knowledgeable persons both inside and outside the government, found appropriate homes within the departmental structure for them all. Agreements for space were negotiated with the affected existing agencies, with the General Services Administration, and with the Congress. The Department's proposed fiscal year (FY) 1981 budget was prepared for presidential consideration, and the President's budget was defended before the Congress.

The First Year of the Department

Agenda for Legislative Action.—In 1980, the Department of Education had a significant legislative agenda. In addition to complicated and continual work on appropriations, the Department assumed responsibility for reauthorization of the Higher Education Act, as part of the Education Amendments of 1980. Working closely with the President, key members of the Congress, and affected interest groups, it helped bring the Amendments to passage. President Carter signed the Amendments into law in October 1980.

The Department also assumed the responsibility for developing and presenting the President's major domestic initiative of 1980: The Youth Act.

Besides taking the lead in drafting the legislation, the Department worked aggressively on its behalf in the Congress. With strong bipartisan support, the Act passed the House, as well as the Committee on Labor and Human Resources of the Senate. Unfortunately, a crowded Senate calendar foreclosed enactment of the Youth Act in the last Congress.

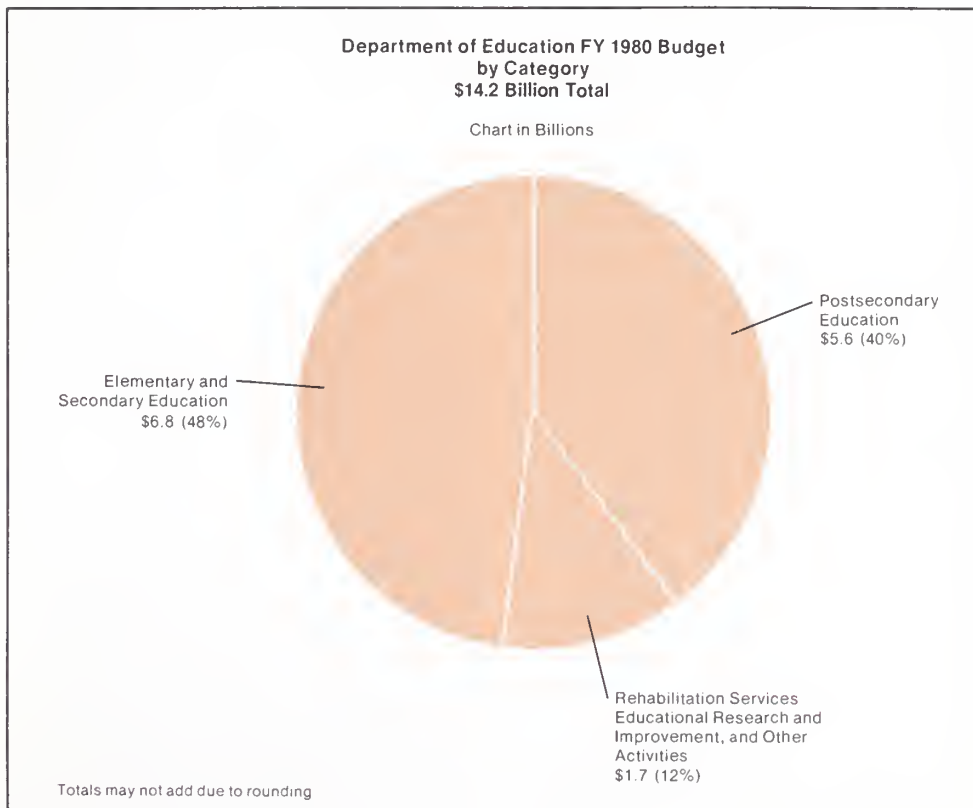
The massive influx of new Caribbean entrants and refugees in 1980, together with the persistent needs of earlier Indochinese refugees, required both legislative and executive responses. The Department quickly mobilized its resources to meet the educational needs of over 60,000 Cuban and Haitian entrants who began arriving in the spring. Several heavily affected regions of the country were unprepared to provide the variety of educational services required. Comprehensive education programs were developed to help immigrants acquire the basic skills necessary to become productive members of society. The Department also worked with the Congress to pass the Stack Bill, which provided addi-

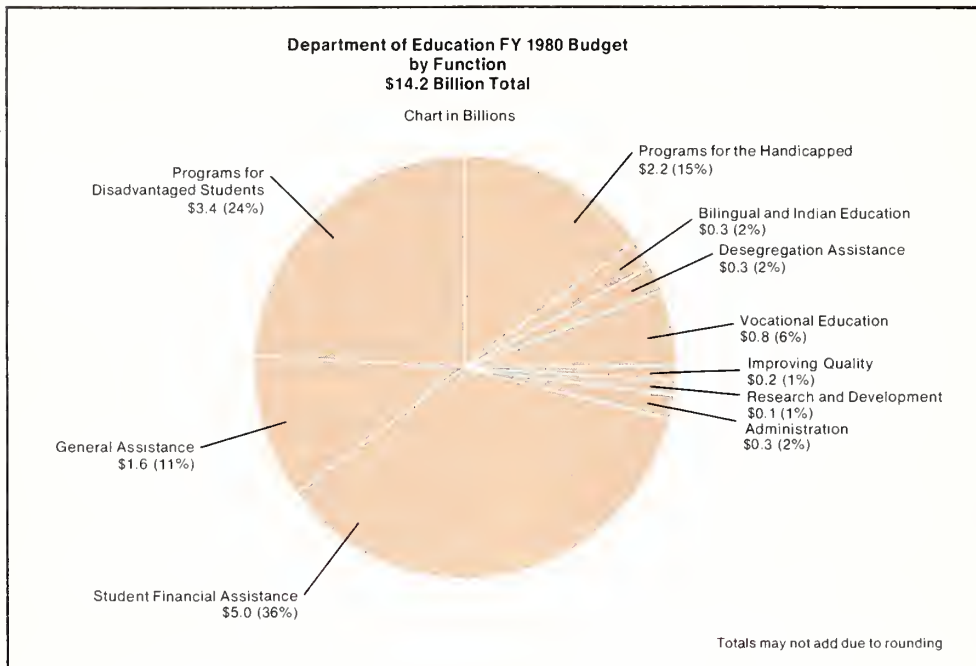
tional funding for states and local school districts dealing with refugee problems.

The legislative agenda also included work with the Congress to enact the Asbestos School Hazard and Detection Control Act of 1980. The Act provided technical and financial assistance to enable states and local school districts to identify asbestos hazards in schools, and to develop means of replacing the hazardous substance with more suitable insulation materials.

Agenda for Executive Action.—In 1980, the Department's agenda for executive action was also extensive. High priority concerns included efforts to improve civil rights enforcement, to carry out presidential initiatives, and to respond to emergency problems.

The Department of Education Organization Act explicitly recognized the importance of civil rights enforcement in the Department by creating an Assistant Secretary for Civil Rights with significant statutory independence in data collection and in personnel and contracting authority. Acting in





the spirit of that congressional mandate, the Department made substantial progress in fiscal year (FY) 1980 in dealing with a host of complex, long-standing civil rights issues.

One such problem arose some years ago when both the Office for Civil Rights and the Office of Special Education and Rehabilitative Services were charged with enforcement duties in the area of special education, but under different statutes. The result was internal conflict, poor coordination, and unnecessarily burdensome procedures. In September 1980, the conflict was resolved by a Memorandum of Understanding that promotes accountability and improves the Department's efforts in data collection, policy development, enforcement, and technical assistance.

In addition, the Department complied with statutory directives, and with a federal court order, by promulgating proposed rules affecting the education of 3.5 million youngsters with limited proficiency in English. The proposed "LAU regulations" were published in August 1980, and are now being reviewed in light of the 4,200 comments received from the public.

The Office for Civil Rights continued to work toward desegregation of the nation's elementary, secondary,

and postsecondary schools. It also began investigations of colleges and universities accused of discriminating against women in their intercollegiate athletic programs.

Recognizing the important role of our nation's black colleges, President Carter signed Executive Order 12232 in August 1980. The order assigned to the Secretary of Education responsibility for a government-wide initiative to increase the participation of over 100 historically black colleges in federal programs. The Department immediately began working closely with all federal agencies toward achieving this goal.

In response to President Carter's request, the Department joined the National Science Foundation in preparing a detailed report on the state of science, mathematics, and engineering education in the U.S. Among other findings, the report transmitted to the President noted the existence of immediate and severe shortages of mathematics and science teachers in the secondary schools; shrinking resources for doctoral and post-doctoral programs in science, mathematics, and engineering at many universities and colleges; and increasing inadequacies in major scientific research libraries and laboratories. The report made a series

of recommendations to overcome the deficiencies.

Numerous other situations required executive action on an emergency basis. The eruption of Mount St. Helens, for example, left the State of Washington with many problems. The Department worked closely with school officials in dealing with cleanup and repairs.

Paperwork Reduction and Regulatory Reform.—A moving force behind the creation of the Department was congressional determination to reduce paperwork and to cut a clear path through the regulatory jungle. The Department made significant progress in addressing both of those concerns in 1980.

The Department eliminated 150 pages of procurement regulations and discontinued the practice of publishing regulations for unfunded programs. Student financial aid forms were simplified, and Civil Rights Nondiscrimination Assurance forms were reduced from 14 pages to one. By moving to triennial rather than annual state plans, the paperwork burden in the adult education program was reduced by two-thirds. Plans were laid for similar alterations in reporting requirements for other programs.

The Department completed and published the Education Department General Administrative Regulations (EDGAR), which united more than 100 separate program regulations and definitions into a single set of requirements. EDGAR will reduce both the paperwork and the time involved in applying for grants and administering projects. The Department also commissioned the Carnegie Foundation for the Advancement of Teaching to develop ways of lightening the administrative and paperwork burden on educational institutions still further. Recommendations will be available early in 1981.

The Department reformed the regulatory process, making it faster, more efficient, and more accountable by drastically reducing the number and nature of clearances. Before September, when the new procedures were put in place, it took 550 days

for a set of regulations to emerge. Now the time has been cut by more than half.

The Department established a close working relationship with the Congress in drafting new regulations. Congressional staff members and regulation writers now meet shortly after legislation is passed. By clarifying issues of legislative intent, these meetings can ensure that regulations accurately reflect the intent of the Congress, thus minimizing conflict between the executive and legislative branches. Public participation and opportunities for comment in the regulatory process were also expanded.

As part of the new process, the Department began working closely with other agencies that affect local school districts. In drafting regulations for the asbestos program, for example, the Department collaborated with the Environmental Protection Agency to minimize recordkeeping requirements for local schools. The Department arrived at a sensible solution, albeit an uncommon one, among federal agencies: It agreed that the records schools submit to EPA would satisfy the Department of Education program as well.

Finding similar opportunities for ending duplication is a major goal of the Federal Interagency Committee on Education (FICE). Chaired by the Secretary of Education, FICE, with its 30-member federal departments and agencies, will work to ensure the consistent administration and development of policies and practices among federal agencies. The Department has proposed two principal areas for FICE's attention next year: basic skills and literacy, and equity and civil rights.

Taken all together, these attacks on excessive paperwork and regulatory red tape are proving effective. For example, the Department was able to publish proposed asbestos regulations 95 days after the enactment of the statute. Numerous program regulations resulting from the Higher Education Act are on schedule, and the legislative intent was fully reviewed with congressional staff before drafting commenced.

Management Improvements.—In 1980, the Department introduced major new management systems that have already yielded substantial returns. Chief among these was the establishment of a practical, short-term management by objectives system, enabling the Department to focus attention on the key policy and administrative problems.

The planning and budgeting process was completely restructured. Budget analysts worked with every Assistant Secretary, and each Assistant Secretary's principal managers, to scrutinize every program and office in the Department. Each budgetary request for every program was thereafter reviewed by the Secretary and Under Secretary with the budget team and the Assistant Secretaries' teams. This participatory process produced a tight, carefully structured proposed budget, and permitted effective justification before the Office of Management and Budget.

The Office of Educational Research and Improvement, housing many of the smaller programs in the Department, pulled the programs together and significantly improved efficiency in managing each of them. For the first time, there is a coherent policy strategy for these programs.

Personnel.—The Department will succeed in cutting its work force by 500 positions in 1981 as required by the Department of Education Organization Act.

Despite staffing limitations, the Office of the Inspector General processed in FY 1980 2,000 education audits, yielding \$50.7 million in recoverable funds. It also identified over \$13.5 million in improperly awarded or mis-spent federal funds. An additional \$1.2 million was saved by halting the continued funding of grants and contracts when abuses and irregularities were uncovered.

Overseas Dependents' Schools.—The Department worked closely with the Department of Defense in planning the transition of the Overseas Dependents' Schools from Defense to the Department. The transfer plan will be fully drafted by May 4, 1981, as

required by the Department's authorizing legislation. The plan will include elements for governance of the Overseas Dependents' Schools, opportunities for enhancing the quality of instruction for dependents' children, maintenance of personnel support, financial management, and logistics and organization, as well as increased cooperation in the overseas education programs by other offices in the Department of Education.

Public Participation.—One of the Department's goals is to involve those affected by Department programs in Department work. Substantial progress was marked with a nationwide Salute to Learning from May 4 through May 9, 1980. In Washington, the week's activities combined celebrations of learning at the White House, symposia, historical exhibits, and demonstration projects highlighting innovative approaches to education. For the first time in history, a film record was made of the events attending the birth of a Cabinet-level department. The film was a cooperative project of the Department, the Smithsonian Institution, and the National Endowment for the Arts.

As the year progressed, the Department set up an Office of Public Participation and Consumer Affairs to respond more effectively to the Department's constituents. The Department conducted a remarkably extensive and successful series of public hearings to receive comment on the proposed "LAU Regulations." And vacancies were filled on the public advisory committees which assist the Department's work.

As mandated in the authorizing legislation, the Intergovernmental Advisory Council on Education was created and 20 presidentially appointed members took up their duties and began work. Not only are the members geographically representative of the country, they are equally representative of the diversity within the education community. Their number includes state and local elected officials; elementary, secondary, and postsecondary educators; and parents, students, and members of the general public. Results of the

Council's first meetings were encouraging. Under the able chairmanship of Governor Robert Graham of Florida, the Council showed great potential for reducing the inevitable tensions between the Department and those who bear the burdens and receive the benefits of its programs. A cooperative search for staff for the Council was undertaken.

In August 1980, the Department began to examine current law and options for legislative change in preparation for reauthorization of the Vocational Education Act. Workshops were held in six major cities to facilitate discussion of the principal issues. This plan for public participation will be a model for similar legislative efforts by the Department in years to come.

International Affairs.—With the creation of the Cabinet-level Department, participation in international educational affairs improved substantially—as did cooperation with educational counterparts in other countries. The Department was able to implement several existing Memoranda of Understanding with other countries, including the Peoples' Republic of China and Israel, both of which sent delegations to the United States. Preliminary discussions were held with a view toward more active cooperation with the Organization of American States, Mexico, France, and England. Improved relationships were established with the United Nations Educational, Scientific, and Cultural Organization and the Organization for Economic Cooperation and Development.

The Unfinished Agenda

The Department of Education now rests on a firm foundation, but the unfinished agenda is lengthy.

The Department is continuing to justify the FY 1981 budget request pending before the Congress. Supplemental appropriations must be requested for the "uncontrollable" cost items in the budget. The FY 1982 budget is being developed; simultaneously preparations must begin for the FY 1983 budget.

Legislation.—Reintroduction of the Youth Act in the next Congress is vitally important. Impoverished youths in urban and rural areas constitute one of America's most serious problems. These young people have neither the basic skills nor the work experience to make a successful transition from the school house to the work place; tens of thousands of them have dropped out of school. They are unemployed and unemployable and, unless they receive educational assistance, they will remain so. The necessary capital investment in the futures of these young Americans is substantial. But the cost to the individuals, to society, and to the nation



Courtesy Cleveland Plain Dealer; photograph by David Anderson

for failure to make that investment is incalculable.

The Vocational Education Act is scheduled for reauthorization in 1981. Work already begun on that important legislation must be continued and built upon. Improvements in our economy and in the reindustrialization of our country will depend heavily on the vitality of our vocational and adult education institutions.

Serious problems exist in the funding and enforcement of federal legislation designed to assist the handicapped (P.L. 94-142 and Section 504 of the Rehabilitation Act of 1973). A legislative initiative should be considered to amend the handicapped legislation and target federal resources more effectively on the most seriously handicapped youngsters. These are the children who need maximum help and for whom state resources are the most seriously strained.

The Elementary and Secondary Education Act is scheduled for reauthorization in 1982. The legislation affects 14,000 school districts and millions of children in the United States. The programs have been proven successful. The United States must continue its investment in these youngsters because, without federal aid, local school budgets will be woefully inadequate to provide them effective instruction.

Civil Rights.—The civil rights agenda is very long and very pressing. The majority of the work of the Office for Civil Rights is directed by judicial decrees emerging from three law suits: *Adams v. Harris* (filed in 1970), *Women's Equity Action League (WEAL) et al v. Harris* (filed in 1974), and *Brown v. Harris* (filed in 1975). The court orders establish time frames for processing all complaints and compliance reviews and for eliminating the backlog of complaints. Separate orders in *Adams* and *Brown* require specific actions in desegregation of public higher education institutions and elementary and secondary schools. Many administrative compliance proceedings currently working their way through the Office for Civil Rights will ripen for decision in 1981. The



hearing before the Administrative Law Judge concerning desegregation of the University of North Carolina, partially complete, will resume in February 1981. Civil rights litigation involving the Department is also pending in the federal courts.

More than 3.5 million children in our country can speak little or no English. These youngsters, who cannot understand the language of instruction, are as effectively foreclosed from learning as those who are not admitted to the classroom at all. The Department has both statutory and judicially imposed mandates to produce regulations addressing the needs of these children. Before the Department opened its doors, the proposed regulations were more than a year overdue. Although the Department published proposed regulations in August 1980, the bilingual controversy remains both intense and heated. The Department has received about 4,200 comments on the proposed rules. From those comments, now being collated and analyzed, it is evident that revisions may be required.

The educational difficulties of teaching non-English-speaking youngsters have been exacerbated by the influx of thousands of refugee, immigrant, and entrant children. The financial burden of meeting the needs of these youngsters falls very heavily upon a few of our school districts.

Ways of providing continuing federal assistance must be found to help those districts in the greatest financial distress.

Universities and Colleges Serving Minority Populations.—Historically black colleges now award one-half of all baccalaureate degrees given to black students in the United States. In addition to these colleges, post-secondary institutions in major urban centers also serve predominantly minority students. Many of our historically black colleges, and other colleges serving minority populations, are facing serious financial problems—problems out of proportion to the difficulties faced by all institutions of higher learning because of changing demographics and inflation. Strenuous efforts must be made to put together multiple-source funding to assist these institutions. Continuing efforts, such as the Black College Initiative, are needed to ensure an equitable share of federal resources. In addition, however, substantial attention should be given by the Department to assist in developing incentives for private sector participation in helping these institutions.

Science and Technology.—It will not be possible to keep the United States in the forefront of technology and science without a national education effort at least as strong as that undertaken following Sputnik. The joint report by the National Science Foundation and the Department of Education offers a series of recommendations that can be implemented to reverse present trends. One of the most promising avenues involves encouraging joint ventures between the private sector and high schools and colleges in such areas as America's alternative energy and reindustrialization programs.

Learning in Nontraditional Settings.—A major challenge to the educational systems in the next decade will be exploring ways to integrate electronic technologies into the education process and to better utilize nontraditional learning environments, such as libraries and museums. Recommendations

from the Departmental Task Force on Electronic and Learning Technology will provide guidance when its work is completed in 1981. Preservation of our national treasures in museums, as well as increasing use of museums as alternative learning environments, requires serious and early attention. Research libraries, school libraries, and public libraries are in difficult financial circumstances. The Department should take an early and effective lead in marshalling the federal resources that can be made available, and to examine new ways in which private sector support can be brought to these institutions.

Demographic Changes.—By 1990, America will experience a remarkable demographic shift as the proportion of young people in our population drops dramatically. Colleges and universities are already bracing for the storm. Employers must also be concerned, for the number of young people entering the labor force will be reduced by 15 percent. The reduction will not solve the persistent youth unemployment problem of the present day. Unless their educational opportunities are improved in elementary, secondary, and vocational schools, a large portion of these young people will lack the basic skills and the motivation to enable them to play productive roles in the economy. In these and many other ways the impending youth shortage, combined with rapid technological changes in industry, will put enormous new pressures on our educational systems. The Department has an important responsibility to keep national attention focused on these problems, and to encourage sensible planning at every level.

Enhancing Quality in Our Schools.—Despite some problems, our elementary schools are basically sound and getting better. Our postsecondary schools are excellent. We also have some excellent junior and senior high schools, both public and private, all over the nation. But we have far too many junior and senior high schools in serious trouble—especially in major metropolitan areas. If action is not taken now to correct their defi-

ciencies, the price will be paid for a generation to come. American education is good, but it must be much, much better.

Improvements in the quality of education cannot be addressed without analyzing the status and competency of teachers. The fact is that we offer very few incentives to encourage able people to become or to remain teachers, especially in our elementary and secondary schools. Teachers' pay has not begun to keep pace with the erosions of inflation. Their compensation for many years has not been commensurate with their education nor with the demands, both traditional and non-traditional, that have been placed upon them. Community regard for teachers has declined. Teacher burnout is a common phenomenon. Unless the disincentives to teach are reversed, and reversed very soon, the quality of American education will sharply decline. Perhaps the most remarkable thing about American teachers is the great number of dedicated and outstanding teachers who, against all odds, remain in the school systems.

As a nation, we cannot reasonably expect our teachers to be martyrs or saints. Their conditions of employment and their compensation are matters largely outside the federal role. But the Department can and should take appropriate steps to help. For example, the Department has drafted legislation to establish Distinguished Teacher Fellowships, recognizing and substantially rewarding our finest classroom teachers. Teacher Centers are very successful means of helping teachers to help each other. More such centers should be created promptly. As a part of its continuing educational role, the Department can develop further media strategies to bring to the country's attention the accomplishments and the problems of America's teachers.

Without strong countermeasures, the present acute shortages of teachers in mathematics, science, languages, and special education will worsen.

If we are truly concerned about the quality of education we offer our people, the Department and educa-

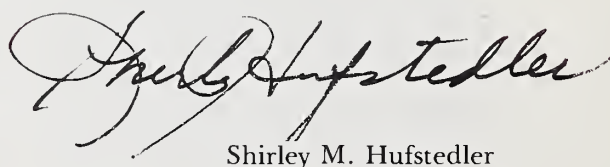
tional leaders of the country must give renewed and serious attention to developing linguistic competence.

Only 15 percent of America's secondary school pupils are studying modern foreign languages today. President Carter's Commission on Foreign Languages and Area Studies reported: "America's incompetence in foreign languages is nothing short of scandalous, and it is becoming worse—a serious deterioration in this country's language and research capacity at a time when an increasingly hazardous international, military, political, and economic environment is making unprecedented demands on America's resources, intellectual capacity, and public sensitivity". The training of bilingual teachers to meet the needs of non-English-speaking youngsters can also provide local school districts with the resources, if they choose to use them, for teaching foreign languages to monolingual English-speaking youngsters.

Conclusion

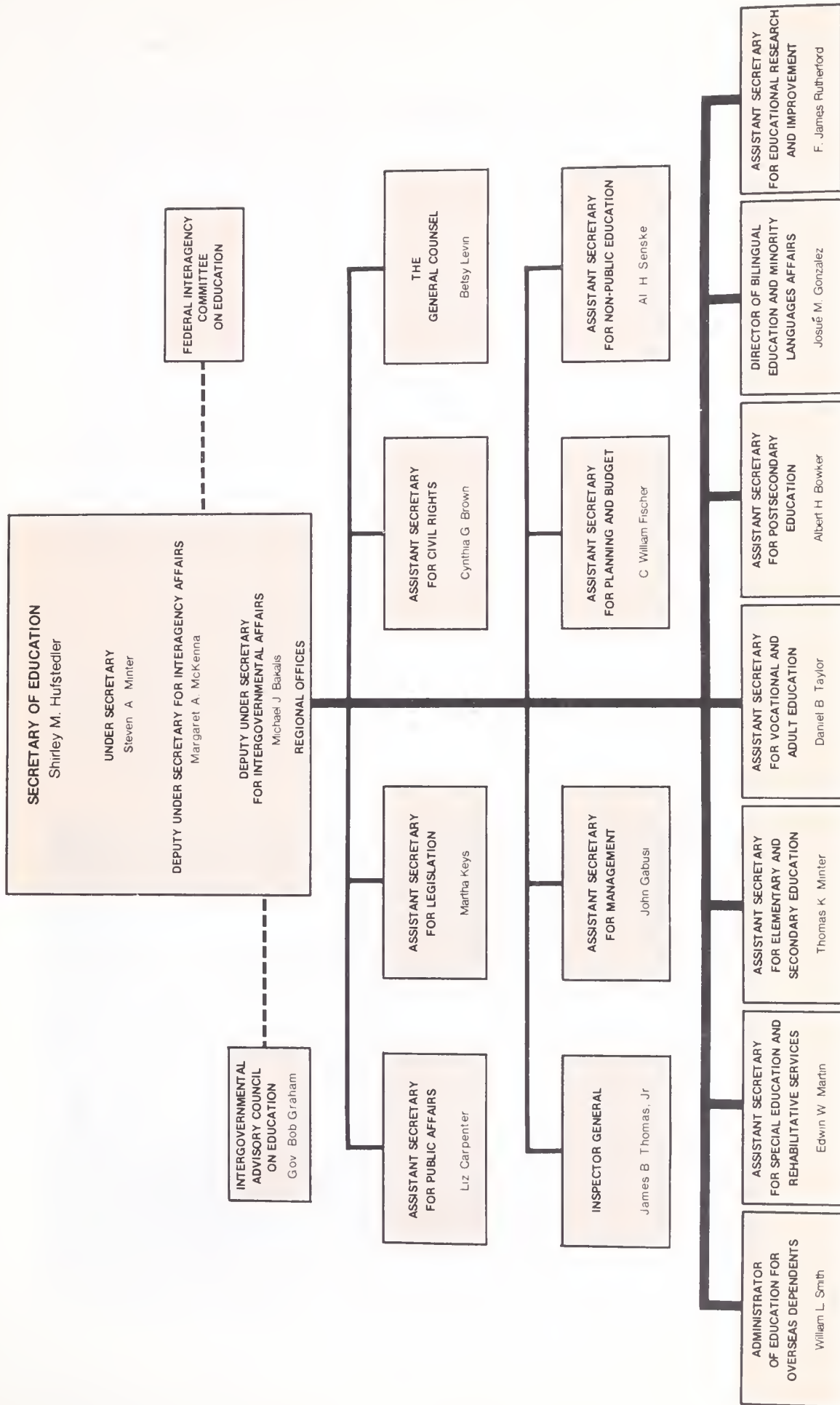
In his Education Message to the Congress in February 1978, President Carter described it as his goal "to reestablish education in the forefront of our domestic priorities." The creation of the Department of Education, and its activities since the doors opened on May 4, 1980, are firm steps in the correct direction. Yet they are only the beginning of a great journey. There is much to be done in the coming year—and in every succeeding year, under whatever brand of leadership.

