

**IMPROVING ACADEMIC ACHIEVEMENT
WITH FREEDOM AND ACCOUNTABILITY**

HEARING

BEFORE THE
COMMITTEE ON EDUCATION AND
THE WORKFORCE

HOUSE OF REPRESENTATIVES

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

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**HEARING ON “IMPROVING ACADEMIC ACHIEVEMENT WITH FREEDOM
AND ACCOUNTABILITY”**

Friday, March 2, 2001

U. S. House of Representatives

Committee on Education and the Workforce

Washington, D.C.

The committee met, pursuant to call, at 10:00 a.m., at the Chicago International Charter School, Bucktown Campus, 2235 North Hamilton Street, Chicago, Illinois, Hon. John A. Boehner [chairman of the committee] presiding.

Present: Representatives Boehner, Biggert and Platts.

Staff Present: Cindy Herrle, Counsel; and Michael Reynard, Deputy Press Secretary.

Ms. Williams. Good morning, and welcome to Chicago International Charter School, Bucktown Campus. My name is Andrea Williams, President of the Student Council. We are proud to have you here to experience what a charter school really is.

There are many reasons why our school is so successful. One of the reasons is that this school is a safe place. The strict discipline motivates students to work hard. Here there is great ethnic diversity. Students can participate in classes like Art, Music, Library, Computers and Physical Education, and we also have many extracurricular activities like Newspaper, Swim Team, Actors' and Writers' Club, Movie Club, Student Council, Basketball and Chess.

We hope this experience will help you understand charter schools better. I hope you enjoy your day, and we are honored to be hosting this hearing. Thank you again for visiting our school.

Chairman Boehner. Thank you. We're glad to be here. A quorum being present, the Committee on Education and the Workforce will come to order.

The opening statements are limited to the ranking member and the chairman, and if other members have opening statements we'd like to put them in the record. With that, I ask the members' consent that the hearing record remain open for 14 days to allow members' statements, for members' reading this material, and to allow for recommendations made through this hearing to be submitted for the official record.

Without objection, so ordered.

***OPENING STATEMENT OF CHAIRMAN JOHN BOEHNER,
COMMITTEE ON EDUCATION AND THE WORKFORCE, U.S.
HOUSE OF REPRESENTATIVES***

Ladies and Gentleman, good morning. I'm John Boehner, Chairman of the U.S. House of Representatives Committee on Education and the Workforce. I'd like to thank all of you for being here this morning.

I want to particularly thank Congresswoman Judy Biggert, who is from here in Illinois, and her staff for helping us put this hearing together. Of course, I want to thank my colleague Todd Platts from the State of Pennsylvania, another member of the committee, as well as Mrs. Biggert, for being here with us today.

I want to thank everyone associated with the Chicago International Charter School, and certainly the Bucktown Campus for your hospitality and all that you've done to make us feel welcome and to bring this hearing about. You've been great hosts.

This is the third in a series of education reform field hearings our committee has held over the past several weeks. We've been traveling the country in an effort to hear firsthand from parents, teachers, school administrators, and the many others who are implementing the state and local reforms that are improving academic achievement.

These hearings will help lay the foundation for legislative action later this spring on our major K - 12 federal education law, the Elementary and Secondary Education Act. Just a few weeks ago President Bush announced his education reform plan, a plan with academic accountability as its centerpiece and a plan that ensures that no child is left behind. Today we're going to hear how freedom and accountability can improve education for all children.

We are particularly interested to learn about successful reforms from State Superintendent McGee and Chief Executive Officer of the Chicago city schools Mr. Vallas. We would like to hear what they've been doing here and how flexibility and accountability has played a role in the reforms they have helped to implement. We will also hear from several representatives of charter schools, which are just another example of providing freedom and accountability to improve education.

In short, we want to learn from you and make sure that any federal education reform effort complements what you're doing. We want to be partners in the effort to

provide the best education possible for our children. There's a growing consensus about what works in education, and there's a willingness to come together to do what is right for all of our children. We want to work with you to make sure that that happens. With that I'd like to turn to my colleague on the committee, my colleague in Congress from the great State of Illinois Mrs. Judy Biggert, to introduce our distinguished panel of guests today.

WRITTEN OPENING STATEMENT OF CHAIRMAN JOHN BOEHNER,
COMMITTEE ON EDUCATION AND THE WORKFORCE, U.S. HOUSE OF
REPRESENTATIVES – SEE APPENDIX A

***OPENING STATEMENT OF REPRESENTATIVE JUDY BIGGERT,
13TH DISTRICT OF ILLINOIS, U.S. HOUSE OF
REPRESENTATIVES***

Mrs. Biggert. Thank you very much, Mr. Chairman, and good morning to all of you. I want to welcome you and Mr. Platts to Chicago. I hope that you've been here long enough to find out why Frank Sinatra calls this "my kind of town," and I also want to extend my thanks to the Chicago International Charter School for hosting today's hearing. I think we've had an excellent tour of the facilities today and we're happy to visit with so many of the great students here.

Let me just thank you, Mr. Chairman, for accepting the invitation to hold a hearing on education reform in the Chicago area. With all due respect to my colleagues from Ohio and Pennsylvania, I would be remiss if I did not point out that in education, as in so many other areas, Illinois leads the nation, I think, in innovative programs and creative solutions. Therefore, I'm really happy that you're here.

With that, I would like to introduce the witnesses. We see two empty chairs here, so Mr. Vallas and Mr. McGee are not here yet. I'll just introduce Mr. Vallas. He should be here shortly.

Mr. Vallas is the Chief Executive Officer of Chicago Public Schools, and I'm happy to introduce a man who knows firsthand what works and doesn't work. He's been really the architect of Chicago school reform, having been appointed by Mayor Daley in 1995 to orchestrate Chicago school reform. I think that it's been really amazing to see what is happening in the Chicago schools.

He served before that for five years as Budget Director and Director of Revenue for the City of Chicago. In addition, he's served as the Executive Director of the Illinois Economic and Fiscal Commission. However, he's been a passionate and devoted advocate for public education and Chicago Public Schools. Under his watch, Chicago schools have implemented a number of successful education reforms, and today he is going to give us an overview of those reforms.

I think we'll wait to see if Dr. McGee arrives, and then give his bio, but next is Mr. Michael Milkie, and he's the founder and principal of the Noble Street High School in Chicago.

Opened in 1999, the Noble Street Charter High School currently serves 9th and 10th grade students and focuses on two of the most essential tools in life, reading and math. It also emphasizes community service and physical fitness, and it's really nice to be able to see what's happening in charter schools. Before I was in Congress, I served on the Illinois legislature, and it was at that time that we put into law the concept of charter schools, Chicago school reform and education reform throughout the state. So welcome Mr. Milkie.

We'll also hear from Mr. James Murphy. Mr. Murphy is founder of the Chicago International Charter School Foundation, which oversees the charter portion of the Chicago International Charter Schools. Actually, we're in one of them right now. He is also president of the Daniel Murphy Scholarship Foundation, which provides academic scholarships for low-income students to attend private schools.

We also have with us Ms. Viola Collins-Brown, who is the mother of a child attending the Chicago International Charter School. She currently works for BBC Financial here in Chicago and holds a BA in Marketing and Finance from Roosevelt University. I know she really wants to see that her child receives the best education possible, so we welcome our witnesses here.

WRITTEN OPENING STATEMENT OF REPRESENTATIVE JUDY BIGGERT, 13TH
DISTRICT OF ILLINOIS, U.S. HOUSE OF REPRESENTATIVES – SEE APPENDIX
B

Chairman Boehner. Mrs. Biggert, thank you for the introductions. With that, let me remind the witnesses that your full written testimony will be included in the record. Under committee rules, you have five minutes to present your case. After the entire panel has given their statements, we'll be asking questions.

With that, Mr. Milkie, you may begin.

***STATEMENT OF MICHAEL MILKIE, PRINCIPAL, NOBLE STREET
CHARTER HIGH SCHOOL, CHICAGO, ILLINOIS***

Mr. Milkie. Thank you, Chairman Boehner and members of the committee for inviting me to speak here today. I am the founder and principal of the Noble Street Charter High School, which is not too far from here. I want to talk about two things today. First, I want to talk a little bit about our school. Secondly, I want to share why I think charter schools do make better public schools.

First of all, my wife and myself founded the school. We were both Chicago Public School teachers. My wife taught history on the South Side and I taught math on the West Side. We thought, having worked in high schools, that they could be run better. So we decided that since talk is cheap, we would put our money where our mouth was. Therefore, when Representative Biggert and the rest of the Illinois legislature passed the charter legislation in 1996 we said, "Let's apply for a charter."

Chicago is the school district that chartered us, and in fact, we were turned down the first time. They said to go back and make some important changes, and one of the

things we did was to join forces with the Northwestern Settlement House. It is a community center here in Chicago that has served neighbors in our community for over 100 years. With them holding the charter, we were approved and our school was born.

Now, a good question is how are we different than other public schools. Well, the two things that the panel wants to hear about, I think, are freedom and accountability. I believe accountability is the most important part.

We're accountable to two important groups. The first is the taxpayers, through the school district, who decide if we're doing a good job. Secondly, we're accountable to the parents of the students who attend our schools.

We signed an accountability agreement with our Board, which I think is a very good one. We knew that they wanted us to make sure our students could read well and do math well. So that was one focus we were going to take. Then we asked, "What do the parents want for their children?" Overwhelmingly the response from parents in our neighborhood was, "We want a school where our kids will feel safe," and where they feel they'll be safe. So we went out and decided to create a school in that way.

What we did was use the freedoms of charter schools to do that, and what freedoms are those? I think the freedoms that we have are freedom over curriculum, budget and staff. Those three things have created a safe school that will prepare kids well for college by having them read and write well.

The ways that we did it were by first of all deciding that to make the school safe, we needed smaller class sizes and more adults. We wanted more teachers in front of the students. Now, we have the same budget, in fact, a little bit less than other public schools. So we had to figure out a way to do that, and we said, "Maybe we don't need guidance counselors." If we can do that through technology and through other efficiencies we can have more teachers in front of those kids, smaller class sizes, and that's something we wouldn't have been able to do if we weren't a charter school.

Another thing we did to keep the school safe that any school can do is to create a dress code, and you see the kids dressed nicely here. Ours are very similar, and we knew that's what parents wanted and we knew we had to make those parents happy. They wanted a dress code, so we gave them a dress code.

We also used curricular freedom to create single sex advisories, which meet each day and talk explicitly about behaving in a proper and safe way. That is something that as a charter school allowed us to play with the curriculum to answer the needs of the parents, the needs of the students, and to create a safe school.

The other thing we needed to make sure of is that they could read, do math and write. So they take three classes related to literature and reading in their freshman year and every year after they take two. Then they take two math classes every year starting their sophomore year. Again, we look to whom we're accountable to. We are accountable to our Board. They want math and reading. The parents want that too, and I think that's what drives our school.

Now, is that working? Well, you should ask those two groups. The first group, the Board, they say so, and I think even more importantly, the parents say so too. We

know because we had a lottery last night and there were hundreds more students that wanted to come to our school than we had spaces for, and we have a long waiting list now. In fact, we're sad that some of the students here at Chicago International didn't get in.

Some did, though, and we'd love to take them all. However, we have a lottery that is open to everybody. Everybody must be treated equally, and I think that's one of the fairness's of the charter schools here in Chicago. They require a public lottery to make sure that fairness happens, that everyone possibly can attend.

I've listed in my written testimony different things that Congress can do to support charter schools. Basically, they revolve around supporting the agencies that help charter schools as well as providing capital dollars for us. My conclusion is that the parents want this. We're ready to be accountable. Give us that challenge.

Thank you very much.

