



West Virginia Higher Education Policy Commission

Higher Education
News Clippings

Week of April 5, 2009

April 7, 2009

Putting Off A Cap

MetroNews, Charleston, Kanawha County

A move by the House Education Committee Tuesday would make sure the Promise Scholarship pays the full tuition and fees for all eligible high school students this coming year, but push the program into the red.

Higher Education Policy Commission Chancellor Brian Noland says the committee's decision to delay implementation of cost cutting moves will cause a deficit in Promise of between \$1 million and \$1.5 million in fiscal year 2011.

Lawmakers are trying to figure out ways to controlling the rising costs of the program that provides scholarships to in-state institutions for West Virginia students who meet certain academic requirements.

The Senate passed a bill suggesting the Promise Scholarship Board raise the minimum ACT score from a 22 to a 23 and cap the annual tuition payment at \$4,750. Currently, there is no cap.

But the House Education Committee on Tuesday seemed more concerned about making sure the popular scholarship program continued to provide the money needed for a college education for qualifying students.

The committee amended the bill by taking out the suggested increase in the ACT score and delaying the implementation of the cap until next year's class. Supporters say they were concerned about high school seniors who would be hit with the changes just as they are preparing for college.

But Noland says the effect of the committee action was to delay the inevitable.

"The delay of the award caps for a year will allow this year's high school seniors to go to college in the fall with a scholarship with full tuition and fees that's consistent with Promise up to this point," Noland said. "Financially, however, it puts us in a position for fiscal year 2011 of having a structural deficit in the Promise Scholarship Program of about a million to a million and a half dollars."

Noland believes the best way to fix Promise, which has an annual budget of \$42 million dollars and rising, is to switch to a "block award" program where the amount of money available is divided up among the students who meet the criteria.

There may still be changes ahead, since the bill has a long way to travel before the end of the session Saturday.

The next stop is the House Finance Committee.

House Bill Proposes Changes In Make-up of College Boards

The bill's goal is to make sure people guiding colleges and universities come from diverse backgrounds and positions.

CHARLESTON – The West Virginia House of Delegates has sent to the state Senate a bill designed to change the makeup of governing boards at West Virginia University and other state institutions of higher education.

“The idea behind the legislation was to ensure a broader representation of the makeup of the university and our state,” Delegate Barbara Fleischauer, D-Monongalia, said April 8 in a House-issued news release.

House Bill 2961, as introduced, would add faculty and staff representatives to college governing boards and require balance by gender and ethnic background. It would affect WVU, other baccalaureate institutions and community and technical colleges, she said.

“Hopefully the final product will include these components,” Fleischauer said. “You never know what can happen during the last few days of the session.”

Delegate Alex Shook, D-Monongalia, said the bill has broad support in the 44th House District.

“We were contacted by many members of the community and alumni from around the country about the Board of Governors selection process,” Shook said.

Delegate Charlene Marshall, D-Monongalia, said she too had received a lot of feedback from constituents.

“We, the delegates from the 44th District, worked to make changes as to how the Board of Governors were selected in order to have a more diverse committee,” she said. “We think this is necessary in order to include individuals from different walks of life and also to change the number of members from either staff counsel or faculty.”

The bill would reduce gubernatorial appointees at WVU from 12 to nine. At Marshall, they would go from 13 to 11. At all other institutions, the number of governor’s board appointments would be reduced from nine to eight.

The bill would also make corresponding reductions in the number of appointees who must be residents of the state and the numbers of members who may not be of the same political party.

April 5, 2009

WVU health sciences chancellor to be named this summer

By Davin White, Staff writer

CHARLESTON, W.Va. - By mid-June, a search committee expects to recommend a new chief of West Virginia University's Health Sciences Center to incoming WVU President James Clements.

Curtis "Hank" Barnette, chairman of the search committee, said the 23-member committee would meet this month to decide which candidates to interview for the new position of chancellor.

The chancellor will take over the role of vice president for health sciences at WVU. The name change is more a sign of the times than intended to reflect new job duties, Barnette said.

"It's a title that is increasingly the title with other health sciences organizations," Barnette said.

At a meeting in May, search committee members will interview the candidates they believe will best fit the Health Sciences Center.

By June, they'll whittle that list down to one candidate to recommend to Clements, who will take over for interim WVU President Peter Magrath in July.

"Right now, the search is something that's a real work in progress," Barnette said.