The needs of our country's children do not change with the tides of our elections. They cannot be dropped one year and picked up the next with no damage. They must be attended to every day, with care, with affection, and with imagination, for the nation's children are not merely a part of our future—they are our whole future.



Shirley M. Hufstедler

DEPARTMENT OF EDUCATION



Office of the Under Secretary

The Under Secretary is the Secretary's principal adviser on matters of program policy and is responsible for internal management and day-to-day Department operations.

By statute, the Office of the Under Secretary also is responsible for the Department's relations with state and local governments and with other federal executive branch agencies. In this capacity, the Under Secretary oversees consultations with state and local education officials, other representatives of the education community, and education program managers in federal departments and agencies.

The Office in FY 1980 was active in advancing the President's Initiative on Historically Black Colleges and Universities and in creating the Intergovernmental Advisory Council on Education.

Office of the Deputy Under Secretary for Intergovernmental Affairs

The Office of the Deputy Under Secretary for Intergovernmental Affairs provides administrative support to the Intergovernmental Advisory Council on Education, works closely with the Department's 10 regional offices, and serves as Department liaison to the education community.

The Advisory Council

The Department of Education Organization Act mandated the Intergovernmental Advisory Council. Chaired by Governor Robert Graham of Florida, the 20-member Council represents state and local govern-



Secretary Hufstедler swears in members of the Intergovernmental Advisory Council on Education. Governor Robert Graham of Florida (right, first row) is Council chairman.

Intergovernmental Advisory Council on Education Membership

Elected Officials

Robert Graham, Chairman	Governor, Florida
Jessie Rattley	Member, Newport News, Virginia, City Council
Lucille Maurer	Member, Maryland House of Delegates
Richard Hatcher	Mayor, Gary, Indiana
J. Glenn Schneider	State Representative, Illinois
Jose Serrano	State Assemblyman Bronx, New York

Elementary/Secondary Education Representation

Craig Phillips	State Superintendent of Public Instruction Raleigh, North Carolina
Judith M. Owens	Mathematics Teacher, Bangs Avenue School Asbury Park, New Jersey
Hiroshi Yamashita	Past President National School Boards Association Honolulu, Hawaii
Ramon C. Cortines	Superintendent of Schools Pasadena, California
Abraham Shemtov	Director, American Friends of Lubavitch Philadelphia, Pennsylvania

Postsecondary Education Representation

Robert Hardesty	Vice Chancellor for Administration University of Texas Systems
Gene A. Budig	President, West Virginia University
Richard Gilman	President, Occidental College Los Angeles, California
Henry Steele Commager	Professor, Amherst College
Wenda Moore	Chairman, Board of Regents University of Minnesota

Public Representation

Frank Bowe	Director, American Coalition of Citizens With Disabilities, Inc. Washington, D.C.
William Shea	Shea, Gould, Climenko & Casey New York, New York
Sandra Lucas	Student, Brigham Young University Provo, Utah
Daisy Thaler	President, D.W.T. Corporation Louisville, Kentucky

ments, the education community, and the public as advisers to the Secretary and the President on major education issues involving the federal government. The Council recommends ways to improve the administration and operation of Department programs. It also provides a forum for discussion of education's needs and problems.

The Council held its first meeting on September 30, 1980. It identified several issues to be included on the agenda in the next 6 months and others to be addressed over a 3-year period.

Education Community Liaison

The Office in FY 1980 established liaison with the education community to encourage open and frank communication in helping the Department to develop education policies and priorities responsive to the needs of our schools and colleges.

For example, education organizations have asked to participate in the development of regulations, working with key Department personnel on specific issues of concern. The first working session in FY 1980 was held to discuss implications of the proposed Civil Rights Language Minority Regulations. A second meeting was held on regulations to implement the Asbestos School Hazard and Detection Control Act of 1980.

The Office initiated regular meetings with national associations representing elementary, secondary, and postsecondary education as well as state and local government officials to discuss other issues of mutual concern. Future discussions will focus on identifying conflicting or duplicate education policies, proposed legislative initiatives, the Department's budget-making process, and educational goals and objectives in the 1980's.

Education community liaison was not limited to national organizations. The Secretary's Regional Representatives in the 10 regional offices established working relationships with state-based affiliates. Plans also are underway to establish regional inter-governmental advisory councils to

work with state education leaders on regional issues.

The Regional Offices

The Department's 10 regional offices provide a wide range of services. They monitor processing by colleges of student applications for financial assistance. They work with states to provide rehabilitation services for handicapped persons. They process civil rights actions to eliminate discrimination on the basis of race, sex, national origin, language, or physical and mental handicaps. They identify promising educational practices for widespread dissemination to schools and colleges. In addition to such specific education program support, the regional offices conduct audit and investigative services to ensure program integrity and the effective use of federal funds.

Youth Initiative

The Youth Initiative Task Force was established in the Office in FY 1980 to work closely with the Department of Labor in developing comprehensive plans to help state and local agencies improve the education and employment prospects of American youth from low-income families.

The major task force accomplishment was the development of the Youth Act of 1980 for consideration by the Congress. The proposed legislation calls for highly targeted basic skills programs for students in grades 7-12, alternative education and work programs for out-of-school youth, and more effective coordination of education resources provided through vocational education, training under the Comprehensive Education and Training Act, and work experience.

Office of the Deputy Under Secretary for Interagency Affairs

The Office of the Deputy Under Secretary for Interagency Affairs has five major concerns: interagency coordination, public participation and

consumer affairs, international education, advisory committees, and territorial coordination.

Interagency Coordination

The Secretary in FY 1980 sent to the President a proposed plan for operation of the Federal Interagency Committee on Education. The Secretary chairs the Committee. The plan is designed to assure effective coordination of federal education programs and related policies and administrative practices.

The Secretary proposed that representatives of almost 30 federal departments and agencies that operate education-related programs serve as Committee members. The Departments include State, Treasury, Defense, Justice, Interior, Agriculture, Commerce, Labor, Transportation, Housing and Urban Development, Health and Human Services, and Energy. The agencies are:

- ACTION
- Community Services Administration
- Environmental Protection Agency
- International Communication Agency
- National Endowment for the Arts
- National Endowment for the Humanities
- National Science Foundation
- Veterans Administration
- Smithsonian Institution
- National Aeronautics and Space Administration
- Small Business Administration
- National Occupational Information Coordinating Committee
- Office of Management and Budget
- Office of Science and Technology Policy
- Domestic Policy Staff
- Council of Economic Advisors

Interagency activities began in FY 1980 in arts education, primarily with the Arts and Humanities Endowments; and in international education with the Department of State and the International Communication Agency. An arts coordinator from the Department now serves as staff for the edu-

cation working group of the Federal Council on the Arts.

The Secretary also set forth priority topics for the Committee's attention, including—among others—basic skills and literacy and equity and civil rights.

Public Participation and Consumer Affairs

The Secretary set up an Office of Public Participation and Consumer Affairs in October 1980 to ensure that the Department is responsive to the people and institutions it serves. Nearly 200 groups in FY 1981 will be invited to attend a series of small group meetings focused on ideas and suggestions from consumers about Department policies and priorities. Similar meetings planned for the future will be held on a regular basis in Washington and throughout the country.

Some activities of the new Office are designed to meet the goals of Executive Order 12160, which encourages increased consumer involvement throughout government.

For example, the Office is developing a consumer plan to set forth the Department's strategies and plans for increasing citizen impact on policy. The plan will outline methods for consumers to use so that their views will be made known to the Department. It will allow for producing and distributing information to consumers on the Department's responsibilities and services. The plan will also establish procedures for handling complaints and for integrating these complaints with policy development.

International Education

A new International Education Office ensures that international education issues are coordinated at the highest Department levels. New relationships have been developed with the United Nations Education, Scientific, and Cultural Organization (UNESCO), the Organization of American States (OAS), and the Organization for Economic Development and Coordination (OEDC), and greater emphasis has been placed on

exchanges with developing countries.

For example, the Department in May 1980 hosted a group of Chinese vocational educators under the terms of a Memorandum of Understanding. This high-level delegation of Chinese educators included the Minister of Education of the People's Republic of China.

The Secretary in June addressed a meeting of Ministers of Education sponsored by UNESCO in Sofia, Bulgaria. Subsequently, the Secretary met in Washington with representatives of several developing countries, including Malaysia and Nepal. Following the Secretary's visit with the Mexican Minister of Education, the Department became a primary partner in the U.S./Mexico Joint Commission on Cultural Cooperation.

Advisory Committees

The Department administers 28 public advisory councils. The councils represent one mechanism through which members of the public can influence policy decisions that affect all Department programs. Members of 14 councils are appointed by the Secretary; the President appoints members to the remaining councils. The functions and structure of the advisory councils are established either by statute or, in the case of nonstatutory committees, by the Secretary. Advisory committee operations are governed by the Federal Advisory Committee Act, the General Education Provisions Act, the Sunshine Act, and the Department Committee Management Regulations.

The Office of the Deputy Under Secretary assists the Secretary in developing and implementing all policy decisions regarding the Department's advisory councils, as well as selecting and screening candidates for appointment.

From June to the close of FY 1980 on September 30, the Secretary made 107 appointments to advisory councils and approved 8 council charters. The new appointments reflect the Department's special policy initiatives, including affirmative action policies, and balanced geographical, ethnic, handicapped, and female representa-

tion. Of the newly appointed members 41 are women and 53 are members of minority groups.

Territorial Coordination

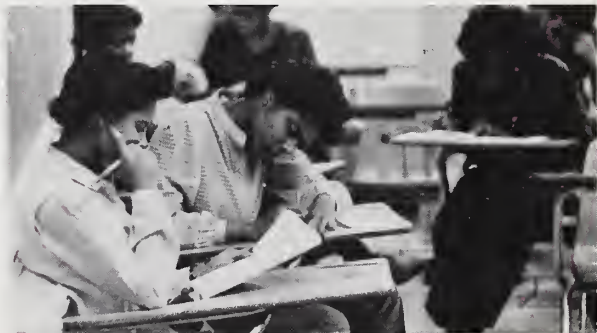
The Office oversees the Department's response to education problems affecting the Insular Areas—American Samoa, Guam, the Northern Marianas, the Trust Territories of the Pacific Islands, and the Virgin Islands. The Office coordinates technical assistance to the territories and oversees the consolidation of formula grant programs to the Insular Areas.

The Office is the interagency liaison on territorial problems and, as such, has represented the Department on the Committee on Interagency Territorial Assistance. The Office serves as the Department's liaison with the White House and the Department of the Interior's Office of Territorial and International Affairs to help implement the President's policy toward the territories.

Office of the White House Initiative on Historically Black Colleges and Universities

President Carter in August 1980 delegated to the Secretary the responsibility for a government-wide initiative to increase significantly the participation of historically black colleges and universities in federal programs.

To implement the initiative the Secretary created the Office of the White House Initiative on Historically Black Colleges and Universities. Its goal is to increase black college par-



Courtesy University of the District of Columbia

Regional Offices

Region I

Connecticut, Maine, Massachusetts,
New Hampshire, Rhode Island,
Vermont

John F. Kennedy Federal Building
Room 2403
Boston, Massachusetts 02203
Telephone: 617/223-7500

Region II

New Jersey, New York, Panama
Canal Zone, Puerto Rico, Virgin
Islands

26 Federal Plaza
Room 3954
New York, New York 10278
Telephone: 212/264-4045

Region III

Delaware, District of Columbia,
Maryland, Pennsylvania, Virginia,
West Virginia

3535 Market Street
Philadelphia, Pennsylvania 19104
Telephone: 215/596-1442

Region IV

Alabama, Florida, Georgia,
Kentucky, Mississippi, North
Carolina, South Carolina, Tennessee

101 Marietta Tower
Atlanta, Georgia 30323
Telephone: 404/221-2063

Region V

Illinois, Indiana, Michigan,
Minnesota, Ohio, Wisconsin

300 South Wacker Drive—15th Floor
Chicago, Illinois 60606
Telephone: 312/886-5360

Region VI

Arkansas, Louisiana, New Mexico,
Oklahoma, Texas

1200 Main Tower Building
Dallas, Texas 75202
Telephone: 214/729-3626

Region VII

Iowa, Kansas, Missouri, Nebraska

Eleven Oak Building
324 East 11th Street
Kansas City, Missouri 64106
Telephone: 816/374-2276

Region VIII

Colorado, Montana, North Dakota,
South Dakota, Utah, Wyoming

Federal Office Building
19th and Stout Streets
Denver, Colorado 80294
Telephone: 303/837-2442

Region IX

Arizona, California, Hawaii, Nevada,
Guam, Trust Territory of Pacific
Islands, American Samoa

50 United Nations Plaza
San Francisco, California 94102
Telephone: 415/556-4920

Region X

Alaska, Idaho, Oregon, Washington

Arcade Plaza
Room 509 M/S 1515
1321 Second Avenue
Seattle, Washington 98101
Telephone: 206/442-0460

ticipation in the hundreds of programs administered by some 50 departments and agencies—Defense, Agriculture, Education, Labor, National Science Foundation, and many others—which fund college and university activities ranging from student financial aid to research and development activities.

The historically black colleges and universities include over 100 public and private institutions established in 17 states to provide higher education traditionally unavailable to black students in segregated systems of education.

These institutions have made major contributions for many generations to

the nation's social, economic, and political development. Their role is no less important today.

In a January 17, 1979, memorandum, President Carter directed all departments and agencies, where appropriate, to establish goals to increase black college participation in federal programs over 1978 levels.

The President also directed them to:

- Review contract and grant programs to assure that historically

black institutions were not unintentionally excluded

- Establish a forum for increasing communication between federal officials and representatives of the institution
- Appoint a high-ranking official to oversee activity in the department or agency and to act as liaison to the White House staff.

Office of Elementary and Secondary Education



The Office of Elementary and Secondary Education administers approximately 30 programs with a budget of more than \$4 billion.

OESE has three major goals. First, it promotes equal access to quality education through compensatory education for children in low-income neighborhoods, desegregation assistance, and programs for migrant and Indian children. Second, it assists states and local school districts in efforts to improve the quality of education, including the development of innovative education programs and teacher training. Third, it carries out such unique federal responsibilities as the administration of funds for school districts whose tax base is reduced by the presence of federal facilities.

Program Accomplishments

For many OESE programs, FY 1980 was the first full year of operation under the Education Amendments of 1978 (P.L. 95-561). Several programs awarded funds under Amendment provisions and relevant regulations issued by the Department.

School Desegregation.—The Department in FY 1980 assisted six major

cities in implementing new, comprehensive, court-ordered desegregation plans involving the movement of approximately 150,000 children. Receiving grants under the Emergency School Aid Act to assist in implementing the plans were Albany, Georgia; Austin, Texas; Buffalo; Indianapolis; Los Angeles; and St. Louis. In addition, several major cities received financial assistance to help address continuing problems resulting from desegregation efforts. These cities included Boston; Cleveland, Columbus, and Dayton, Ohio; Dallas; Denver; Detroit; Kansas City, Missouri; Louisville; Milwaukee; and Wilmington, Delaware.

OESE awarded grants totaling more than \$279 million in FY 1980 for desegregation assistance under the Emergency School Aid Act and Title IV of the Civil Rights Act. These funds supported over 800 projects and a wide range of activities, including:

- assistance to local school districts which are desegregating as a result of a court order, Title VI of the Civil Rights Act requirement, or voluntary action
- providing funds to school districts as they enter the initial costly stages of the desegregation process
- supporting planning and encouraging voluntary desegregation
- long-term assistance to districts which have completed initial desegregation but continue to experience desegregation-related problems.

Indian Education.—OESE under the Indian Education Act awarded more than \$73 million to help address the special educational needs of Indian children and adults. Awards were made to more than 1,100 local school districts and 149 other groups and

organizations, including Indian tribes. In addition, 223 fellowships were awarded to Indian students to enable them to pursue professional degrees in medicine, law, engineering, business administration, and natural resources.

A major program accomplishment was the establishment of five regional resource and evaluation centers to assist grantees under the Indian Education Act. These centers were created to address several recurring problems among grantees, including perfunctory and unsystematic evaluations, inadequate management, varying project quality, and lack of information dissemination on successful practices.

OESE also worked with the Education Commission of the States to expand its awareness of the needs of Indian students. A related goal was to increase understanding on the part of the state officials of their roles and responsibilities in educating Indian children.

The Department of Education signed an agreement with the Department of the Interior and its Bureau of Indian Affairs to promote the coordination of programs administered by the two Departments to improve edu-

cational opportunities for Indian children.

Compensatory Education.—Under Title I of the Elementary and Secondary Education Act, awards totaling \$2.8 billion supported compensatory education programs in local school districts. Of that amount, \$150 million was provided through a special "concentration" formula, added by the Education Amendments of 1978, which provides for additional assistance to districts in counties with more than 5,000 children from low-income families, or where such children constitute more than 20 percent of the total student population. FY 1980 was the first year under this new formula.

Title I funds support compensatory services for approximately 5 million children across the nation. The Department estimates that over 80 percent of these children are enrolled in elementary schools, with less than 20 percent in grades 7-12.

A major accomplishment in FY 1980 was the improvement in student achievement scores in several major cities. Detroit, Newark, New York City, Los Angeles, and Washington all reported gains in student achievement, as measured primarily by



standardized tests in reading and mathematics. Although the Department has no specific evidence to suggest that these improvements were a direct result of federal compensatory education assistance, most education experts acknowledge that Title I and other compensatory education efforts have played a role in helping districts to improve the achievement of students.

Migrant Education.—OESE awarded over \$245 million to 47 states and Puerto Rico to provide education and related services to almost 400,000 migrant children.

The Department initiated four major improvements in the Migrant Education Program in FY 1980. First, consistent with the Education Amendments of 1978, the Department monitored and states began major "child find" activities in an attempt to identify all migrant children eligible for services under the Elementary and Secondary Education Act.

The second improvement was the expansion of information and services provided by the Migrant Student Record Transfer System. This system, under a contract with the Arkansas Department of Education, was expanded to include for the first time a communication system by which migrant student behavioral skills data in mathematics, reading, and early childhood and oral-language development can be transmitted throughout the country and Puerto Rico. These data are kept on a national level so that when a migrant child moves from one state to another the information can be readily available to the state and school district receiving the child. In this way the recipient state does not have to duplicate diagnostic services and can immediately place the child in the proper grade.

Third, a discretionary grant program was initiated to improve migrant education activities within and between states. Added to Title I, ESEA, by the Education Amendments of 1978, these grants will be made for the first time in FY 1981 to provide financial assistance to state education agencies for projects designed to improve interstate and intrastate coordination among SEA's, local edu-

cation agencies, and other agencies participating in the basic Migrant Education Program under Title I.

Fourth, the High School Equivalency Program and the College Assistant Migrant Program were transferred to OESE to improve coordination of the delivery of educational services to migrant students at the high school and college levels.

Another major accomplishment was an interagency agreement between the Department and the Public Health Service to coordinate and improve the delivery of health services to migrant children.



Disaster Aid.—OESE in FY 1980 assisted 240 school districts where disasters occurred. Perhaps most notable was the assistance to areas affected by the volcanic eruptions at Mount St. Helens. Financial assistance will also be provided to that area in FY 1981.

Career Education.—More than \$14 million was provided to states to assist in installing career education programs. FY 1980 marked the second year of this effort under the Career Education Incentive Act. In addition, an effort was made to assist states in helping students choose a career without regard to their sex, race, or handicap. This effort involved:

- establishing three national advisory panels on issues of sex, race, and handicap stereotyping
- conducting a national search for outstanding programs and practices that combat these kinds of stereotyping
- preparing program manuals and handbooks for teachers dealing

with the reduction of stereotyping in the career-choice process.

A national conference brought together career education coordinators from 36 states and representatives from 12 national organizations concerned with combating stereotyping. The state coordinators were furnished with multiple copies of the manuals and handbooks for use with local school personnel in their states, and technical assistance was provided so that states can conduct their own workshops on how to reduce stereotyping of students in the career-choice process.

Asbestos Hazards in Schools.—The Asbestos School Hazard and Detection Control Act of 1980 provides technical and financial assistance to state and local school districts to enable them to identify asbestos hazards in schools. The Act also provides loans to local districts to contain or remove hazardous asbestos materials from schools and to replace them with more suitable insulation materials.

The law required that the Secretary of Education establish an Asbestos Hazard School Safety Task Force. The Department established the Task Force and issued proposed rules to implement the new legislation, in conjunction with the Environmental Protection Agency, in September 1980.

Other Activities.—OESE provided \$146 million to states to help them support innovative local practices under Title IV-C of the Elementary and Secondary Education Act. It awarded \$51 million to help strengthen state education agencies. It supported fellowships to economically disadvantaged students and enabled them to visit Washington and increase their understanding of the federal government, and it provided general aid to the schools in the Virgin Islands.

Efforts To Improve Quality

Several major activities were undertaken in FY 1980 to improve the quality of education in elementary and secondary schools.

OESE encouraged school districts to use the resources and information available from the National Diffusion Network, which is supported by the Office of Educational Research and Improvement. For example, schools learn about and adopt career education projects that have been validated by the Joint Dissemination Review Panel. A highlight of this collaboration was a national conference in Seattle in March 1980, attended by state coordinators of career education from 38 states, as well as by 136 other people interested in dissemination of career education information.

To improve the compensatory education effort nationwide, supported primarily by Title I of the Elementary and Secondary Education Act, OESE and the network sponsored several conferences to inform state and local

Following Children Who Follow the Harvest

Here's how Title I has made life a little better for a million migrant children in the last decade. They are children like Carlos Valdez, 9, and Sabrina Washington, 7, who spend much of the year on the road as their families harvest fruits and vegetables from Florida to Maine, Mississippi to Michigan.

Each time the families enter a new state or county to pick lettuce or tomatoes, Carlos and Sabrina enroll in a new school, sometimes as often as once a month. When asked where they come from, the children know only that they came "from the lettuce." They carry no school records.

Before Title I, such children had to be retested by each school to determine their proper grade level and general health. This could take weeks. By then, the families were usually off again, this time "to the tomatoes."

In 1971, Title I began the Migrant Student Record Transfer System to end this haphazard approach. With many states cooperating, the system's giant computer now has a complete record of the health and academic performance of most migrant children.

For school and health officials these records are a telephone call away. Thus, Carlos and Sabrina can be properly placed their first day in the new school.

education officials about highly successful Title I programs.

In addition to working with the National Diffusion Network, OESE performed numerous technical assistance functions across all programs. For example, every proposal submitted for funding under the Emergency School Aid Act was subjected to a comprehensive quality review by both federal staff and outside readers. This quality review identified deficiencies in the desegregation plan, and helped school districts modify their plans to make them more effective.

The Office of Indian Education also sponsored regional technical assistance workshops for grantees, including workshops jointly sponsored with the Bureau of Indian Affairs.

OESE sponsored several studies in FY 1980 to identify schools and programs that work and to disseminate information about them. It supported Dr. Kenneth Clark's investigation of predominantly black high schools in Newark, New Jersey, to identify the characteristics that make these schools effective.

OESE also supported research by the National Urban League to determine the relationships between certain community changes and the Follow Through program. Finally, OESE supported an experimental effort whereby a health maintenance organization works with a school district to encourage and help students enroll in programs leading to careers in medical fields.