WRITTEN STATEMENT OF MICHAEL MILKIE, PRINCIPAL, NOBLE STREET CHARTER HIGH SCHOOL, CHICAGO, ILLINOIS – SEE APPENDIX C

Chairman Boehner. Thank you, Mr. Milkie. Although I know you'd all like to, there's no need to applaud. Under committee rules, we ask that you hold your applause. We do have to abide by the rules of our committee, and we appreciate your cooperation.

Ms. Collins-Brown, you may begin.

***STATEMENT OF VIOLA M. COLLINS-BROWN, PARENT,
CHICAGO INTERNATIONAL CHARTER SCHOOL, CHICAGO,
ILLINOIS***

Ms. Collins-Brown. Thank you very much. My name is Viola Collins-Brown, and I have a son named Jordan in the second grade here at Chicago International Charter School.

Before I begin my presentation, it came to my mind this morning that it takes a village to raise a child. Here at Chicago International Charter School, Bucktown Campus, with this phenomenal administration, amazing and tenacious staff, outstanding parental support, this area, this community has incorporated this village. What a blessing it is to have my child be a part of this amazing establishment.

The Education and Workforce Committee's mission statement embraces dual focuses as follows: Empowering parents and teachers to provide our students with the best education possible and giving American workers access to the tools and protections that they need to meet the challenges and opportunities of the new economy.

How does CICS encompass this mission? On a scale of 1 to 10, I will give them a 12. They have highly embraced and acted according to the challenges presented to them through this mission statement. CICS's total focus is to effectively utilize each and every minute given to enhance character and promote education to every student on campus.

The enthusiasm flows from the total organizational structure, a snowball effect that not only hits each staff member but the students and parents as well.

Normally it can be said that nothing is 100 percent. This is not a factor for the administration and faculty and parents, I might add, of CICS. They are 100 percent plus. Strategic planning and implementation is always progressive.

My child is totally excited about being a participant. We had some hesitation about putting Jordan in a school with a large population because discipline could be a factor, and children can be quite cruel to special needs children such as my own.

Jordan has pan-hypopituitarism, meaning his pituitary glands did not develop and most of his organs function through medical manipulation. Jordan has defeated many odds and to date does not have a learning deficiency and looks quite like a healthy little boy.

I make sure that Jordan gets the medicine and care provided by Children's Memorial Hospital and all that is necessary to keep him healthy and keep him whole; care that I could not find the right caregiver to provide. Therefore, further adjustments in our lifestyle had to be made. Jordan was spending far too much time in the hospital.

Being a single parent and sole provider for Jordan's care brought about the changes in the scope of how I could provide for him a quality education that also emphasizes the character and esteem of the child without paying a fee for which I could no longer budget.

CICS was recommended to me by one of his educators, one that I highly respect. She was totally enthused that she was a part of this amazing workforce. With reluctance I applied, and he was accepted.

All hesitation went out the window the day I met the director, Dr. Joseph Nurek. His energy, his views, and love of what he does exuded all over the place. Jordan's teacher, Ms. Karen Hooper, was the most wonderful ever, but the affirmation was Jordan. He has been so excited about education from day one and doesn't miss private school at all.

At the open house where you get to view the entire staff and administration, meet parents, the energy, the love of the game, the excitement, just bounces off the wall. I did have some reservations regarding staff because they are so very young here at CICS, and based on past experience with some educators, many lack character and people skills. Some even demand respect because of their position, not yet knowing how to give it.

This definitely does not apply to the personnel of CICS. Everyone is tightly knit. Truly a perfect fit. Phenomenal. They've embraced a major challenge, and they are committed to and are making this challenge work extraordinarily. The same enthusiasm displayed when CICS was recommended to me has shown through every personnel, parent, and most of all the students I have encountered.

The day begins with a Parent Patrol and the team leaders greeting the students as they come into school each morning. Some of the eighth grade Patrol even greet the parents in the morning and bid them a great day. The greeting has made my morning

many times.

Somehow this organization has figured out that quality education is a must, and building character and self-esteem of our children is essential. A parent can't ask for anything more. Well, maybe smaller classroom size.

The curriculum here is powerful, disciplined and congruent. The administration embraces diversity, ethnicity. Even their problem children are not overlooked. They're always tirelessly trying to create ways to reach and educate them also, and like all schools, they take these challenges as a great responsibility.

They've brought in select parents, such as myself, to assist. Therefore, 70 percent of their day will not be focused on discipline but educating the minds of each individual that comes through their doors; hopefully igniting the thrill of more of that good stuff that they have to offer.

Thank you very much.

WRITTEN STATEMENT OF VIOLA M. COLLINS-BROWN, PARENT, CHICAGO INTERNATIONAL CHARTER SCHOOL, CHICAGO, ILLINOIS – SEE APPENDIX D

Chairman Boehner. Ms. Collins-Brown, thank you for your testimony. Sounds like you're a happy parent.

Chairman Boehner. Mr. Murphy, you may begin.

***STATEMENT OF JAMES MURPHY, MANAGING PARTNER,
OPTION FUNDING GROUP, PRESIDENT, CHICAGO CHARTER
SCHOOL FOUNDATION, CHICAGO, ILLINOIS***

Mr. Murphy. Thank you. Good morning, and I want to welcome you to the Chicago International Charter School, Bucktown Campus. This campus is one of four campuses that the Chicago Charter School Foundations oversees through a unique agreement with the Chicago Board of Education.

I appreciate the opportunity to host the Committee on Education and the Workforce here today, but before sharing my thoughts on education, freedom and accountability, I want to give you a brief primer on my background in education reform.

In 1989, my brother and I began giving a handful of promising but needy 8th grade students scholarships to attend private high schools in Chicago. Soon after that, we created the Daniel Murphy Scholarship Foundation in my father's memory. It is an organization put together to administer the scholarship program.

Over the last decade, the Daniel Murphy Scholarship Foundation has steadily grown by expanding a network of donors and building a stable of prominent private schools. Today we have 500 scholars attending nearly 60 private schools in Chicago and boarding schools across the country, with the support annually of around \$5 million in

private contributions.

The Daniel Murphy Scholarship Foundation is a great success story, but it's not the primary reason I'm speaking today. Several years ago, the Board of the Daniel Murphy Scholarship Foundation became aware of just how many young men and women we had to pass over each year because of lack of funds. For every scholar that we were supporting, another 10 or 12 promising applicants had to be turned away. In the late 1990's I began searching for a broader, more systematic way to find help for the thousands of kids who deserve quality education.

In 1997, at my direction, the Daniel Murphy Scholarship Foundation submitted an application to Chicago Board of Education to oversee a multi-site campus charter school. After our charter was approved, we created the Chicago Charter School Foundation, a independent 501(c)(3) organization charged with assembling the resources and expertise to successfully operate a charter school. In the fall of 1997, Chicago Charter School Foundation opened two campuses that served approximately 1,400 students.

Today, Chicago Charter School Foundation is the largest charter holder in Illinois, and one of the largest in the entire country, with four campuses that serve 2,450 students in grades K through 12. Approximately 74 percent of our students participate in the Federal Free and Reduced Lunch Program. Over 70 percent of our student population is African American, and of the 20 percent that is Hispanic, most live in Spanish speaking homes.

To bring the best programs and leadership to our campuses, we contract with education management organizations to deliver instruction at our sites. Currently, we contract with American Quality Schools, a Chicago-based nonprofit firm led by Michael Bakalis, a professor at the Kellogg Business School at Northwestern University and past Illinois State Superintendent of Education.

We also contract with Edison Schools, a public company that manages 113 schools in 21 states and the District of Columbia serving a total enrollment of 57,000 students. In the future, we may contract with other management organizations.

Now that I've given you some background, I want to address the key issues of this hearing, freedom and accountability. If you walk away from this testimony with nothing else, I hope you remember one central theme from my presentation. Keep it simple. Streamline the federal government's role in education. Eliminate regulations, especially in the area of special education. This message underlies all of my remarks today.

To illuminate this theme, let me start with the issue of Freedom. As I prepared this testimony, I debated talking about the freedoms that the Chicago Charter School Foundation enjoys. Under the leadership of Paul Vallas, Gery Chico and Mayor Richard Daley, Chicago Public Schools has embraced the charter school system. That is enabling us to introduce new choices to the public school system at a broad level. These people were not afraid of competition. They have brought it in.

In our agreement with the Board of Education, we were given a number of critical freedoms such as hiring and firing our own staff, determining our own curriculum, delivering our own special ed services and maintaining our own uniform and discipline policies. These freedoms are imperative to the success of our charter schools, but rather

than limit my testimony to charter schools I want to address freedom on a more basic level - freedom of American families.

When my father, Daniel Murphy, sent my brothers and me to Loyola Academy, he was a hard working man but he also was in a blue collar profession with little upward mobility. As a result, paying our tuition at Loyola took sacrifice and commitment. Looking back on those years now, I'm not quite sure how my parents did it, but the sound judgments that they made were what enabled my brothers and I to go to college and become successful in business and civic leadership.

Looking back now, I know my parents' freedom as American citizens is what enabled them to make the right choices about my education. Without the ability to choose, my parents would not have had the commitment or perseverance required to obtain a bright future for their children. Freedom, then, is fundamental to the pursuit of happiness that the Constitution guarantees. However, too often our public education system has taken freedoms away from parents out of fear they won't exercise smart choices.

Through the Daniel Murphy Scholarship Foundation, we are using high school scholarships not to limit people's freedom but to help them make good choices. The families we give scholarships to don't have the means to send their kids to private schools without help, but they do have the same drive and commitment my family had.

Before each family is considered for a scholarship, we expect them to learn about the program, assemble and submit an application and come in for an interview. The Daniel Murphy Scholarship Foundation may then pay most of the tuition, but our families are expected to contribute to their children's education.

Beyond scholarships, the importance of freedom applies to charter schools but in a more complex way. To make sense of this complexity, I need to explain the accountability system that oversees the Chicago Charter School Foundation's activities. We operate a three-pronged system of accountability - and I see the red light.

Chairman Boehner. Mr. Murphy, you may continue.

Mr. Murphy. Thank you. We have an agreement with the Board of Education that holds us accountable for academic, financial and operational performance. If Chicago International Charter School isn't performing at or above the Board's standards, our charter is not renewed.

Second, CCFS contracts with education management organizations to manage our campuses. To ensure that Edison Schools and American Quality Schools are offering our students the highest quality education, we have negotiated detailed contracts that hold each partner accountable for high standards of performance. To ensure that our standards are met, we constantly are monitoring the activities on campuses and within organizations.

Third, CCFS and its management partners are accountable to the families on our campuses. If the families are not happy with our performance, they will pull their children out of school and our per pupil funding will leave with them. Right now, these three levels of accountability are necessary to ensure that we are fulfilling our mission of

providing a rigorous college-preparatory education to every student.

However, as charter schools and other choice initiatives expand, market forces are beginning to work within K - 12 education. Families are realizing they have freedom to make real decisions about how to obtain the best education. Parents are becoming more informed, demanding consumers. Children are learning to advocate for school choice.

Schools are learning they have to incorporate innovation and variety to compete with each other. Finally, school management organizations such as Edison and American Quality Schools are learning to use economies of scale to cut costs, bring technology into schools and fuel research and development.

As market forces expand in public education, parents will take an increasingly active role in holding schools accountable for their performance. As consumerism rises, the government will be able to reduce its role in accountability, but these changes won't happen overnight. America must be patient and let education in the marketplace elevate performance in school, both public and private.

As you debate the best way to improve education, please make your primary goal to encourage development of a market-based system. Help all schools compete on a level playing field by correcting funding disparities. Be aware that for charter schools to be successful, we need funding for program start-up, facility development and real estate acquisition.

We cannot be successful with 70 or 80 percent of the funds that traditional public schools receive. For example, I believe the federal government can help charter schools by using a tax credit program similar to the program used for senior housing construction as a model for supporting facility development.