Barnette, formerly a member of the WVU Board of Governors, said the candidates fall into three classifications: Those who are nominated for the job, those who apply, and "highly talented individuals we are in contact with to determine their possible interest."

Managers with Witt/Kieffer Executive Search, an executive headhunting firm that specializes in corporate, health-care and educational searches, is assisting the search, Barnette said. The firm has 11 offices across the country, according to its Web site.

Ideally, the new chancellor will have earned an M.D., a Ph.D. or both.

"This executive will have national prominence in research and teaching and will have served in significant leadership roles in complex and highly regarded health-care delivery systems," according to a list of qualifications on the search committee's Web site.

The new chancellor faces other challenges, and eventually must name a new dean at the School of Medicine. Dr. John Brick, the interim dean, leads about 600 faculty members and 1,500 students on campuses in Morgantown, Charleston and Martinsburg.

In April 2008, Brick replaced former medical school Dean Dr. John Prescott, who publicly gave no reason for his departure.

A year earlier, the Health Sciences Center lost Dr. Bob D'Alessandri, its longtime vice president, when he left to become president and founding dean of a new medical institution in Scranton, Pa.

Also, last spring, a Pittsburgh consultant who earned \$75,000 a month issued a controversial nine-page report on WVU's health sciences. As a result, the consultant's six-month contract was terminated a couple months early, in June 2008.

WVU officials said the consultants' scathing report about health sciences and its affiliated hospitals was full of errors and misunderstandings.

R&V Associates of Pittsburgh, which cited the unexpected deaths of two children and one adult, alleged in the report that "intolerable" and "alarming" problems at WVU hospitals put patients' lives at risk.

The consultants also criticized WVU for serious shortages of general surgeons, anesthesiologists and heart surgeons that forced hospitals to send patients to facilities outside the state.

In June, Fred Butcher, WVU's interim vice president of health sciences, said the report was "replete with errors" and the "process they used was flawed."

Former WVU President Mike Garrison had ordered the review in March 2008. He called for increased coordination and accountability among academic departments and the teaching hospitals. At the time, Garrison said the "lack of financial transparency" led to "misperceptions and false assumptions" about health sciences.

Documents showed that R&V managing partner Vince Deluzio had worked closely with Dr. Julian Bailes, who was assigned to overhaul the anesthesiology program. The move puzzled professors in the anesthesiology department, as Bailes is chairman of neurosurgery at health sciences.

Last year, Butcher had approved Bailes' assignment, saying Bailes and other School of Medicine chairpersons had significant leadership roles in the overall assessment of health sciences.

The new chancellor will have to balance the needs of many different departments, such as nursing, dentistry, pharmacy, community medicine and rural health.

D. Scott Davis, an associate professor of physical therapy in the Department of Human Performance at the Health Sciences Center, hopes the new chancellor would strive for inclusion and representation for professional programs such as occupational therapy, physical therapy, exercise physiology, community medicine and medical technology.

"We make up the largest number of any students for any aspect of the Health Sciences Center," Davis said. "We far surpass the others in numbers of students."

Professional programs should be recognized for their contribution to the overall scheme of the Health Sciences Center, said Davis, who also sits on WVU's Faculty Senate.

"Medical school more often is the primary focus," Davis said. "Just recognizing the needs of the ancillary departments is important. I think sometimes we don't have the moxie that the physicians have and their voices are heard more loudly."

Davis also hopes to see better integration of the services that HSC faculty members provide in their clinical duties at University Health Associates and Ruby Memorial Hospital.

He said clinical practice is the primary revenue generator for health sciences, although many faculty also teach and, as a scholarship requirement, conduct research.

"Some of that [clinical] money comes back to support the Health Sciences Center," Davis said last week. "Trying to get that integrated is not easy.... Some of the faculty feel quite pulled in trying to achieve all of these missions."

On Friday, WVU's Board of Governors approved a plan to streamline the management of WVU Hospitals and University Health Associates under one executive team.

Currently, each institution has its own governing board. Under the plan, one chief executive officer would oversee both and the two institutions would become WVU Healthcare, according to a university news release. Medical faculty and others still need to approve the decision.

Davis pointed out that some HSC faculty members are impressed with the makeup of the chancellor search committee, which includes at least six active WVU professors, in addition to physicians and department heads.