Major Administrative Actions

OESE conducted several new activities in FY 1980. For example, it set up complaint procedures for the Title I and Migrant Education programs, conducted hearings for Indian complaints under the Impact Aid Program, began the Consolidated Grants to Insular Areas Program, and conducted parent workshops.

The Education Amendments of 1978 require written procedures for resolving complaints concerning violations of Title I and applicable provisions under the General Education Provisions Act. During FY 1980, OESE processed and took action on

complaints under both part A of Title I (Programs Operated by Local Educational Agencies) and Migrant Education.

P.L. 95-207 also requires the Department to hold a hearing and issue decisions when a tribe or its designee files a written complaint regarding provisions designed to assure participation by Indian children on an equal basis in those districts which receive support under Public Law 874. Fiscal year 1980 marked the first year that OESE implemented those requirements. Two complaints were received and hearings were held.

The Department of Education was the first Cabinet-level agency to implement P.L. 95-134, which authorizes consolidated grants to the Insular Areas. OESE serves as the Department's central point for administering this provision, and in FY 1980 three of the eligible Insular Areas—American Samoa, Trust Territory of the Pacific Islands, and Northern Mariana Islands—took advantage of Title V of P.L. 95-134. The law allows consolidation by Insular Areas of application and reporting procedures for a number of Department programs that previously required separate procedures. The law also gives Insular Areas flexibility in allocating funds under the consolidated grant to achieve any purpose served by the programs consolidated under the grant.

OESE conducted five regional workshops to train state and local Title I staff and parent advisory council members to implement the parent involvement requirements of P.L. 95-561, and to improve the quality of parent involvement and of parent advisory councils at the local level. Over 2,300 people participated in this first series of workshops.

Final regulations were issued in FY 1980 for the following programs: Migrant Education; Emergency School Aid Act; Improving Local Education practices; Strengthening State Education Agencies; and Indian Education Act. Notices of proposed rulemaking were issued for Title I of the Elementary and Secondary Education Act.

Evaluation and Program Reviews

Major evaluations and "audits" of four OESE programs were completed in FY 1980: Title IV of the Elementary and Secondary Education Act, Follow Through, School Assistance in Federally Affected Areas (Impact Aid), and Career Education. Other evaluations involving Title I, Indian Education, Career Education, and Migrant Education were initiated or in progress in FY 1980.

The study of program consolidation under Title IV reached the following conclusions.

- Title IV is a popular, well-run program praised for its flexibility and ease of administration.
- Title IV did not result in a consolidated management of former categorical programs.
- States and local school districts vary in the substance, management, and quality of their IV-B and IV-C activities.
- Small IV-B and IV-C grants can induce substantial improvement in local practices.
- Title IV participation of eligible nonpublic school students is uneven.

The Department created an evaluation implementation board to recommend actions based on the Title IV study. This board completed preliminary work in FY 1980 and will issue its recommendations for actions by appropriate Department officials early in FY 1981.

An internal review of the Follow Through program recommended major program changes. Perhaps most notable is the recommendation that the program should include both service and research components.

Initial steps were taken to implement the findings of this evaluation in FY 1980. OESE and the Office of Educational Research and Improvement reached a formal memorandum of understanding to have the National Institute of Education conduct research and model development activities under Follow Through. Information gathered from this research will be the basis for the support of service projects so that a continuing



cycle of transferring research findings into practice will be accomplished. In addition, the Department performed preliminary work necessary to establish performance indicators both for individual projects and the overall Follow Through program. The full-scale implementation of the audit recommendations requires changes in existing Follow Through regulations. The Department will explore the feasibility of making these changes in FY 1981.

An audit of the Impact Aid program made comprehensive recommendations concerning its administration. A full-time project manager was appointed in July 1980 to oversee the implementation of several recommendations. Several recommendations, including the development of a procedure and criteria for determining maximum entitlements for Section 2 districts, were implemented in FY 1980. Others, including making initial payments earlier in the fiscal year, will be made early in FY 1981. To make these early payments, the Department requested and received over 2,500 applications prior to October 1980.

A major change in the way the basic Impact Aid program is managed will be implemented throughout FY 1981. Proposed is a process pat-

terned after the Internal Revenue Service system of tax payments in order to replace what is a burdensome, detailed method of documenting and verifying both children and property. The new process will mean a tremendous reduction in the paperwork burden placed on grantees.

An assessment of the Career Education program, completed in FY 1980, indicated that the program can be evaluated and that (1) plausible, measurable objectives have been devised; (2) feasible sources of per-

formance information have been determined. An evaluable program model was developed which contains over a hundred activity/outcome connections in career education. All of these connections can be measured to a greater or lesser extent.

The annual evaluation report details the planned completion dates of ongoing studies. Once those studies are completed, the Office of Elementary and Secondary Education will take action to implement those recommendations.

Office of Bilingual Education and Minority Languages Affairs

The Office of Bilingual Education and Minority Languages Affairs administers 11 programs to increase the English-language skills of children whose proficiency in English is limited and to provide support services for these activities.

All these programs, authorized under Title VII of the Elementary and Secondary Education Act, stress federal assistance to help states and local school districts improve their capacity to provide bilingual instruction for these children when federal funding is reduced or no longer available.

The total appropriation for FY 1980 was \$167 million. Most of this amount was allocated to the Basic Projects Program (\$98.7 million) which supports programs of bilingual education in local school districts and provides training for persons participating in those programs. The remaining programs administered by OBEMLA provide direct or indirect

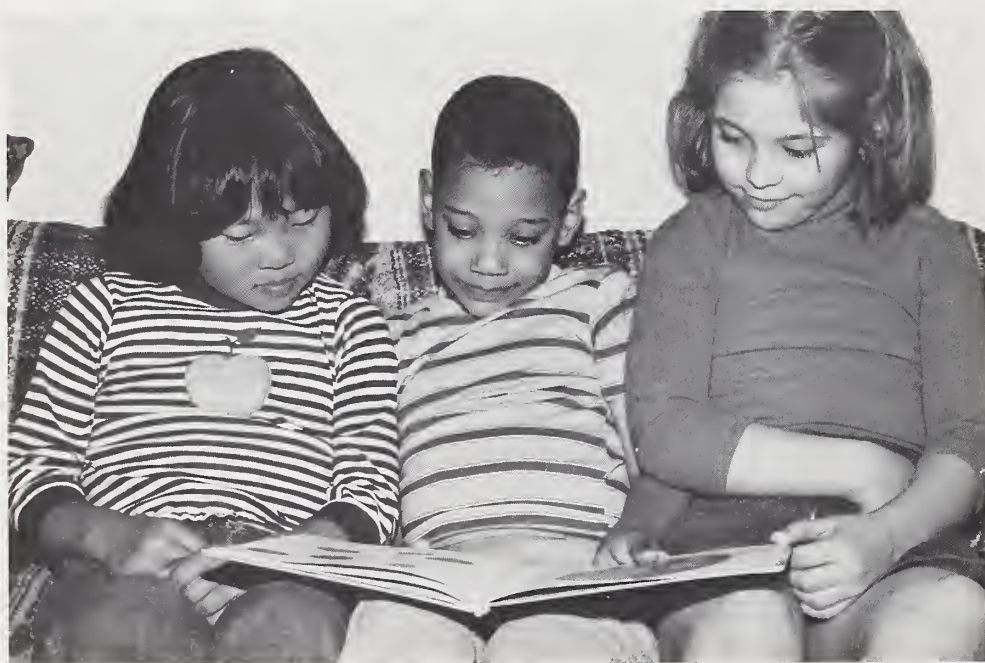
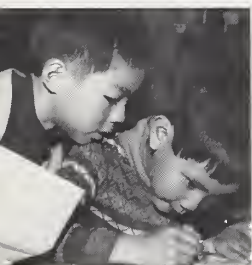
support to the educational activities carried out on the local level in the Basic Projects Program.

Program Operations

Funds are distributed through direct grants and contracts, with the majority of funds awarded in 3-year grants to local education agencies.

Other eligible recipients include state education agencies, institutions of higher education, nonprofit private organizations, and individuals.

The Office monitors its grantees on an ongoing basis. The chief purposes of monitoring are to: 1) determine whether the grantee is in compliance with statutory requirements and applicable regulations; 2) determine the grantee's fidelity to the goals and activities set forth in the approved proposal; 3) assess the quality of the program; 4) provide technical assistance enabling the grantee to improve the quality of the project as it is



being implemented; and 5) identify exemplary approaches in program design or in management which may be suitable for dissemination to similar sites.

Organization of Office and Administration of Programs

OBEMLA includes the Office of Bilingual Education formerly in the Office of Education and two new program authorities—Bilingual Vocational Training and Refugee Assistance.

The Director of OBEMLA is charged by the Secretary of Education with responsibility for coordinating all Department activities directed toward minority language populations and for assuring continuity and consistency among the various programs that provide services to these persons.

Title VII Programs and FY 80 Funding

Descriptions of the 11 programs administered by OBEMLA and funded under Title VII of the ESEA in FY 1980 follow.

Basic Projects.—This program assisted local education agencies in establishing, operating, or improving bilingual education programs which help children of limited English proficiency to improve their English-language skills. These projects also are designed to enable the grantee to continue bilingual education programs when federal funding ceases. The Basic Projects Program provided \$98.7 million to support 556 projects.

Typical of projects supported under the Basic Project Program was that conducted for children of French-Canadian heritage by the Franklin Northeast Supervisory Union, a school district in Richfield, Vermont. Based on a teaching approach developed and proved effective with children in northern Maine, the Union project teaches basic skills—reading, writing, listening, and speaking—in both French and English. The project served children in kindergarten through grade 4, who came from low-

Welcome to America

Umberto Santos, 6, tried to be a man but cried anyway when his family said goodbye to Aveiro, the Portuguese fishing village where he was born, and set sail for an unknown place called Fall River, Massachusetts. His father had decided to join his Fall River relatives in their fishing operations on the Grand Banks. Like Aveiro, Fall River was a hilly town, the new house small but cozy. Umberto almost felt at home, except for the peculiar language most people spoke. Father called it English.

Umberto trudged down the hill to school the first day, trembling at the prospect of strange classrooms, new faces, and a torrent of words he couldn't understand. To his surprise the teacher smiled and hugged him. "Ben-vindo, Umberto. Nos estanos muitos contentes de vos ter na classe." Welcome. We are so glad to have you in the class.

It was like that all day and all year. Umberto first learned to read and write in Portuguese, but he learned more English every day. He didn't know that his bilingual teacher and books were provided by the federal government. He wouldn't have understood about federal aid anyway. But when school closed in June, he proudly carried home a book in English he could read—about a boy who caught the world's biggest cod.

income rural areas. The children are expected to show measurable gains in creativity and logical reasoning.

Demonstration Projects Program.—Projects supported by this program demonstrate exemplary approaches to meeting the educational needs of children of limited English proficiency and to building the capacity of the grantee to continue programs of bilingual education when federal funding is reduced or no longer available. They focus on the needs of special populations (e.g., exceptional children) or unique approaches (e.g., community or parental involvement). OBEMLA funded 35 demonstration projects in 1980 under this new program effort for a total of \$8.6 million.

State Education Agency Projects for Coordinating Technical Assistance Program.—This program is to assist a state education agency in developing its capacity to coordinate technical assistance for bilingual education programs funded under Title VII within the state. The funds available to a state education agency may not exceed 5 percent of the total funds awarded under Title VII to local education agencies within the state during the preceding fiscal year. This effort was funded for \$5 million which enabled 47 SEA's to continue their activities in bilingual education.

Support Services Projects (Bilingual Education Service Centers).—A number of BESC's designed to provide a wide range of services to grantees, potential grantees, and others interested in bilingual education are supported under this program. Services include, but are not limited to: training for teachers, parents, and others; providing technical assistance in the use of testing instruments and materials; and identifying and using community resources. In FY 1980, 19 centers were funded at a cost of \$9 million.

Support Services Projects (Evaluation, Dissemination, and Assessment Centers).—EDAC's assist in the evaluation, dissemination, and assessment of materials for bilingual education and bilingual education training programs within designated service areas. A total of \$2.4 million was spent for these centers.

Training Projects Program.—One purpose of this program is to establish, operate, or improve undergraduate and graduate bilingual education training programs at colleges and universities. Grants are also awarded to provide nondegree training for SEA personnel, parents, and others involved in the administration or conduct of bilingual education programs. Over \$17 million was allocated in FY 1980 for professional development at 166 institutions of higher education.

School of Education Projects Program.—This program is designed to establish or to increase the capacity of

institutions of higher education to train personnel for bilingual education programs. It provides funds for the salary of a faculty member who plans and develops training programs related to bilingual education. The funds are provided on a graduated basis to the college to pay 100 percent of the salary the first year, up to two-thirds the second year, and up to one-third the third (final) year of the grant. This new program funded 27 projects in FY 1980, for a total of \$1 million.

Fellowship Program.—This program provides financial assistance to full-time graduate students who are enrolled in post-master's degree programs that prepare trainers of teachers of bilingual education. The graduate students must attend institutions with approved fellowship programs and must agree to work in the field of bilingual education in a training capacity for a period of time equivalent to that time for which they received assistance. There are repayment requirements for those recipients who do not fulfill the conditions of this program.

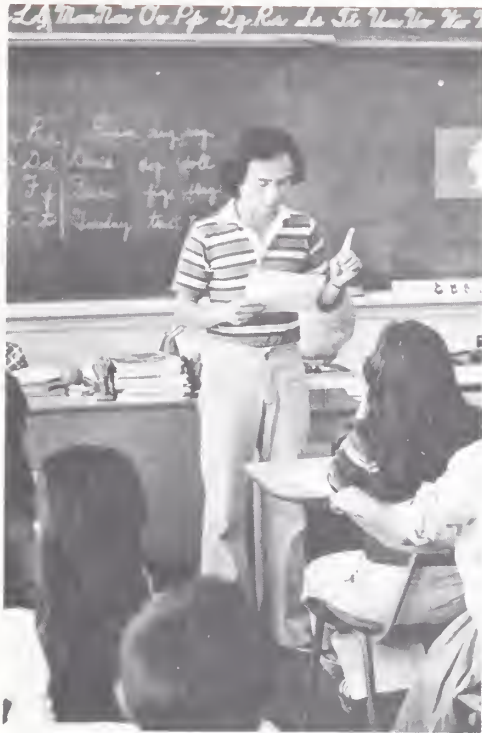
Over 558 fellows participated in this program at 43 universities around the country in FY 1980. The total figure for this effort was \$4.4 million.

Materials Development Projects Program.—These projects develop instructional and testing materials for bilingual education and bilingual education training programs. A total of 17 centers were funded, with a total appropriation of \$6.1 million.

For example, Notre Dame College in Bedford, New Hampshire, was awarded a grant for \$370,790 to enable the National Development Center, a higher education consortium of 12 member institutions, to develop materials in French and Creole.

The population to be served by the project includes approximately 4 million Franco, Cajun, and Haitian Americans in Florida, Massachusetts, New Jersey, New York, and Louisiana.

Desegregation Support Program.—This program provides financial assistance to local education agencies



involved in desegregation. The funds help LEA's to meet the educational needs of children from environments in which the dominant language is other than English, and of those who lack equality of educational opportunity because of language barriers and cultural differences. Grants totaling more than \$8.5 million were made to 18 school districts in FY 1980.

Research and Development Program.—This program supports research activities designed to enhance the effectiveness of bilingual education. Such activities include studies to determine effective models for bilingual-bicultural programs and effective methods of identifying and educating children of limited English proficiency. The legislation also mandates that studies be conducted to determine the effectiveness of Title VII programs, and that a clearinghouse be established to collect, analyze, and disseminate information on bilingual education.

The total budget for these activities was over \$4.6 million. In addition the National Clearinghouse on Bilingual Education was funded for \$1 million by a joint effort with NIE and OBEMLA.

Other Programs

Authorized by the Vocational Education Act (Title I, Part B), the Bilingual Vocational Program consists of three programs. The first supports training for persons of limited English-speaking ability in specific employment skills areas. The second provides grants to support teacher-training projects, while the third supports the development of curriculum materials.

The Refugee Assistance Program is a formula grant program. It provides assistance to states to enable local education agencies to support supplementary educational services for Indochinese refugee children enrolled in public and private elementary and secondary schools.

A Demonstration Projects Program has been created to encourage exemplary approaches to increasing the participation of children whose language is English in bilingual education programs.

In addition, a new program has been initiated to encourage schools of education, through "Dean's Grants" (School of Education Projects Program), to develop bilingual education training programs or to improve those currently in operation.

Plans for FY 1981

OBEMLA has four objectives for FY 1981: 1) development of an automated field-reader selection system; 2) establishment of a new evaluation system for bilingual education projects; 3) development of a plan to implement the recommendations of the President's Commission on Foreign Language and International Studies; and 4) improvement of program and policy coordination between OBEMLA and other agencies mandated to serve populations who have limited skills in English.

These four objectives result from a systematic review of the accomplishments of the past and the outstanding needs of the growing number of individuals who require special services because of their limited English-speaking ability. These activities fit into a long-range strategy to improve the delivery of services to target populations and to establish a system for monitoring the effects of these programs.

Office of Non-Public Education

The Office of Non-Public Education fosters maximum participation by students in private schools—both church-related and independent—in all Department programs for which they are eligible.

It recommends changes in laws, regulations, or policies that would increase services to private school students in accord with the goal that public and private students receive equitable services. It also reviews



Department programs and procedures to ensure services to private school students as required by law.

Private Education—A National Heritage

Private education is an integral part of the nation's heritage. The first schools and colleges in this country were, in large part, private institutions. Many existed before the Declaration of Independence was signed. In fact, the Department's National Center for Education Statistics reported that during the 1978-79 school year more than 5 million students, or almost 11 percent of America's schoolchildren, were enrolled in nearly 20,000 private schools. These schools employed approximately 275,000, or 11 percent, of the nation's teachers.

Fully half of all private schools in 1978-79 were Catholic, enrolling 65 percent of all private school students. Nearly 20 percent of private school students attended other sectarian institutions, while 15 percent went to nonsectarian schools.

Fifteen Years of Service to Private Education

With the Elementary and Secondary Education Act of 1965, the Congress for the first time provided comprehensive aid for America's schoolchildren. Based on the child-benefit theory, benefits were to accrue to children regardless of whether they attended a public or private school.

At the request of the private school community, the Office of Private Education Services was established in the U.S. Office of Education in 1971 to represent private school children. At the same time, various program units in OE appointed specialists to handle private education matters.

The Congress, in the Education Amendments of 1978, required the establishment of the Office of Non-Public Education, headed by a Deputy Commissioner. It was designed to ensure the maximum potential participation of non-public school students in all federal education programs for which such children are eligible. ONPE was elevated in the new Department structure and is headed by an Assistant Secretary.

Program Advisory Role

ONPE has no direct program authority but cooperates with offices directly responsible for program administration as well as with all other offices. Thirty-two programs require that private school students be given the opportunity to participate; another 14 permit this participation. These programs account for nearly half the Department's budget. For example, an estimated 191,000 private school students in FY 1980 participated in compensatory education programs under Title I of the Elementary and Secondary Education Act. Another 4.2 million private school children had use of books and other library resources under ESEA Title IV-B.

Policy Functions

The Office is the focus for the development of federal education policy with regard to private education. In FY 1980, it helped to develop the private school provisions of the Administration's proposed Youth Act of 1980. It also developed an analysis of private education issues which have impact on the participation of private school students in federal education programs, and was represented on four *ad hoc* task forces of the Department's Coordination Task Force to establish inter-relationships between the various units of the Department.

The Office has reviewed all proposed and final regulations which potentially affect the participation of private school students in Department programs.

ONPE's efforts contributed to the development of the private school

provisions of the Education Department General Administrative Regulations (EDGAR), an important accomplishment by the Department in promoting comparable and equitable services to private school students. EDGAR provides a single fiscal and reporting system for all important programs. A few of the strengthened requirements of EDGAR follow.

- Applicants must consult with appropriate private school representatives during all phases of project development.
- Applicants must include the number of eligible private school students identified.
- Benefits provided for private school students must be different from those provided for public school students if their needs are different.
- Prospective applicants are required to refer to program regulations if a bypass is available under a certain program.

Working With the Private Education Community

ONPE works with representatives of private school children and with state and local public school officials on private school matters. It works closely with the member organizations of the Council for American Private Education, which represents 85 percent of America's private school children.

In October 1979, ONPE invited national private education leaders, representatives of state education agencies, and others to a planning conference to recommend future Office activities. The conference provided useful proposals and gave the public, including representatives of private school children, access to the federal planning process. In addition, the Assistant Secretary addressed numerous conventions and conferences of public and private education organizations and met personally with representatives of these organizations.

The Office had contact with 400 national private education officials during the year on program regulations and services.

One way to ensure maximum participation of private school students in Department programs is to provide private and public school administrators, parents, and others with the knowledge and specialized expertise to participate in these programs. In FY 1980 the Office held a series of technical assistance institutes. More than a thousand people attended the 14 one-day sessions. They included state and local public school officials, private educators from every state, and representatives of nonprofit community organizations.

Numerous complaints were received from private education officials regarding Department services for their students. ONPE worked with the appropriate program units to resolve these complaints. In addition, the Office participated in site visits conducted by program units and reviewed audits, reports, and evaluations produced by these units to determine the extent to which private school students were receiving services.

Program Oversight

In monitoring Department programs, ONPE reviewed 34 state plans in FY 1980 to ensure that private school students were provided for, as required by statute. These plans potentially affected the participation of nearly 1 million private school children in seven programs.

Bypass Activities

Participation by private school students in Department programs appears to be increasing. One indicator of this is the increased use of the "bypass" to guarantee services to these students. Under a bypass, the Secretary withholds funds from an applicant—usually a public school district—and arranges to provide federal services directly to private school students. This bypass authority currently exists in seven programs.

Through 1979 the bypass procedure had been carried out in scores of local school districts operating programs under the Elementary and Secondary Education Act. In FY 1980, bypasses were implemented in

Helping Refugee Children in Private Schools

ESEA Title I makes a significant difference in the lives of many private school children. They are children like Nghiem Tran, a Vietnamese refugee, who came with his family to the United States in May 1975. The Tran family, all 16 members, was sponsored by the Christian Service Committee of St. Paul's Lutheran Church in Williamsburg, Iowa.

In the fall of 1975, Nghiem was enrolled in the Lutheran Interparish School in Williamsburg. Nghiem was 7 years old and started in the second grade, as did his cousin, Du Tran. Communication was on a gesture and sign basis since neither could speak English. But the two boys had no difficulty playing with other children. Somehow the "play" of children has its own international communication system.

Besides being taught reading and language in the regular classroom, Nghiem attended Title I remedial reading classes. The teacher worked individually with Nghiem and his cousin. After 2 months, communication went very smoothly. And after several years, Nghiem tested well on reading, vocabulary, and comprehension and no longer needed to attend the Title I reading class.

In March 1979, as a fifth grader, Nghiem won first place in an essay contest. The theme of the essay was "I love America because . . ."

Oklahoma City, Oklahoma, under the Career Education Program, and in St. Louis, Missouri, under the Follow Through Program. The Office assisted in implementing these bypasses and was represented in on-site reviews of their operation. Also, ONPE assisted in the agency's appeal of an administrative law judge's decision in the bypass of the Norfolk, Virginia, school district, and began a process to review all Requests for Proposals affecting the administration of a bypass before the requests are issued.

ONPE was also instrumental in assuring timely implementation of the Title IV-C bypass authority in two school districts in Oklahoma. Because of this effort, 217 private school students will be eligible to receive serv-

ices under the program during the 1980-81 school year.

Data Collection

ONPE has taken steps to facilitate data collection on the participation of private school students in Department programs. Currently, there is little reliable data on such participation. In addition, virtually no data exist on the number of private school students who are eligible to participate in such programs. At ONPE's request, and with its assistance, the National Center for Education Statistics has begun a two-pronged effort to collect such data.

NCES recently awarded a contract to design a feasible means for collecting reliable data on the number of students enrolled in private schools who benefit from federal education program services and an estimate of the dollar value of these services for specific programs. The data-collection procedure, which will be devised in this initial phase, will be applied in the fall of 1981. Statistics derived from that procedure will be available for public discussion prior to hearings scheduled for 1983 on the next Education Amendments. The Office also reviewed the plan for the School Finance Study being done by the Office of Educational Research and Improvement to ensure that efforts are being made to gather private school data.

Looking Ahead

The Office of Non-Public Education will have the following priorities in FY 1981.

First, it will develop and maintain relationships with other Department units so that these units will be sufficiently informed of private school issues, and so that accurate information about federally funded services

for private school children will be available to parents, teachers, and public and private school administrators. The Office will also contribute toward the exploration of new programs and concepts of participation by private school students in federal education programs.

Second, ONPE will serve as a Department liaison with public and private school officials on issues related to the participation of private school children in federal programs. It will work to improve the participation of private school students and teachers in those federal programs for which they are eligible and will help students utilize the programs.

The Office will provide education leadership and seek to communicate facts to private and public school officials, parents, and the general public. It will promote an education for all students, public and private, which will not only provide them with the basic knowledge, attitudes, and skills to function responsibly in their respective vocations and families, but also equip them so that they may become humane, law-abiding citizens with high standards and value systems.