As I close, I want to echo the theme I began this testimony with. Keep it simple. Charter schools have been relieved of many state regulations, but we aren't exempt from federal ones. Rather than increase legislation that restricts us, free us up to be flexible and innovative.

As you set your agenda, stay focused on maximizing the freedoms of schools and the choices of families. In the longer term, look to the family to be the key decision maker in the education market. Have faith in the caregivers' abilities to make good choices for their children.

Every time I visit one of our campuses or interview a scholarship candidate, I realize how hard people work when pursuing a choice they have made of their own free will. If we continue to trust one another, we will all enjoy the freedom and liberty that has made this a great nation.

Thank you for your time.

WRITTEN STATEMENT OF JAMES MURPHY, MANAGING PARTNER, OPTION FUNDING GROUP, PRESIDENT, CHICAGO CHARTER SCHOOL FOUNDATION, CHICAGO, ILLINOIS – SEE APPENDIX E

Chairman Boehner. Mr. Murphy, thank you for your testimony. I failed to welcome our other guests that are sitting throughout the audience and in the back. They are some of the students here at the school. We want to welcome you. We're glad that you can see how your Congress works.

I think we will proceed with the three witnesses that we have. Mr. Vallas is here, and we expect Dr. McGee soon. Therefore, we'll just have a second panel and focus our attention in that way.

Mr. Milkie, you talked about the issues we want to talk about, freedom and accountability. However, I want to know why you think your school is successful. Well, let me back up.

Do you have test scores and accountability standards that show your students are improving?

Mr. Milkie. Yes, the nice thing about our accountability agreement with Chicago Public Schools is that it measures growth. It not only looks at raw test scores but it measures growth.

Based on that, last year our students grew approximately three years in math, which is really a great number. In addition, they grew a little more than one year in reading, which is a little better than expected. But our biggest thing test score-wise is that we only had 12 percent of our kids in reading and math in the lowest quartile. So the kids that needed the most help got it, and I think that's the most important thing.

The second part of the accountability is with the parents. Just as Jim Murphy alluded to, we are also accountable to them. We had hundreds of people last night in our lottery screaming that they got in or screaming because they didn't get in. It just showed that the demand is there for the type of schooling that we are providing, which is a lot like this school here, really based on discipline and the basic skills of reading and math.

Chairman Boehner. Mr. Milkie, can you identify for us what you think the keys to success are in your school, especially as they relate to your typical public high school in a similar neighborhood?

Mr. Milkie. I think, you know, part of the key is the school I came from. I came from a school that was in the same neighborhood, and I think the biggest difference is the discipline. We have a school that's safe, not just safe from gangs but safe from distractions to learning.

Teachers are spending way too much time with kids who are not following the rules, so we provide structure and rules so there is not a problem with discipline. We look at positive behaviors both in terms of discipline and in terms of academics, and because it's a safe and happy place the kids are able to learn.

The second big thing is the teachers. We know that one of the most important keys to the success of our school is that we're given freedom in terms of hiring our teachers. That allows us to get teachers not only who agree to our mission but also who are going to stay there until 6:00 or 7:00 at night, if that's the story, and can be told to do that. That's what we ask and they know that will come up. Therefore, the teachers and

the discipline would be the short answer.

Chairman Boehner. Mr. Murphy, you operate four schools. Are they all elementary schools?

Mr. Murphy. No, they're not. One is K - 12.

Chairman Boehner. But the other three would be elementary?

Mr. Murphy. Yes, they are.

Chairman Boehner. I might just add that I have 11 brothers and sisters. My dad owned a bar, and somehow they decided to send us to parochial schools. There's no way in the world they could afford to do that. My wife and I have two daughters, we learned.

Chairman Boehner. We made the choice to send our children to public schools. Obviously one of the reasons for your success, for my success and a lot of people that are here is that our parents took an active role in ensuring that we got a good education.

When you look at some of the core problems that we have in our society, you have some parents who aren't there, some parents who don't care, and if every parent in America were like ours we probably wouldn't be here today. I don't think we'd have all the problems that we're dealing with and, I presume, that you're dealing with in your schools.

How much difference do you see between the children whose parents are actively engaged and those whose parents you just don't see. Or do you end up with those children in your school?

Mr. Murphy. First of all, I don't think you build a system around expecting parents not to be there, okay? You build a system around expecting that they're going to participate. I think you'll find that the vast majority does. The ones that don't, it's kind of like they're going to school too because we figured out ways to kind of make them have to participate. We make it a friendly place for them to be, and I think they learn.

On our South Side campus, we gave away free computers to all of our families so that they could hook up Internet-wise directly with the teachers, get the daily assignment and find out how their sons and daughters are doing. We made the families come into the school and they had to take six hours of instruction on how to use it or they didn't get the computer. So you know, we find all the families come in and they participate.

I think you have to build a system that, in short, expects the parents to do something and to be there, and I think most times we're pleasantly surprised and pleased that they go way overboard to help and be supportive.

Chairman Boehner. How do you deal with IDEA, federal law that requires schools to mainstream children with disabilities? How do you deal with that in this setting, any differently than any other public school?

Mr. Murphy. Actually, I think our operators have different twists on it. I'm probably not the best person to answer that question.

Chairman Boehner. Mr. Milkie?

Mr. Milkie. I can, and we are able to do that. I think freedom of charter schools allows us to do that better.

Chairman Boehner. It's a federal law. How can you do it better than the state?

Mr. Milkie. Because we have more freedom in staffing, so that we're able to -

Chairman Boehner. What do you mean by freedom in staffing?

Mr. Milkie. We don't have to have, based on the number of students, a certain number of teachers, a certain number of guidance counselors, or a certain number of subject areas.

Chairman Boehner. In Illinois, where do those rules come from?

Mr. Milkie. Those rules come from, usually, the district and through an agreement with the union. Those are things that we're exempted from, so we can make better decisions in terms of hiring that would allow, I believe, our special education students to be served better.

The way that happens that we're able to mainstream them is first of all, our special education teachers work longer hours - that's an expectation - not than other teachers in our school but than most other special education teachers at other public schools. They're required to do that.

We're going to have more flexibility in terms of the way that the classes are taught, team teaching and so forth. I think that allows the kids to be in a classroom with other students, with that teacher there, and some of that can be done at other public schools as well. However, some are because we have freedom of staffing.

Chairman Boehner. My colleague, Mrs. Biggert.

Mrs. Biggert. Thank you, Mr. Chairman. Mr. Milkie and Mr. Murphy, as I recall, President Bush has pledged \$150 million to help charter schools to acquire, construct or renovate facilities. Now, that probably doesn't go very far when you consider that's across the nation, but it has shown that there is support for charter schools in what's happening.

I'd like to go back to your answer on how you compare to the regular public schools, and one issue that we haven't really talked about too much is testing. Right now in Illinois we have the required tests in reading and math for 3rd grade, 5th grade, 8th grade, and then the Prairie State exam.

Do you administer those tests or is that something you're exempt from?

Mr. Milkie. We're not exempt from them. We administer the Prairie State.

Mrs. Biggert. The Prairie State?

Mr. Milkie. The Prairie State, that's the only one. The ISATS are administered through grammar schools.

Mrs. Biggert. One of the concerns is that these tests are only going to compare schools. Therefore, people are going to say "My school is not doing that well," or "My student isn't doing that well." That's going to create some real problems with them teaching to the test.

Mr. Milkie, is this the first year of the Prairie State?

Mr. Milkie. Yes.

Mrs. Biggert. Do you think there was enough time in developing that test?

Mr. Milkie. I haven't, in fact, seen it yet. It will be first administered in April. It follows the state standards, I think, reasonably. But as to your other question, we're happy to be tested, and we know that it is going to happen.

Certainly there is some danger in teaching the test, and we want to try to not make that a focus. But we also believe that if we teach our kids to read well they will do reasonably well on the test.

I think the biggest problem with some of the testing is how the results are interpreted, and I think that improvements there will really help in making those tests more valuable. However, the second part is the parents too.

Again, parents know how the students are growing in these areas. It's partially based on tests and partially based on their own observations, but it is giving them the power to ask, "Is the school meeting my needs," complements that testing accountability really well.

Mr. Murphy. Specifically on tests here in Illinois, I think Mr. Vallas will be better for answers to those questions.

Mrs. Biggert. We'll get to him.

Mr. Murphy. I know from firsthand experience that the tests seem to change a lot. They change the rules on the tests, and we are very concerned about teaching the test. I don't think we want to do that. We have set curriculums that are good. We know our kids are learning. If reading for an hour and a half in the morning is teaching towards the reading components of the tests, we're guilty, but that's okay.

Mrs. Biggert. I think one thing that we're looking at, and I think we're strong proponents of legal control, is that we don't want the federal government to come in and say you must do this, you must do that, or issue those kinds of mandates. Therefore, it's kind of a fine line we're walking here as far as testing.

The proposal that we're looking at is to test every year starting with the 3rd grade rather than 3rd, 5th, 8th and Prairie State in 10th grade.

Mr. Murphy. I think, personally, there should be tests every year. I don't think it should be a national test. I just don't think that would work at all, but there should be testing. There's no reason for there not to be.

Technology is at a level now where we should be able to give the test on a Thursday and get the results on Tuesday. Instead, we give the tests in April and we get results in November. It's so archaic, it's hard to run a school.

We've told our operators that the Board wants results on a monthly basis. Give every kid a 30-minute exam, and we want to see results on a monthly basis not six months after the data was accumulated. So our operators are doing that and our Board feels comfortable on a monthly basis as to where we are. We know that state tests are coming up shortly and we feel pretty good that we're going to see some gain this year.

Mrs. Biggert. Ms. Collins-Brown, I'm looking back here and it says "Parent Connection - Your Connection. Students, Parents, Teachers, Staff." I think that's what we've always found, that if the whole team is working together, you're going to see great results.

Are the parents required to do anything as far as participation in the school?

Ms. Collins-Brown. Yes, parents are required to help their children with homework. We're responsible for getting them here at school on time. We are penalized if they're tardy more than three times. They do take account of special needs children, who might have other issues, and we're responsible for the discipline of the child, and it is enforced.

These educators that we have here come with such energy that we as parents have to be focused on making our children open to get all that these educators here in this facility have to give, because they have so much to give to our children. So it's our responsibility.

CICS makes us responsible to check their homework at night. Jordan gets homework. We have to sign the homework as well as check it. He gets study quizzes, and we're responsible to go over these things with him in the interim.

Mrs. Biggert. Thank you, Mr. Chairman.

Chairman Boehner. Mr. Platts?

Mr. Platts. Thank you, Mr. Chairman. I want to add my thanks to the Chicago International Charter School for hosting us and for the great welcome, especially the students who so openly welcomed us when we arrived and gave us our tour. I appreciate all three of your testimonies. I do have a number of questions.

First, Ms. Collins-Brown, you mentioned in your testimony the Parent Patrol, what is it?

Ms. Collins-Brown. The Parent Patrol is in the morning when you have parents who volunteer their time to make sure that the children enter the school safely. They get the

kids out of the cars. They greet the children.

You have team leaders on each side of the building. As the children come into the building, your team leaders then take over and they say good morning. They ask the children how they are. It's just a wonderful approach, and they groom the 8th grade students as such.

They open the car doors for the children when we're en route, trying to get past. They say good morning to the children. They bid us to have a great day. I mean it's such wonderful character building, and Parent Patrol is so essential there.

Mr. Platts. It helps build that partnership and everyone is part of the process.

Ms. Collins-Brown. Yes, the parents, the faculty, and the students make everything here just so tightly knit. It's just amazing. It's just amazing to me that, you know, this exists. It's just amazing.

Mr. Platts. That active participation, and from talking to the students and finding that some come from as far as an hour away or have to travel a long way and parents bring them -

Ms. Collins-Brown. We live 45 minutes away.

Mr. Platts. Clearly, the participation of the parents is vital, and I commend you for your attention to your son Jordan and your commitment to doing right by him.

