

Statement by
Statement by Catherine Freeman
Deputy Assistant Secretary for Elementary and Secondary Education
U.S. Department of Education

On the Fiscal Year 2008 Budget Request for
Department of Education Programs Serving
American Indians and Alaska Natives

Delivered before the
Senate Committee on Indian Affairs
February 15, 2007

Dr. Freeman is accompanied by

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and
Thomas M. Corwin, Director, Division of Elementary,
Secondary, and Vocational Analysis, Budget Service

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DEPARTMENT OF EDUCATION

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Mr. Chairman and Members of the Committee, on behalf of Secretary Spellings, thank you for this opportunity to appear before you to discuss our fiscal year 2008 budget request for Department of Education programs that address and serve the needs of American Indians and Alaska Natives.

My name is Catherine Freeman and I am Deputy Assistant Secretary for Policy in the Office of Elementary and Secondary Education. I am here with my colleagues, Jeff Johnson, Policy Advisor, Office of Elementary and Secondary Education, and Tom Corwin, Director of the Division of Elementary, Secondary, and Vocational Analysis, Budget Service.

The Bush Administration is strongly committed to ensuring that federally and non-federally recognized American Indians and Alaska Natives benefit from national education reforms and receive every opportunity to achieve to high academic standards. Recent data suggest that our investments in Indian education are beginning to pay off. We know that more Indian students are pursuing postsecondary education than ever before; the number of Indian students enrolling in colleges and universities has more than doubled in the last two and a half decades. American Indian and Alaska Native

students scored higher than some other minority groups on the 2003 and 2005 National Assessment of Educational Progress (NAEP) for 4th- and 8th-grade reading and mathematics. However, significant achievement gaps persist between the American Indian and Alaska Native student population and the general population. These students continue to be subject to significant risk factors that threaten their ability to improve their academic achievement and general well-being, and continue to need support from Federal programs that address the specific educational needs of this population.

Overview

When President Bush signed the No Child Left Behind Act (NCLB) into law five years ago, our Nation embarked on a landmark effort to reform education and improve student achievement for all students. The President believed then, and believes now, that if we provide school systems with resources and the flexibility to direct them to where they are most needed, ensure that we have highly qualified teachers in our classrooms, set rigorous standards for students, and hold schools accountable for results, our Nation's children will learn and achievement gaps among students will decrease and eventually disappear.

Today, States and school districts are completing implementation of many of the ground-breaking changes NCLB requires. As of 2006, for the first time, all 50 States and the District of Columbia have accountability plans in place and have assessments that test all students annually in grades 3 through 8, and once in high school, in reading and mathematics. The current school year is also a time when States must meet the NCLB requirement that all teachers of the core academic subjects are highly qualified.

These changes are producing results. The most recent National Assessment of Educational Progress long-term trend results show that reading scores for 9-year-olds increased more over the five years between 1999 and 2004 than in the previous 28 years. In math, scores of 9- and 13-year-olds also reached all-time highs. Further, 91 percent of teachers have met NCLB's requirements to be highly qualified, including holding a bachelor's degree and State certification in addition to having demonstrated experience in the subject matter taught.

No Child Left Behind Reauthorization

Last month, the Administration released *Building on Results: A Blueprint for Strengthening the No Child Left Behind Act*. This reauthorization proposal would strengthen and build on the success of NCLB by focusing on turning around struggling schools and improving the academic performance of middle and high school students, while preserving the law's core principles: enabling all students to read and do math at or above grade level by 2014; annual assessments and disaggregation of data to close the achievement gap; qualified teachers in the core academic areas in every classroom; and timely information and options for parents.

The Department will continue to work with States to strengthen efforts to close the achievement gap through the implementation of high State standards and comprehensive accountability systems; ensure that middle and high schools offer rigorous coursework that prepares students for postsecondary education or the workforce; provide flexibility and resources to help States restructure chronically underperforming schools; and provide families with increased options for educating their children.