Office of Special Education and Rehabilitative Services

The Office of Special Education and Rehabilitative Services is charged with helping states ensure that handicapped children receive appropriate special education and related services. It also provides disabled adults with rehabilitative services that meet their needs, and conducts research to improve the lives of handicapped persons. The Office has three major components: the Office of Special Education, the Rehabilitation Services Administration, and the National Institute of Handicapped Research.

In FY 1980, these agencies administered more than 20 programs, funded at more than \$2 billion. Over 4 million children are now enrolled in special education programs under the Education for All Handicapped Children Act (P.L. 94-142) and other legislation administered by OSERS. More than a million persons are involved each year in rehabilitation programs under the Rehabilitation Act of 1973, as amended.

OSERS' Primary Mission

OSERS' highest priority is to ensure that handicapped persons are provided with the skills, tools, and knowledge they need to function successfully in society's mainstream. Accordingly, OSERS' programs and services help the handicapped by making them less dependent, more self-reliant, and better able to make full use of their productive capabilities.

Support Services for OSERS' Programs

In FY 1980, OSERS established an Office for External Affairs to provide a single point of communication within the Department for consumers, advocates, and the general public

concerned with major issues involving handicapped individuals.

This office includes, for example, the presidentially appointed National Council on the Handicapped, which reviews and evaluates on a continuing basis all policies, programs, and activities concerning disabled individuals. It also includes the Office of Information and Resources for the Handicapped. Additionally, planning is underway within this office for celebration of 1981 as *The Year of the Disabled Person*, designated by the United Nations as a year in which efforts should be made to improve the quality of life for disabled people worldwide.

OSERS also established an Office for Planning and Management which,



through many of its coordinating activities, supports states' efforts to increase the availability and quality of services provided to handicapped persons. During FY 1980, for example, OSERS worked with the National Institute for Mental Health, an agency of the Department of Health and Human Services, to establish procedures by which community mental health centers can provide more of the mental health services which may be needed by children at the least expense to schools.

Looking Ahead

OSERS in FY 1981 will work to prepare handicapped people for employment and to assist the public and private sectors in developing employment opportunities. Increased attention also will be given to special populations, such as minority groups, to ensure that those who are identified as handicapped receive services accordingly.

OSERS also will emphasize programs that foster independent living so that disabled people need not become residents of nursing homes and institutions.

In endeavoring to meet these goals, OSERS is committed to working closely with states and with elementary and secondary schools, vocational and technical centers, higher and adult education programs, and rehabilitation and independent living centers.

Office of Special Education

Dramatic changes occurred in FY 1980 through programs administered by the Office of Special Education. State and local education agencies responded positively to the spirit of the Education for All Handicapped Children Act (P.L. 94-142) and other federal legislation designed to enhance special education opportunities for young people. Through these efforts, and those of parents and advocates, handicapped children were being educated with nonhandicapped children, to the maximum extent possible, as part of the ongoing

effort to integrate handicapped youngsters into normal living and working situations.

Progress Since 1976-77

The most recent child count, completed in December 1979, showed that some 4 million handicapped children ages 3-21 (9.5 percent of all children in school) received special education in school year 1979-80. This was an increase of 117,000 children served compared with 1978-79 and nearly 328,000 since the 1976-77 school year, when the first child count was made.

Reaching the Preschooler.—The earlier in a child's education a physical or mental disability can be identified and appropriate learning programs started, the greater the benefits to the child and the lower the costs to society. In school year 1979-80, about 232,000 handicapped children ages 3-5 received special education and related services under P.L. 94-142—an increase of about 16,900 or 7.9 percent over the previous year.

In addition, the Office of Special Education provided state preschool incentive grants, funded demonstration projects, and sponsored research institutes to improve education programs for the under 5 age group.

Projects To Meet Special Needs.—Demonstration projects began to address a number of areas of special concern. These areas included: career education, education for rural and urban populations, and for handicapped individuals who are also economically disadvantaged; and the integration of model practices into existing education programs for handicapped children.

Training Teachers.—The training focus widened in FY 1980 beyond the traditional core of special education personnel. As handicapped children began to spend at least part of the school day in classrooms with nondisabled children, it became necessary to train regular classroom teachers, parents, and others working with them. While state training and dis-

Laurel's Story

Thanks to people and machines with special skills, Laurel Hechinger, 15, is growing up confident and poised in a world she's never seen.

Using federal, state, and local funds, Arlington County, Virginia, has given Laurel, born blind, an array of support services since she was a preschooler. The county has helped loving parents keep a promise to themselves—that Laurel would be educated not in special programs for the handicapped, but in regular classrooms with her friends.

Since Laurel was 3 a vision consultant has advised her teachers on the best teaching approaches to meet her needs. A mobility instructor spent a summer walking with her through the junior high school she would enter in the fall to familiarize her with halls and classrooms.

At no cost to the family, the school provides Laurel with a talking calculator, Braille books, electric typewriter, and Optacon. Developed with OSERS' support, the Optacon contains a small TV camera that turns written words into electronic impulses. Laurel simply moves the camera across the page with one hand and feels the vibrating image with the other hand.

A gifted student, Laurel already has plans for college.

semination activities focused primarily on parents of handicapped children, regular classroom teachers, special education teachers, administrators, and teacher aides were also trained. Approximately 92,000 persons received training in school year 1979-80. Of this number, approximately 25,000 were special education teachers, while 67,000 were regular classroom teachers, support personnel, parents, and volunteers.

Involving Parents.—Through Closer Look, a national information center for parents of handicapped children, OSE continued in FY 1980 to sponsor public service announcements on national TV and to conduct workshops and publish newsletters which informed approximately 300,000 parents and professionals of their legal rights and obligations.

OSE also funded 10 parent groups which trained other parents to under-

stand and use P.L. 94-142 effectively. Approximately 8,000 parents were trained by these coalitions in FY 1980.

Finding Ways To Teach the Handicapped.—In FY 1980, OSE funded research which led to the development of learning programs for children with disabilities ranging from mild to severe retardation, for handicapped children with limited English-speaking ability, and for children with visual impairment. Research funds supported such advances in technology as laser canes, talking computers, and machines which read printed materials for the blind.

A workable "closed caption" television system was launched in FY 1980 after a decade of research, federal support, and close cooperation between the public and private sectors. The system includes special home TV set adapters that print spoken words across the screen so that deaf and hearing-impaired viewers can read what they cannot hear. Thus, they can enjoy the full educational and entertainment benefits of television.

Serving Gifted Children

Some 2.5 million gifted and talented children are among the "special" children served by OSE. Programs to assist these children include state planning grants, model projects to demonstrate new teaching approaches, training of school personnel, research, and the Presidential Scholars Program. Projects funded in FY 1980 included those to reach and encourage minority and handicapped children who have potential in the performing arts, science, or mathematics.

Goals for FY 1981

OSE in FY 1981 plans to further integrate handicapped students into the regular education system; improve programs for junior and senior high school students with special needs; increase cooperation among managers of vocational education, rehabilitation, and special education programs that will lead to more realistic cur-

riculums and nonstereotyped jobs for disabled youth and adults; and develop comprehensive programming for handicapped students based on strong interagency cooperation at the federal level.

Rehabilitation Services Administration

The Rehabilitation Services Administration in FY 1980 used its resources more efficiently than before to provide many more handicapped persons with job training, counseling, and other services that encouraged them to live independently. Basic state grants under the Rehabilitation Act of 1973, as amended, provided state vocational rehabilitation agencies with 80 percent federal matching funds to offer a variety of services to handicapped people.

VR Does Make a Difference

Data for FY 1979 (most recent figures) show the dramatic economic impact that vocational rehabilitation services can have on handicapped individuals. Before participating in VR programs, clients earned on the average only \$19 a week. After participation, their weekly earnings increased to \$119. Of more than 1 million people enrolled in VR programs in FY 1979, 54 percent were severely disabled; of nearly 300,000 persons rehabilitated, nearly half were severely disabled.

The Social Security Act also provided funds for VR services to people receiving disability insurance and supplemental security income under the Act.

In FY 1979, 13,302 persons in the disability insurance program were rehabilitated, as were 7,333 in the supplemental security income program. Reflecting rehabilitated persons able to leave the Social Security rolls, a cost/benefit study by the Social Security Administration revealed an average savings of \$2.05 in social security benefit payments for each \$1 spent on rehabilitation. Significant success also was reported under the Randolph-Sheppard Program to train



qualified blind persons to operate vending facilities on federal property.

Vocational rehabilitation facilities, many of which are built or improved with federal funds and operated by state or local governments or private nonprofit agencies, have become an indispensable resource to the federal/state rehabilitation program. In FY 1980, thousands of rehabilitation facilities offered such specialized services as vocational training, evaluation, recreation, education, medical assistance, and sheltered employment to severely disabled persons.

The Helen Keller National Center for Deaf-Blind Youths and Adults demonstrates the value of specialized services, training, research, and public education to rehabilitate persons who are both deaf and blind. In FY 1980, the Center served over 800 deaf-blind persons nationwide and significantly expanded its training

program for resident deaf-blind clients.

Program Development

The Rehabilitation Act supports special projects which expand and improve rehabilitation services for severely disabled people, including those handicapped by blindness, deafness, and spinal cord injuries. In FY 1980, 21 new projects were initiated.

One project increased the availability of vocational rehabilitation services to handicapped migrant agricultural workers or seasonal farm workers and their families through special federal grants. Most people served were Hispanics. Nearly 300 workers were rehabilitated in FY 1980.

Varied Approaches to Job Training

Private enterprise has also been involved in rehabilitation through the Projects with Industry Program. Business and industrial firms cooperate by providing a realistic work setting in which handicapped persons can be trained for jobs in the competitive labor market. In FY 1980, 7,500 disabled individuals received skills training; of those trained, 5,600 were placed in competitive jobs.

Client Assistance Projects.—These projects provide ombudsmen who work directly with state vocational rehabilitation officials to encourage constructive changes in the rehabilitation services delivery system. Approximately 7,000 persons were served by these projects in FY 1980.

Independent Living Rehabilitation.—This program provides services to severely handicapped individuals who cannot be rehabilitated vocationally but who can benefit from services enabling them to live more independently. In FY 1980, 123 Centers for Independent Living programs were supported by RSA grants. These Centers coordinate such services as attendant care, housing, transportation, counseling, advocacy, equipment maintenance and repair, and social or recreational services.

For example, one program served four severely disabled nursing home patients. Two patients have been able to leave the nursing home and resume residence in the community.

Training Grants.—Rehabilitation training grants ensure that skilled professionals are available to provide vocational rehabilitation services to severely handicapped people. Emphasis in FY 1980 was on training of medical specialists, mobility instructors for the blind, rehabilitation counselors and facility administrators, and vocational evaluators. In addition, a program was initiated to train interpreters for deaf persons in 10 new training centers nationwide.

Goals, Priorities, and Plans for FY 1981

Primary emphasis in FY 1981 will be on serving and rehabilitating severely handicapped individuals. Special efforts will be made to improve the efficiency, quality, and effectiveness of the service delivery system, which in turn will ensure that handicapped individuals receive the best possible services to help them utilize their abilities to the fullest possible extent. These efforts will include state management and program reviews and technical assistance and training to state agency staff.

National Institute of Handicapped Research

The National Institute of Handicapped Research was established in 1978 in response to criticism that federal dollars were not being used as effectively as possible to meet pressing rehabilitation research needs. Its mission is to conduct research programs that significantly improve rehabilitation services to handicapped persons. The Institute's first director took office in March 1980.

Interagency Committee on Handicapped Research

Charged with coordinating the handicapped research efforts of all



federal agencies, the Interagency Committee on Handicapped Research has a major role in Institute activities. With representatives from 20 federal agencies active in handicapped research, the Committee met for the first time in April 1980. Working with the Committee, the Institute cosponsored projects with six other agencies in FY 1980, including joint funding of two new research and training centers.

Plan for Rehabilitation Research

NIHR is mandated by law to prepare a long-range plan identifying the needs, gaps, and priorities in handicapped research, and establishing a systematic and coordinated approach to rehabilitation research across the federal and private sectors. The full network of NIHR institutions in FY

1980 participated in discussions about and prepared written materials for the plan. In addition, some 2,000 public and private individuals and organizations nationwide were asked for advice on what the plan should include. Subjects covered included: demographic and clinical characteristics of disabled persons; prenatal risk factors; intervention in early childhood to reduce the risk of mental retardation; prevention of spinal cord injuries and the treatment and rehabilitation of persons with such injuries; treatment of severe kidney disease; aging; promotion of an independent lifestyle for handicapped persons; and deafness and mental illness.

These research areas also were addressed by research and training centers, rehabilitation engineering centers, and general research and demonstration projects.

Research and Training Centers

In FY 1980 research and training centers affiliated with leading universities and service programs received more than \$15 million to conduct 400 research projects and 600 training projects for 60,000 participants. Four new RTC's were funded: two for aging, one for independent living, and one for mental illness. The RTC programs touch all aspects of research, such as basic and applied medical rehabilitation, psychological and social aspects of rehabilitation, and vocational rehabilitation.

Rehabilitation Engineering Centers

NIHR's rehabilitation engineering centers located in the United States and abroad received more than \$8 million in FY 1980 to conduct 30 projects designed to improve the quality of life for handicapped persons through technology and by combining medicine, engineering, and related sciences. REC personnel also collaborated with laboratories, industry, and state rehabilitation agencies to use the newest techniques in research, development, and clinical evaluation and to foster production

and patient use of new devices and treatment methods.

For example, a project funded in FY 1980 led to the development of "talking lights." This device is a detector gun that blind travelers can aim at signs in order to tell which street corner they are on, find the bus stop, know which bus is approaching, or if a passing car is an available taxi.

Research and Demonstration Grants

Approximately 17 percent of NIHR funds are used for special research and demonstration grants. In FY 1980, 53 projects were funded in such areas as severe head injury, spinal cord injury, severe burns, job placement and development, and rehabilitation agency linkages.

International Programs

NIHR also received funds in FY 1980 to conduct research projects in India, Pakistan, Egypt, Burma, and Guinea. These projects made possible the exchange of research experts and information to benefit not only U.S. citizens, but such unique handicapped populations abroad as the large number of young stroke victims in India.

Dissemination

Once new information is developed either in foreign or domestic pro-

grams, it is widely disseminated to the people it can best serve—handicapped persons, rehabilitation professionals, and researchers. Using both the research and training centers and special projects grants, NIHR sought in FY 1980 to spread validated rehabilitation practices and policies, to strengthen the capabilities of state, other public, and private sector agencies to apply information for the improvement of services, and to increase access to the rehabilitation knowledge base.

Goals and Priorities for FY 1981

In FY 1981, NIHR will conduct research focusing on such topics as preschool handicapped children; mental retardation and development disabilities; elderly handicapped persons; promoting a more independent lifestyle for handicapped persons; the economic impact of disability; managing services for handicapped persons; the psychological and social aspects arising from disabilities; and the health concerns of minority handicapped persons who are blind or visually impaired, deaf or hearing impaired, or who have spinal cord injury.

NIHR also will make a special effort to establish a national data base on the demographic characteristics of the disabled population in order to plan accurately for the future.

Office of Education for Overseas Dependents

The Department of Education Organization Act provides for the transfer of the Department of Defense Overseas Dependents' Schools to the Department of Education within 3 years of its official opening, that is, by May 1983.

Since 1946, these schools have served children of military personnel stationed abroad. Today, dependents' schools are located in 23 foreign countries from England to Japan and serve approximately 140,000 children. Current employment includes about 11,000 teachers and support personnel located in 273 schools and 6 overseas regional offices. If located in the United States, this school system would rank as the 12th largest in student enrollment.

The overseas dependents' schools provide a uniform curriculum for children from kindergarten through high school comparable to schools in the United States. In addition to the

core curriculum, special programs are also offered for handicapped, limited-English-speaking, and other educationally disadvantaged children. Language instruction and cultural programs are provided in each country to familiarize students with the host nation.

Planning for Transfer

The Department of Education Organization Act directed the Department to submit to the Congress by May 1981 a plan for transferring the dependents' schools. Accordingly, the Office of Education for Overseas Dependents in the latter half of FY 1980 established relationships with the Department of Defense, consulted with parents, teachers, and military commanders regarding the transfer, and identified specific requirements to be addressed in the plan.

Overseas Dependents' Schools



Major accomplishments in FY 1980 included:

- A conference for parents, teachers, administrators, and military command representatives from all regions was held April 29-May 1, 1980, to discuss the transfer plan.
- OEOD was established when the Department became operational on May 4, 1980.
- A small planning staff was assigned to OEOD in late May to coordinate development of a comprehensive transfer plan for submission to the Congress in early spring 1981.

Plans and Priorities

During FY 1981, the Office of Education for Overseas Dependents will have four priorities.

Establishment of the Advisory Council on Dependents' Education.—The Council will include representatives of teacher and other professional organizations, school administrators, parents of dependents enrolled in overseas dependents' schools, and students. Also serving will be a

representative of the Secretary of Education and the Secretary of Defense. The Council will be co-chaired by the Administrator, Office of Education for Overseas Dependents, and the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics). Representatives of the military unified commands will also participate in Council meetings on a liaison basis.

Council members will be involved actively in reviewing the proposed transfer plan as well as policy, budgetary, and operational issues affecting the schools. At least four meetings will be held each year.

Development of Regulations for Election of School and Installation Level Advisory Committees.—At present, there is no formal involvement of parents, teachers, students, and military commanders at the local school/military base level in the operation of dependents' schools. The Education Amendments of 1978, however, require local school and installation level advisory committees. OEOD is working closely with the Department of Defense to establish such committees for every school. Plans



also are being made to assure close coordination and frequent communication between these local school and installation advisory committees and the Advisory Council on Dependents' Education. The Department of Education has also issued proposed regulations prescribing the qualifications for election to an advisory committee and providing procedures for conducting elections. Following receipt and consideration of public comment, the Department expects to issue these regulations in final form.

Preparation of the Transfer

Plan.—Completion of the transfer plan is scheduled for March 1981. Following approval by the Secretaries of Education and Defense, the plan will be submitted to the Congress on or before May 4, 1981. The plan will cover the current governance structure for the overseas dependents' schools; arrangements for maintaining personnel, personnel benefits, financial management, and logistical support following the transfer; improvements and innovations in school educational programs and support services; and the proposed organization and management structure to administer the schools in the Department of Education.

Development of Other Initiatives to Support Overseas Dependents' Schools.

—The Department is working with the Department of Defense on several initiatives to improve the quality of education in the overseas dependents' schools, particularly for educationally disadvantaged children. These initiatives include assistance to DOD in:

- Developing regulations to comply with the Education for All Handicapped Children Act of 1975, which requires that all physically or mentally disabled children be given an individual learning program to meet their special needs. (In 1978, the Congress made the provisions of the Education for All Handicapped Children Act applicable to the overseas dependents' schools.)
- Improving access of overseas dependents' schools to educational research improvements and innovations through stronger linkages with the Office of Educational Research and Improvement.
- Upgrading curriculums and teaching practices, including compensatory education, English as a second language, and vocational education.

Office of Postsecondary Education

The Office of Postsecondary Education brings together in a single office programs of student financial assistance, institutional support, and other forms of assistance to students, colleges, universities, and postsecondary vocational schools. OPE also operates the College Housing Program, transferred from the Department of Housing and Urban Development, and the Biomedical Sciences Program.

This unification has facilitated comprehensive policymaking and longrange planning for all sectors of postsecondary education.

Ensuring Access to Equal Educational Opportunity

The student financial aid programs play a key role in fulfilling the Department's commitment to offer every student who needs money to go to

college or get other education after high school the financial help to do so. Over 5 million students in FY 1980 received loans, grants, campus jobs, or other financial aid.

Training Advisers To Help Students.—During the year OPE broadened its outreach to students by acquainting high school counselors and college financial aid officers with the various ways the aid programs can be combined to help students pay for a college education. Under a national training contract, 403 training workshops were held for high school counselors and counseling personnel from nonschool community-based agencies. More than 13,300 counselors were trained in these sessions.

With the addition of training at the postsecondary level, the Office of Student Financial Assistance sponsored a total of 620 training sessions which served 22,478 participants.

In FY 1981, training again will be provided these target groups. Separate sessions will be held for financial aid and fiscal personnel of nontraditional colleges and proprietary schools and for predominantly black and other developing colleges and universities.

Telling Students About Financial Aid Programs.—OPE also increased its efforts to reach students directly. The publication *Student Consumer's Guide* was revised to make it more readable for present and prospective college and other postsecondary students. Office personnel attended student organization conferences and set up information booths at state, regional, and national conferences of higher education associations.

Nontraditional avenues of approach were explored. OPE provided information to McDonald's Corpora-



tion for a poster advertising student aid to be displayed in all McDonald restaurants. A separate poster and display kit were developed for display in high schools, colleges, congressional offices, and libraries.

OPE plans to focus in FY 1981 on handicapped students. A teletype machine is being set up for deaf persons to call in and receive information



Courtesy University of Maryland

on the student aid programs. A "Flexi-disc" for the blind is also under development. The "disc" will be available through the Library of Congress Network and nationwide organizations for the blind to provide information on the student aid programs.

A brochure on student financial aid is being developed to reach non-traditional students. In addition, OPE plans to increase the distribution of student aid publications through the Consumer Information Center in Pueblo, Colorado. OPE will continue to use radio and television public service announcements to make the public more aware of the financial help available to students. It also will help schools and organizations to develop their own student information brochures which include information on OPE programs.

Academic Assistance.—Young people from disadvantaged backgrounds often need more than financial aid to get through college. OPE supports counseling, tutorial, and other assistance to give these students the remedial academic programs and support they may need to succeed. In FY 1980, the Special Programs (TRIO)

for students from disadvantaged backgrounds provided \$146 million to support 1,221 new projects serving approximately 506,583 disadvantaged students. In FY 1981 these programs will continue to focus on retention—ensuring that students not only enter but complete college or other post-secondary programs.

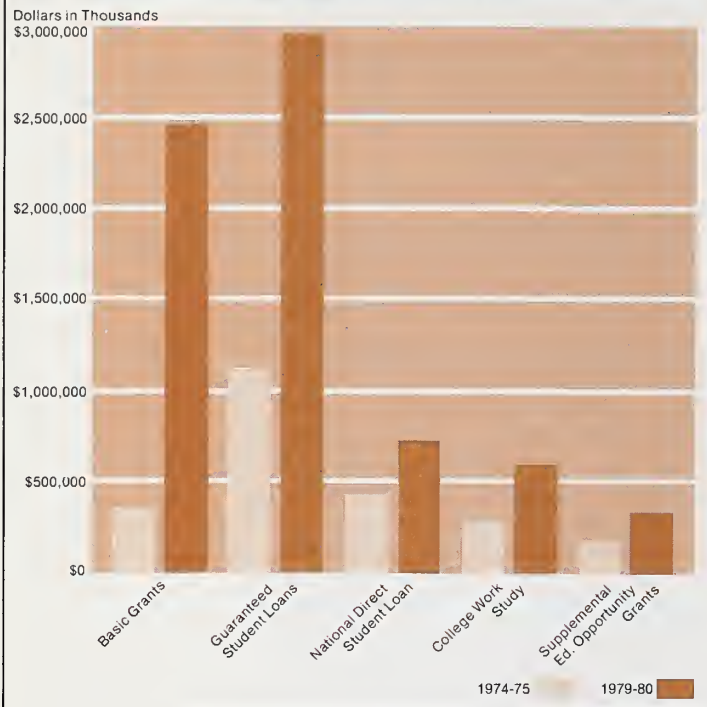
Equal access also has meant providing aid to students traditionally underrepresented in graduate and professional programs. In FY 1980, the Department signed an agreement with the Department of Housing and Urban Development and five other federal agencies to provide a total of \$3.5 million to sponsor the National Hispanic Field Service Program. The purpose of the program is to recruit and support Hispanic graduate students interested in public administration.

Access has also meant assistance to colleges and universities which traditionally have served large numbers of disadvantaged students. As in the past, OPE in FY 1980 assisted such institutions under the Developing Institutions Program (Title III, Higher Education Act) and other programs. In FY 1980, for the first time, regulations for the College Housing Program included a specific setaside for black colleges, consistent with the President's Black College Initiative, and historically black institutions received 19 percent of the \$82 million awarded under this program.

Helping States Improve the Quality of Education

Fifty-six grants were made in FY 1980 to states and territories under the Comprehensive Statewide Planning Grants Program to encourage a wide variety of statewide post-secondary planning activities and the coordination of federal and state efforts. In FY 1981, this program will be administered as a part of the new Title I of the Higher Education Act, authorized in the Education Amendments of 1980. While states will no longer have to establish education commissions, the program will be administered under an agreement between the Secretary and the state.

**A Comparison of Aid Provided to Students
Under the Five Major Student Assistance Programs
Academic year 1974-75 vs. 1979-80**



The new legislation will make it possible to achieve improved coordination with other grant programs to the states and will better meet the needs of underserved adults.

The Education Amendments of 1976 encouraged the establishment of a student loan insurance program in states without one. In 1976, 26 state and private nonprofit agencies provided this insurance. Since 1976, 22 additional states have created either a state program or a private nonprofit agency. Texas, Arizona, and Alabama are creating agencies that should be operational in FY 1981.

Research, Evaluation, and Information Sharing

Research.—Several OPE programs provide specifically for research grants. The Cooperative Education Program awarded \$213,000 in FY 1980 for four research projects to identify and analyze innovative cooperative education programs and to describe the factors which contributed to their success. Results of each research project were distributed to the cooperative education community,

researchers, and other individuals interested in improving the quality and relevancy of cooperative education.