"I'm not sure that professional programs are represented as much as I'd like," Davis said. Still, he recognizes the need for "a finite number" of people to make the search committee functional.

"I think, once we advance this, there will be significant opportunity for the search committee [members] to have discussion with their colleagues," Barnette said.

For information on the search, visit the Web site: <http://hscchancellorsearch.wvu.edu>.



April 7, 2009

Lang fights integrity hearing Alleges those who want hearing have interest conflicts

The Dominion Post

Former WVU Provost Gerald Lang filed a petition Monday opposing efforts to dismiss his request to stop an academic integrity hearing — for fear he will be judged unfairly by those he says have conflicts of interest.

Lang contends that attorneys in the WVU investigation of academic misconduct, and in the planned hearing, should have recused themselves as they previously reported to former WVU General Counsel Alex Macia or were involved in other aspects of the matter.

Several individuals and groups associated with WVU have filed motions to dismiss Lang's request, which prompted Monday's petition. They are: Mary Roberta Brandt, vice president for legal affairs and general counsel; Beverly D. Kerr, deputy general counsel; Marjorie Anne McDiarmid, law professor and academic integrity officer; the WVU Board of Governors; and WVU interim President C. Peter Magrath.

"We just received the filing from Lang," WVU Spokesman Dan Kim said Monday. "We have not had a chance to review it. We will be taking a look at all of this in the morning and in the coming days."

There was no response by press time to a message left after business hours for Macia. J. Michael Benninger, Lang's attorney, declined to comment.

Lang says that Macia "actively participated" in the Oct. 15, 2007, meeting during which it was decided to award a bogus eMBA degree to Heather Bresch, Gov. Joe Manchin's daughter and chief operating officer of Mylan Inc.

Furthermore, Lang contends that Macia and his staff should have recused themselves early on when former WVU President Mike Garrison asked for an internal investigation into the matter.

Lang charges that those named in his petition — Brandt, Kerr, McDiarmid, the BOG and Magrath — have a conflict.

According to documents filed in Monongalia County Circuit Court Monday, Lang noted the following:

That Macia was witness to discussions regarding the creation of grades for Bresch — and offered legal advice to those present during that Oct. 15, 2007 meeting.

Macia was not treated in the investigation as others present at the October 2007 meeting; he was not interviewed in the university investigation for misconduct nor was his electronic or other material reviewed.

Kerr served on the university screening subcommittee looking into academic misconduct. The subcommittee found no evidence against Macia, Kerr's then boss, but deemed that allegations against Lang and others had merit.

Lang's petition offers specifics on Macia's involvement in the October 2007 meeting:

"... Mr. Macia observed and heard all discussions concerning the need for the development of an academic record for the student who was deemed to have completed the eMBA degree. The academic record was necessary since there was an apparent lack of documentation available in the College of Business and Economics at that time.

"Mr. Macia was fully aware of the need for the development of the student's academic record and, in general, the proposed steps which were to be taken in the implementation of the decision which was expected to result from the Oct. 15, 2007 meeting.

"The implementation of the decision would necessarily have to address the student's reported class work, experiential learning and the assignment of classes and grades for such. These issues were discussed in general in the presence of General Counsel Macia. He voiced no objection or concern to any of the participants."

The Lang petition that prompted the university's request for dismissal alleged that "the entire proceeding is procedurally corrupt and invalid." That petition was filed in late February in regard to the investigation and the planned academic integrity hearing that Lang wanted to stop.

Lang's petition Monday indicates that he and others thought Macia was representing them during the controversial meeting.

"Under these circumstances, petitioner Lang and other persons in the Oct. 15, 2007, meeting would have understood that General Counsel's Office would be representing them because their actions were taken in their official capacities on behalf of the university.

"This specific situation posed a particularly dangerous condition for General Counsel Macia and his staff lawyers because he was directly involved in and knowledgeable of all actions taken and words spoken during the Oct. 15, 2007 meeting."

On Wednesday, a hearing will be held to address the motions to dismiss on behalf of the BOG, Magrath and McDiarmid; other university attorneys may also have their motions heard.

April 3, 2009

WVNCC and WVU Going Online With Degree Plan

By JOSELYN KING

WHEELING - West Virginia Northern Community College students now can pursue certain bachelor's degrees at West Virginia University without having to leave the Wheeling area.

WVU and WVNCC on Thursday announced an agreement by which WVNCC's associate degree graduates can transfer seamlessly to WVU to obtain bachelor's degrees in nursing, multidisciplinary studies and accounting.