Fiscal Year 2008 Budget Request

The President's fiscal year (FY) 2008 budget request, aligned with the reauthorization proposal, increases total funding for NCLB by \$1.2 billion, to \$24.5 billion, a 41 percent increase since 2001. One of the most significant increases for FY 2008 is in the Title I program, a \$1.2 billion increase with a total request of \$13.9 billion, primarily to provide additional resources to high schools serving large numbers of low-income students while maintaining funding for Title I elementary and middle schools. Further, the President is requesting \$500 million in new funding for Title I School Improvement Grants. This program will help States restructure, reform, and restaff chronically underperforming schools. These two initiatives would have important implications for the education of Indian students, since many of these students receive services through Title I.

The budget also requests \$365 million in new funding to improve elementary and secondary instruction in mathematics and science, as part of the President's American Competitiveness Initiative. Notwithstanding the academic improvement already demonstrated under No Child Left Behind, we know that there is a pressing need to improve K-12 mathematics and science education across the country. Students need a strong foundation in mathematics and science skills in order to compete in the 21st century economy, and the building of that foundation begins in the early grades. The Administration requests \$250 million to support the proposed Math Now for Elementary School Students and Math Now for Middle School Students programs, which are designed to help elementary and middle school students obtain the knowledge they need to succeed in high school mathematics courses.

The FY 2008 budget request also provides over \$90 billion in new grants, loans, and work-study assistance to ensure that higher education remains accessible and affordable to all students. Approximately \$15.4 billion is requested for the Pell Grant program, a 76 percent increase since 2001, which would support 5.5 million recipients in the 2008-09 school year. The Pell Grant program helps to ensure financial access to postsecondary education by providing grant aid to low- and middle- income undergraduate students. The President proposes to increase the maximum Federal Pell Grant to \$4,600 in 2008. Further, the request proposes an additional \$800 increase in the maximum Pell Grant over the next five years, to \$5,400 in fiscal year 2012, representing the largest-ever five-year increase.

Also included in the President's request is \$1.2 billion for the Academic Competitiveness (AGC) and National SMART Grants programs. The AGC programs, enacted in 2006, awards need-based grants to low-income first- and second-year undergraduates who complete a rigorous high school curriculum. The President's Budget would increase AGC grant awards by 50 percent and enable more than 660,000 Pell Grant-eligible students to receive up to \$1,125 for the first year of college and up to \$1,950 for the second year. The National SMART Grants program, also enacted in 2006, provides awards of up to \$4,000 to approximately 93,000 low-income, high-achieving college juniors and seniors majoring in math, science, technology, engineering, and critical foreign languages.

The FY 2008 budget request for the Department of Education supports the President's commitment to provide resources to help improve educational opportunities for all students. American Indian students will continue to benefit from implementation of NCLB, as well as new initiatives to improve the quality of secondary, math, science, and

foreign language education. Overall, Department programs would, under the FY 2008 budget, provide close to \$1 billion in direct support specifically for Indians and Alaska Native students. The Interior Department's Bureau of Indian Education (BIE) would receive over \$220 million of these Department of Education funds to support Indian education programs operated by that agency. The Department works closely with the BIE on program implementation issues and to improve the quality of the services the Bureau provides to Indian students.

Indian Education Programs

The President's fiscal year 2008 request for the Department's Indian Education programs is \$118.7 million. These programs include formula grants to school districts, competitive programs, and national activities for research and evaluation on the educational needs and status of the Indian population.

Indian Education - Grants to Local Educational Agencies

We are requesting \$95.3 million for Indian Education formula grants to local educational agencies (LEAs), the same amount as the 2007 continuing resolution level. This program is the Department's principal vehicle for addressing the unique educational and culturally related needs of Indian children. These grants supplement the regular school program, helping Indian children improve their academic skills, raise their self-confidence, and participate in enrichment programs and activities that would otherwise be unavailable. The requested level would provide an estimated per-pupil payment of \$203 for approximately 469,000 students, including more than 48,000 students in Bureau of Indian Education (BIE) schools.

Special Programs for Indian Children

Our request for Special Programs for Indian Children is \$19.4 million. These funds would be used for three activities.