A second source of research support is the International Education Program. In FY 1980, \$885,000 was awarded to 21 researchers who will study and recommend improvements in modern foreign language instruction. Research funds also helped to develop specialized materials for teacher training or classroom instruction in modern foreign languages.

Evaluation.—OPE conducted several evaluations of program impact during the year. For example, the second phase of an evaluation of the Special Services for Disadvantaged Students Program examined the program's effectiveness in providing tutoring, counseling, and other support services for disadvantaged, underprepared college students.

A second evaluation tested the success of Upward Bound by following program participants through college and computing graduation and retention rates for participants. The evaluation confirmed the success of Upward Bound in increasing the probability that participating students will complete college.

An evaluation, planned for FY 1981, will analyze employment trends of Ph.D graduates of universities whose International Studies Centers were supported by funds under Title VI of the National Defense Education Act (now Title VI of the Higher Education Act). The study will determine where these specialists in language and area studies are employed and how well the need for such specialists is being addressed by current training programs.

A second evaluation planned for FY 1981 is a two-phase study of the Developing Institutions (Title III) program. The first phase will ascertain the extent to which the program's objectives can be measured. The second phase will evaluate the effectiveness of the Title III program at selected institutions. The study will be conducted over a 2-year period.

Information Sharing.—OPE's primary method of information sharing in FY 1980 was through workshops and training programs. Other activities included the compilation and distribution of a catalog of accredited U.S. colleges and universities and programs, and the publication of several reference guides to study abroad.

Training programs have provided information about federal programs and improvements in the quality of services provided under OPE grants.

The Office of International Education prepared a number of publications on education in other countries and opportunities for Americans to study abroad.

OIE staff meet frequently with foreign visitors seeking information about American education. The staff in FY 1980 helped more than 1,400 foreign educators plan trips to study education in the United States. OIE also assisted representatives of education ministries of other countries and other dignitaries during their visits to this country. The Minister of Education of the People's Republic of China and the Chairman of the Education Committee of the Costa Rican legislature were among those assisted.

Coordination of Federal Education Programs

OPE participated in several activities linking its programs with those of other Department offices or federal agencies. It developed a special initiative using funds transferred from the Department of Labor under the Comprehensive Employment and Training Act to support several special Upward Bound projects. The CETA funds provided job training for students while they attended high school and during their summer vacations.

Plans were made to coordinate OPE's Cooperative Education Program with the vocational education programs administered by the Office of Vocational and Adult Education. Projected activities include job training for cooperative education students and improved job-louater services.

To use OPE's limited staff and resources more effectively, a Task Force

on Monitoring will develop, in FY 1981, methods to combine the monitoring of several programs in one visit to an institution. Not only will coordinated monitoring increase OPE's ability to oversee directly the use of its program funds, it will alert OPE to overlap and duplication among programs and improve accountability of program managers.

Management and Efficiency of Federal Education Activities

OPE took a number of steps in FY 1980 to improve program management.

An automated system to select field readers was implemented for all discretionary grant programs. Field readers may now be selected in accordance with one or several characteristics, including demographic characteristics, degree held, and field of specialization.

Data Processing.—An automated data processing system was implemented in FY 1980 to provide a broad range of program information—including information about applicants, awards made, and allocated funds—that is necessary for program planning and management.

Staff Training.—Other program management improvements included special training of program staff, development of a field-reader score-adjustment system to compensate for individual reader bias, and computerized production of funding slates. The overall systematization of the awards process for discretionary grants was refined. More efficient use of staff resources made it possible for some program staff to increase the number of grantee institutions visited during the year.

Defaulted Loan Collections.—Efforts were made to speed loan collections from college students on defaulted loans. The National Defense/Direct Student Loan collection project began in September 1979. To date, the Department's 10 regional offices have collected \$2.7 million. In FY 1981, final regulations will be published

governing this effort, and a major prototype computerized system will be developed for the financial management of this project which will then encompass collection efforts under all student loan programs.

A major effort was launched to collect loans in default under the Guaranteed Student Loan Program. In the first 10 years of the GSL Program, approximately \$3 million was collected. In October 1977, a computer system was developed to track borrowers and send routine billings to defaulted students. In its first 2 years, the computer system helped to collect \$58 million, almost double the amount collected from the program's beginning in 1966 through September 1977. An additional \$42.7 million was collected in FY 1980, bringing to \$101 million the amount collected since September 1977.

OPE also has a pilot project using private collection agencies to contact defaulting students about loan repayments. If this approach proves feasible, a collection program using private agencies will be developed.

To assure accurate and uniform reporting from state and private non-profit agencies handling Guaranteed Student Loans, a new Guaranteed Agency Quarterly Reporting System has been developed. Both OPE and the loan agencies will use information collected by the reporting system.

The Law Enforcement Education Program was transferred from the Department of Justice to OPE when the Department was established. Student loan accounts under LEEP are being incorporated into the collections system for other student aid programs. The computerized collection effort will be completed by July 1, 1981.

Pell (Basic) Grant Data Base.—Increasing the accuracy of the data base in the Pell Grant Program—that is, the number of students expected to request these nonrepayable grants—is critical to requesting adequate funding from the Congress for Pell Grant and other assistance programs. Several initiatives were undertaken in FY 1980 to improve this accuracy. A 1978-79 longitudinal study of approx-

Packaging Dollars for College

Graduating at the top of his high school class, Mike Shapiro wanted more than anything to become a veterinarian. He felt he could handle the academic work. But his widowed mother, a computer operator, supported him and three sisters on \$17,000 a year. There wasn't enough money for him to go to college, much less earn an advanced degree in veterinary medicine.

Mike turned for advice to his high school guidance counselor, who referred him to the state university's financial aid administrator. The aid officer explained that several OPE student aid programs could be packaged to meet his tuition and other costs.

Mike filed a student aid application. Six weeks later he received a student eligibility report telling him that he could get a federal Basic Grant of up to \$1,326 a year, based on his mother's \$17,000 income for a family of five, \$25,000 in home equity, and \$500 savings. Basic Grants don't have to be repaid.

The aid officer added to Mike's package an \$800 direct student loan, repayable later at low interest, and a college work-study job in the university's records office. Here Mike could earn \$400 a semester.

On his own, Mike took a weekend job as a veterinarian's assistant. This experience has already convinced him that he's chosen the right profession. He's standing by to help as *Blue Belle*, a champion terrier, awaits the arrival of her first litter.

imately 28,000 colleges and universities will eventually enable OPE to move beyond the previous year's Pell Grant applicant pool in projecting future student participation rates and dollar requirements. Toward this goal, OPE in FY 1980 issued a request for a proposal to develop an "umbrella model" for forecasting funding requirements for Pell Grant and other major student financial assistance programs. The model will draw on the 1978-79 study.

Better Accountability.—Program personnel in FY 1980 worked closely with institutions, offering technical assistance to the extent possible when conducting program reviews. More



than 1,900 program reviews were conducted in FY 1980.

OPE personnel worked with the former HEW Audit Agency to revise the audit guides for the student assistance programs. The revised guide for the campus-based programs was scheduled to be issued in November 1980. Audits of the student financial aid programs account for almost 90 percent of the audit reports received by the Department. OPE is continually examining the audit resolution process in an attempt to deal with increasing numbers of audits submitted, without shortcutting program management responsibilities. Almost 2,200 audits were closed in FY 1980, an increase of 800 from the prior year.

A combined application form was used for the first time in FY 1980 with which students could apply for a Pell Grant and other federal, state, and college student aid funds. On the basis of this experience, improvements were made in the form, and the new form will be available in January 1981.

Quality Control.—OPE in FY 1981 will undertake a second Pell Grant quality control study and a pilot test of a new delivery system.

The second Pell Grant control study is intended to determine the error rate in the application process. The first quality control study, conducted in 1979, found that this process was highly error-prone; \$248 million was either underawarded or overawarded to students. A number of improvements have since been made to the application process. The second study will assess the impact of these improvements and provide other important management information.

A review of the entire delivery system for Pell Grants will be made in FY 1981 with an eye toward utilizing the latest automated data processing technology. The current Pell Grant system is extremely "paper" dependent, requiring forms from students and institutions to assure the award of funds. In coming months, OPE plans to develop a delivery system which provides for computer interactions between the institutions and the central application processor, similar to systems currently used by many commercial enterprises.

For the pilot effort, OPE has enlisted the help of five institutions. They plan to experiment with the new system during the 1981-82 award period. Based upon the results of this pilot effort, OPE should have a fully operational automated Pell Grant delivery system ready for the 1983-84 academic year.

Student Aid Flexibility.—The Education Amendments of 1980 authorized a new loan program for parents of dependent undergraduate students. A major OPE goal for FY 1981 will be to bring this program into operation as efficiently and expeditiously as possible with the first loans becoming available under the federally administered portion of the program by January 1, 1981.

The Education Amendments of 1980 also provided an option to seek alternative funding for the National Direct Student Loan Program. The procedure would allow the Secretary to obtain such funds as are necessary

to operate the NDSL Program through the Federal Financing Bank rather than through direct congressional appropriation. This mechanism for funding eliminates the requirement for institutions to provide matching funds to operate the program; it also gives them the option to turn over billing and collection responsibilities to the Department after the student graduates.

Other Requirements Under 1980 Education Amendments.—The Education Amendments of 1980 brought many other changes which must be accommodated in FY 1981. The law authorizes a broadening of eligibility for federal student assistance, substantially increases federal award limits, and allows reductions in expected family and student contributions toward educational costs. Student aid procedures are to be simplified by the adoption of the single need analysis and single application form. The law also provides for income-contingent repayment schedules and extended repayment periods for low-income borrowers.

The International Education Programs were restructured consistent with the Administration's request and the recommendations of the President's Commission on Foreign Languages and Area Studies. A new Business and International Education Program was added to encourage cooperative programs between the international business and higher education communities. The Developing Institutions Program was likewise restructured, and a new Challenge Grants authority, proposed by the Administration, was authorized.

The new legislation expands the Academic Facilities Program consistent with the Administration's recommendation to allow funding for institutions to construct, reconstruct, or renovate the nation's research facilities and to acquire special research equipment. Several existing graduate fellowship programs were consolidated under the new law, and a merit-based Graduate Fellows Program was added authorizing competitive fellowships in the arts, humanities, and social sciences. Another new initiative was

an Urban Grant University Program which seeks to open up the resources of urban universities to their surrounding communities.

Accountability of Federal Education Programs

Accountability requires the careful monitoring of funds, expenditures, and the collection of loan obligations. It also requires constant efforts to assure that programs reflect the intent of the Congress and respond to the needs of the postsecondary education community. Accountability also requires the prompt development of regulations for the newly reauthorized Higher Education Act.

OPE is increasing its accountability in management evaluation. A special evaluation methodology, known as an "evaluability assessment," has been used to identify the objectives of specific programs, to determine whether these objectives are measurable, and to analyze whether the implementation of these objectives can be evaluated. To date, the Cooperative Education Program and the Language and Area Studies Centers Program have been evaluated, and several other programs are slated for similar evaluation in FY 1981. These evaluations identify discrepancies between program administration and the intent of congressional and Department policymakers, and highlight areas of program management which need improvement.

Regulations development for the newly reauthorized Higher Education Act is well underway. First draft circulation for all reauthorized activities and new program "first drafts" will be circulated early in FY 1981. OPE intends to have all regulations in place within the 240-day period mandated by the Act, with the possible exception of new activities for which no funds are being requested. The programs will be subsumed under the newly devised EDGAR criteria for programs without funds. Public comment is being solicited throughout the regulations process to ensure a broad range of input. Final regulations should be published in April, May, and July 1981.

Office of Vocational and Adult Education

The Office of Vocational and Adult Education administers programs to prepare young people and adults for work and career progression.

OVAE works in partnership with state and local agencies and institutions to improve programs related to employment opportunities, adult learning, and school-community relations; to ensure equal access for all



students to employment-related instruction, adult learning, and school-community programs; and to provide a unified federal approach to vocational and adult education in rural areas. In FY 1980, as in previous years, 95 percent of all OVAE funds were distributed to states. The remaining 4 percent were used to support program improvement activities designed to assist state and local programs.

In FY 1980, OVAE administered the Vocational Education Act of 1963 (as amended), the Adult Education Act of 1966 (as amended), the Youth Employment Program (Part F, Title III, Elementary and Secondary Education Act, as amended), the Corrections Education Program (Part F, Title III, ESEA, as amended), and the Community Education and Com-

munity Schools Act (Title VIII, Education Amendments of 1978).

Over 19.5 million American residents were served under these authorities. Total federal expenditures were \$905 million.

Under an interagency agreement with the Appalachian Regional Commission, OVAE also was closely involved in Commission-supported vocational education programs. Since the programs' inception in FY 1966, nearly 700 vocational facilities have been constructed or equipped with a Commission contribution of over \$341.1 million. These facilities serve 486,500 students throughout the Appalachian region. In FY 1980, some 50 new facilities became operational to serve an estimated 32,500 students. The Commission authorized \$8.2 million for vocational education, facilities, equipment, demonstration, and service projects. In addition, four regional commissions established under Title V of the Economic Development Act, and known as the Title V Commissions, made grants for vocational education totaling \$2.5 million in FY 1980. OVAE has an interagency agreement with the Economic Development Administration in the Department of Commerce to administer programs supported by the Title V Commissions.

Ensuring Equal Educational Opportunities for All Persons

Working closely with states and communities to improve the quality of training and to provide access to instruction for women, minorities, and handicapped persons, OVAE placed particular emphasis on providing technical assistance to states on civil rights issues in vocational education; programs and services designed to achieve educational equity for

Services to People in FY 1980

Program	Number of People Served	Funds Administered (Millions)
Vocational Education	17.2 million	\$780.0
Adult Education	2.1 million	100.0
Indochinese and Other Adult Immigrants	68,000	22.6
Community Education	100,000	3.1
Total	19.5 million	\$905.7

OVAE programs served nearly 20 million students in FY 1980. The Office allocated more than \$900 million to help states and communities meet the diverse education and skill-training needs of American citizens as well as refugees and immigrants.

women, minorities, and handicapped persons; displaced homemaker programs; vocational and adult programs for persons with limited English-speaking proficiency; improving programs for economically and educationally disadvantaged persons; meeting the needs of recent immigrants and refugees; and supporting the development of curriculum and materials for courses in entrepreneurship (self-employment and skills to run a small business), energy conservation, and dental assistant training.

Helping at the State Level.—OVAE assisted states through telephone and written communications, presentations at state and national meetings, and technical assistance site visits to states and local communities. Four regional workshops were conducted for state supervisors of vocational education programs for disadvantaged and handicapped students. The focus of these workshops was on improved planning and provision of services to these students.

Under contract with the states, OVAE also conducted five regional workshops for vocational education state planners to help them develop the administration methods required under the Office for Civil Rights' *Guidelines for the Elimination of Bias*

and Stereotyping on the Basis of Sex, Race, and National Origin, and Handicap in Vocational Education Programs. As part of the contract, some states received funds and assistance to develop model methods of administration which could be used in assisting other states. OVAE also developed guidelines for monitoring compliance with civil rights requirements during project site visits.

Increasing Equity and Access.—Thirteen projects related to equity and access in vocational education were funded at \$3.7 million in FY 1980. Some examples: development of a support service system for sex equity services in vocational education; vocational education personnel development needs for working with the handicapped; development of an outreach program to attract women into male-intensive vocational education programs; and testing of English proficiency for adults of limited English-speaking ability.

In addition, 2,515 persons benefited from vocational education services supported through the federal 1 percent set-aside program for Indian tribes and organizations authorized in the Vocational Education Act of 1963, as amended. Thirty projects in 13 states were funded through the tri-

**Increases in Federal Support
in Millions**

	1976	1977	1978	1979	1980
Vocational Education	\$562.0	\$595.9	\$642.1	\$681.6	\$784.0
Adult Education	67.5	80.5	90.7	100.0	100.0
Community Education	3.5	3.5	3.5	3.2	3.1
Indochinese and Other Adult Immigrants	-0-	-0-	5.0	10.25	22.6

Funding for vocational education increased some \$200 million between 1976 and 1980 and some \$30 million for adult education. Since 1978, expenditures for special projects for Indochinese refugees and immigrants from many other lands have increased dramatically.

bally administered programs, 287 members completed skills training, 282 were placed in jobs, 978 attended community education seminars, and 786 received guidance and counseling services.

Reflecting the diversity of needs and environments among Indian tribes, grant awards were made under the Vocational Education Amendments of 1976 to support a variety of activities. For example, in Alaska a vocational outreach program served isolated Eskimo villages near the Bering Strait. With airplanes bringing in instructors and training materials, this project taught Eskimo villagers vocational mathematics, English, and drafting.

In Montana, Fort Belknap Community Council offered many community seminars, as well as training in secretarial skills and agricultural occupations, to Gros Ventre and Assiniboine tribal members.

In New Mexico, *A School for Me, Inc.*, trained mentally and physically handicapped Navajos in prevocational and custodial skills.

Strengthening Federal Support for State and Local Efforts

OVAE provided support for state and local efforts to develop innovative curriculums through the National Network for Curriculum Coordination

in Vocational and Technical Education. The network consists of six curriculum coordination centers, six interstate curriculum networks, and a national council of curriculum center directors. It is designed to provide a system for sharing curriculum development products, practices, and services.

A Center for Research.—The National Center for Research in Vocational Education at the Ohio State University, under contract with the Department, also provides numerous support services for state and local activities. The National Center, through *Projects in Progress*, informs state and local education agencies of program improvement activities at the federal, state, and local levels. The National Center also helps states and communities design and conduct program evaluations. The National Academy, a component of the National Center for Advanced Study in Vocational Education, provides training programs for state and local leaders. In FY 1980, 2,000 people received training in 60 Academy courses through an in-residence program and a short-term institute program.

When OVAE found that post-secondary institutions lacked programs to train energy conservation and-use technicians to meet local



and/or regional needs, it funded a project to develop and test modular instructional programs and materials, develop a program planning guide, and conduct limited dissemination and familiarization activities for 2-year postsecondary programs in this new career field. Survey data indicate that graduates of such a program will be employable in many jobs related to energy and industrial equipment.

Models for Community Education.—In community education, one national and two sets of regional meetings for state administrators were held in FY 1980. The community education program strategy involves the systematic investment in building state and community program models that can be replicated in other states and communities.

For example, a senior citizen, well-established in the community, can often serve as a catalyst to bring together community resources to meet community needs. Recognizing this, the Arizona State Department of Education developed a unique program in which older people are used as community education coordinators.

In this program, community education directors from four school districts are trained to work with two-member senior citizen teams in such areas as citizen and program develop-

ment, leadership skills, publicity, and personnel. By the end of the year, after gradually assuming more and more responsibility, the teams had begun to function on their own in consulting and monitoring roles. In their new roles, senior citizens conduct needs assessments and form advisory councils. The program can then be expanded to an additional school the following year at minimal cost.

Help for Adults.—OVAE's Office of Adult Education provides assistance to states during federally sponsored meetings for state directors of adult education. Dissemination of information and materials as well as presentations designed to address issues, problems, and successes in the federal, state, and local programs are central in these meetings.

The influx of Cuban and Haitian entrants to the United States in FY 1980 placed a heavy strain on educational facilities in many local jurisdictions. Federal funds assisted in bringing English-language instruction to 68,000 Cuban and Haitian adults in camps and military installations.

Encouraging Increased Involvement of Parents, Students, and the Public in Federal Programs

Each of OVAE's programs—Vocational Education, Adult Education, and Community Education—has a National Advisory Committee with diverse membership. These committees provide advise to the President, the Secretary, and state advisory councils; evaluate programs and individual projects; conduct forums for public debate and discussions; and furnish information to OVAE and the field.

In September 1980, in order to solicit public views, OVAE conducted five workshops on the reauthorization of the Vocational Education Act to be considered by the Congress in 1981. Approximately 1,000 individuals participated in these meetings and shared their views with Assistant Secretaries and Department staff. Their views will assist the Department in drafting positions on issues of importance in the reauthorization.

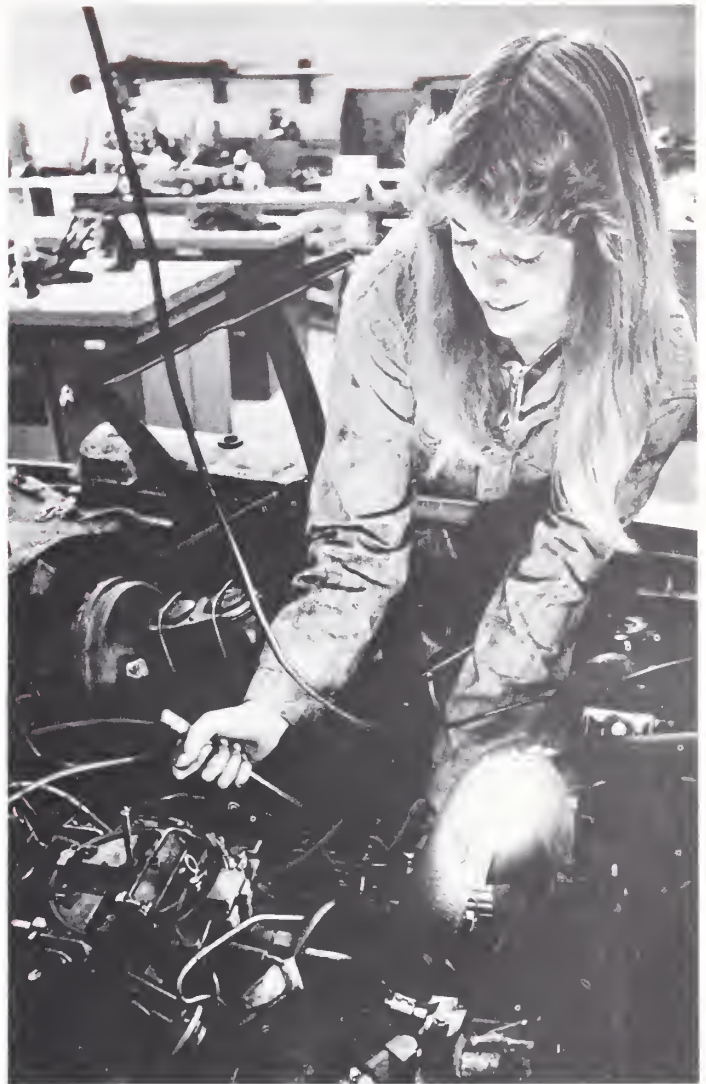
From Student to Worker and Leader.—Student vocational organizations, as an integral part of the total instructional program, help secondary and postsecondary students develop vocational/career competencies and leadership skills. They also promote among students a feeling of civic responsibility, and an appreciation of the American private enterprise system. Interaction between students and business was extensive in FY 1980, with industry investing more than \$1.5 million in these student organizations.

Supporting Community Education.—Applicants for Community Education grants are required to specify advisory committee membership in their proposals. These committees assist in determining the direction of each project and in assuring public involvement in decision making. In FY 1980, each of the 25 projects funded had advisory councils representative of their communities.

Community educators met during the year to discuss several major issues related to the federal role in the national development of community education. Since final grants had just been awarded under the Community Schools Act of 1974, it seemed an appropriate time to consider the effects of federal involvement in community education. The group was charged with examining past effects of the Community Schools Act, as well as making recommendations regarding future federal involvement in community education.

A First in Adult Education.—In New York, 37 nonprofit agencies operated OVAE adult education programs for the first time in FY 1980. Staffs of these agencies together with local school personnel were trained by the state. Of the agencies, 24 were nonprofit community-based organizations, 11 were public colleges, and two were private colleges. Over 450 people attended the first planning meeting. In two similar meetings in California, 800 and 1,000 people participated.

This was the first time the adult program was opened to a cross-section



of the community, including labor, churches, business and industry, and community-based organizations—rural as well as urban.

In FY 1980, the Department issued three sets of regulations affecting OVAE programs. Thousands participated in public hearings on the regulations and provided written comments before, during, and after proposed rules were issued. For example, during regional hearings on the proposed rules for adult education over 2,200 individuals provided testimony. These persons represented local educational agencies, community-based organizations, the military, correctional institutions, and the public.

Improving the Quality of Education Through Research, Evaluation, and Information Sharing

Improving the quality of vocational, adult, and community education is a major OVAE concern, as reflected in the projects supported under *Programs of National Significance in Vocational Education*. In FY 1980, \$10 million was appropriated for these activities.

For example, the National Center for Research in Vocational Education at the Ohio State University is developing an assessment handbook for state and local vocational education personnel at the secondary and post-secondary levels.

Emphasis on Helping the Handicapped.—OVAE continued efforts to improve vocational programs for handicapped students by contracting for the production of two films—*Working on Working* and *Taking on Tomorrow*.

Working on Working shows teachers, administrators, students, parents, and employers pulling together to make vocational education for the handicapped work.

Taking on Tomorrow shows how vocational education for handicapped students in postsecondary institutions can result in jobs and job satisfaction.

Toward Improving Quality.—Also supported by *Programs of National Significance* funds in FY 1980 were:

- The National Center for Research in Vocational Education
- The National Occupational Information Coordinating Committee
- Six Regional Curriculum Coordinating Centers
- 153 leadership fellowships and 116 certification fellowships.