We had testimony earlier about the discipline issue and making sure you have safe schools and also greater discipline for a better learning environment. The fact that you have an application process shows some interest from the family to begin with. Then the way your schools promote active participation from parents is excellent.

What do you do as far as expelling a student? Of the many challenges I hear from teachers, the greatest thing we can do is to help them get control of their classrooms. In a typical public school you can expel them, but that public school still has the burden of paying for them to go elsewhere. What happens here or in a charter school when you have a discipline problem that you want to expel?

Mr. Milkie. Well, we can't expel them ourselves. We have to recommend them for expulsion by the Chicago Public School District, and in fact, we have recommended some. However, no student has been expelled from our particular school.

As far as that general question, I know the Chicago Public Schools do actively expel. I don't know how successful they've been in finding alternative schools for those kids who will not behave, but I think that's important.

It's not fair to those students who are doing the right thing and families who are doing the right thing for their education to be compromised by those who don't. So to have a place for those students who lose the privilege to be educated with their peers is important, and maybe Mr. Vallas can talk to you more about what is going on there.

I know that that is moving in a positive direction and it needs to because it's only fair to those who want to do the right thing, plus it encourages those doing the right thing to continue doing it and those who don't to say "better shape up or I'm not going to be with my peers."

Ms. Collins-Brown. Let me reiterate something. I strongly agree with Mr. Milkie, and I think that parents are responsible. These teachers, these educators, they do have some problem children, and the parents should be held accountable. There should be a place that we can send these children that are not responsible because as educators they have to have their opportunity to give anything and everything and all that they have to the children that are now open and ready to receive.

The children that are having problems and the parents who don't want to respond to the needs of their child; that's who needs the discipline. That is not the responsibility of the educator and it should no longer be dumped in the educator's lap. They have to spend 50 to 70 percent of their day trying to discipline one or two children that could be used to educate the whole class. It should no longer be their responsibility, and Mr. Vallas should focus very strongly on trying to have a place that these children can be removed and sent to get the education and attention that they need.

Mr. Murphy. I just need to comment because our charter, being two years older than Mr. Milkie's, has a different discipline code. We have a different contract with CPS that allows us to suspend and expel, although at this school I don't believe we've ever had to expel anybody.

Having the power to expel is a wonderful motivator for kids to behave and become part of the school. Although we have a wonderful environment right now, I can't say in the first year that it ran this smoothly. Having that tool that Mr. Vallas and CPS has given us really helped us out.

Mr. Platts. Mr. Chairman, with your consent I have two other questions. I have twelve, but I'll pick two.

Chairman Boehner. Go ahead.

Mr. Platts. Thank you. With regard to the proposal for federal policy on charter schools, here in public charter schools a lottery is held to get in. Do you think we should support or not support the charter schools that are private and are not required to have lotteries? In other words, they can pick who they want. Also, should we allow for-profit charter schools under federal law?

Mr. Murphy. Well, certainly the for-profit part, clearly, the answer is yes. You've got to let them into the game to see if they can do it. Why would we want to not try it? What if the federal government had made it illegal for Federal Express to get into the mail business? Looking back now, it's kind of a silly decision.

So I think the answer is yes, but I think they need to be watched and they need to play by the rules that everybody else plays by.

Mr. Platts. If they're for-profit, though, do they still have to have a lottery to determine who will attend?

Mr. Murphy. Oh, yes. In Chicago everybody has to have a lottery. I don't know about across the country, but here in Chicago, we all have to have lotteries. After we do the lottery, then we have a waiting list, and the waiting list is filled by whoever first comes in, second, third, down the road. We're not selective in that way here in our schools in Chicago.

Mr. Milkie. And that's a tough question because that is, I think, one of the nice things. Politically it really helps charter schools, the fact that we are lottery-based and do not choose our students. I think a lot of other things would have to change before you could change that lottery system.

As to the for-profit, again, we are not run for-profit. But just as Jim said, if they can do it, the kids deserve a chance. If they cannot do it, they won't send kids to those schools.

Mr. Platts. Thanks for your testimony. Thank you, Mr. Chairman.

Chairman Boehner. I want to thank all three of you for your excellent testimony and your willingness to answer our questions. I now dismiss you and invite up to the front table Mr. Vallas and Dr. McGee, and we'll move to our second panel.

Chairman Boehner. Good morning, Mr. Vallas, Dr. McGee. Mr. Vallas, I understand you have time constraints.

Mr. Vallas. I work for a very demanding mayor.

Chairman Boehner. You've already been introduced, so why don't you begin your testimony.

STATEMENT OF PAUL VALLAS, CHIEF EXECUTIVE OFFICER, CHICAGO PUBLIC SCHOOLS, CHICAGO, ILLINOIS

Mr. Vallas. Thank you. First of all, welcome to Chicago. In the case of Congresswoman Biggert, welcome back to Chicago.

I'd like to very quickly talk about some of the successes we've had in Chicago and why we've had those successes. I'll try to be brief, and then comment specifically on the federal role within the context of President Bush's education proposals, which I'm very supportive of. Actually, I've been vocally supportive of them, and I think it's an excellent budget and a good starting point on the educational agenda.

First of all, let me present my performance credentials here. The Mayor took responsibility for the schools in 1995. Five years ago, only 32 percent of our children were reading at or above national averages. A slightly higher percentage were computing at or above national averages. Today at the 8th grade - we're talking about students at the 8th grade level, getting ready to go into high school, the finished product - those numbers

are now pushing 45, 46 percent. The math is actually pushing 50 percent.

Of equal importance, five years ago, 52 percent of all of our elementary school students were performing in the bottom quartile. In the last five years, that's been cut in half. Now, that's based on very vigorous standardized testing, the Iowa Test of Basic Skills. That has remained unchanged over the past five years, and it's a very tough test. We've likened it to the ISAT, another rigorous test that we are very supportive of.

During that same period, the graduation rate has gone from 35 percent to 68 percent. When you factor in the 27,000 students who graduated last year from our evening schools and you make that adjustment, it's actually over 70 percent. Certainly, we're not satisfied with those numbers, but there is growth.

The number of students taking and passing AP, advanced placement, courses and taking the advanced placement exams has doubled just in the last two years alone. Our growth has been triple the national rate and double the state rate, and I think Illinois has the best AP numbers of any state in the nation.

The brain drain of top performing students has literally been cut in half in the last five years, so there's no longer the exodus of the type we've seen in the past. I think in the next few years it will decline lower than single digits. After 20 years of declining enrollments, we've had five years of increasing enrollments and we have overcrowding problems where we had never thought we would.

On the safety side, the number of assaults and batteries in the schools has been cut in half. Ten years ago, the schools confiscated 1,200 guns in the schools. This year, I think we've confiscated 11, and only four were actually inside the building. Half were brought by elementary level school children that found them at home and wanted to bring them in for show and tell. That drives home the point of what we've done on the safety side.

Of course, all you have to do is drive through the city of Chicago to see the renovated schools. We've renovated 90 percent of our schools, and you'll be hard-pressed to find a school that has boarded up or plastic windows. By the end of this year, all of our high schools will be fully wired for technology in every classroom.

So that's been the results under the Mayor's leadership. The reason for the success is as follows:

Governance. There's no division of command here. The Mayor appoints the Board. The Board appoints the CEO. The Mayor has direct responsibility for the schools, number one, and with that it means the Mayor mobilizes all possible city resources in support of the schools.

Number two, flexibility. The legislature, the Republican controlled legislature, five years ago gave the Mayor power over the schools and gave the Mayor full control over the school's resources where we don't have many of the same restrictive mandates on how we spend our money the way many other school districts do. In effect, we get our money in two lump sums, special ed and non-special ed. On the property tax side, all of our mortgage tax levies were consolidated, so we have complete control over our

resources.

We also have control. We can privatize anything we want. We have full control over what we privatize and what we do not. Obviously, that has expanded our options. It took us about three weeks to close a \$300 million year budget and a \$1 billion four year budget. We have been able to reallocate resources to relevant education programs with that type of flexibility and control.

Number three, standards. In our school system, all of our students are taught to very high standards that are aligned with state standards. They are also aligned with national standards, and we've worked closely with the State Board aligning our standards and developing our in-house standards based on an assessment system close to the ISAT system. That is why I'm supportive of that test.

In addition to our high academic standards, we have high disciplinary standards. We have a zero tolerance policy. We've expelled 500 students over the past five years, but no one gets expelled to the street. Why don't we have protests outside our schools on zero tolerance? Three reasons.

One reason, the policy is clear. It's a 24 hour a day zero tolerance policy. If you're dangerous on Sunday, you'll be dangerous on Monday. Every parent every year is reminded of that policy because they're sent a copy of that policy every year.

Number two there is due process. Every case goes before a hearing officer and the hearing officer can make a recommendation to expel or he can recommend some sort of alternative disciplinary plan. About half of the students who face expulsion are ultimately expelled. The other half are put in intensive counseling programs.

And number three, no student is expelled to the street. All of our students are expelled to fully certified, board certified alternative schools that have full diploma programs. No GED, fast, mail order schools. So on the disciplinary side, our students are held to high standards.

On the accountability side, schools are closed for non-performance. Schools are reconstituted. We go in and we take administrative control over schools. We have probably heavily intervened into probably close to 35 percent of our schools with very strong results.

Everybody's held accountable for the performance of the students. Teachers can be worked out of the system. Schools can be closed for non-performance. There's no tenured principal in our school system. Principals can be removed. Everybody knows there's accountability, and I've commented on some of the accountability provisions on the student side.

In addition to raising standards and demanding greater accountability, we go to great lengths to provide support to all students. We have the largest early childhood expansion going on in the country. We have the largest after school program and the largest summer school program. Next year, for example, every student in the key elementary benchmark grades who is not performing at grade level will be mandated to attend a summer school program. There is extensive support through these programs,

and the support goes beyond longer school days or a longer school year.

We have been innovative in our approach to giving support to at-risk students. For example, in our Cradle to the Classroom program, we try to identify every pregnant teen. We then put those pregnant teens in parenting classes - including the males, if we can identify them or if they will be identified - and the goal is to make sure the babies are born healthy, put in day care, pre-school, and that the mother is kept in school. This year, I believe we're going to have 950 graduates who are participating in that program. In three years we've had 3,000 pregnant teens go through the program. We've had one repeat pregnancy during that time and only one dropout, who actually transferred to another school. Those are the types of innovative things we do to provide support.

School choice, we're strong advocates of school choice; however, my public position on vouchers has been "Not my issue." I don't oppose vouchers. I don't support vouchers. I have no position on it. If the legislature proposes a voucher program, I've instructed my lobbyists not to lobby for nor against it. At the end of the day, any sort of voucher initiative is not going to solve the fundamental problems facing public education or facing education in general in this country. Therefore, I'm not going to try to oppose something that ultimately is not going to have much of an impact.

I have always said if you're going to have a voucher program, the schools cannot be selective on whose voucher they accept because every year I have 10,000 to 15,000 students who enter my system from parochial and private institutions and other public institutions outside the city of Chicago. The vast majority of them are not performing at grade level, and they enter at all levels.

So clearly, if you're going to have a voucher program, you can't be selective about whose voucher you'll select. Also, you need to conform to some of the same accountability standards that the public schools are required to conform to. However, the Bush proposal goes far beyond simple vouchers. He's talking about expanded school choice, expanded charters, expanded public school choice, and when I was in Washington I had an opportunity to participate in his education focus group. I talked about school choice Chicago-style.

We're very supportive of our parochial and private schools. We're very supportive of charter schools. I have supported direct funding appropriation requests to the parochial and private schools. I have encouraged the Archdiocese to convert any financially failing school to a charter school, and I think our position on charter schools is well documented.

We have a unique relationship with our charters. I've basically told every charter that if they have a consistent track record of success, they will become part of our capital plan. They will be treated like a public school. If they have facility needs, we address them. If we build a multiplex, they have an opportunity to share it.