The classwork will be done online through WVNCC, said Georgia Narsavage, dean of the WVU School of Nursing. She said enrolled students will be e-mailed a link to "synchronous" online classes, during which they will interact with the instructor and classmates, participating in discussions and asking questions - just as if they were in an actual classroom.

Other online lessons from the nursing school will be available to the students at their leisure, according to Narsavage.

To be eligible, students first must obtain their associate's degree from WVNCC, she said, and then pass the registered nurse licensure exam. After this, they can be accepted into WVU's program to obtain a bachelor's degree in nursing.

There already are 150 students throughout the state seeking a WVU nursing degree online, according to Narsavage.

"We have had some from West Virginia Northern Community College," she said. "But before this agreement, they may not have had the necessary pre-requisites and might have had to take other classes first."

The WVU School of Nursing has no similar agreement with other colleges in the state.

Narsavage said WVNCC has been doing "an excellent job" in its associate degree programs of giving students the basics needed for nursing education.

WVNCC already has an existing articulation agreement with WVU for a bachelor's degree in social work.

"Northern is partnering with many higher education institutions to assist our students in their quest for a bachelor's degree," said Martin Olshinsky, president at WVNCC. "We are working with other institutions to provide residents of the area a buffet of opportunities."

"Anytime we can make it easier for students to access education, we'll do it," Olshinsky said.

April 5, 2009

Op-Ed Commentaries

Jo Harris

Community college at Tech must stay independent

Several articles and letters have been published supporting a move to combine the Community and Technical College at WVU Tech and WVU Tech once again. Merging the two institutions co-located in Montgomery is a step backward for West Virginia and its objective to develop a strong community college system.

Remarks suggest that the community and technical college would move to Charleston or West Virginia State. There is no intent to move the community and technical college from Montgomery. In fact, the school has been expanding through the purchase and leasing of property.

Suggestions have been made that efficiencies could occur if the two schools were reunited. University processes, policies and procedures under which WVU Tech now operates are not conducive to effective community college operations. The community college must have flexibility and autonomy to meet its mission.

The community and technical college serves primarily commuter students (82 of the 761 students lived in residence halls). The average age is 27. Sports, convocations, fraternities and on-campus activities are not a focus of the typical community college student. Community and technical college students seek high-quality programs that can be finished in one to two years at lower costs. Additionally, the college serves an average of 1,500 citizens annually at business and industry sites through its workforce development division.

Duplication of services will be kept at a minimum, as WVU Tech should rely on WVU for the majority of its services. Increased budgetary dollars are not being requested by the community and technical college for additional faculty or staff.

The 2 2 programs that were designed to allow ease of transfer between two-year and four-year programs must be maintained. Statewide policies provide assurances to students that general education courses are transferable among all colleges within the state, and hours earned in associate degrees will be accepted by four-year institutions. It is common practice nationally that community and technical colleges enter into 2 2 program arrangements with a number of baccalaureate institutions. There is no reason that 2 2 programs currently in place between the CTC and WVU Tech cannot continue.

For the past nine years, governors and legislators have enacted legislation designed to create this new community college system, which is composed of 10 community colleges across the state. These colleges are working together on statewide initiatives in workforce education and certificate and associate degree programming designed to increase the college-going rate of West Virginians at an affordable price. Business and industry leaders now recognize there is a community college system in West Virginia (which other states created in the 1970s); synergies within this system have created a

responsive and flexible environment that did not exist prior to this series of legislative actions.

Distinct missions have been defined for community colleges and four-year institutions. Each institution must concentrate on meeting its distinct mission and the needs of its distinct student population. If consolidation is considered, it should be among institutions with similar missions - two or more community colleges or two or more baccalaureate institutions.

Two weeks ago, a team of Higher Learning Commission national evaluators visited the community and technical college and affirmed that the college is strong and viable as an independent institution. The team is recommending the full 10 years' reaccreditation for the community college, the longest period of reaccreditation allowable. Members cited the high job-placement rate, the excellent licensure passage rate in health programs, dedicated faculty and staff, the accredited programs (engineering technology, dental hygiene and respiratory therapy), and the effective customized training through the workforce development unit as strengths. They indicated that the community and technical college was poised for the future as a leader in community college education.