Approximately \$7.7 million would support an estimated 32 demonstration grants that focus on two types of activities. First, we would fund school readiness programs that provide age-appropriate educational programs and enhance the language skills of American Indian and Alaska Native 3- and 4-year-old children to prepare them for successful entry into kindergarten. Second, we would fund college-preparatory programs for American Indian and Alaska Native secondary students that are designed to increase competency and skills in academic subjects, including mathematics and science, to enable these students to transition successfully to postsecondary education.

In addition, the 2008 request would provide over \$11.5 million to continue two training efforts under our Professional Development program, the American Indian Teacher Corps and the American Indian Administrator Corps initiatives. Approximately \$9.5 million of these funds would be used to support the American Indian Teacher Corps, which trains Indian individuals for teaching positions in schools with concentrations of Indian students. The 2008 request would also provide approximately \$2 million for the Administrator Corps to train Indian individuals at the master's-degree level to become new school administrators in Indian communities. Both programs are designed to provide on-going professional development and in-service support to these new Indian teachers and administrators during their first year of work.

We are requesting \$4 million for research, evaluation, data collection, and technical assistance related to Indian education.

Fiscal year 2008 funds would be used to analyze American Indian and Alaska Native students' performance on the 2007 NAEP reading and mathematics assessments and would also be used to support the initial stages of oversampling Indian students in the 2009 NAEP administration. This project provides the Department with reliable, national-level data on American Indian and Alaska Native students' performance in reading and mathematics. Funds would also continue to support data collections initiated in earlier years. These data collections include the special NAEP study designed to gather information on the educational experiences of American Indian/Alaska Native students and the role of Indian culture in their education and the Indian component of the NCES Early Childhood Longitudinal Study-birth cohort, which examines Indian children's health, development, care, and education from birth through kindergarten.

Title I: Education for the Disadvantaged

Title I Grants to LEAs

Title I provides supplemental education funding to local educational agencies (LEAs) and schools, particularly those in high-poverty areas, to help the more than 18 million educationally disadvantaged students, including eligible Indian children, learn to the same high standards as other students. Title I funds may be used, for example, to provide eligible students with supplemental instructional programs at all grade levels, extended-day kindergarten programs, learning laboratories in math and science, and intensive summer programs. As discussed earlier, Title I is subject to reauthorization this year, and the Administration recently announced a reauthorization proposal that

reaffirms the core principles of the current program while focusing on extending the benefits of NCLB to the high school years, providing the support needed to turn around persistently low-performing schools, and ensuring that students in schools undergoing restructuring have more opportunities to receive a quality education.

The Department is requesting \$13.9 billion for Title I Grants to local educational agencies (LEAs) in fiscal year 2008, a \$1.2 billion increase over the 2007 current level. Under the statute, the BIE and the Outlying Areas receive 1 percent of these funds. The BIE share of the set-aside would be approximately \$100.1 million. These funds would serve more than 46,000 children in BIE schools, in addition to Indian children served in regular public schools.

School Improvement Grants

Our budget request would provide new funding for formula-based Title I School Improvement Grants, authorized under section 1003(g) of the ESEA. These funds would help ensure that States have sufficient resources to build their capacity to provide effective improvement support to LEAs and schools identified for improvement. Under this program, the BIE would receive a share of the School Improvement Grants funds equivalent to its share of national allocations for Title I Grants to LEAs. The fiscal year 2008 request of \$500 million would provide the BIE with approximately \$3.5 million for school improvement activities.

Reading First

Reading First is a comprehensive, nationwide effort to implement the findings of high-quality scientifically based reading instruction for children in kindergarten through third grade. Helping all children read well by the end of the 3rd grade is one of the

Administration's highest priorities for education. Providing consistent support for reading success from the earliest age has critically important benefits. Under this formula program, the BIE receives 0.5 percent of the State Grants appropriation. Our 2008 budget request of more than \$1 billion would provide approximately \$5.1 million to BIE schools.

Improving Teacher Quality State Grants

The President's budget request emphasizes the importance of good teaching for all students. The Improving Teacher Quality State Grants program provides flexible funds to States and LEAs to develop and support a high-quality teaching force through activities that are grounded in scientifically based research. Funds are used to strengthen the skills and knowledge of teachers and administrators to enable them to improve student achievement in the core academic subjects and for teacher and principal recruitment, development, and retention. States and the BIE also use the funds to achieve the NCLB objective of ensuring that all teachers of the core academic subjects are highly qualified. Under the statute, the BIE receives a set-aside of 0.5 percent. The Department's fiscal year 2008 request of \$2.8 billion would provide the BIE with an allocation of \$13.9 million.