One of our charter schools shares the Shakespeare Historic School, which is one of our schools that was renovated. We actually house two charters in that school, the Arrow Foundation School and the University of Chicago Charter School. We also anticipate providing some additional help to Mr. Murphy and Mr. Bakalis so they can address their facility needs.

We also tell anyone who gets a charter that “If your charter is successful, you can open multiple schools under your existing charter.” We’re also creating new charters. KIPP will be coming to Chicago. They’re opening six schools under a single charter, so we believe in school choice. However, we also promote school choice within the public school system.

One of the ways that we’ve revitalized public education - and I’ll try to accelerate my remarks a bit - the approach that we’ve taken to revitalizing our schools has not only been to make sure that students are being taught to state and national academic standards, but we’ve ended social promotion. Students are not promoted to the next grade level until they have met those standards, but our goal has also been to work extensively with underachieving children. That is documented by our after school programs, summer school programs, tutoring programs and various student support programs.

We are also investing a lot of money in our schools to expand what I call school choice programs, our AP programs, and our neighborhood based magnet programs. Our strategy for revitalizing high schools is not only to make sure that every student who enters high school is ready for high school but also to make sure that the high school itself, that neighborhood high school has multiple program offerings for its students.

Chicago is now the home of 12 magnet high schools. We are also the home of 40 neighborhood based magnet programs. We have International Baccalaureate programs, military programs - not ROTC, but actual Military academy programs, business and finance academies, and advanced technology academies. So in all of our schools our thrust has been, obviously, to help children who are under achieving. It has also been to see all of our neighborhood schools with programs for high achievers so that none of our schools becomes a segregated school.

What can happen a lot of times is you create the tale of two cities where you have the magnet schools, the selective enrollment parochial schools, and then you have the remedial neighborhood school. So our strategy has been to make sure that all our schools, in effect, become multiplexes.

Curry High School, for example, was a high school that no one from the neighborhood wanted to go to. Five years later it was one of three schools to go to the National Academic Decathlon. They’ll be competing again this year. They have an International Baccalaureate program. They have advanced math, science and technology programs. These are all magnet programs in the neighborhood school.

Last year I had 3,000 applicants for Curry High School. I couldn’t get anybody to go to Curry High School five years ago. Curry is not the exception. It is becoming the rule, and incidentally, all of those magnet programs are open enrollment. So there’s great mobility within the system.

Now I have high schools and elementary schools competing for students. When I opened the new magnet high school, North Side College Prep in Region 1, I told all the other neighborhood schools “If you want to compete with North Side College Prep, you can open up any number of magnet programs and put them in your neighborhood school.” Three years later, there’s not a single high school on the North Side of Chicago that has had a decline in test scores.

In fact, there's not a single high school that's on probation anymore on the North Side. Taft has an International Baccalaureate program. Mather has gone from two advanced placement courses to twelve. They also have a word and language academy program. Senn and Amundsen also have International Baccalaureate programs.

All these schools have open enrollment. There's movement among the schools. So school choice has also been an option, and we have the option to privatize education. We literally have a network of 32 private schools that we consider to be our alternative schools.

These are private schools that help us provide educational services to students who drop out, students who are disruptive, and that's not even mentioning the private special education institutions that we have contractual relationships with. So we have taken school choice to another level.

Those are some of the examples of what we've done in Chicago that I think in many respects are reflected in President Bush's very comprehensive education initiatives, and I think that's why we're so supportive. Very quickly, a number of comments on what I was asked to address.

First, on the issue of accountability, we support testing. Max and I both test the kids every year, desegregate the data by race and make that data public. They put the test scores on their web site. We put our scores on our web site. Everybody can have access. We're probably the most examined school district in the nation, but I think children should all be tested at every grade level.

Does that mean the federal government comes out with a standard test? No. I think the federal government should come out with a model test for those school districts that don't have the resources to develop one of their own, but state and local school districts should require their children at every grade level to participate in a nationally normed test and then post those scores.

In our case, we use the Iowa, but who knows, in the next two or three years we could actually migrate to the ISAT once we have a comfort level that all the kinks have been worked out of the test, but certainly testing at all grade levels and having the accountability that goes with it is something we endorse. Nothing that the President has proposed in his budget on the accountability side is anything we're not already doing, and some would argue we're doing with a vengeance.

Secondly, flexibility, consolidating programs, and providing more support to school districts. Obviously, we're proof in the pudding that if you give schools flexibility but also give them more support, they can make things happen. However, you've also got to make sure when the money is allocated it does not get locked into things which are governed by work rules or contractual relationships.

When that money is given to the schools, the schools have to have the flexibility to spend it as they see fit. But they also have to have some sort of, let's call it, a fire wall so that they're not just taking that money and putting it into a new collective bargaining agreement. It's got to go to programs, programs, programs, programs that have an impact.

So that's critically important too. But also, if you're going to address the issue of giving schools more flexibility along with some more funding, you've got to address the issue of special education funding. Also, you've got to address the issue of Medicaid reimbursement.

When we met with the President, the first statement he made was about the need to provide full funding for special ed. That helps everybody, parochial schools, public schools, private schools, affluent schools, and less affluent schools because some school districts are getting killed with the burden of special education mandates.

The federal government funds 8 percent of the mandate. The state, which has been inching up under Max's leadership, has been at about half that when it comes to funding all the mandates that we're held accountable for. On the Medicaid reimbursement, Denny Hastert saved us from a Medicaid disaster when he interceded to prevent some of these rule changes from having a direct impact.

In a school district that has children with extraordinary needs, our ability to provide for those needs through the schools has really begun to have a significant impact. I need to get reimbursed for these services. When you're looking at Medicaid reform, please, please, do not ignore the schools. Because HCFA last year almost issued some regulations that some bureaucrat must have come up with on a bad weekend that would have decimated local funding streams.

What we've been able to do with our Medicaid reimbursements are phenomenal. Twenty percent of the kids who fail in our public schools also fail their eye exams. Half of those kids are not in any sort of health care program, and being able to purchase eyeglasses for them and to seek Medicaid reimbursements for something as simple as that - let me tell you, when you get your eyeglasses, you're not only a better student, you're a better behaved student. This is just a small example of some of the services we need.

On the area of school construction, which we're still awaiting eagerly to see what that proposal will be, President Eisenhower built the interstate highway system in the name of National security. I certainly think investing billions in our schools - and not only public schools, but any school construction program needs to be comprehensive and needs to include parochial and private schools.

You have to provide direct assistance to support parochial and private schools. They do it at the university level. Private universities, parochial supported universities get school construction dollars. One of the best ways to do it is through a comprehensive school construction program, and there may be ways of really amending the Tax Code to provide the incentives there to encourage some type of investment so you don't have to do it through direct subsidies.

Those are my comments. Thank you.

WRITTEN STATEMENT OF PAUL VALLAS, CHIEF EXECUTIVE OFFICER,
CHICAGO PUBLIC SCHOOLS, CHICAGO, ILLINOIS – SEE APPENDIX F

Chairman Boehner. The Chair recognizes the gentlelady from Illinois.

Mrs. Biggert. I did not introduce Dr. McGee prior to this, but I've had the pleasure of working with Dr. McGee not only in his capacity as State Superintendent, which he has held that position since January of 1999, but also when he was a Superintendent of Schools in Deerfield. He also was a teacher in my own school district in Darien quite a while ago, and we've worked together on the School Board Association. So I would like to welcome Dr. McGee.

Chairman Boehner. With that, Dr. McGee, you can give us your testimony.

STATEMENT OF GLENN W. MCGEE, STATE SUPERINTENDENT OF EDUCATION, ILLINOIS STATE BOARD OF EDUCATION, SPRINGFIELD, ILLINOIS

Mr. McGee. Thank you very much, Mr. Chairman. I apologize for being tardy. We got some times crossed up.

Welcome to Illinois. Our mission in Illinois is to deliver a quality of education that is second to none, and we've made some progress in that regard. However, we need your help as well. Today I'd like to do three things. One, identify some of the problems; two, talk about some of our successes; and third, focus on the Congressional role.

As to some of the problems we have in Illinois, we have 2 million students in 900 school districts ranging in size from 38 students in a district to 430,000 students. 37 percent of the students are from low-income families. That's almost 800,000 students. We have a system of educational funding that is based primarily on the property tax.

We have in East St. Louis, for example, an EAV, Equalized Assessed Valuation, behind every pupil of \$8,000. When I was superintendent in Deerfield that was \$800,000. That's a 100-fold difference, and it has created enormous inequities in access and achievement.

The achievement gap in Illinois is intolerable. Third grade reading, 86 percent of our white students meet the third grade reading standards. That compares with about 47 percent of our Hispanic students and 33 percent of our African American students. That has ramifications in the high schools where 60 percent of our minority students who take the ACT do not have access to a core curriculum, and we are going to change that in Illinois. That is intolerable.

We have had some successes. We have had success through charter schools, and I'm very pleased to be able to address the freedom aspect of improving students' achievement. We have authorization for 45 charters throughout the state. Unfortunately, we only have 19 charter schools in operation. I wish all 45 charters were filled.

We have some great success stories in Chicago. In my neighborhood in Springfield the Ball Charter School has state test scores that are off the charts, and there's a waiting list to get in the school. Up in Lake County, the Prairie Crossing Charter School has a curriculum based on environmental concerns, another tremendous example of success.

We're also giving students a freedom of choice through the Illinois Virtual High School. Last summer, juniors and seniors from the Effingham area said, "We want classes like they have up north. We want to take different foreign languages. We want advanced mathematics." So under Governor Ryan's leadership, we got the Illinois Virtual High School. Enrollment kicked off January 1st, and now students from all over the state can access our virtual high school.

We have also had success through accountability, and that's the second part of the topic today. We have a web site, and with the click of a mouse you can see how any school in Illinois stacks up against any other school by any variable you want. We compare schools of similar low-income enrollments. We compare schools of similar mobility rates. We compare schools of similar low English proficiency students, and we create a dialogue among these schools and we derive school improvement plans.

We have seen great things happen. The AP scores in Illinois are the best in the nation. With 96,000 students taking ACT scores, they are above the national average and continuing to increase. In East St. Louis, one of our poorest performing school districts, we saw a 45 percent increase in student achievement last year. So we are making a difference.

We are focusing on accountability, focusing on early childhood education, teacher quality, reading, mathematics and supporting students at risk. Behind Governor Ryan's leadership, those five priorities have had an impact.

Let me close by talking about the Congressional role and what we hope we can do by working with you to improve student achievement, not just in Illinois but throughout the country, because we want the United States of America to be second to none. I'm tired of reading the TIMSS results and the Glenn Commission results. I haven't quite committed it to memory, but I'm getting there. It is not acceptable that we performed so poorly in mathematics and science.

What can we do? We need to support our charter schools both at the state and federal level. They face enormous hurdles in the first four or five years. In Illinois, we created a funding system to divert some of the funds from the local districts to give them some start up grants, but it's not enough. I worry that we only have 20 out of 45 charters filled, 19 out of 45, because we're not supporting these critical first three or four years.

We need to support, I believe, a Mathematics Excellence Act similar to the Reading Excellence Act. We are making a difference in reading in Illinois through the Reading Excellence Act. We're applying that \$38 million grant to early intervention reading programs, to tutorial programs. We're holding schools accountable for that money. We need to do the same things in mathematics. We need to give schools the money to close that achievement gap.

In Illinois, at the 8th grade level, 53 percent of the students do not meet state standards. That's because we think that they can't learn algebra in 8th grade. That's nonsense. They learn algebra in countries throughout the world in 8th grade. Unfortunately, only 20 percent of our minority students meet math standards in 8th grade. We have to have some federal money driven to mathematics, driven to those recommendations of the Glenn Commission.