States that have prospered have a strong university system that focuses on research and a strong community college system that focuses on preparation of a skilled workforce. Our leaders have moved in this direction - providing funding for engineering and research at the university level and funding for workforce training at the community college level. We must continue on this pathway.

Harris is president of the Community and Technical College at WVU Tech.

Charleston Daily Mail

DAILYMAIL.COM

April 20, 2009

With public input, officials select new name for school It's now Kanawha Valley Community & Technical College

by From staff reports

The administration of West Virginia State Community & Technical College announced today that the institution will officially become known as Kanawha Valley Community & Technical College.

The new name was selected through a public solicitation and voting process, conducted earlier this year.

Kanawha Valley CTC was one of three potential new names entered in a run-off election. Kanawha Valley CTC was widely preferred by voters, besting Vandalia CTC and Augusta CTC, the other two options.

Last Friday, President Joseph Badgley presented the name change to the college's board of governors. Kanawha Valley Community & Technical College was officially authorized as the new name by board action.

Next month, the community college will begin work on the visual and design elements in completing its new identity. The administration expects the whole process to be completed by fall.

"We are very pleased with the new name," said Jan Vineyard, president of the board of governors for the college. "We're especially proud of the level of public engagement and participation that was part of this process. From students and faculty to our staff and neighbors, everyone shares in the ownership of this wonderful new name."

This action follows a state trend, whereby community and technical colleges in West Virginia have recently begun to establish new brands, distinct from their affiliated institutions.

For example, Pierpont Community & Technical College in Fairmont was formerly known as Fairmont State Community & Technical College. In general, a rebranding strategy for a community and technical college is aimed at reducing confusion and establishing more effective communications with target audience groups.

"I am extremely excited with the name Kanawha Valley Community & Technical College," Badgley said. "It will immediately begin to alleviate the confusion between our community college and the university next door. Plus, the name is a natural fit, since the Kanawha Valley is our home and its residents are the primary focus of our efforts and services."



April 7, 2009

TurboTax FAFSA provides students with big time saver

By Amanda White

New software has been designed to help students and their families fill out Free Application for Federal Student Aid forms.

Intuit Inc., the corporation that created TurboTax and Quicken, has created TurboTax FAFSA, a program that takes the information put on tax forms and transfers it to FAFSA forms.

The software was developed after Marshall University President Stephen Kopp suggested developing a more "user friendly" way of filling out FAFSA forms to Intuit President and CEO Brad Smith.

"With TurboTax FAFSA, up to half of the information a student needs to complete the FAFSA form can be automatically transferred right to their FAFSA," Smith said.

"There really hasn't been a technological solution for that up to this point," said Arnold Miller, assistant vice president for information and technology at Marshall.

"This product is good for everybody concerned," Kopp said. "Marshall University and the state of West Virginia are taking the lead with a major corporation to facilitate access to federal financial aid, while at the same time helping aspiring West Virginia students achieve the dream of pursuing a college education."

According to www.fafsa.ed.gov, Federal Student Aid uses the FAFSA to determine an applicant's expected family contribution. Universities use this information to prepare students' financial aid packages.

According to "Marshall Guide to Student Scholarships and Financial Assistance," found on the Financial Aid department's Web page, the FAFSA must be submitted in order for students to be considered for financial aid, including grants, loans and student employment.

Kathy Bialk, director of student financial assistance, said Marshall played an instrumental role by giving recommendations after using a prototype of the software.

"I think it's going in the right direction," Bialk said. "I really think it's a huge step towards simplification."

Currently, the software produces a printed copy of the FAFSA forms that needs to be sent to the Department of Education. Bialk said that this is one of the weaknesses of the program.

"I would really like to see the product have the ability to send it electronically," she said. She also said she would not have endorsed the product unless it was free for students.

"From the standpoint of the student, I definitely think it needs to be free," Bialk said.

Although this program was designed to make the FAFSA process easier, some students on campus do not think there is a need for it.

"Every time I use it, I just follow the instructions and fill out the paperwork," said James Ross, junior respiratory care major from Monrovia, Liberia. "I haven't had any difficulties."

Caitlin Huffman, junior criminal justice major from Charleston, said the FAFSA can be time consuming, but TurboTax FAFSA took less time.

"It helped a lot, actually," she said.

"I think that the fear is the unknown," Bialk said. "If you don't have familiarity with something, it's intimidating."

Bialk also said that she felt TurboTax FAFSA is a "user-friendly" and interactive program to help students get through the process.