Impact Aid

Basic Support Payments

Impact Aid provides financial assistance to school districts affected by Federal activities. The Basic Support Payments program is the primary vehicle for providing Federal assistance to many LEAs that educate Indian children. The 2008 budget request of \$1.1 billion would provide approximately \$518 million to support the education of more than 121,000 children living on Indian lands.

Payments for Children with Disabilities

Impact Aid Payments for Children with Disabilities help federally affected school districts to provide the special education services required by the Individuals with Disabilities Education Act (IDEA) for federally connected children, including children residing on Indian lands. The budget request of approximately \$50 million would provide \$20.7 million for services to approximately 20,000 children with disabilities living on Indian lands.

English Language Acquisition

English Language Acquisition programs support the education of limited English proficient students through a State formula grant program that helps to ensure that these students learn English and meet the same high academic standards as other students. The NCLB Act established a set-aside of the greater of 0.5 percent or \$5 million for schools operated predominantly for American Indian, Alaska Native, and Native Hawaiian children. The 2008 budget request would include \$5 million for these schools. In addition, English Language Acquisition State formula grant funds serve limited English proficient American Indian, Alaskan Native, and Native Hawaiian students enrolled in public schools.

21st Century Community Learning Centers

The 21st Century Community Learning Centers program enables communities to establish or expand centers that provide activities offering extended learning opportunities (such as before- and after-school programs) for students and related services to their families. Under this program, the Department may reserve up to

1 percent of the appropriation for grants to the Bureau of Indian Education and the Outlying Areas. The fiscal year 2008 request of \$981.2 million would provide approximately \$7.3 million to the BIE.

Grants for State Assessments

The Grants for State Assessments program helps States develop and implement the additional assessments required by the NCLB Act. Under the funding formula, 0.5 percent of the appropriation for formula grants is reserved for the BIE. For 2008, the Administration is requesting \$400 million for the formula grants portion of this program, \$2 million of which would go to the BIE.

Education for Homeless Children and Youth

Under the McKinney-Vento Homeless Assistance Act, the Secretary is required to transfer 1 percent of the appropriation for Education for Homeless Children and Youth to the BIE for services to Indian students in BIE-operated and funded schools. The Administration's 2008 budget request of \$61.9 million includes almost \$620,000 for the BIE to provide services to homeless children and youth to enable them to attend and excel in school.

Safe and Drug-Free Schools and Communities: State Grants

The Safe and Drug-Free Schools and Communities (SDFSC) State Grants program is designed to help create and maintain drug-free, safe, and orderly environments for learning in and around schools by supporting effective, research-based approaches to drug and violence prevention. Under the Department's reauthorization

proposal, one-half of one percent of the appropriation for State grants would be reserved for drug and violence prevention programs serving Indian children in BIE-operated or -supported schools.

The 2008 budget request of \$100 million for the SDFSC State Grants program includes \$500,000 for the BIE.

Career and Technical Education

State Grants for Career and Technical Education

The State Grants for Career and Technical Education, authorized by the Carl D. Perkins Career and Technical Education Act of 2006, assist States and Outlying Areas in expanding and improving career and technical education in high schools, technical schools, and community colleges. Each State uses these funds to support a variety of career and technical education programs developed in accordance with its State plan. By statute, the Department reserves 1.25 percent of the total appropriation for State Grants for grants to federally recognized Indian tribes and tribal organizations to support career and technical education for Indian students.

The fiscal year 2008 request of \$600 million for the Career and Technical Education State Grant program would provide approximately \$7.5 million to the BIE.

Tribally Controlled Postsecondary Career and Technical Institutions

This program provides competitive grants for the operation and improvement of certain tribally controlled postsecondary career and technical institutions. Funds support continued and expanded educational opportunities and training for Indian students

attending those institutions, along with basic institutional support of career and technical education programs. Under the FY 2008 budget request, the Department would provide \$7.4 million for this program, the same amount as the 2007 level.