Finally, I concur with Paul about the importance of Medicaid and IDEA funding. Speaker Hastert has been a great proponent of that. Congresswoman Biggert has been a great proponent of that. She clearly understands the need for a federal role in school funding.

A federal mandate towards school construction, Paul touched on that; however, he did not touch on the importance of the reauthorization of ESEA. That is of critical importance. Hundreds of thousands of students throughout the country, hundreds of thousands of students in Illinois alone, are waiting to see what happens there. We need to have some serious conversation about the conduct of hold harmless and how to make students accountable for that money, and we'd be glad to share some details at a later date.

Finally, we too support annual testing, whether it's a federal test or a state test. We ask to work with you towards a test that is authentic, and by that we would like a test very similar to our ISAT test. The kids don't read little paragraphs and answer a question. They read long passages, four and five pages. It's a real task, like a chapter from a book. The writing test, they write for 40 minutes to measure how they do on the writing. Mathematics, it's everybody's nightmare, story problems, multiple step story problems, but that is what it will take if we are serious about improving student achievement.

If we are serious about becoming second to none as a country, we need annual testing. We need better testing and we need to work together.

Mr. Chairman, Mrs. Biggert, Mr. Platts, it's been a pleasure to meet you, and we will pledge to do whatever we can to support you in your endeavor to improve freedom and achievement and accountability. Thank you.

WRITTEN STATEMENT OF GLENN W. MCGEE, STATE SUPERINTENDENT OF EDUCATION, ILLINOIS STATE BOARD OF EDUCATION, SPRINGFIELD, ILLINOIS – SEE APPENDIX G

Chairman Boehner. Let me thank both of you for your testimony. You certainly have very involved jobs, which are really on the front line of the kind of school reform that's going on here and elsewhere around the country.

I want to really devote my questions to the federal role, the President's proposal and the fact that the rest of the Elementary and Secondary Education Act will be reauthorized this year.

What are two things that we can do when we authorize ESEA that will help you?

Mr. McGee. I think, first, the hold harmless is important.

Chairman Boehner. Do you want to put a little more meat on the hold harmless?

Mr. McGee. What I'm looking for, of course, is a hundred percent. In Illinois, we cannot close the achievement gap unless we drive money to the schools with the highest concentration of low-income students. The correlation factor is up around .8. That's one.

The second important item, I think, would be to beef up the accountability and the reporting. I know the schools do need to show adequate yearly progress. I think, again, we need to look at beefing up reporting so we focus on the students who are direct recipients of those funds.

Chairman Boehner. You should know it is our intent that the states will decide what the standards are and what the accountability and assessment methods will be. There will be a norming process along the way to make sure states aren't cheating. That certainly wouldn't happen here in Illinois, but other states have cheated. They want the money but they don't really want to step up to the plate.

Mr. Vallas, same question.

Mr. Vallas. Same answer. I think, obviously, hold harmless. I'd like to see the funding increase. Let me point out that of the money we receive, well over 90 percent of it is used for class size reduction, after school programs, summer school, and extended and early childhood programs. There's a lot of flexibility now. I do not shy away from greater accountability, but I would agree with Max. At minimum, the hold harmless, but certainly considering some sort of increase.

If you remember Bill Bennett's proposal -when he was here, we had a committee hearing about a year and a half ago - he advocated an increase in funding as long as there was additional accountability. So I agree with Max on that.

Chairman Boehner. What about taking all of the categorical programs, the 50 or 60 plus that we have just in ESEA and roll those into, just to pick a number, five?

Mr. Vallas. I think that's a great idea. The legislature took 29 categorical grant programs and rolled them into two for us, special ed and non-special ed, and the proof is in the pudding. We now have a quarter of a million students in summer school. We had a fraction of that amount just five years ago. That's a classic example. I think it makes a lot of sense.

What happens though, the reason people are skeptical about that - I'm certainly not - is because what has happened in past years is sometimes there's a tendency to say we're going to give you more flexibility but less money. That's always a concern. As long as the resources are there and not cut but increased, I think more flexibility is in order with the accountability that goes with it.

Mr. McGee. I think the focus helps, frankly. That's a good idea.

Chairman Boehner. My view over the last 10 or 15 years has been that Congress has proliferated the number of well-meaning, well-intentioned programs for K - 12 education. We've got a lot of very nice programs, but we're losing the focus of what has traditionally been the federal role. It has been to go in and help those students who are at the bottom of the economic ladder and to help give them the boost they need to compete with students from higher economic neighborhoods, who have more help along the way.

Dr. McGee, I have to ask you a very difficult question, and it may be unfair but I have to ask. The legislature made this big decision to give Chicago freedom, freedom from all

the rules and regulations, and I could use other words to describe some of what happens. Being from Ohio, we really do it in about the same way. Why not free other schools in the state?

Mr. McGee. That is a difficult question. What's made a difference in Chicago is the sustained leadership of the Mayor and the school system working together. I don't know if it's a unique situation. I think when communities work together, we see great things happen. That's what happened here. Paul talks about summer school, after school. Unfortunately, that doesn't happen in every community. It happens in some and not others.

Frankly, I like the idea of giving schools more flexibility. I think it's important to have flexibility. I also think it's important to hold them accountable for all the money spent, and they are accountable. I don't think anybody gives more assessments than Chicago. So I think those two can go hand in hand, and that would be fine with me.

Chairman Boehner. The reason I bring it up is that it has been pretty clear to me that if you see how American industry has changed over the last 20 years, where it's changed and succeeded the most are in those companies that move decision making out of the ivory tower, out of the upper levels, out of the middle levels, and drive decision making down as far in their organizations as they could. It's made a dramatic difference in America, American industry and American business.

It's also made us very competitive in the worldwide marketplace where 20 years ago we were not competitive. If you look at what's happening in Chicago, although there's some disagreement as to how much success, there's certainly been some success. From my analysis of what's happened here, where the decision making was driven back to the local schools, where the parents, the local boards, the principals and the teachers have been empowered is where you see the most sustained success.

We all know that it's easy to get a jump in the first year or two, but sustained success is difficult. It seems to me that Chicago's done a lot. I'm sure there's more that they'd like to do, but we've got this lock in State capitals where they don't want to let go. They still want to drive all the decision making, and I'm trying to understand how we can best motivate people to drive those decision-making levels down.

Mr. McGee. What we're doing, in fact, that is the whole purpose behind our web site. That was my meeting this morning, to meet with business leaders around the Chicago and suburban area so that they can compare how their schools are doing to any other school in the state. It is an effort to create not only competition but also dialogue. However, this information must get into the hands of the school boards, the teachers, and the parents who have kids in school.

They need that data, and one thing that we have not done well in education is given school districts the tools they need. Using our web site to develop a school improvement plan, we now have the data, the tools. We can give them the flexibility, but again, also hold them accountable. We do know that some things work better than others. We do know that money spent in early childhood education is probably the best way to spend the money to close the achievement gap.

So again, I'm not one for flexibility without accountability. I do think we need to balance flexibility with practices, the best practices we know, and we can probably count those off on one hand.

Mr. Vallas. I'd like to respond to your question. In 1989 here in Chicago we had the first so-called school reform movement. There was radical decentralization, what I've equated to "let a thousand flowers bloom."

It had almost the same results from '89 to '95. The graduation rates didn't go anywhere. The reading scores were dead. The math scores were dead. You had individual schools that did well, but you had other schools that didn't perform at all. In 1995, 25 of the 81 high schools had single digit reading scores. Last year, one high school had single digit reading scores, and so radical decentralization was not successful.

Now, that's not to say you don't need local decision-making. You do, but what you need is high standards. Those standards need to be set by a larger entity, the state, for example. The federal government needs to have certain national goals and national standards that at least are serving as models that we can use.

Accountability, you've got to be able to go in and intervene when you have failure, management failure at the local level. You need the support and you also need to create an environment of competition. You need to give parents the flexibility to move within schools.

I think the neighborhood based magnet programs in the high schools have had a spectacular effect on those schools because now the high schools are going out of their way to provide programs and compete for students. Doing the same thing with special ed will allow all our magnet schools to have special ed programs, so now everyone is competing for the special education kids.

So I agree with Max. I think the goal here is to give the schools greater flexibility and to give local school districts greater empowerment. However, we have to hold people accountable, set the standards, and make sure the support and the resources are there in a very flexible way because if the schools know what the standards are, and if the schools know they are going to be held accountable, they have the resources to make a difference. Then I think you'll see tremendous growth and improvement.

We have a good balance between local control and centralized accountability that we did not have before, and that's why we're having such great success. I think the Bush proposal philosophically embraces that concept.

Chairman Boehner. Mrs. Biggert?

Mrs. Biggert. Thank you, Mr. Chairman. Mr. Vallas, as usual, you gave us a very dynamic presentation. I really am so proud of what's happened in Illinois and in the Chicago schools, and having been involved in that original legislation, to see what's happened makes me really happy.

Chairman Boehner. That's why I'm here, because Mrs. Biggert -

Mrs. Biggert. Would not leave him alone.

Mr. McGee. Thank you. We appreciate it.

Mrs. Biggert. One thing about the failing schools has come up. There's been much discussion about President Bush's proposal, and you have done a couple of things. Please talk a little bit about what happens when a school is failing and you have either removed the principal or reconstituted the school. How is that working?

Mr. Vallas. Well, we do different things. Sometimes we go in and take management and financial control of the school, and restructure the curriculum. We take over the local hiring and things like that. Sometimes we go even deeper by sweeping in and removing the principal.

We may reconstitute the school, in which case we shut down the school, and then reopen it. Everyone has to reapply for jobs. Sometimes we phase out the old school and phase in a new school, and we will, in effect, go in and redesign an entirely new school.

The results, I think, have been largely positive. However, certainly some of our reconstituted schools have struggled. There are a couple schools we had to reconstitute a second time, but what accountability does is accountability spurs everybody to do better.

For example, the Consortium for School Reform came out with a study and said that 10 percent of the kids are not responding to the ending of social promotion, but 90 percent of the kids are. The ending of social promotion directly benefited 90 percent of the kids they documented, but we finally identified that hard core 10 percent that we need to adopt different strategies for.

So you can reconstitute the school and reopen it. You can invite charters to come in. There's been discussion with Edison, for example, about coming in and taking management over certain schools. That doesn't mean you're going to have an instant solution, but schools know that there's going to be an end to non-performance. That spurs everyone to do better.

Because our high school students have maximum mobility, they're not confined to their neighborhood schools. They can apply to 50 different programs across the system. A lot of times what will happen is you'll reconstitute a school and there will be a huge exodus to that new school. There's that school choice option there.

So I think the results have been overall very positive to the system. Because the system's focused the results on the individual schools that we've actually gone in and taken draconian action. That's been successful, but the shutting down, the reopening, the intervention, and the reconstitution, I think, has had mixed results. However, I would never shy away from doing it because the minute you shy a way from doing it, everybody becomes complacent.

Mrs. Biggert. Thank you. Dr. McGee, I had the opportunity to go down to Harvey and Dalton and Markham, the southern area, and I was so impressed with what's going on with that consortium of schools and the dedication of superintendents down there. The question that I came away from there with is they have such a high poverty rate, sometimes 98 percent, and since there's such high mobility they don't always get a full

enrollment at the beginning of the year to know what Title I funds will be available. Is there anything that we can do to solve that problem?

Mr. McGee. One thing we need to do is perhaps look at longer term period averages of Title I enrollments rather than year to year. For example, in Illinois, how we fund schools is based on an average daily attendance. This year we're going to a three-year average, which gives schools predictability. They can project their funding.

But I appreciate your bringing up your visit there. In that area, we have nine of the poorest school districts in Illinois. We had their school boards sign an inter-governmental agreement to work together. This is a place where people had local control. They gave that up to work together.

We have computer labs that are open to the public 2:30 to 6:30 every day, and that makes a difference in achievement. Families are using technology and we're using an innovative and creative solution. Again, we appreciate your support and hope we can see some similar progress around the state.