"I think it has a lot of promise," she said.

Students can use TurboTax FAFSA for free by going to <https://fafsa.intuit.com/marshall>.

April 9, 2009

Maximum Tuition and Fees To Be Paid Under New GI Bill Program Go Way Up

By MEGAN ECKSTEIN
Washington

Veterans who go to private or out-of-state institutions could have a much larger share of their costs covered by the federal government than they first expected, now that many states have recalculated the top tuition and fees their students pay.

The U.S. Department of Veterans Affairs has released its final list of state-by-state tuition and fees caps that help determine the amount of benefits veterans can receive under the new GI Bill, and the maximum fees that the new aid could cover skyrocketed in several states from the numbers that were first posted in February.

The final figures exacerbate concerns that had already been raised about how much the program will cost the federal government, but they also bode well for veterans and the private colleges they may wish to attend.

Veterans Affairs officials estimated a price tag for the new GI Bill of \$78-billion over 10 years when they released final regulations for the law last week. But that amount could grow because of the new caps just released.

The new GI Bill was designed to allow veterans to be able to attend any in-state public college at no cost. The state-by-state caps represent the maximum amount a veteran's in-state education could cost, but the caps are also used to determine how much the federal government will help pay for a veteran to attend an out-of-state or private college.

Higher Than Expected

Many college officials and other people following the GI Bill were surprised when the original list of caps was released earlier this year, saying the figures reported then were already higher than many of them expected they would be.

The higher the caps, the cheaper it also becomes for colleges to agree to participate in the Yellow Ribbon Program the new GI Bill creates. That program is designed to help veterans cover extra costs associated with attending a private or out-of-state college or enrolling in a graduate program. The federal government agrees to match any amounts above a state's caps that a college participating in the new program agrees to waive for veterans it enrolls.

Part of the reason that many states' caps on fees are set so high is that officials in many places have calculated the maximum by tabulating the highest combination of fees a veteran could theoretically have to pay during the course of his or her education. Those included course-specific fees (which, in some specialized fields, can be quite high) and fees for first-time enrollment or graduation, among others.

For example, the fees cap in California accounted for the possibility that a student might have to pay higher-than-usual fees for an integrative biology course that featured deep-

sea diving lessons and for an earth-science course that included a field trip. Many states' tuitions were also affected by the higher-than-average costs of specific majors. The tuition cap in Texas, for example, took into account the cost a student would have to pay for an aerospace-engineering program that included flight lessons.

Big Jumps in Some States

Now, with the final list of fees caps being higher in many states than first reported, student veterans could find it cheaper to attend some relatively expensive institutions than they may have first expected. How much those new figures would help a veteran depends on the particular college he or she wants to attend and the exact tuition and fees caps in that state.

Each state was responsible for reporting to the veterans department both its highest tuition per academic credit and the highest combination of mandatory fees that an in-state undergraduate student could pay at a public college. The numbers released in February were initial estimates, but final caps couldn't be announced until the bill's final regulations were published because several questions had remained about what could be counted as a mandatory fee. The numbers released this week represent caps for the 2008-9 academic year, and next year's caps will be made public by August.

Among the states where the fee cap jumped significantly from February to now is Colorado. The state originally reported that the most-expensive combination of fees at its public four-year colleges was \$714 per term, but its cap is now listed as \$43,035 per term. Oregon's figures ballooned to \$42,828 from \$1,836, and Wisconsin's increased to \$30,979 from \$4,202.

Over all, the average fees per term reported nationwide almost doubled, to \$6,883 from \$3,645.

The tuition rates some states reported increased as well—New Hampshire, for instance, reported charging as much as \$933 per credit, up from the \$424 per credit it estimated in February—but the increases were much less drastic across states than the jumps in reported fees. The average tuition cap per credit increased by only \$32, to \$375.

April 2, 2009

\$44 Billion in Stimulus Funds Available to Drive Education Reforms and Save Teaching Jobs

Capitol Heights, Md. — Secretary of Education Arne Duncan today announced that \$44 billion for states and schools is now available under the American Recovery and Reinvestment Act (ARRA) of 2009. This funding will lay the foundation for a generation of education reform and help save hundreds of thousands of teaching jobs at risk of state and local budget cuts.