Higher Education Aid for Institutional Development

The Aid for Institutional Development programs under Title III of the Higher Education Act of 1965 are designed to strengthen institutions of higher education that enroll large proportions of minority students and students from low-income households. The programs provide financial assistance to help institutions solve problems that threaten their ability to survive, improve their management and fiscal operations, build endowments, and make effective use of technology.

The Strengthening Tribally Controlled Colleges and Universities (TCCUs) program authorizes 1-year planning and 5-year development grants that enable these institutions to improve and expand their capacity to serve American Indian students. Under the budget request, the Department would award \$18.6 million for activities to strengthen TCCUs, including faculty and academic program development; fiscal and administrative management; construction and maintenance of instructional facilities; student services; establishment of teacher education programs; and the development of community outreach programs. Since fiscal year 2001, a portion of funds has supported construction and renovation activities, and the fiscal year 2008 budget request would provide approximately \$4.3 million for these purposes.

Special Education

Grants to States

The Special Education Grants to States program provides formula grants to meet the excess costs of providing special education and related services to children with disabilities. Under the budget request of \$10.5 billion, the Department would provide approximately \$86 million to the BIE to help serve approximately 7,800 Indian students. The BIE would use 80 percent of those funds for the education of children 5 through 21 years old and distribute 20 percent to tribes and tribal organizations for the education of children 3 through 5 years old.

Grants for Infants and Families

The Grants for Infants and Families program provides formula grants to assist States in implementing statewide systems of coordinated, comprehensive, multidisciplinary, interagency programs to make available early intervention services to all children with disabilities, aged birth through 2, and their families. An amount equivalent to 1.25 percent of the amount available for States is allocated to the BIE. Under the 2008 budget request of \$423.1 million, the BIE would receive approximately \$5.2 million.

Vocational Rehabilitation

The Vocational Rehabilitation (VR) State Grants program provides services for individuals with disabilities, consistent with their abilities, capabilities, interests, and informed choice, so that these individuals may prepare for, and engage in, gainful employment. Nationally, this program provides services to approximately 9,000 American Indians with disabilities each year. In addition, the Rehabilitation Act requires that between 1 percent and 1.5 percent of the funds appropriated for the VR State

Grants program be set aside for competitive grants to Indian tribes to provide vocational rehabilitation services to American Indians with disabilities living on or near reservations. For 2008, the Department requests approximately \$2.8 billion for the VR State Grants program. The amount set aside for grants to Indian tribes would be approximately \$34.4 million, approximately \$5.7 million more than the minimum amount required by law to be reserved for this purpose, and would serve approximately 5,750 American Indians with disabilities.

Program Eliminations

The 2008 request also continues our policy of proposing to eliminate or consolidate funding for programs, including some that focus on or have set-asides for Native Americans, that have achieved their original purpose, that duplicate other programs, that may be carried out with flexible State formula grant funds, that are ineffective, or that involve activities that are better or more appropriately supported through State, local, or private resources. Programs for which the Department is not requesting funding, and that focus on or have set-asides for Native Americans, include the Alaska Native Education Equity program, Education for Native Hawaiians, Even Start, Educational Technology State Grants, and Strengthening Alaska Native and Native Hawaiian-Serving Institutions.

Program Performance

The Administration wants to make sure that government programs work well for the American people. Last year, to ensure greater government transparency and accountability to the public, the Administration launched a new website: ExpectMore.gov. The site includes information for taxpayers on the programs that have been assessed for effectiveness using the Program Assessment Rating Tool, commonly

referred to as the PART. These PART reviews have helped increase accountability for results by giving the American people information about where the Government is successful, and where improvement is needed. I encourage the members of this Committee and others interested in our programs to visit ExpectMore.gov.

Conclusion

The 2008 budget request for the Department of Education programs serving American Indians and Alaska Natives supports the President's overall goal of ensuring educational opportunities for all students.

Thank you for the opportunity to appear before the Committee. My colleagues and I will be happy to respond to any questions you may have.