In 1980, the Office conducted 11 on-site state-level reviews for compliance and quality in vocational and adult education (referred to as Management Evaluation Reviews for Compliance and Quality-MERC/Q).

These reviews enabled OVAE staff to assess the quality of programs and to determine the extent to which states are complying with federal law.

The National Advisory Council for Community Education conducted a national evaluation of the federal impact on community education, which led to recommendations for improving programs and services.

Improving Professional Staff.—OVAE sponsored national workshops in FY 1980 to help state and local personnel improve the quality of such occupational programs as technical education, home economics, agriculture, and distributive education.

The Office also held technical assistance workshops for state vocational education planners, state supervisors of vocational programs for handicapped and disadvantaged students, and vocational education sex-equity coordinators. Adult education workshops were conducted for program planners and state directors.

Pooling Aid So It Counts

Jessica Whitcomb, 22, earns \$15 an hour as a diesel mechanic. Over coffee with the men in the shop she talks fuel combustion ratios and dynamometer readings with the best of them. And she knows just how far she's come in 7 short years.

Jessica's childhood was spent on a tenant farm in the deep South. Until she was 15 she attended a small rural school. Then her father moved the family to Gary, Indiana, so he could earn a year-round wage in a steel mill. Enrolled in a Gary public high school, Jessica signed up for the diesel mechanic program funded by OVAE's vocational education program. She loved working on the big diesel motors. But she couldn't read or handle mathematics well enough to understand the diesel technical manuals.

Charlie Norton, her shop instructor, came to the rescue. He knew the school district had pooled limited funds from other federal programs to offer remedial courses in reading, mathematics, and other basic skills. He asked Jessica to take these courses, pointing out that the diesel manuals could be part of her study program.

Jessica took his advice and 2 years later graduated with high marks not only in diesel mechanics but in all her classes. For graduation her classmates gave her a CB radio and a handle: *Can Do Jess*.

Improving Program Coordination, Management, and Accountability

OVAE worked closely with other Department offices to improve program coordination, eliminate or avoid duplication of effort, and use resources with maximum efficiency and effectiveness in such areas as youth employment, basic skills, rural education, Hispanic education, education for older Americans, and reauthorization of the Vocational Education Act.

How It Is Done.—In developing the Management Evaluation Review for Compliance and Quality (MERC/Q), OVAE's principal purpose was to obtain a measure of each state's capacity for and performance in conducting vocational programs under the Vocational Education Act of 1963, as amended.

A similar and simultaneous review of adult education programs is also conducted in 11 states each year. The objective of the on-site review is to assess the extent to which the states are following their approved operational plans and to determine the degree to which operating procedures and practices are in compliance with existing laws and relevant regulations. Special attention is focused on fiscal management, personnel, planning,



local program evaluation, program purposes, facilities, and legislative coordination. Where problems are uncovered, recommendations for correcting the deficiencies are left with the state. Each deficiency is followed up until the problem has been rectified. Where appropriate, other federal agencies are notified and their assistance sought.

Interagency Cooperation.—The Office attempts to maximize the effective use of federal resources and to share information through 21 interagency agreements with the Departments of Labor, Agriculture, Commerce, Defense, and other agencies.

Coordination is also the focus of numerous interagency panels and committees. Significant among these in FY 1980 were the Technical Steering Group for the National Occupational Information Coordinating Committee, Interagency Committee on Refugee Affairs, Coordinating Committee on Research in Vocational Education, and interagency panels on adolescence and adulthood.

Public Involvement.—In FY 1980, the community education program conducted a national forum on home, school, and community. Participants included representatives from states, communities, parent groups, national associations, business, and industry. The purpose of the forum was to provide the Secretary with recommendations on an appropriate federal role in promoting home-school-community relations.

Also in FY 1980, in keeping with the mandates of the Adult Education Act, OVAE conducted a study to determine to what extent adult education state plans address rural needs. Technical assistance needs derived from this study were addressed in a National Rural Adult Education Conference.

Plans for FY 1981

During FY 1981, OVAE will continue to provide technical assistance to states and local communities in vocational, adult, and community education.

Special emphasis will be given to program improvement needs in rural as well as urban areas, and to sharing information on successful programs and practices. Economic development and worker productivity, energy conservation and production, youth employment, and increasing educational equity and access to instruction for women, minorities, and handi-

capped persons will continue to be high priorities in Vocational Education.

Improving outreach programs and equal opportunities for instruction will continue to be priorities for Adult Education.

Community Education will emphasize program coordination, model building, and information sharing.

Office of Educational Research and Improvement

The Office of Educational Research and Improvement operates over 40 programs to support educational research and improvement activities at all grade levels from preschool through graduate school and in such nonschool settings as museums and public libraries.

- OERI collects statistical information on school enrollment and other indicators of the condition and quality of American education. It analyzes this information for important trends, problems, and policy issues requiring federal, state, or local attention and action.
- OERI encourages public discussion on such broad national issues as school desegregation through published reports and surveys, policy research, evaluation findings, and public forums.
- It supports research devoted to improving the quality of educational programs, particularly programs for groups with special educational needs such as students from low-income families.
- It supports basic research, such as efforts to discover how children learn, that may ultimately lead to major improvements in education, though this research may not be tied to immediate policy concerns.
- OERI supports seminars and workshops to help teachers and other school staff improve their professional skills. It provides information to schools on promising new teaching approaches and offers technical assistance to help schools incorporate these new programs.
- It provides grants to libraries so they can increase public access, more equitably distribute educational materials, and encourage cooperative efforts with other libraries.
- It assists museums in their educational role and in their efforts to preserve and exhibit cultural, historic, and scientific collections.
- It translates congressional priorities into such operational programs as the Basic Skills Program.



Office of Educational Research and Improvement Program Offices

Office	Mission
Institute of Museum Services	To encourage and assist museums in their educational role, primarily through grants which provide general operating support.
National Institute of Education	To sponsor research aimed at achieving the dual objectives of increasing equality of educational opportunity and improving education at the local level.
National Center for Education Statistics	To collect and report periodically statistics on the condition of education in this country; to assist state and local education agencies, improve their statistical activities; and to report on education in foreign countries.
Office of School Improvement	To provide funds for model demonstration activities designed to identify, develop, and demonstrate effective and innovative solutions to critical national educational problems.
Fund for the Improvement of Postsecondary Education	To increase the effectiveness of educational opportunities beyond high school through the support of field-initiated ideas and approaches.
Office of Libraries and Learning Technologies	To improve public, school, college, and university libraries; to improve the quality of educational television and radio; and to develop better methods for using technology in education.
Office of Dissemination and Professional Development	To publicize and assist with the application/implementation of information, knowledge practices, and programs generated by OERI's research and improvement activities.

- It encourages organization and curriculum reforms to meet more effectively the needs of students in the nation's schools and colleges.
- It links into a rational and coherent whole the components of the research and improvement process by providing in one organization the mechanisms to make research findings known to classroom teachers and administrators, and to help them implement those findings in practice.

Giving Every Student an Equal Chance

OERI has taken several steps to promote and encourage equal educational opportunities for students. In

FY 1980 the National Center for Education Statistics provided a valuable companion to its *Traditionally Black Institutions: A Profile and An Institutional Directory* by publishing a volume entitled *The Condition of Education for Hispanic Americans*. These volumes, together with the 1980 editions of *The Condition of Education*, *The Digest of Education Statistics*, and *Projections of Education Statistics*, furnish a valuable statistical overview of American education.

Assisting Minority Colleges.—To assist predominantly black colleges and universities in defining their research priorities, the National Institute of Education in FY 1980 organized seminars for a group of administrators and researchers.

The agenda included discussion of the future role of black colleges and universities, ways in which federal and state policies affect their role, and the means by which these institutions can be strengthened and their research capabilities increased. Additionally, the science programs of a number of minority colleges and universities were strengthened through grants from the Minority Institutions Science Improvement Program, which came to OERI from the National Science Foundation.

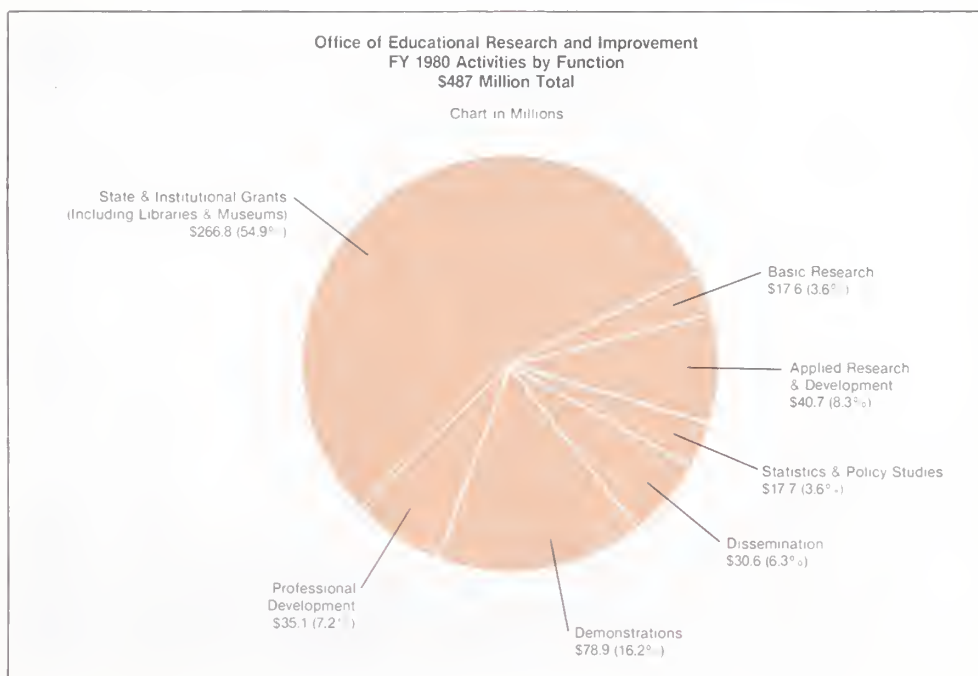
Through the Pre-College Teacher Development in Science Program, also transferred from the National Science Foundation, funds went to over a dozen colleges and universities with primarily black or Hispanic students. This program helps elementary school science teachers improve their skills.

In a community-oriented approach funded in part by OERI's Fund for the Improvement of Postsecondary Education, Hispanic educators met in New York City to explore alternate models to improve adult education for Hispanic Americans. Workshop participants discussed a variety of successful programs, with particular attention to methods which might be used in many different settings. The significance of the workshops lay in

their concern for grassroots approaches to meet the educational needs of Hispanic communities. Many students in these communities are economically disadvantaged and often do not possess the language skills needed to function comfortably in a traditional classroom.

Equity for Women.—OERI program resources also were directed in FY 1980 toward promoting educational equity for women and girls at all levels of education. For example, approximately \$10 million was awarded through the Women's Educational Equity Program in support of 85 projects covering activities ranging from research in women's history to a project to encourage women and girls to enter scientific and technical fields.

The National Institute of Education supported the National Commission on Working Women in its effort to identify education and training needs and career opportunities for women throughout the workforce. The Commission in FY 1980 held regional and state meetings and a national conference on these issues. It provided technical assistance to four states, to labor leaders, and to the business and education communities. Some 150,000 working women were surveyed to determine their edu-



cation, training, and job-related needs, and the results of this survey were disseminated to labor unions, corporations, and state officials across the country.

Improving the Quality of Education

There is an elusiveness about quality education. Many people claim to know it when they see it, yet there is much to learn about how to achieve it. Through its Effective Schools Project, OERI's National Institute of Education focuses on finding out why certain schools are unusually effective in raising student achievement scores. Findings from one study provided the basis for developing a school improvement program in the New York City school system.

Better Classroom Management.—A key to quality education is the teacher; the OERI-sponsored Beginning Teacher Evaluation Study has significantly altered the way many elementary school teachers manage their classrooms. This study found that successful elementary school reading and mathematics teachers managed to increase the amount of time that students actually devoted to the subject material. The techniques

used by teachers to achieve this effectiveness have been widely disseminated and have changed teaching practices in many schools.

Museum Services.—The quality of education can be enhanced in many ways, not the least of which occurs as students have the chance to see historical artifacts, animals, marine life, and other things they study in the classroom. Field trips to museums, zoos, aquariums, and arboretums are an integral part of the educational experience. America's museums in FY 1980 provided the equivalent of 25 million semester hours of education. However, many institutions have constant financial problems and some verge on extinction. The Institute of Museum Services in FY 1980 awarded some \$10.4 million to 452 museums and other nonschool learning centers, thereby strengthening the quality of these unique contributors to American education.

Civil Rights Enforcement

The National Center for Education Statistics provides the Department with statistics on the racial/ethnic backgrounds of college students and graduates. Additionally, the National Institute of Education sponsors several





projects which aid directly and significantly in the enforcement of civil rights, particularly in the area of racial desegregation.

The National Review Panel on School Desegregation, which receives a large part of its funding through OERI, is an advisory board of judges, lawyers, researchers, policymakers, school administrators, and teachers, which synthesizes knowledge about the effects of school desegregation. Results of the panel's work have previously been published in two double-volume sets entitled *Law and Contemporary Problems*, and the panel is currently developing school desegregation handbooks for educators and policymakers.

The National Institute of Education's Desegregation Studies Team was actively involved in FY 1980 in the development of federal policy on school desegregation. The team reviewed school district desegregation plans, provided the Department's Office for Civil Rights with the results of research on educationally effective components of school desegregation plans, and served as a desegregation information clearinghouse.

Higher Education Desegregation.—OERI involvement in the problems of higher education desegregation grew out of the merger of Tennessee State University (TSU), a predominantly black institution and the University of Tennessee (Nashville), a predomi-

nantly white institution. As a result of federal court rulings, the two universities merged in 1979, with the new entity using the Tennessee State University name and retaining that institution's leadership.

There were many questions about how white residents of Nashville would react to the new university. Would white students, for example, drop out of the new Tennessee State? There were questions, too, about TSU's role as a historically black institution and how its proud heritage in educating black youth could be retained. A grant from the Fund for the Improvement of Postsecondary Education was awarded to members of the TSU community to explore these and other questions. The study is designed to provide both a description of the merger and the people and forces for and against its success. The study may provide a model for desegregation of state colleges and universities, while at the same time enhancing the role of institutions that traditionally have served black students. The lessons learned from the experience in Nashville may help to guide the development of future federal policies.

Title IX Compliance.—Sexual discrimination in education is prohibited under the Education Amendments of 1972. The Education Amendments of 1974 established the Women's Educational Equity Act Program. In addition

A New Approach to Math Anxiety

When fifth-grade teacher Martha Thomas tells her class it's time for mathematics these days, she does so with new confidence and enthusiasm. For the first time she feels comfortable with the math concepts she is teaching, thanks to a course she's just completed at the University of Washington to help her overcome the math anxiety frequently found among women.

Supported by OERI's Fund for the Improvement of Postsecondary Education, the course was developed by two women researchers who knew that girls often lag behind boys in math skills and that counselors often discourage girls from taking the subject, thus adding to their anxiety.

Martha signed up for the course because, even though she had earned a teaching degree, she had never been taught spatial concepts. Working with wooden pyramids, cylinders, and other objects, she learned to visualize the way an object would look when viewed from various angles. This improved her math ability and thus her teaching skills.

Course developers are introducing it in Seattle area schools. Colleges have expressed interest in the approach for their teacher training programs. The object is to give teachers and counselors a thorough understanding of math to pass along to youngsters in the early grades and thus wipe out math anxiety forever.

to its FY 1980 activities previously discussed, the Women's Equity Program established with the Office for Civil Rights an ongoing coordination effort to effect better Title IX compliance in schools and colleges. The net effect of these efforts will be to broaden educational opportunities for women and girls by eliminating factors which have worked to their detriment.

Paperwork Reduction.—To reduce the burden of administrative requirements, the Federal Education Data Acquisition Council, operated by the National Center for Education Statistics, reviews such forms and documents as grant applications, evaluation instruments, and research studies. The Council's careful scrutiny

of materials sent before it in FY 1980 resulted in the elimination of an estimated 2 million hours of paperwork required of grantees.

The Museum Assessment Program developed a one-page form for one-time awards to museums to help cover the cost of having an independent museum professional evaluate their programs. The grants were designed to encourage museums to improve long-range planning, financial development, conservation, and education programs. In less than an hour a museum can complete the paperwork necessary to receive a grant.

Program Efficiency and Coordination

To improve coordination of the Department's professional development activities, OERI created the Office of Dissemination and Professional Development. The Office links the education personnel development programs such as Teacher Corps, Territorial Teacher Training, Administrator Training, and the Pre-College Teacher Development in Science Program into a coherent and cohesive unit. The Office also houses the National Diffusion Network, which emphasizes the installation at all levels of education of innovative programs of proven effectiveness.

Better Program Monitoring.—The Office of Libraries and Learning Technologies applies electronic and communications technology to the learning process. It also strengthens all types of libraries. With the largest share of the OERI budget, the Office in FY 1980 upgraded substantially its monitoring of library grant programs.

Pooling Resources.—OERI also simplified the process by which a single goal can be attained through the collective efforts of two or more programs. In FY 1980, the Basic Skills Program and the Teacher Corps Program jointly funded six projects. Under this arrangement, the Basic Skills Program provided classroom assistance to Teacher Corps projects where the teacher focuses on basic skills.

Basic Skills

Basic Skills is an OERI program unit created in response to the Education Amendments of 1978. FY 1980 was the first operational year for the Basic Skills Program, an expansion of the decade-old Right to Read Program. Basic Skills now includes mathematics as well as oral and written communications.

The National Diffusion Network funded 79 Basic Skills projects, including 13 new projects, in FY 1980 to disseminate to schools and colleges information about proven new approaches to teaching and learning. Additionally, the Technology in Basic Skills Program, in the National Institute of Education, developed planning guides, teacher training materials, and demonstration projects for the use of microcomputers in reading and mathematics programs.

Science and Mathematics.—Students cannot become proficient in science and mathematics if their teachers are not comfortable with these subjects. Recognizing this fact, the Pre-College Teacher Development in Science Program in FY 1980 provided both academic year inservice study opportunities and summer sessions; it also assisted science and mathematics teachers all over the country.

Within the National Institute of Education, a series of research bulletins on mathematics neared completion. Twenty-one parts of the series, currently available, cover such topics as remediation, diagnosis, problem solving, counting, and staff development. The Comprehensive School Mathematics Program, a curriculum to increase the mathematics skills of students in grades K-6, was also under development during the year. The curriculum for grades K-3 was used by over 32,000 students in school year 1979-80, while the material for grades 4-6 was being pilot-tested in eight school districts. Other research on mathematics led to a new collaboration with the National Science Foundation in a program of research and development on the use of modern information-handling technology in the classroom.

Telecommunications and Technology

This country is surely on the verge of a massive expansion in the use of technology in education. Satellite communications systems already bring educational television programming to people in areas where conventional TV signals are weak. By supporting the Alaskan and Appalachian satellite projects, OERI helped deliver educational services to half a million people in isolated rural areas. In the 13-state Appalachian network, some 20,000 teachers, school administrators, and community members completed one or more courses or workshops. In Alaska, all 52 school districts, some 200 communities, and 5,000 teachers received educational assistance by satellite.

The University of California at Santa Barbara developed a microcomputer laboratory with the help of a grant from the Fund for the Improvement of Postsecondary Education. This laboratory gives students the opportunity to gain hands-on experience in a program which emphasizes microcomputers and the practical aspects of the field. Computer specialists are in great demand today, and projections for the next 10 years indicate that this demand will continue. The laboratory has caused a great increase in enrollment in computer study, and graduates have been placed in well-paying, challenging internships and jobs.

Finally, as FY 1980 closed, the Secretary established a special Task



Force on Learning and Electronic Technology. This task force will be responsible for developing Department initiatives on electronic technologies.

Locally Directed Institutional Change

The Teacher Corps has several missions, including efforts to improve the learning climate for children from low-income families and to improve training for teachers and other school personnel.

In FY 1980, the Teachers Corps funded projects in 132 schools primarily serving children from low-income families. These schools are engaged in a 5-year effort which involves educational personnel in a "feeder system" consisting of a senior high school and the junior high (or middle) and elementary schools from which students normally go on to high school. In this system an elected community council functions as an equal partner with a college or university and the local school board in planning, evaluating, and carrying out this project. People at the local level shape and revise project objectives and strategies, as well as document the project experience.

Taking a slightly different approach, the National Institute of Education sponsors the Big-City School Superintendents Network on Urban Education to provide a forum in which superintendents can discuss common problems and possible solutions. Superintendents from Albuquerque, Atlanta, Boston, Chicago, Cincinnati, Columbia, Dallas, Detroit, Hartford, Honolulu, Houston, Kansas City, Los Angeles, New York, Oakland, Philadelphia, Portland, Seattle, and Washington, D.C., joined the discussions in FY 1980.

Intercultural Learning

OERI's Ethnic Heritage Studies Program provided funds in FY 1980 to train teachers in the use of multicultural ethnic heritage materials and resources as a means of enriching the existing curriculum. Ultimately, a mini-museum, a living history exhibit,



and a slide show will be developed as part of this project. Another grant helped to develop, pilot-test, and disseminate an ethnic heritage project involving 4-week, 20-hour elementary school curriculums in black studies and Jewish studies. Developing courses of study, however, is only one part of OERI's commitment to intercultural learning, and this area will receive more emphasis in FY 1981 and later.

Other Activities and FY 1981 Plans

The National Center for Education Statistics issued 19 major publications during FY 1980, including its bellwether *Condition of Education*. To make this publication even better and of more use to educators and others, letters were sent in FY 1980 to a sampling of educators, researchers, education writers, and elected officials requesting their comments and suggestions. These will provide useful ideas for future editions of the publication. The Center also responded during FY 1980 to almost 23,000 requests for information, of which over 400 came from the Congress.

OERI's Deputy Assistant Secretary chaired the Interagency Task Force established to study and analyze the resolutions generated at the November 1979 White House Conference on Library and Information Services. OERI is in the process of developing

for consideration by the Secretary and the President legislation that addresses the issues raised at the conference.

Improving Science and Engineering Studies.—A joint Education Department-National Science Foundation report on science and engineering education was sent to the President on August 15, 1980 (see Appendix I). Carrying out presidential initiatives based on this report will be an important part of OERI's FY 1981 agenda. For this purpose, a series of regional conferences involving private indus-

try, educational institutions, and citizen groups was being planned.

Also in FY 1981, OERI will develop a status report on a program to increase the participation of women and girls in science and mathematics education. This will complement the joint ED-NSF follow through on the report to the President.

Additionally, OERI will work with the Office of Postsecondary Education on international and intercultural educational research questions and will develop a coordinated approach to Basic Skills demonstration projects.

Office for Civil Rights

The Office for Civil Rights enforces laws that prohibit discrimination on the basis of race, color, national origin, sex, handicap, and age in all programs and institutions that receive funds from the Department. These laws are:

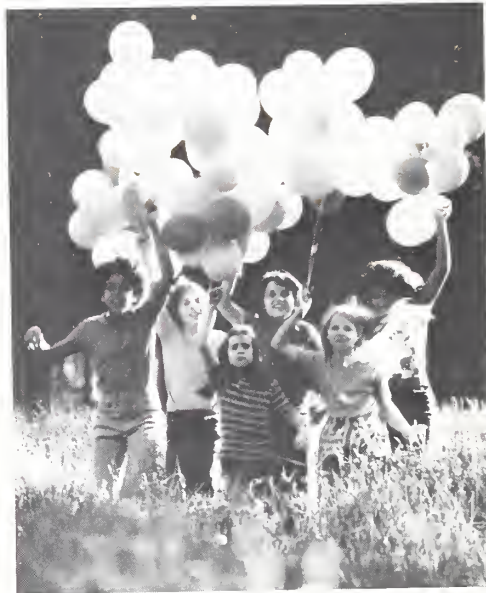
- Title VI of the Civil Rights Act of 1964 (race, color, and national origin)
- Title IX of the Education Amendments of 1972 (sex)
- Section 504 of the Rehabilitation Act of 1973 (handicap)
- Age Discrimination Act of 1975

In addition, OCR helps implement civil rights provisions in several Department programs, particularly the Emergency School Aid Act, the Education for All Handicapped Children Act, and the Vocational Education Act, and provides technical assistance to the public and to schools in an attempt to obtain voluntary compliance with civil rights laws.

With a staff of 1,115, 75 percent of whom work in the 10 regional offices, OCR is headed by the Assistant Secretary for Civil Rights. Four offices divide the work of the agency: the Office of Litigation, Enforcement, and Policy; the Office of Planning and Compliance Operations; the Office of Program Review and Assistance; and, within the Office of the Assistant Secretary, the Office for Special Concerns.

Processing Complaints

An important factor influencing OCR's operations is the continuing application of a combined consent decree resulting from lawsuits brought by civil rights groups during the past decade, each alleging failure to adequately enforce the civil rights laws. Litigation in three cases (the *Adams*, *Brown*, and *WEAL* cases) resulted in a 1977 court order com-



PELLING OCR to comply with strict timeframes for processing complaints and completing compliance reviews. Specific requirements were also imposed regarding completion of the agency's higher education desegregation activities, and the elimination of a substantial complaint backlog. OCR was in substantial compliance with this order (the *Adams* Order) by September 30, 1979, having reduced the number of outstanding complaints from an all-time high of 3,696 in 1978 to 1,410. The order continued to exert great influence on OCR throughout FY 1980.