Mr. Vallas. I would just point out, as a footnote, the mobility in our system is almost 30 percent, so you can imagine the havoc it wreaks on schools when you have that type of movement, combined with the fact that 84 percent of the children in some school districts are on the Free or Reduced School Lunch Program.

Now, because we control our funds currently, we're able to ease the impact in terms of the federal and state Title I allocations. We don't make adjustment until the final year and we hold schools harmless so they don't lose too much money.

What we've done from an instructional standpoint is we've really worked to identify curriculum models and to make sure all of our schools are using quality curriculum models that are aligned with specific standards. Not just yearly standards but also following programs of studies so they're covering the same subject areas at about the same time to impact mobility on the schools.

Mrs. Biggert. Some have suggested using the free lunch to dually do the count because, particularly in high school, some of the families don't want to fill out the forms to say that they're really entitled.

Mr. McGee. We do it half and half.

Mrs. Biggert. Thank you.

Chairman Boehner. Mr. Platts?

Mr. Platts. Thank you, Mr. Chairman. Thank you for your testimony.

Dr. McGee, do I understand correctly that there's a state tax credit program in place now?

Mr. McGee. We now have a \$250 tax credit for parents that choose to send their children to private school.

Mr. Platts. Public or just private?

Mr. McGee. Just private.

Mr. Platts. Has there been consideration of allowing that, say, here with school uniforms, for a public chartered school to be able to access it?

Mr. McGee. There really hasn't been. It hasn't come across the General Assembly, and that's not one of our initiatives either.

Mr. Vallas. They have an expenditure ceiling, so the expenditure has to be over \$500 and, in effect, rules out public school kids.

Mr. Platts. Under state law, your charter school program has 45 authorized charters and only 19 filled. What's the actual process, and specifically, the appeal process? Is the charter granted by the local school district?

Mr. McGee. Right, exactly. They apply to the local district, and we assist in that application. After they apply to the local district, that school district can either accept the charter, as happened in Springfield 186, Springfield, Illinois; however, too often in the suburbs they reject that application. Then, the appeal process goes to the state level, and in some instances we approve them and in other instances we don't.

We do insist that their curriculum meet state standards. We do insist that they have a lottery system, as you heard in previous testimony. They are public schools and accessible to all.

It disheartens me when local districts don't work with the charter schools. Part of that is over funding because the local districts do lose a good amount of the funds, certainly after three or four years. I can understand it, but goodness gracious, we're here about kids and we're focused on kids and that's what we need to think about.

Mr. Platts. Your state appeal, is that a statewide appointed Board?

Mr. McGee. Actually, the Governor appoints the State Board of Education. The Governor is the final judge and jury on that.

Mr. Platts. Mr. Vallas, you briefly mentioned early childhood, and that's an area of great interest to me. Can you expand on what you're doing in that area?

Mr. Vallas. Sure, and let me give you a statistic too. We've had improvement every year, but the Mayor is always beating us up because he never looks at a glass as half full. He always looks at it as being half empty, and Max will tell you - he's met with the Mayor too - he's very demanding and always raising the bar. The Mayor is mobilizing all of the city's resources to expand early childhood programs, so let me tell you how important that is.

Our lowest test scores are third graders. They've been rising the last three or four years, and they're actually at their highest level probably in 10 years. So you know, 28 to 30 percent of the third graders are reading at or above national averages. By the time they get to the 8th grade, they're pushing 50 percent. If we could invest up front and get

those 30 percentiles to 50 percent, then by the time they get to 8th grade, they will be at 80 or 90 percent.

What we're doing, we're expanding our traditional early childhood programs, our pre-K programs, our half-day programs, and they are funded largely from the state. We have Head Start in the school system, but we're going a step beyond that.

At the high school level, we're trying to identify every pregnant teen in the high schools so that we can make sure that every pregnant teen goes through parent training and stays in high school and doesn't drop out. We also want every baby to be born healthy and put in an early childhood or preschool program, because 90 percent of the pregnant teens drop out and 90 percent have a second child within five years. Probably 90 percent never return to school, so we're actually doing that kind of outreach.

In fact, our Cradle to the Classroom program has a partnership with three hospitals in Chicago areas that produce 35 percent of the teen pregnancies. We're actually trying to catch the mothers who may leave high school but then go to the hospital to get them in the program.

We also center great attention on our Parents as Teachers First program. We train parents in our school system to go out and teach young parents how to be parents, and to reach out to young mothers that have dropped out of school and are at home raising their own children. It's modeled after the Israeli program that was started in the kibbutzes where you basically have parents teaching parents to be home preschool instructors.

This year we've also developed a web site, an interactive program. We're providing many of our teen mothers with home computers and getting them wired for the Internet so we can put somebody in that home to provide parenting support. So what we're doing is going beyond the traditional, conventional expansion of early childhood services and we're being aggressive. Like the Cradle to the Classroom program where we're trying to go out and identify the pregnant teens and keep them in school, and we're doing the parental outreach services where we train parents to go out and knock on doors and find pregnant teens and young mothers at home.

One more comment, too, is we've strongly advocated and Max has been strongly supportive at the state level of adjusting School Aid and reducing the minimum grade level to pre school. Therefore, if you have a child three and four years old and that school district is providing preschool services for that child, it gets included in the general state aid.

Mr. Platts. What is the current age?

Mr. Vallas. Kindergarten.

Mr. McGee. If I might add, the Governor's wife and I have worked on a program called Future for Kids to support early childhood. Access to preschool is part of our strategic plan. Full day kindergarten is about 50 percent now, and that's moving. This is where, I think, we get the most bang for the buck.

Mr. Vallas. There's no downside to supporting funding for early childhood programs. No downside, and it resonates across the political spectrum. It's something we absolutely

need to do and we need it in particular because we have schools, I have many schools that are at a 90 percent poverty level and where maybe 80 to 90 percent of the children are living with a single parent. Most of those parents had their children when they were teenagers, and so most of the children have never been in preschool. We're serving, I would estimate, half of the kids who have needs. That's not adequate.

Mr. Platts. I commend you for your local efforts. I come from Pennsylvania, where we have a much worse record. We have no state funding for Head Start or pre-K. We don't fund at the kindergarten level. We start at first grade, and so we do a lot worse. I commend you both on your state and local efforts.

Chairman Boehner. Let me thank both of you for your excellent testimony and your time today. I also want to give special thanks to the Director of the Chicago International Charter School, Bucktown Campus, Dr. Nurek, for his hospitality.

If there's no further business, the committee is adjourned.

[Whereupon, the committee was adjourned.]

**APPENDIX A - WRITTEN OPENING STATEMENT OF CHAIRMAN
JOHN BOEHNER, COMMITTEE ON EDUCATION AND THE
WORKFORCE, U.S. HOUSE OF REPRESENTATIVES**

OPENING STATEMENT OF REP. JOHN BOEHNER (R-OH),
CHAIRMAN

COMMITTEE ON EDUCATION AND THE WORKFORCE
U.S. HOUSE OF REPRESENTATIVES

FIELD HEARING ON “Improving Academic Achievement with
Freedom and Accountability”

Friday, March 2, 2001

CHICAGO INTERNATIONAL CHARTER SCHOOL
BUCKTOWN CAMPUS
2235 N. HAMILTON STREET
CHICAGO, ILLINOIS

Good morning. I'm John Boehner, Chairman of the Committee on Education and the Workforce in the House of Representatives and I would like to thank you all for being here this morning.

In particular, I would like to thank Congresswoman Judy Biggert and her staff for helping us put this hearing together, and of course, I would like to thank my fellow colleagues, all the witnesses, and the folks from the Chicago International Charter School who have been such outstanding hosts.

Congressman Pete Hoekstra is also here this morning. Over the last five years he has held two hearings in this city highlighting education successes, so we're glad that he could be with us today.

This is the third in a series of education reform field hearings our committee has held over the past several weeks. We have been traveling the country in an effort to hear first-hand from parents, teachers, school administrators and many others who are implementing state and local reforms that are improving academic achievement.

These hearings will help lay the foundation for legislative action later this month on our major K-12 federal education law---the Elementary and Secondary Education Act. Just a few weeks ago President Bush announced his education reform plan---a plan with academic accountability as its centerpiece, and a plan that ensures no child is left behind.

Today, we are going to hear about how freedom and accountability can improve education for all children. We are particularly interested to learn about the successful reforms Mayor Daley and Chief Executive Officer Vallas have been implementing here in Chicago, and how flexibility and accountability has played a role in those reforms. We will also hear from several representatives of charter schools, which are another example of providing freedom and accountability to improve education.

In short, we want to learn from you and make sure that any federal education reform legislation complements what you are doing. We want to be partners in the effort to provide the best education possible for our children.

There is a growing consensus about what works in education, and there is a willingness to come together to do what is right for all our children. We want to work with you to make sure that happens.

With that I would like to turn it over to my colleague
Congresswoman Judy Biggert to introduce our distinguished panel of
witnesses.

**APPENDIX B - WRITTEN OPENING STATEMENT OF
REPRESENTATIVE JUDY BIGGERT, 13TH DISTRICT OF ILLINOIS,
U.S. HOUSE OF REPRESENTATIVES**



News From

JUDY BIGGERT

CONGRESSWOMAN ♦ 13TH DISTRICT ♦ ILLINOIS

FOR IMMEDIATE RELEASE
 Friday, March 2, 2001

CONTACT: CHRIS CLOSE
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**Opening Statement of Congresswoman Judy Biggert (R-13IL)
 House Committee on Education and the Workforce
 Field Hearing on Education Reform: "Improving Academic Achievement
 with Freedom and Accountability"
 March 2, 2001**

Good Morning, Mr. Chairman and members of the Committee. I want to welcome you, Mr. Hoekstra and Mr. Platts to Chicago, and I hope you are here long enough to find out why Frank Sinatra called this "my kind of town." I also want to extend my thanks to the Chicago International Charter School for hosting today's hearing. We had an excellent tour of the school this morning, and were happy to visit with so many of the great students here.

Mr. Chairman, let me begin by thanking you for accepting my invitation to hold a hearing on education reform in the Chicago area. With all due respect to my colleagues from Ohio, Michigan and Pennsylvania, I would be remiss if I did not point out that in education, as in so many other areas, Illinois leads the nation in innovative programs and creative solutions.

But like so many of our nation's big city educational systems, Chicago is a success story whose final chapter has yet to be written. We have come a very long way, but we are not there yet. We're still learning what works and what doesn't work.

As we will hear from our witnesses today, the City of Chicago and State of Illinois are on the leading edge of efforts to increase education accountability and improve academic performance. In short, our purpose in this hearing today is to learn from the experts seated before us about what works and what doesn't. And I'm not sure anyone knows more about that than the men and women who daily strive for excellence in our public school systems throughout the State.

Our Committee has spent these first weeks of the 107th Congress writing into legislative language President Bush's education reform proposal. And as we begin this year 2001, we are fortunate to have a President whose passion is education. I don't think there is any doubt that President Bush is the first president since John F. Kennedy launched the race for space to put such a strong emphasis on education.

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But where President Kennedy was reacting to the competitive threat posed by the Soviets in science and math, President Bush is reacting to the challenge from within our own society – that is to ensure that no child is left behind by a failing public school system.

So in many ways, the year 2001 is shaping up to be the year of education. President Bush devoted his first week in office, and his very first initiative to highlighting the need for improving America's education system. True to his campaign promise to make education the cornerstone of his Administration, the President laid out a seven-point, performance-based blueprint for improving and strengthening our nation's elementary and secondary schools.

By and large, his plan for K through 12 reform is an excellent one. There are many, many positive and beneficial things in it, and perhaps the one that we have heard most about is his proposal to tackle the problem of chronically low performing schools. I think the President is right to focus on this problem, just as we here did during the last decade when we enacted Chicago school reform and the Quality First program for all of Illinois.

