

DEPARTMENT OF EDUCATION**Fund for the Improvement of Education Program****AGENCY:** Department of Education.**ACTION:** Notice of final priorities.

SUMMARY: The Secretary announces final priorities to fund projects that develop, evaluate and field-test State assessments aligned with challenging State content standards. The Secretary may use these priorities in fiscal year (FY) 1996 and subsequent years. The Secretary intends to provide Federal financial assistance to assist States in the development of assessments that can be used to improve classroom instruction, motivate all students to improve educational performance, and provide examples for students, teachers and parents of the learning outcomes that can be expected for all students.

EFFECTIVE DATE: These priorities take effect May 1, 1996.

FOR FURTHER INFORMATION CONTACT: Dr. David Sweet, U.S. Department of Education, Office of Educational Research and Improvement, 555 New Jersey Avenue NW., Room 508H, Washington, D.C. 20208-5573. Telephone: (202) 219-2079. Internet: (David—Sweet@ed.gov). Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1-800-877-8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION: The Fund for the Improvement of Education (FIE) supports nationally significant projects to improve the quality of education, assist all students to meet challenging State content and student performance standards and contribute to the achievement of the National Education Goals. The FIE program is authorized under Part A of Title X of the Elementary and Secondary Education Act of 1965, as amended by the Improving America's Schools Act of 1994 (20 U.S.C. 8001).

The Secretary is expressly authorized to use FIE program funds to support systemic education reform at the State and local levels through activities such as the development and evaluation of model strategies for assessment of student learning. The Secretary believes that the alignment of State content standards and State assessments is an important part of systemic educational reform. Exemplifying the forms and levels of educational performance that students in a State should be able to achieve is a critical step in the process of ensuring that students are reaching

the State's challenging content standards. While many States are developing new content standards for the core academic subjects, some States are using assessments that are not aligned to their new content standards. The Secretary believes that helping to defray the cost of developing assessments aligned with challenging State content standards will advance State reform efforts.

State educational agencies (SEAs), local educational agencies (LEAs), institutions of higher education, and other public and private agencies, organizations, and institutions are eligible to receive funds under these priorities. However, the Secretary believes that SEAs and LEAs have the resources, knowledge, and authority necessary to lead systemic reform efforts. Therefore, SEAs and LEAs must participate as lead agents in the development of State assessments to ensure that the assessment systems are aligned with State content standards and the content of the curriculum. If reform is to be systemic, State agencies that are working on content and curriculum must either direct the development of assessments themselves or provide direction to LEAs to do so.

It is imperative that State assessments take into account the needs of all students. Therefore, funds awarded under the proposed priority may be used to develop, modify, field-test and evaluate assessments that take into account the needs of students with disabilities or students who have limited English proficiency.

Awards under these proposed priorities may be jointly funded under three statutory authorities:

- (1) The Fund for the Improvement of Education (20 U.S.C. 8001);
- (2) Section 618(c) of the Individuals with Disabilities Education Act (IDEA) regarding Evaluation and Program Information (20 U.S.C. 1418(c));
- (3) Bilingual Education Research, Evaluation, and Dissemination Program, authorized by Title VII, Part A, Subpart 2 of the Improving America's Schools Act of 1994 (20 U.S.C. 7451-7452).

The Secretary has determined that the availability of this joint funding option would enhance the Department's ability to support projects that integrate into a single effort the development of assessments for all students and the modification of those assessments to take into account the needs of disabled and limited English proficient students.

Funds provided under Section 618 of IDEA can only be used for projects that modify, field-test, and evaluate assessments that take into account the needs of children and youth with

disabilities. A project funded under Section 618 of IDEA should address how the assessments will improve the ability of SEAs and LEAs to provide full educational opportunities to children and youth with disabilities and to better assess the progress of children and youth with disabilities while in special education. As part of the post-award requirements for a project funded under Section 618 of IDEA, a grantee must prepare its procedures, findings, and other relevant information in a form that will maximize their dissemination and use, especially through dissemination networks and mechanisms authorized by Section 618, and in a form for inclusion in the annual report to Congress submitted pursuant to Section 618(g). Funds provided under Section 618 may be used to fund projects proposed by applicants that are private for-profit agencies only when necessary because of the unique nature of the study.

In accordance with 20 U.S.C. 7452(b)(4), funds provided under the Bilingual Education Research, Evaluation, and Dissemination Program must be administered by individuals with expertise in bilingual education and the needs of limited English proficient students and their families. Funds provided under this program must be used to improve bilingual education and special alternative instruction programs for children and youth of limited English proficiency.

As part of the efforts to improve student assessment, the Department made awards in FY 1995 under the Assessment Development and Evaluation Grants Program, authorized by section 220 of the Goals 2000: Educate America Act. Under this program, the Secretary provides grants to SEAs, LEAs or partnerships of such agencies to help defray the costs of developing, field-testing and evaluating State assessments aligned to State content standards. Applications involving 43 States were received in 1995 and grants were made to support 9 projects. The Secretary expects these projects to develop model strategies for the assessment of student learning that will have a significant impact on State and local level systemic reform efforts.