The Department of Education Organization Act clearly signals the importance of civil rights enforcement by providing the Assistant Secretary with significant independence. OCR has the statutory authority to collect and coordinate the data necessary for its compliance activities, to appoint and hire its own staff, and to enter directly into contracts.

In addition, the Assistant Secretary is required to make an annual report

to the President and the Congress on compliance and other activities of the Office. OCR has initiated activities for improved contract planning, research and evaluation, and for hiring of staff necessary to ensure program integrity and effectiveness.

While these and other management initiatives have a beneficial effect, OCR's primary performance indicator fell during FY 1980: rather than closing more complaints than it received, as in FY 1979 (when 3,431 education complaints were received and 5,172 were closed), receipts in FY 1980 outnumbered closures in 10 of the first 11 months. This drop in complaints processed may be attributable to three factors: (1) dislocation resulting from transition activities associated with the formation of the new Department; (2) a disproportionate reduction in staff by virtue of the split in OCR personnel between the Department of Education and the Department of Health and Human Services; and (3) the effect of the Department-wide reduction in staff to meet the staff reduction mandate in the Department of Education Organization Act.

OCR's primary enforcement technique is the investigation and resolution of complaints filed under its four principal statutes. Each timely, written complaint within OCR's jurisdiction must be fully and completely investigated, as required by OCR's regulations and the *Adams Order*. In FY 1980, OCR received 2,995 complaints and resolved 2,508.

OCR also initiates compliance reviews of selected schools. While these reviews are not normally triggered by complaints, their investigation and resolution procedures are basically the same as for complaints. In FY 1980, OCR initiated 98 compliance reviews and closed 221.

The most important differences between compliance reviews and complaints are that: (1) OCR selects both the issues and the institutions for compliance reviews; and (2) compliance reviews are normally broader in scope than complaint investigations. OCR has found compliance reviews to be a more effective use of its resources than complaint investigations because of targeting and effect considerations.

During FY 1980, OCR's activities affected the lives of millions of people associated with the American educational system. Developments in several areas merit special attention.

Proposed Civil Rights Language Minority Regulation

This regulation was issued in proposed form for public comment in August 1980 and was intended to further define the responsibilities of school districts to meet the educational needs of the 3.5 million national origin minority children in the country whose first language is not English. The proposed regulation articulated the position of the Department and the Supreme Court (*Lau v. Nichols*, 1974) that in order to provide these national origin minority children with the equal educational opportunities they are entitled to under Title VI, school districts must take "affirmative steps" to discover and rectify their English-language deficiencies.

Following publication of the proposed regulation, public hearings were held in six cities, and the Department began the task of analyzing the testimony received at those hearings and over 4,000 additional comments transmitted to the Department during a 75-day comment period.

Enforcement of Title IX in Intercollegiate Athletics

Prior to the enactment of Title IX in 1972, participation in intercollegiate athletics was emphasized for men but not for women. It still is. This led to the development of highly competitive and extensive athletic opportunities for men on many campuses, and often tended to work against the availability of opportunities for women. Since 1972, there has been a dramatic increase in the numbers of women interested in such opportunities, but colleges and universities have been slow to respond to these demands. For example, women receive a disproportionately small share of the athletic scholarships on most campuses that offer them. This



is a problem with special consequences for minority women, a disproportionate share of whom come from backgrounds of disadvantage.

At the beginning of 1980, OCR had a backlog of over 120 complaints which collectively alleged discrimination in intercollegiate athletics at more than 80 institutions. This backlog accumulated in a 3-year transition phase (1975-78), during which schools were to bring their programs into compliance, and during an additional 2 years of intensive policy development and staff training. OCR is now investigating these complaints, and plans to become current in this area during FY 1981.

Vocational Education

Data from OCR surveys and other sources indicate widespread inequity in access to vocational education, affecting virtually every group protected under the laws OCR enforces. OCR is taking a comprehensive approach in its enforcement of nondiscrimination laws affecting vocational education. Based on guidelines issued by the Department of Health, Education, and Welfare in 1979, OCR has signed a Memorandum of Understanding with the Office of Voca-

tional and Adult Education which will affect the way every state utilizes funds appropriated under the Vocational Education Act. In FY 1980, OCR also sent to 10,584 schools a survey designed to elicit data about possible compliance problems. The results of that survey have been compiled and distributed to the states and are being used by OCR to target compliance reviews. OCR also is engaged in joint statewide reviews of vocational education programs with the Justice Department in Connecticut and Louisiana.

State Higher Education Systems

When the Supreme Court ruled school segregation unconstitutional in 1954, 19 states were maintaining racially dual public systems of higher education that had been established by state law or state action. Twenty-five years after the Court's ruling, most of those states continue to have systems with vestiges of their former segregation. For example, most of their systems include institutions that remain more than 90 percent black and institutions that are more than 90 percent white. In 1969, the Department of Health, Education, and Welfare found that 10 additional

states were continuing to operate systems characterized by their former segregation. In 1969 and 1970, HEW directed these states to develop desegregation plans to overcome the effects of past discrimination. Five of these states submitted plans, but HEW did not comment on them. Five others ignored HEW, and HEW did nothing. In 1971, the NAACP Legal Defense and Education Fund filed suit against HEW in federal district court for failure to enforce Title VI. The court found for LDF and in both 1973 and 1977 ordered HEW to develop standards for desegregation plans and to negotiate the adoption of those plans or initiate enforcement action.

In 1977, HEW issued the Amended Criteria Specifying Ingredients of Acceptable Plans To Desegregate State Systems of Public Higher Education (the Criteria). During 1977, 1978, and 1979, five of the six states originally covered under *Adams* and still within the jurisdiction of OCR submitted desegregation plans. Only North Carolina did not. In FY 1979, HEW initiated enforcement proceedings against North Carolina, and hearings before an Administrative Law Judge commenced in July 1980, and continue into 1981.

In February 1978, HEW Secretary Joseph Califano announced that OCR would complete the job of higher education desegregation in the South by reviews in the remaining states that once operated racially dual higher education systems. OCR completed or is completing reviews in Texas, Alabama, Delaware, South Carolina, Kentucky, Missouri, West Virginia, and Ohio. Letters of Findings are being prepared and OCR will undertake negotiations with any states found in noncompliance prior to initiating enforcement actions.

Elementary and Secondary School Segregation

One of the major reasons for enactment of Title VI of the Civil Rights Act of 1964 was continuing school segregation, particularly in the South. By enforcing Title VI in the 1960's, OCR played a major role in eliminat-

ing virtually all of the racially dual school systems in the southern and border states. OCR has a continuing obligation under Title VI and the *Brown* and *Adams* cases to investigate and eliminate illegal segregation in school districts receiving federal aid. When OCR encounters segregation that requires busing as a remedy, it refers the case to the Justice Department for prosecution.

OCR also uses its authority to approve applications from school districts for desegregation assistance grants under the Emergency School Aid Act. ESAA "pregrant reviews" take place each year and involve applications from hundreds of school districts. OCR has had great success with this program. In FY 1980, OCR found 65 applicant districts ineligible for ESAA funds due to discriminatory practices. It certified 64 of those districts eligible after receiving acceptable desegregation plans.

Within-School Segregation

OCR has increasingly encountered situations in which overall school integration masks discriminatory student assignments on the basis of race, national origin, handicap, and/or sex. Involved are not only discriminatory assignments to classrooms, but also courses of study, special education programs, classes for the educable mentally retarded, and extracurricular activities.

There are strong indications that within-school segregation is a national problem. Both Hispanics and blacks, for example, are disproportionately educated in schools which use "ability grouping," and both groups are vastly overrepresented in the "low ability" groups at these schools. One of every three Hispanic children in schools using ability grouping is in these groups, compared to one of seven similarly situated Anglo children. In 1978-79, black students constituted 17 percent of the total elementary and secondary school enrollment, but 41 percent of the educable mentally retarded placements. Similar statistics show the isolation of women and the handicapped in special classes and courses.

OCR continues to address these issues through ESAA reviews, complaint investigations, compliance reviews, and research, but many of the issues involve complex questions of policy in an area of law that is still emerging.

Plans for FY 1981

Actions initiated on a number of key issues will not come to fruition until FY 1981. Notable among these are two major new regulations.

Age Discrimination Agency-Specific Regulation.—The Age Discrimination Act of 1975 prohibits exclusion from participation, denial of benefits, or discriminatory treatment on the basis of age in programs or activities receiving federal assistance. Government-wide guidelines for agency-specific regulations were published by

HEW in 1979, and the Department will publish a regulation affecting its funded programs in FY 1981.

Public Television Captioning for the Deaf and Hearing-Impaired.—

Approximately 16 million Americans are hearing-impaired. Almost 2 million of these people are deaf or unable to understand speech. A substantial portion of public television programming is illegally denied to members of this group who must have the audio portion of program content rendered visible in order to make it accessible. In order to make public television programming more accessible to these people, OCR is developing for public comment a proposed rule describing the application of Section 504 to Department-assisted public broadcasting programs and activities.

Office of the Inspector General

The Office of the Inspector General operates in conformance with the Inspector General Act of 1978, which calls for an independent and objective unit in most federal agencies to promote economy, efficiency, and effectiveness in program and other operations and to prevent and detect fraud and abuse.

Audit Functions

Two-thirds of the OIG staff perform audit-related functions involving complex accounting and management operations. Most auditors are located in the Department's 10 regional offices, others are in Washington. OIG staff perform internal audits of the Department's programs and operations. In addition, they periodically audit grantees or review grantee audits performed by state auditors or independent public accounting firms. These grantee audits are performed under standards set by the Comptroller General of the United States and Office of Management and Budget regulations and guidelines.

By conducting and reviewing audits, OIG identifies fiscal discrepancies and management and administrative problems. It recommends necessary corrective actions to ensure that Department funds are properly spent. Audits also serve as an important management tool. They enable analysis of the Department's internal control of the award and distribution of program funds. An efficient system of internal controls works to reduce the likelihood of fraud, abuse, or waste within the Department and assures more effective management of taxpayers' dollars.

OIG's audit workload is extremely heavy. In addition to internal audits and reviews the frequency of legally required audits, alone, requires the

Office of Audit staff to perform or review approximately 10,000 audits annually. Over 2,000 education program audits were performed or reviewed in FY 1980. These included both internal Department audits and audits of grantees. Questioned costs in these audits, approximately \$50.7 million, were slated for recovery by the government. Such potential savings reflect a gain in Department efficiency and represent one measure of OIG's audit effectiveness.

Investigative Functions

The Office of Investigation also is staffed both in Washington and the 10 regional offices. Investigators review and evaluate all allegations of illegal or unethical practices related to Department programs. This includes all complaints of fraud and abuse, whether they concern internal operations or Department relations with contractors and grantees.

OIG's Office of Investigation in FY 1980 conducted over 160 investigations and monitored 90 others. In addition to the professional skills of investigators, many cases demand closely coordinated work by teams of investigators, auditors, and U.S. attorneys. Investigators must also work closely with law enforcement officials at the local, state, and federal levels, including the Federal Bureau of Investigation.

Investigators in FY 1980 identified improperly awarded or misspent Department funds in excess of \$13.5 million. Another \$1.2 million was saved as a result of investigative actions which prevented continued funding where evidence of fraud or abuse had been disclosed. Successful investigations also led to the direct recovery of over \$869,000. From April to the end of FY 1980 in September,

OIG investigators referred 16 education-related cases to the U.S. Department of Justice for possible prosecution. Investigative referrals also resulted in five indictments and one prosecution.

The investigative staff also monitors all critical-sensitive Department personnel positions. Nearly 500 jobs are subject to monitoring to ensure through background investigations the integrity of key staff.

Investigative staff also provided Department-wide security services for documents and coordinated personal security arrangements for the Secretary's public appearances.

Fraud Control

Fraud control is a specialized function intended in part to gather information about potential risk situations where fraud and abuse can occur in Department programs and operations. One way to acquire such information is through the Department's "Hotline," a special telephone number (800-755-2770) available to Department employees and others to report information about suspected fraud and abuse. The "Hotline" was set up on August 4, 1980; 46 complaints had been received by September 30. Of these, 34 were considered serious enough to require further action by OIG auditors or investigators, or Department program officials.

Another way to acquire information about potential high risk situations is through special studies called "vulnerability assessments." These determine where fraud, abuse, or error is most likely to occur in Department programs. Based on these studies, the Inspector General can focus resources on potential problems.

Priorities in FY 1981

The Inspector General and key staff worked during the Department's early months to establish a solid foundation for the new organization. OIG set up a national network for its audit and investigative activities.

OIG has identified several matters which will require close attention during FY 1981. A key project will be a concerted effort to improve the Department's internal control of programs and their operations. The Comptroller General has cited inadequate internal controls as a major factor contributing to fraud and waste in federal programs.

OIG will focus special attention on internal improvements, particularly in three areas:

- financial assistance to post-secondary students under Title IV of the Higher Education Act
- programs to strengthen developing institutions under Title III of the same act
- Department management of contracts and grants.

In accordance with Office of Management and Budget requirements, OIG staff in FY 1981 will audit selected state departments of education. Some local education agencies may also be audited. Presently, about 16,000 state and local entities receive Department funds.

Auditors also will focus on selected Department programs and fund recipients not audited in the past. These pilot audits will enable OIG to supplement existing audit guides to develop appropriate standards for audits of these programs.

The large volume of audit activity has led to an increase in the number of unresolved audits carried by the Department. The Congress has instructed all federal departments and agencies to reduce the number of unresolved audits, particularly those over 6 months old. OIG shares this concern and will work to reduce the backlog of unresolved audits in FY 1981.

OIG investigators deal with cases arising from a wide range of allegations in all areas of the Department. Investigative strategy and priorities, aimed at ensuring program integrity through the best use of available resources, are currently being developed.

Office of the General Counsel

The Office of the General Counsel provides legal services to the Secretary of Education and other officials of the Department of Education. These services include:

- Representing the Department in administrative litigation
- Assisting the Department of Justice in court litigation affecting the Department
- Drafting legislation and regulations
- Coordinating and overseeing procedures for preparing regulations
- Assisting in the monitoring of activities funded by the Department
- Handling legal services required for administering the Department, including services related to personnel, contracts, privacy and freedom of information issues, and ethics, and
- Providing formal and informal legal advice related to policy development, the day-to-day administration of federal aid to education programs, and civil rights enforcement laws (e.g., Title VI of the Civil Rights Act, sex equity laws, and Section 504 of the Rehabilitation Act).

A Recognized Need

In establishing the Department of Education, the Congress provided for an Office of the General Counsel within the Department to provide necessary legal advice. The former Office of Education primarily relied for advice on substantive education law and on the Education Division of the Office of the General Counsel in HEW. However, Department of Education officials need advice on such matters as the enforcement of civil rights provisions, business and administrative law questions, and pending legislation that go far beyond the scope of the services once provided by

the Education Division. Thus, the initial task OGC performed was to establish itself as the legal office of a Cabinet-level department.

OGC Staff.—OGC has more than 90 employees, including some 50 attorneys. OGC has recruited attorneys to meet its affirmative action goals. Of the 14 senior positions, more than one-third are filled by women, and, together, women and minorities occupy half of these top positions.

During FY 1980, OGC attorneys handled more than 160 cases related to the Department's involvement in judicial and administrative proceedings. This figure excludes the more than 20,000 student loan default cases for which the Office acted as consultant to attorneys in the Department of Justice.

Since May 1980, OGC has coordinated and supervised responses to nearly 50 congressional and Administration requests for the Department's views on pending legislation. In addition, the Office has responded to numerous inquiries from within the Department, and from the Administration, the Congress, and the general public concerning the interpretation of education law.

How OGC Helps.—As legal counsel for the Department, the Office assisted the Secretary in several activities. The Office provided extensive legal services required to establish the Education Department as a separate executive agency; i.e., legal advice on the Department of Education Organization Act and other laws concerning functions and personnel transferring from other Departments, on Department organization and on other specific matters.

In FY 1980, the Office assisted in preparing those documents required

for the functioning of the Department, including delegations of authority, interagency agreements for services from other departments, and necessary housekeeping regulations. It identified issues and answered questions related to the jurisdiction of administrative tribunals within the Department and procedures for handling administrative adjudication involving the Department. The Office also identified legal resource requirements for the Department and developed a structure and procedure designed to provide the most effective legal services for the Department.

The Office began or carried out special initiatives to help improve the Department's efforts in the following areas:

- developing a regulations process
- consolidating or streamlining administrative procedures
- developing procedures for handling student loan bankruptcy cases.

A Regulations Process

OGC, working with several other offices, instituted a new regulations process to:

- reflect accurately congressional intent and other legislative concerns
- reduce the burden, including the paperwork chores, imposed by federal regulations
- speed the cumbersome process of writing and issuing regulations
- recognize the authority and responsibility of the program Assistant Secretaries and
- encourage wide public participation in rulemaking.

Although there has not been sufficient time for a thorough evaluation of the new process, encouraging results are apparent. For example, the Office of Legislation took a more active role in evaluating the regulations in their early stages. Meetings have been arranged between congressional staff and regulations writers soon after the passage of new legislation and during the comment period for regulations implementing legislative initiatives.

Reducing Paperwork Among Agencies.—The legislatively mandated pro-

gram to detect and control asbestos in the schools required states to undertake extensive recordkeeping and information distribution tasks, even in the absence of appropriations. The Department eased this legislative burden without undermining the legislative intent by proposing to work closely with the Environmental Protection Agency, which was also promulgating regulations that imposed paperwork burdens on school authorities. Under the proposed rules, records maintained by local authorities in satisfaction of the EPA regulation can be submitted by states to meet the Department's reporting provisions, thus avoiding unnecessary duplication of recordkeeping requirements.

In addition, the proposed rules were specially drafted to assist states in meeting the statutory requirement that each state education agency distribute to its local education agencies information on asbestos detection and control programs. The proposed rules will satisfy this requirement in large measure. EPA and the Department published proposed rules about asbestos in schools in the same issue of the *Federal Register*. Each state was then sent enough copies of this issue to distribute to each local education agency.

Producing Regs On Time.—The asbestos regulations also exhibited the Department's commitment to prompt publication of regulations. The Department is under a legislative mandate to produce rules within 240 days of the enactment of an authorizing statute. These regulations were the first test of the Department's ability to produce regulations on time. The asbestos rules were proposed in less than 95 days after enactment of the asbestos bill. Although many difficult technical issues remain, the asbestos rules will meet the 240-day deadline if the work is continued on this schedule. These savings in time are the result of drastically cutting the number and nature of regulations clearances. Instead of interminable "serial" clearances, regulations go through one or two Department-wide clearances.

The authority of program Assistant Secretaries has been enhanced by the



Secretary's delegation of authority to issue application notices and certain other *Federal Register* notices. The Secretary also announced willingness to experiment, on a case-by-case basis, with 180-day delegations of authority to issue regulations once policies have been approved by the Secretary.

Public participation continues to be a high Department priority. Even under the pressures of the 240-day deadline, the Department has allowed 45 days—15 days more than the law requires—for public comment on the asbestos rules. The Department's general practice is to allow 60 days—twice the legal minimum—for public comment, and it has already granted up to 75 days for certain important rules.

Subregulatory Guidance Task Force.—The Department provides guidance to the public in a wide variety of forms outside the regulatory process, including letters, telephone calls, program manuals, guidelines, directives, bulletins, speeches and testimony by officials, budget decisions, and press conferences. This guidance is not published in the *Federal Register*, and it is often not available beyond the original audience for which it is intended. Chaired by the General Counsel, the Subregulatory Guidance Task Force has begun a systematic effort within the Department to retain and organize this information for future reference. The Task Force is now in the process of examining the individual systems developed by various Offices for handling subregulatory guidance materials to determine if any system is sufficiently comprehensive to serve as model for the Department.

Consolidating or Streamlining Administrative Procedures

The Office of the General Counsel was responsible for several key initiatives to consolidate and streamline administrative procedures. The most notable of these was the publication of the Education Department General Administrative Regulations. EDGAR, published April 3, 1980, outlined the general rules on how to apply for grants and subgrants; how subgrants are made; the general conditions that apply for grantees and subgrantees; and the compliance procedures used by the Department.

Publication of EDGAR culminated nearly 2 years of work on the consolidation of administrative, fiscal, and programmatic requirements. The requirements are spelled out in clear, simple English.

The following reforms are among those implemented through EDGAR:

- Provision of a general state application for state-administered programs, where funds flow through state education agencies to local education agencies; and a general local education agency application to be used under state-administered programs

- Provision of a 3-year state application under the state-administered programs
- Elimination of an attorney general certification previously required in all state plans under the state-administered programs
- Consolidation of existing regulations on children enrolled in private schools.

Rules for Unfunded Programs.—The Office of the General Counsel developed a proposed regulation for unfunded programs as another initiative to streamline Department procedures. In August 1980, the Department published a notice of proposed rulemaking to establish procedures for awarding grants in programs that do not have specific program regulations.

Reliance on these proposed rules will be a temporary expedient, employed only during the first year in which a previously unfunded program is funded. While the program is being administered in the first year, draft rules covering later years will be proposed and made final. This will allow the final rules to reflect not only the new priorities that generated the appropriation but also the first year's administrative experience.

If necessary, the Department may supplement these rules soon after the first appropriation, by publishing a notice in the *Federal Register* that interprets the statute. If the authorizing legislation cannot be implemented without program-specific regulations (for example, if the authorizing legislation mandates regulations on specific topics), the Department will continue its practice of writing rules even in the absence of an appropriation.

Services for Non-Public School Children.—The Office has further prepared proposed rules for proceedings relating to by-pass arrangements for services to children in private schools under Titles I and IV of the Elementary and Secondary Education Act of 1965.

Section 130, Title I of the ESEA requires a local education agency to serve educationally deprived children enrolled in private schools on an equitable basis. If the LEA is prohib-

ited by law from providing for equal participation of private school children, Title I directs the Secretary of Education to waive the requirement and to "arrange for the provision of services to such children" on a direct basis. A similar provision applies to cases where the LEA substantially fails to provide services to private school children. The Secretary, in effect, "by-passes" the LEA and provides the services to private school children directly—generally by contract.

The Secretary may not take any final action under the "by-pass" provision of the law until the affected state education agency or LEA has had an opportunity for a hearing to show cause why such action should not be taken.

Ultimately, the expeditious handling of these proceedings will benefit those private school children whose full participation in the Title I and Title IV programs have been deferred because of delays in show-cause proceedings.

Handling Student Loan Bankruptcy Cases

In consultation with the Department of Justice, the Office of the General Counsel developed procedures to improve the handling of student loan bankruptcy cases in which the Department of Education is a party. By streamlining procedures for the regional offices of the Office of Student Financial Assistance to use in developing submissions to U.S. attorneys, as well as disseminating decisions that may be used in individual cases, the Department's recovery record in these bankruptcy cases should be improved.

In FY 1980, OGC assisted attorneys in the Department of Justice in handling student loan bankruptcy cases. These cases, numbering in the thousands, were scattered in federal district courts throughout the United States. To improve the quality of assistance that the Department offers the Justice Department in handling these cases, the following actions were undertaken:

- Agreement was reached between Justice Department officials and OGC on procedures and forms

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- for handling various types of student loan bankruptcy actions.
- OGC's memorandum to the Office of Student Financial Assistance, developed in consultation with that Office, set forth a detailed plan to help regional office personnel develop submissions to U.S. attorneys.
 - OGC provided the Justice Department, for distribution to U.S. attorneys, summaries of court decisions that may be of use in asserting the Department of Education's interest in student loan bankruptcy cases.

Future Policy and Plans

In fulfilling its statutory responsibilities, OGC will continue to play a

critical role in many of the most challenging issues facing the Department, including constitutional issues related to the separation of church and state, equal protection, and due process; educational policy issues; the federal role in education; and the substantive policy and administrative directions of a new Cabinet-level department.

In addition, through such regulatory and procedural initiatives as previously mentioned, the Office will directly assist the Department in developing and implementing programs and policies that promote equal access to education for all who want or need general education and skill training, and improve the quality of education at all levels.

Office of Legislation

The Office of Legislation participates in all activities of the Department, especially policy, budget and regulations development, planning, and evaluation, and provides information to Members of the Congress on Department activities.

OL has established a program of regular consultation with Members of the Congress and staff on regulations under development within the Department. It arranges periodic briefings on studies, policies under development, and other activities for Members and staff. It notifies Members of grant awards, handles congressional inquiries, and facilitates the resolution of problems brought to the Department's attention by Senators and Representatives.

The Office of Legislation worked in FY 1980 with the Office of the General Counsel to establish a new regulations development process that provides for maximum public input and helps to ensure that congressional intent is followed.

Legislative Activities

OL manages the development of testimony to be presented to congressional committees and handles follow-up work and information needs required by hearings. The Office worked in FY 1980 for passage of major Administration proposals:

Higher Education.—President Carter on October 3, 1980, signed the Education Amendments of 1980 (P.L. 96-374) extending for 5 years all major higher education programs.

Youth Act.—OL also worked for passage of the proposed Youth Act of 1980 to address the serious national problems created by high unemployment among youth, particularly poor and minority young people.