"Given our economic circumstances, it's critical that money go out quickly but it's even more important that it be spent wisely," said Duncan. "The first step toward real and lasting reform that will ensure our students' competitiveness begins with absolute transparency and accountability in how we invest our dollars, educate our children, evaluate our teachers, and measure our success. We must be much more open and honest about what works in the classroom and what doesn't."

Duncan made his announcement at Doswell Brooks Elementary School in Capitol Heights, Md. He was joined by Maryland Governor Martin O'Malley, Congresswoman Donna Edwards (D-Md.), Maryland State School Superintendent Nancy Grasmick, Interim Superintendent of Prince George's County Public Schools, William Hite, Jr., County Executive Jack B. Johnson, Maryland State Teachers Association President Clara Floyd and Prince George's County Education Association President Donald Briscoe.

The Prince George's County School District is facing a \$155 million budget gap for next year. School officials estimate the district will receive at least \$142 million from the stimulus package over the next two years.

Governor O'Malley saluted the administration for the reform elements of the package saying, "President Obama and Secretary Duncan have put a bold education reform plan in place that will invest in our schools, our students and our teachers. But each State must play their part to show how these dollars will be spent, and to move forward on a path to progress in our schools."

Today's announcement includes the application and guidelines for \$32.6 billion under the State Stabilization Fund, representing two-thirds of the total dollars in the Fund. This includes \$26.6 billion to save jobs and improve K-12 and higher education and a separate \$6 billion in a Government Services Fund to pay for education, public safety or other government services.

Funds in the first round will be released within two weeks of an application's approval. A second round of stabilization funds will be released later in the year. A third round of funding, the Race to the Top competitive grant program will reward states that have made the most progress on reforms.

The guidelines released today promote comprehensive education reform by receiving commitments from states that they will collect, publish, analyze and act on basic information regarding the quality of classroom teachers, annual student improvements, college readiness, the effectiveness of state standards and assessments, progress on removing charter caps, and interventions in turning around underperforming schools. Specifically, the law requires states to show:

Improvements in teacher effectiveness and commitments that all schools have highly qualified teachers;

Progress toward college and career-ready standards and rigorous assessments that will improve both teaching and learning;

Improvements in achievement in low-performing schools, by providing intensive support and effective interventions in those schools.

That they can gather information to improve student learning, teacher performance, and college and career-readiness through enhanced data systems that track progress.

In a letter to governors, Secretary Duncan outlines a set of proposed measurements that states would report on their progress toward the education reforms spelled out in the law. The Department will release these metrics for public comment in the Federal Register in April and then issue a final version.

The guidelines also require states to report the number of jobs saved through Recovery Act funding, the amount of state and local tax increases averted, and how funds are used. It further requires that the bulk of the federal dollars be spent on education.

Part 2 of the State Stabilization Fund Application, available later this year, will allow states to apply for the last third of the stabilization funds, which includes \$13.1 billion for education and \$2.9 billion designated for the Government Services Fund. Guidelines for Part 2 require states to submit the required data or provide an explanation of why the data is currently unavailable and a plan for collecting the data by 2011.

Finally, \$5 billion in competitive grants, the "Race to the Top" fund, will be awarded to states that are most aggressively pursuing reforms. In order to ensure that Recovery Act funds are driving classroom improvements, states competing for Race to the Top funds will be judged on how well they are using the first round of stabilization and Title I funds to advance education reforms.

"Every dollar we spend must advance reforms and improve learning. We are putting real money on the line to challenge every state to push harder and do more for its children," Duncan said.

In addition to the stabilization funds, \$11.4 billion is available immediately under the Title I, IDEA, Vocational Rehabilitation and Independent Living programs. Title I programs serve schools with large concentrations of low-income students. IDEA funds serve students with disabilities. A second round of Title I and IDEA funds will be available later in the year.

To receive State Stabilization Funds, states must also meet maintenance-of-effort (MOE) requirements of the law by showing that 2009 state education budgets at least

meet 2006 state education budget levels. If they cannot meet the maintenance of effort requirements, states can receive a waiver if they can show that their education budgets are not being disproportionately reduced.

"Under the law passed by Congress, the top priority for these dollars is to do right by our schools and our kids. If states play games with these funds, the second round of stabilization funds could be in jeopardy and they could eliminate their state from competitive grant money. This money must be spent in the best interests of children," Duncan said.

For information related to the American Recovery and Reinvestment Act from all federal agencies, please see the Recovery.gov website.