Depending on the availability of funds in FY 1996 and subsequent years, the Secretary may decide to use funds under the final priorities to continue projects initially funded under the Assessment Development and Evaluation Grants program or to fund additional applications considered in the 1995 competition. Alternatively, the Secretary may decide to hold a

competition for new awards under the final priorities.

Funding of particular projects depends on the availability of funds and the quality of the applications received. The publication of these final priorities does not preclude the Secretary from proposing additional priorities, nor does it limit the Secretary to funding only these priorities, subject to meeting applicable rulemaking requirements.

On December 12, 1995 the Secretary published a notice of proposed priorities for this program in the Federal Register (60 FR 63691).

Note: This notice of final priorities does not solicit applications. A notice inviting applications under this competition will be published in the Federal Register at a later date.

Public Comment

In the notice of proposed priorities, the Secretary invited comments on the proposed priorities. Fourteen parties submitted written comments. All 14 commenters expressed interest in the Department holding a competition under the proposed priorities. Only two of the commenters suggested any changes. The Secretary has made no changes in these proposed priorities since publication of the notice of proposed priorities.

Comments: Two commenters recommended changes that they thought would broaden eligibility and reduce costs for developing assessments. One commenter indicated that Absolute Priority 1 should "not preclude the use of existing assessments with or without appropriate adaptations and modifications. A State should have the opportunity to review existing assessments and determine the extent that such measures are aligned to content standards or can be adapted to meet the content standards."

Discussion: The Secretary agrees that applicants may propose to evaluate and field-test existing State assessments as well as develop new or partially new State assessments. The projects may also propose to develop, evaluate, and field test adaptations and accommodations to either new or existing State assessments as long as such assessments are aligned to challenging State content standards. We believe that the modification of existing State assessments is fully covered by Absolute Priority 1 language.

Changes: None.

Comments: One commenter recommended changes to make the validity requirements more specific. The commenter emphasized the importance of two concerns: the validity of each assessment for its intended purposes and the appropriateness of each assessment for all students. The commenter called for detailed discussion of validity issues in each proposal, including discussion of existing evidence or specification of forms of evidence that would be produced under the project.

Discussion: The Secretary agrees that validity is important but does not believe that additional specification is required in the absolute priority. The Secretary believes that validity discussion in each proposal will be evaluated in the peer review process.

Changes: None.

Comments: One commenter recommended changes to add another selection criterion that should be considered in making awards. The commenter called for giving preference to applicants proposing to "provide some level of comparison of students across States or LEAs having different content standards."

Discussion: The Secretary believes that the suggested change would give a preference to comparisons where States have different content standards. This change is undesirable because it would have the effect of penalizing comparisons where the same content standards are in place. Projects calling for either type of comparison are eligible for awards under this competition but neither should be given a preference.

Changes: None.

Absolute Priorities

Under 34 CFR 75.105(c)(3), the Secretary gives an absolute preference to projects that meet one or more of the following priorities. The Secretary will fund only projects that meet one or more of these absolute priorities:

Absolute Priority 1—Projects that develop, field-test, and evaluate assessments that are aligned to State content standards.

Absolute Priority 2—Projects that modify, field-test, and evaluate assessments to address the needs of children and youth with disabilities or limited English proficiency.

Assessments to be modified must be those developed under priority (1) or similar assessments developed for all students and aligned to State content standards.

All projects must—

- (a) Examine the validity and reliability of the assessment for the particular purposes for which the assessment was developed;
- (b) Ensure that the assessment is consistent with relevant, nationally recognized professional and technical standards for assessments;
- (c) Devote special attention to how the assessment treats all students, especially with regard to race, gender, ethnicity, disability, and language proficiency of those students; and
- (d) Be developed by, or under the direction of, an SEA, LEA, or consortia of those agencies.

Selection Criteria

With respect to new awards made with funds from Section 618 of IDEA, the Secretary does not intend to use the selection criteria in 34 CFR 327.31. With respect to any new awards made with funds from the Bilingual Education Research, Evaluation, and Dissemination Program, the Secretary does not intend to use the selection criteria in 34 CFR 75.210. The Secretary intends to use the evaluation criteria in 34 CFR Part 700 to select all new awards under these priorities.

Applicable Program Regulations: (a) 34 CFR part 327, with the exception of 34 CFR 327.31; and (b) the final regulations for the Standards for the Conduct and Evaluation of Activities Carried Out by the Office of Educational Research and Improvement (OERI)—Evaluation of Applications for Grants and Cooperative Agreements and Proposals for Contracts, published on September 14, 1995 in the Federal Register (60 FR 47808) and to be codified as 34 CFR Part 700.

Authority: 20 U.S.C. 8001.

(Catalog of Federal Domestic Assistance Number 84.215L—Fund for the Improvement of Education Program)

Dated: March 26, 1996.

Sharon P. Robinson,
Assistant Secretary for Educational Research and Improvement.

[FR Doc. 96-7783 Filed 3-29-96; 8:45 am]

BILLING CODE 4000-01-P