FY 1981 Budget.—The Department's budget request would provide \$15.1 billion to schools, colleges, museums, libraries, and other institutions for a broad array of educational services.

National Institute of Education.—A 5-year extension for the National Institute of Education was included in the Education Amendments of 1980.

Institute of Museum Services.—OL helped secure passage of legislation continuing the Institute of Museum Services through 1985.

Plans for FY 1981

In the coming year, the Office of Legislation will work with the Congress on the extension of vocational education and vocational rehabilitation programs, the 1982 budget, a bill to establish a National Teacher Fellowship Program, and a number of other bills.

Office of Planning and Budget

The Office of Planning and Budget is responsible to the Secretary for developing and managing the planning and program-budgeting system for the Department and for aiding the Secretary—with the help of the Under Secretary and Assistant Secretaries—in formulating federal education policy and program budgets. The system is essentially a process which develops an overall framework for policy and translates that framework into budgetary, legislative, regulatory, and operational programs for review and approval by the President and the Congress.

OPB reviews and advises the Secretary on all proposed legislation, regulations, and administrative orders on public announcements which have significant impact on policy, program plans, and budgets.

Toward this end it brings together the results of various information, research, analysis, planning, implementation, and evaluation activities. In addition, it makes certain that all principal officers of the Department participate fully in advising the Secretary on the development and execution of policy and programs.

Planning and Budget System Components

OPB is responsible for coordinating the following major components of the planning and budget system:

The Secretary's Policy and Planning Discussions.—Included in these discussions are projections of student populations, state and local finance, and institutional structures; policy analysis papers developed by program and staff Assistant Secretaries; and program management evaluations.

The Secretary's Policy and Fiscal Guidance.—This is based upon the

Secretary's decision during the policy and planning discussions and takes into account current law, the latest budget decisions, an assessment of the national education situation, the federal role, and the effect of the Department's programs.

Aiding the Program Assistant Secretaries in Responding to the Secretary's Policy and Fiscal Guidance.—

The program Assistant Secretaries submit their program budget proposals for the President's Budget for next year and subsequent years. These program-budget proposals include all major legislative, regulatory, and personnel initiatives.

The Secretary's Annual Program-Budget Review.—

All major budgetary, legislative, and regulatory issues and alternatives are presented to the Secretary for decision. This review provides for direct and extensive participation and advice by all relevant program and staff Assistant Secretaries.

Budget and Appropriations Requests.—OPB directs the preparation and presentation of these requests to the Office of Management and Budget and the Congress. The Department's first budget, produced entirely through the new system, was submitted to OMB by the government-wide deadline of September 15, 1980. OPB has the primary responsibility for liaison with the Office of Management and Budget.

Development of the Department's Analytic Agenda.—OPB identifies analytic needs for development, improvement, and implementation of policies, programs, legislation, regulations, and budgets and either performs the analyses or coordinates the

work done by other staff and program Assistant Secretaries. The effort is ongoing.

Budget Oversight.—OPB makes certain that allotments of funds against program and financial plans are consistent with law, personnel allowances, and relevant program evaluations. It works closely with the Office of Management and the program Assistant Secretaries in carrying out this responsibility, then analyzes and presents major program modifications to the Secretary for decision.

FY 1980 Activities

Before the Department was established, OPB functions were performed by six separate units within the Office of the Secretary of Health, Education, and Welfare, the Assistant Secretary for Education, and the Office of Education. Thus, in addition to implementing a new Department-planning and program-budgeting system in its first year, OPB also had to consolidate functions and staff, recruit managers, and define new roles for the existing staff. By the end of FY 1980 almost all of these startup tasks had been completed, and all components of the new system had been tested at least once by operational experience.

Goals for FY 1981

The Office of Planning and Budget has four major objectives in the next fiscal year.

Refine Decisionmaking.—OPB will continue to refine and improve the planning and budget decisionmaking system so that it is responsive to major education needs and credible to the major elements of the Department, the executive branch, the Congress, and the education community.

Analyze Regulations.—It will develop the capability to conduct and coordinate regulatory analyses in support of the Office of the General Counsel. This capability is required under recent law, which mandates that regulatory analyses, including cost-benefit studies, be conducted for major Department regulations which exceed certain thresholds. The lead responsibility for this capacity is to be under the Deputy Assistant Secretary for Technical and Analytic Systems.

Systematize Projections.—OPB in FY 1981 also will strengthen and systematize the methods for developing expenditure estimates and projections by program. This capability is necessarily dependent upon ongoing improvements in the financial management system with regard to the audit visibility of expenditures against individual programs.

Publish Allotment Rules.—Finally, it will complete the clarification and publication of rules for applying for and processing allotments to Department programs.

Office of Public Affairs

The Office of Public Affairs keeps school and college administrators, teachers, parents, and the public informed about Department programs to serve students and improve the quality of education. To do this, it uses newspapers, TV, radio, professional journals, Department publications, and other media outlets. It also widely distributes policy statements by the Secretary and other officials, and participates in education conferences nationwide.

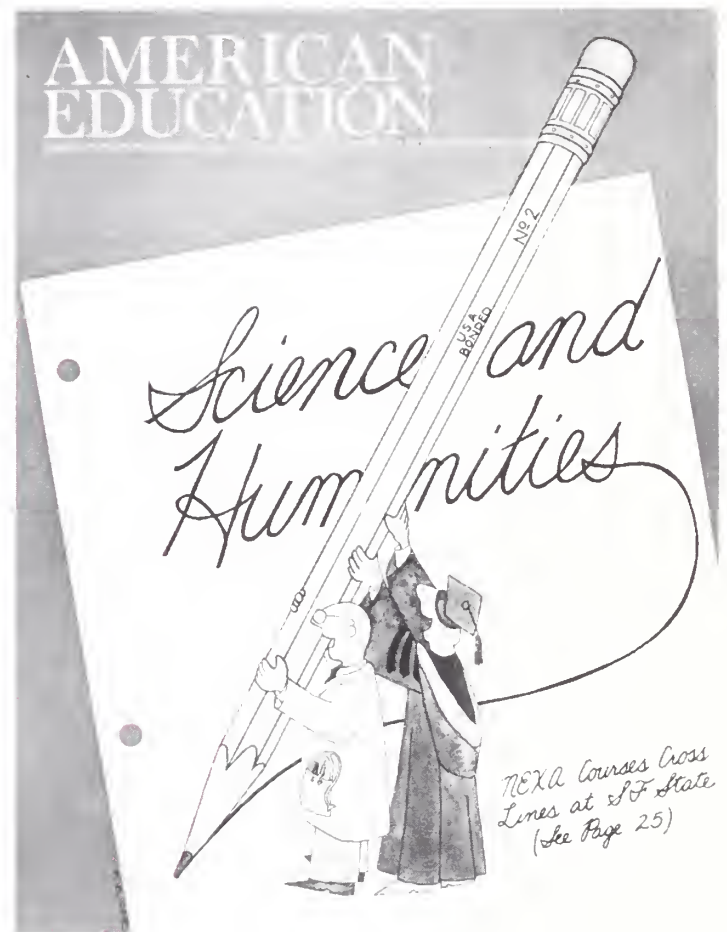
OPA planned and participated in the Department's "Salute to Learning," a week-long series of activities, held May 4-9, in conjunction with the Department's official opening.

The activities were captured on film. OPA produced a 20-minute motion picture in color, *Learning Never Ends*, which enables the public not only to view the events of "Salute to Learning" week but also to learn about the Department's goals and aspirations for American education.

Salute to Learning Week Activities

Joan Mondale, the Vice President's wife, launched the week by unveiling at the Hirshhorn Museum in Washington, D.C., a new postage stamp honoring education. Designed by the U.S. Postal Service, the stamp features Josef Albers' painting, *Homage to the Square: Glow*, symbolic of new hope and vitality in education. Beneath the painting is the evocative line, "Learning Never Ends."

Two White House events on May 7 honored the Department's inauguration. President Carter at an afternoon ceremony unfurled the Department flag and proclaimed "Salute to Learning Day." An evening program featured well-known artists and teachers who played significant roles in their lives.



During the week First Lady Rosalynn Carter and the Secretary visited a model bilingual school in the nation's capital, and the Secretary toured historic William and Mary College in Williamsburg, Virginia, the country's second oldest college. She participated with Senator Abraham Ribicoff and other distinguished panelists in a Brookings Institution seminar on "The Federal Role in Education in the 80's."

The Secretary also participated in a day-long celebration for Department employees. Planned jointly by OPA and the Horace Mann Learning Center, the Department's employee devel-

opment and training facility, the celebration included classroom teaching games, a puppet show to increase children's sensitivity to handicapped students, seminars, a student quilting party, and a historical exhibit on education's progress from the Pilgrims to the present.

A teleconference on major issues facing education concluded the week. The Secretary, speaking from Washington, joined six chief state school officers speaking from TV studios in their respective state capitals.

Explaining Department Policy

OPA has major responsibility for keeping the education community and the public informed about Department policies and activities.

To carry out this responsibility, OPA in FY 1980:

- prepared speeches and congressional statements for the Secretary and other Department officials
- handled advance press contacts for many of the Secretary's appearances before national organizations
- arranged interviews with the Secretary that were requested by leading daily newspapers, national magazines, and professional journals
- arranged, prepared briefing kits for, and invited the media to the Secretary's major press conferences
- stimulated public participation in public hearings on proposed regulations; for example, following the Secretary's briefing in August on the proposed Civil Rights Language Minority Regulations, OPA had a major role in stimulating public participation in hearings in New York, Chicago, Denver, New Orleans, San Francisco, and San Antonio. It prepared press advisories, set up briefings for editorial boards of major news media, and arranged appearances by Department officials on TV and radio talk shows to explain the proposals
- prepared a publication about Department goals, organization,

and programs; "Introducing the U.S. Department of Education" was sent to Members of the Congress, Governors, chief state school officers, school superintendents, college presidents, teacher and parent groups, and others interested in education.

Disseminating New Information

OPA is responsible for keeping the education community and media up-to-date on how funds under the Department's 160 programs are distributed to states, schools, and colleges; on new programs enacted by the Congress and proposed regulations to implement them; on Department senior staff appointments; and on other developments.

Press Releases.—Some 300 press releases and statements were issued in FY 1980. Many releases went to 5,000 newspapers, TV and radio stations, professional journals, and organizations and individuals asked to be placed on the mailing list.

American Education.—Now in its 16th year, this prize-winning monthly magazine reports to a national readership on how schools are using federal funds to improve education. Articles by education reporters, school officials, nationally known experts, and Department officials report on developments in education in a journalistic format designed to inform the broad public concerned with the nation's schools. Regular features of the magazine describe Department policies and programs and report on research findings.

Publications.—OPA evaluated, edited, designed, and processed for production 50 major publications in FY 1980, including this annual report and other reports to the President and the Congress. Most publications were written by or for program offices.

Many popular publications reported on Department-funded new approaches to learning; for example, *Winners All: 50 Outstanding Education Projects That Help Disadvan-*

taged Children. Providing loan and grant information to college students was *Student Consumer Guide: Six Financial Aid Programs, 1980-1981*. Among programs covered by other publications were education of the handicapped, rehabilitation services, bilingual education, occupational and adult education, international education, civil rights, and library services.

Some publications were translated into Spanish for use by Hispanic Americans. *Progress of Education in the United States of America, 1976-77 and 1977-78*, prepared for an international conference, was translated into Spanish, Portuguese, Arabic, Chinese, French, Russian, and Japanese.

Broadcast Service.—By calling an 800 toll-free number, radio station news directors can get a daily 3-to-5 minute taped message about Department activities. The message is changed daily. Reports feature excerpts from speeches by the Secretary and other officials and interviews with program managers, grantees, and contractors. The year's 300 reports also covered activities of

including bilingual education, the new Intergovernmental Advisory Council, and student financial aid. The service received 125 calls daily in FY 1980. It will shortly offer broadcasters a Spanish-language service.

Letter and Telephone Inquiries.—OPA handled more than 5,000 letter and telephone inquiries in FY 1980, most of which required written responses. Members of the Congress on behalf of constituents requested information on student financial aid and other programs. School superintendents sought guidance on where and how to apply for grants. Parents sought aid for handicapped children. Advocacy groups, teachers, students, and professional organizations requested information on a variety of subjects.

Laws Governing Information Release.—OPA handles for the Department all requests for information under the Freedom of Information Act, the Privacy Act, and the Ethics in Government Act. It received 400 requests in FY 1980, most of them under the Freedom of Information Act.

Office of Management

The Office of Management is responsible for such functions as grant-making, contract-making, and procurement management services; consulting services on organization, management, staffing, control, and information systems; accounting, financial management, and payroll services; program and management evaluations; personnel matters; training and employee development; and administrative and support services.

Transition to the New Department

When the Department opened on May 4, 1980, 8,002 employee positions and approximately 160 programs were brought together under the Department umbrella from the Department of Health, Education, and Welfare (now the Department of Health and Human Services), the National Science Foundation, and the Departments of Labor, Justice, and Housing and Urban Development. The Office of Management was involved in developing the Department's organizational structure and providing necessary space to allow this transfer to occur with minimal disruption.

The Department was structured to meld component agencies into a working whole with adequate staff to assure integrated planning and administration of legislation, regulations, and programs.

Temporary quarters were provided for many Department units while major long-term space arrangements were being negotiated with the Office of Management and Budget, General Services Administration, and the relevant congressional committees. Relocation of employees and equipment improved working conditions with

minimal disruption to Department operations.

Financial Management and Systems Initiatives

With respect to financial management, one of its primary functions, the Office of Management addressed the following:

Audit Exceptions.—Reducing audit exceptions was a major OM effort in FY 1980. Assistant Secretaries were notified about the status of open audit reports. Systematic follow-up and quarterly reports on audits over 6 months old were initiated.

Disbursement Procedures.—Uniform obligating procedures for formula grants were under development. There were changes in the system by which 2,500 to 3,000 grantees receive advance funds through Treasury checks. These advance funds were allotted on an annual rather than quarterly basis.

Planning for a common Department disbursing system was initiated by a task force to replace the Departmental Federal Assistance Financing System (DFAFS) of the former Department of Health, Education, and Welfare. The scheduled implementation date for the new system is September 30, 1981.

Establishment of Automated Systems.—Automated systems for payroll and personnel will be in place by June 1981. A further objective includes an on-line fund control system for accurate and timely reports to program managers and central management.

Financial Aid System.—Replacement of the student financial aid management system was under active review in FY 1980 and design requirements

for a new system were being developed.

Procurement Controls.—Stringent expenditure controls were imposed on fourth-quarter spending for consultant service contracts and equipment purchases.

Quality Control for Systems Management.—The Office of Management is introducing the private sector concept of quality control to middle level managers. Pilot quality control projects are being initiated in the areas of personnel, finance, and procurement operations. These findings will produce a flow of statistical information for managers, and should assist offices in identifying problems and evaluating solutions.

Contracting Activities

Extent of Contracts and Non-Federal Personnel Employed.—In accordance with Section 426(b) of the Department of Education Organization Act, the Department reports that during FY 1980, 919 contracts were awarded for a total of \$217,063,534. It is estimated that 4,340 nonfederal persons were employed under these contracts.

These figures include relevant contracts for the entire fiscal year from components of HEW and other agencies which constituted the Department of Education on May 4, 1980.

Program Management Initiatives

Task Forces on Monitoring.—Two task forces reporting to the Assistant Secretary for Management, one on the monitoring of state formula grant programs, the other on the monitoring of discretionary grant programs, were established to make more consistent the Department's efforts to monitor these programs. Recommendations of program managers and others who served on the task forces are being implemented. Their objectives are to:

- establish basic Department policies on the purposes of monitoring
- set forth minimum standards for monitoring, including the use of

monitoring instruments for site visits, as well as the development of monitoring manuals for each program

- establish peer advisory groups to review the monitoring instruments and strategies for validity and Department-wide consistency.

Program and Management Evaluation Activities

The Office of Management is undertaking a variety of initiatives to increase the utility of evaluations in the Department. First, it is developing an evaluation planning model keyed to legislative renewal cycles. This model will provide a consistent rationale and framework for preparing long-range program evaluation plans and will recommend appropriate evaluation techniques to be used at different stages in the life cycle of a program.

Second, it is establishing program objectives and performance indicators which will be included in the Department's *Annual Evaluation Report*. Program performance would be reviewed annually to determine if objectives are still plausible and if changes are required in a program's resources, management operations, regulations, or legislation. The review will occur prior to the initiation of the annual planning and budgeting cycle. This activity will produce the following benefits: meet a General Education Provisions Act requirement to develop measurable objectives for every program; lay the foundation for more systematic management of programs; and meet a basic need for the reliable evaluation of programs.

OM has also developed a new clearance process for evaluation reports and executive summaries. This process provides for rapid clearance and distribution of these materials to Department officials, Members of the Congress, and the Office of Management and Budget.

Human Resources Activities

The Horace Mann Learning Center, the Department's training arm, enhances the capacity of

employees to accomplish the Department's mission and offers them career development opportunities. The Center has developed a comprehensive training plan to expand upward mobility opportunities for employees and create for them defined career goals. It offers specialized training for secretaries, employees in lower-level positions, supervisors, veterans, and handicapped employees.

The Center reaches out to the broader national and international community of educators through special seminars designed to establish the Department's stature as the key federal education policymaker. For example, the *US/Israeli Colloquium on Education of Disadvantaged Children* brings together experts in this field from both countries. The *No Limits to Learning Seminar* creates a forum for future planning in education. *Urban School Strategies Workshop* series has resulted in several influential monographs by urban educators.

Other Management Improvements

Team efforts by OM and other officials to improve management in FY 1980 included the following:

Streamlining Regulations.—Procurement regulations were reduced by 150 pages through a simplification of the former Department of Health, Education, and Welfare procurement rules which had governed education programs before their transfer to the Department of Education. Announcement of the new regulations appeared

in the *Federal Register* on July 22, 1980.

Paperwork Reduction.—This effort concentrated in FY 1980 on:

- reduction of the state reporting burden under the Rehabilitation Services Administration's management information system (pending Office of Management and Budget clearance)
- simplified student financial aid forms to reduce overpayments and underpayments
- major reductions in the paperwork burden for discretionary grant applicants through consolidation of three non-discrimination assurance forms into a one-sheet assurance statement
- consolidation of seven National Institute of Education research grant regulations into a single regulation.

In addition, the Secretary commissioned a major paperwork reduction review by the Carnegie Foundation for the Advancement of Teaching. The review will focus in FY 1981 on the paperwork and administrative burdens imposed on educational institutions by the Department's policies and programs and make recommendations for reform and redesign.

Management Control.—OM in FY 1980 developed a management tracking system to monitor the accomplishment of key Department objectives set by the Secretary, the Under Secretary, and the Assistant Secretaries. Under this system, program officers developed action plans whereby their successes could be measured.

Appendices

Appendix I

Department of Education— National Science Foundation Coordination As Required by Section 304(c) of the Department of Education Organization Act

The Secretary of Education, in consultation with the Director of the National Science Foundation, is developing a long-term plan for coordinating federal efforts to improve the quality of science, engineering, and mathematics learning, including measures to facilitate the implementation of successful and worthwhile innovative practices. Within the Department of Education, responsibility for developing specific plans and agreements between the two agencies has been assigned to the Office of Educational Research and Improvement.

The Secretary also is making use of the new statutory authority for the Federal Interagency Committee on Education to assure the involvement and participation of other federal agencies and offices interested in science and engineering education.

Following are the major activities undertaken jointly in FY 1980 by the Department and the Foundation.

Review of Science and Engineering Education.—In a recent report to the President, *Science and Engineering Education for the 1980's and Beyond*, the Secretary of Education and the Director of the National Science Foundation warned that the nation is facing critical problems in the areas of basic and applied science, especially a shortage of Ph.D.'s and faculty in engineering, and a deterioration of the facilities of America's major research universities. The De-

partment is now implementing the recommendations of the report.

In addition, the Department of Education is placing emphasis on pre-college science and mathematics teacher training and curriculum development; public understanding, including increased reliance on non-traditional educational institutions, such as museums, libraries, and community agencies; and encouragement of and assistance to local education agencies in adopting or adapting up-to-date and effective programs and courses of study. NSF is giving highest priority to improving secondary education, facilities to support research and training, and training of specialists in advanced degree programs.

Transfer of Programs.—The Department of Education Organization Act transferred from NSF to the Department the Minority Institutions Science Improvement Program and the pre-school and elementary school portion of the Pre-College Science Teacher Training Program. Legislative specifications for extending these programs through FY 1986 will be submitted by the Department as part of its budget and legislative proposals for FY 1982. Meanwhile, the charter of NSF's Advisory Committee for Minority Programs in Science Education has been modified so that the Committee can continue to advise the Assistant Secretary for Educational Research and Improvement on the Minority Institutions Science Improvement Program.

Joint NSF-NIE Program.—In FY 1980, NSF and the Department's National Institute of Education established a joint program of development and research to improve school mathematics through the use of modern information-handling technology,

especially minicomputers. The agreement extends over 5 years, and each agency will contribute approximately \$1 million a year to this effort.

Science Coordination.—Staff members frequently work together on an *ad hoc* joint funding of proposals. This has occurred in funding the 3-2-1 *Contact* science television program produced by the Children's Television Workshop and in the funding of a multi-institution project to facilitate re-entry of women into science and engineering fields.

Cooperative Statistical Activities.—As do other agencies, the Foundation makes extensive use of statistical reports of the Department's National Center for Education Statistics, and the agencies cooperate in reviewing one another's reports before publication. NSF reviewed the special section on science education that appeared in the 1980 edition of *The Condition of Education*. Similarly, NCES reviewed

the *Science Education Databook* for NSF.

NSF also has a considerable interest in the National Assessment of Education Progress, an NIE responsibility. Plans for future assessments in science and mathematics are being discussed between the agencies.

Annual Science and Technology Report and Five-Year Outlook.—NSF has the responsibility for preparing the reports required by the National Science and Technology Policy, Organization, and Priorities Act of 1976. *ASTR* is prepared each year, while the *Outlook* is done biannually. In these reports, two areas are considered relevant to Department-Foundation cooperation: educational research and development and education in science and technology. Currently the Department takes the lead in the first area, the Foundation in the second. This involves compiling information on relevant programs governmentwide. This information should be helpful as a planning tool for policymaking and program evaluation.

Appendix II

Advisory Councils and Committees

- Advisory Committee on Accreditation and Institutional Eligibility (terminated May 10, 1980)
- Advisory Council on Dependents' Education (established fall 1980)
- Advisory Council on Developing Institutions
- Advisory Council on Education Statistics
- Advisory Council on Financial Aid to Students (terminated October 3, 1980)
- Advisory Panel on Financing Elementary and Secondary Education
- Asbestos Hazards School Safety Task Force (established September 2, 1980)
- Board of Advisors to the Fund for the Improvement of Postsecondary Education
- Commission on the Review of the Federal Impact Aid Program
- Community Education Advisory Council
- Federal Education Data Acquisition Council
- Intergovernmental Advisory Council on Education (established July 7, 1980)
- National Advisory Committee on Black Higher Education and Black Colleges and Universities
- National Advisory Council on Adult Education
- National Advisory Council on Bilingual Education
- National Advisory Council for Career Education
- National Advisory Council on the Education of Disadvantaged Children
- National Advisory Council on Ethnic Heritage Studies
- National Advisory Council on Extension and Continuing Education
- National Advisory Council on Indian Education
- National Advisory Council on Vocational Education
- National Advisory Council on Women's Educational Programs
- National Center for Research in Vocational Education Advisory Council
- National Council on Quality in Education
- Panel for the Review of Laboratory and Center Operations (terminated May 4, 1980)

Appendix III

Department of Education Funding to States* FY 1979 (most recent data)

Alabama	\$ 230,580,114	Missouri	211,514,728
Alaska	76,378,585	Montana	50,884,494
Arizona	159,372,536	Nebraska	82,017,230
Arkansas	126,798,955	Nevada	26,144,656
California	974,740,011	New Hampshire	40,817,415
Colorado	147,751,818	New Jersey	327,683,017
Connecticut	151,464,786	New Mexico	114,366,430
Delaware	38,893,889	New York	1,099,417,136
District of Columbia	482,029,974	North Carolina	305,227,564
Florida	380,917,910	North Dakota	50,114,424
Georgia	259,628,776	Ohio	377,368,185
Hawaii	55,496,232	Oklahoma	155,957,670
Idaho	44,466,557	Oregon	126,453,276
Illinois	503,348,005	Pennsylvania	569,641,459
Indiana	212,553,134	Rhode Island	59,126,218
Iowa	132,568,948	South Carolina	166,316,280
Kansas	104,157,890	South Dakota	57,838,465
Kentucky	178,358,947	Tennessee	209,161,754
Louisiana	210,588,713	Texas	646,980,703
Maine	82,298,451	Utah	57,719,887
Maryland	236,037,234	Vermont	38,430,527
Massachusetts	361,681,520	Virginia	252,776,071
Michigan	420,359,443	Washington	185,338,440
Minnesota	195,729,496	West Virginia	93,209,837
Mississippi	176,961,327	Wisconsin	213,346,293
		Wyoming	22,009,906
		Guam	9,338,368
		Puerto Rico	270,728,136
		Virgin Islands	6,229,874
		Northern Marianas	4,714,574
		Trust Territories	1,474,709
		American Samoa	3,105,354

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