It is no secret that during the late 1980's and early 1990's, Chicago was home to many of the nation's lowest performing public schools. In response, the Illinois legislature, where I served at the time, in 1995 empowered Mayor Daley to intervene and take corrective action to turn this situation around. What the legislature did was relatively simple: we made sure he had the tools he needed to do what he believed was right for Chicago's public schools.

The results of Chicago's innovative plan have been astonishing. I believe the Illinois General Assembly, Mayor Daley and Paul Vallas, who is with us today, are to be applauded. The plan has produced tangible results and given thousands of children an opportunity for a better life. The Children First plan embodies everything we at the federal level should seek to do – empower local officials and parents to make schools accountable for the performance of their students.

Again, I am delighted to have this opportunity to hear from those directly involved in Chicago's innovative effort to raise test scores and promote high education standards. I look forward to hearing from Mr. Vallas, Mr. Milkie, Mr. Murphy, Ms. Collins-Brown and State Superintendent of Education McGee on their views of Chicago's reform plan and how it fits with what President Bush is seeking to accomplish. I also look forward to working with them, and with you, Mr. Chairman, and the other members of the Committee on increasing educational accountability and performance.

Thank you, Mr. Chairman.

U.S. Representative Judy Biggert is serving her second term in Congress representing the 13th Congressional District of Illinois. She is the only member of the House Committee on Education and the Workforce from Illinois. Today's hearing about Chicago school reform was held at Biggert's invitation.

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***APPENDIX C - WRITTEN STATEMENT OF MICHAEL MILKIE,
PRINCIPAL, NOBLE STREET CHARTER HIGH SCHOOL,
CHICAGO, ILLINOIS***

Michael Milkie - Written Testimony

Thank you Chairman Boehner and members of the Committee for the opportunity to speak to you today. My name is Michael Milkie and I am the founder and principal of Noble Street Charter High School in Chicago. I would like to discuss two things today; a brief history of our school and the reasons I believe that charter schools make better public schools.

Noble Street Charter High School was founded by my wife and me. We were both Chicago Public high school teachers; Tonya, a history teacher at Harper High School on Chicago's south side and I, a math teacher at Wells High School on the near west side. We believed that a high school could be run significantly better than we had experienced. Of course, that's easy to say, but the charter legislation passed in Illinois in 1996 gave us a chance to put our money where our mouth was. We joined forces with Northwestern Settlement House, a community center that has served Chicago for more than 100 years, and Noble Street Charter High School was born.

How are we different than other public schools? The best thing about charter schools is that they are accountable in two important ways. We have an accountability agreement with Chicago Public Schools and we are accountable to our parents. So when we planned our school, we asked "what do parents want for their children". The answer we got, above all others, was "we want our kids to attend a school where they feel safe and we, their parents, feel they are safe". The other plea we got from parents of high school students was to prepare their sons and daughters for college or other post-secondary education. So, we set out to meet those demands.

How were we going to meet those demands? Fortunately, charter schools have significantly more flexibility than other public schools in three major areas: budget, staffing and curriculum. To create a safe school, we used our budgetary and staffing freedoms. First we believed smaller class size and more adults with the students in the classroom made the school safer. That meant spending more money on teachers. So we decided not to use guidance counselors, and instead used that money on more teachers. We, then, used technology and other efficiencies to remove the need for guidance counselors. We used our freedom in curriculum to create single sex advisory classes that meet everyday to discuss positive behavior and discipline and has as its text “Seven Habits for highly effective teens”. To improve our students’ college readiness, we used our curricular freedom to add more reading and math classes. Students take reading, English and literature classes each year as well as double math classes starting in their sophomore year. Finally, we have used our staffing and curricular freedoms to create a fitness program where students take classes like spinning and tae-bo at a Lakeshore Athletic Club. They like some of the classes while others, like spinning, they hate – but we probably have the healthiest kids in the city and our attendance rate is 96%. So, they are in those reading and math classes and they are awake.

Is this working? Ask the two groups to whom we are accountable. The board of education says we rate highly and more importantly, the parents say we rate highly. How do we know the parents rate us highly? Because they want to send their children to our school. Last night was our 8th grade lottery. We only had 150 spaces, but more than twice that many applied. More still will call this spring, whom we will have to add to our long waiting list. So the parents are asking for what we provide. If we didn’t provide

this, they would not come and we would not survive – and we shouldn't. That's the beauty of giving parents more choices, if you don't meet their needs, you will be history. That is not true of most public schools. One other important note about the lottery; any 8th grader in the city was eligible to participate in the lottery and had equal chance of winning. Chicago Public Schools makes us do the lottery in public, so many parents attended last night and saw us pick every name in front of them. So these charter schools in Chicago are available to all families equally, there are just not enough of them.

What can Congress do? Support charter schools – in the following ways.

1. Promote them through the Department of Education using federal grants and assistance to resource centers that support charter schools.
2. Support the notion that all public schools should be given the freedoms and the increased accountability that charter schools have.
3. Continue to give parents more choices in their child's education.
4. Assure that the capital dollars associated with the child follow that child to the charter school. That will free charter schools from spending so much time raising money and allow them to spend more time educating students.

So, speaking for educators, make us accountable, but give us the freedom to serve parents and their children without unnecessary constraints. Then we will be able to our best to serve our students. We are ready for the task and the families are waiting.

Michael Milkie – Additional Materials

A strong mission . . .

Noble Street Charter School prepares Chicago's youth to function successfully in our society by requiring and facilitating educational excellence, civic responsibility, and respect for the community, the environment, and people from all walks of life. The school fosters an atmosphere of high expectation, self-discipline, and support that will equip each student to continue their education beyond high school and eventually live and work successfully in the broader society.

An exciting first year . . .

The Noble Street student body reflects the West Town population as a whole. Of the 127 students who began their Freshman year on August 16, 1999:

- 83% were Hispanic
- 9% were Black
- 7% were White
- 90% qualified for the free or reduced lunch program
- 10% had Limited English Proficiency.

Noble Street completed its first year of operation with some heartening results.

- TAP (Test of Academic Proficiency) test results revealed that by the end of the school year, 72% of the students were at or above grade level in math, the second highest of more 50 open admission high schools and higher than many

magnet schools. 28% were at or above grade level in reading, which was greater than the percentage who came in reading at grade level.

- The average attendance rate for the year was 95%, compared to the average Chicago public high school rate of 83%.
- 70% of the students passed all of their classes the first semester, compared to the average Chicago public high school rate of 50%.
- 2.5% of the students made the first semester Dean's List with GPA's of 3.5 or higher; an additional 10% made the Honor Roll with GPA's of 3.0 or higher.
- 80% of all students participated in after school activities.

And a grand new facility . . .

Noble Street Charter High School is located at 1010 N. Noble Street in a 26,000 square foot addition to Northwestern University Settlement. The \$4.5 million, 4 level building was completed in two phases between November 1999 and August 2000. It includes:

- 18 classrooms (including four science labs)
- two computer labs
- administrative office space
- Reception areas
- a locker/shower room
- a food preparation/warming area
- a state-of-the-art security system
- and state-of-the-art technology.

Noble Street was able to forgo many of the extremely high construction costs that often accompany the building of a new school because faculty and students have full use of existing Settlement programs and facilities including:

- the Vittum Theater for Town Hall and large advisory meetings
- the Allison and Matador Gymnasiums for daily physical education
- Burnside Hall for meal service
- and Evanston Hall for office and meeting space.

Resulting in measurable outcomes . . .

- Each decade, more than 1000 young men and women will graduate from our high school well prepared to continue their education or enter a profession that pays a livable wage.
- 80% of these graduates will be in a position to choose whether or not to pursue a four-year college education because if they choose college, they will have the academic background and grades they need in order to be accepted. The average for other West Town area high schools is 46%. Delete
- Of those who make this choice, a majority will be the first in their families to attend college.
- The West Town community will have a proven, alternative educational opportunity in its own back yard.

- The West Town economy will be positively affected because graduates will be better prepared to work, pay taxes, own their own homes, and send their own children to college.
- Students and their families will take advantage of other Settlement programs, improving their chances for success and increasing the overall number of clients served by the Settlement each year.
- As one of only 15 charter schools in Chicago, Noble Street Charter School will serve as a role model both locally and nationally in the ongoing debate over the viability of charter schools as a whole. The success of Noble Street will make it easier for other schools and other cities to offer the charter possibility to communities like West Town.

APPENDIX D - WRITTEN STATEMENT OF VIOLA M. COLLINS-BROWN, PARENT, CHICAGO INTERNATIONAL CHARTER SCHOOL, CHICAGO, ILLINOIS

Testament to the Committee on Education and the Workforce

Wednesday, February 28, 2001

Improving Academic Achievement with Freedom and Accountability:

My name is Viola M. Collins-Brown. I'm presently a parent of Chicago International Charter School – Bucktown Campus. My son Jordan is presently a student of second grade classroom 107, Ms. K. Hooper is his teacher.

The Education and Workforce Committee's mission statement embraces dual focus as follows: empowering parents and teachers to provide our students with the best education possible and giving American workers access to the tools and protections they need to meet the challenges and opportunities of the New Economy. How does CICS encompass this mission on a scale of one to ten, I would give them a twelve. They have highly embraced and acted in according to the challenges presented to them through this mission statement. CICS's total focus is to effectively utilize each and every minute given to enhance character and promote education to every student on campus. The enthusiasm flows from the total organizational structure...a snowball effect that not only hits each staff member but the students and parents as well.

Normally it can be said that nothing is 100%, it is not a factor with the administration and faculty of CICS.... They are 100%+ . The strategy, strategic planning, and implementation is progressive. My child is totally excited about being a participant. We had some hesitation about putting Jordan in a school with a large population because discipline could be a factor, and children can be quite cruel to special needs children. Jordan is pan-hypopituitarism, his pituitary gland did not develop most of his organ function through medical manipulation. Jordan has defeated many odds and to date does not have a learning deficiency, and looks quite like a healthy little boy. I make certain that Jordan gets his meds and care

provided by Children's Memorial, all that is required to keep him healthy and hopefully whole, a care that I could not find the right care-giver to provide. Therefore, further adjustments in our life had to be made, Jordan was spending far too much time in the hospital.

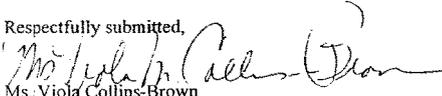
As a single parent and the sole provider for Jordan's care brought about changes in the scope of how can I provide for him a quality education that also emphasize in character and esteem of the child, without paying a fee for which I could no longer budget for. CICS was recommended to me by one of its educators, one of which I highly respect, she was totally enthused that she was part of this workforce. With reluctance I applied, he was accepted. All hesitation went out of the window the day I met the director, Dr. Joseph Nurek his energy, views, love of what he does exuded all over the place. Jordan's teacher Ms. Hooper was the most wonderful ever, but the affirmation was Jordan he has been so excited about education from day one and doesn't miss private school at all.

Open House... where you get to view the entire staff and administration, the energy, the love of the game, the excitement, just bounced off the wall. I did have some reservation regarding staff, very young and based on some educators many lack character and people skills, some even demand respect because of position yet not quite knowing how to give. This definitely does not apply to the personnel of CICS everyone is so tightly knit truly a perfect fit, **phenomenal** they've embraced a major challenge and they committed to and are making that challenge work!! The same enthusiasm displayed when CICS was recommended to me has shown through every personnel, parent, and most students I've encountered.

The day begins with the parent patrol and the team leaders greeting the children as they come-in to school each morning. Some of the eighth grade patrol even greet the parents in the morning and bid them a great day! The greeting has made my morning many times. Somehow **this** organization has figured out that quality education is a must and building character and self-esteem of our children are essential, a parent couldn't ask for anything more, maybe smaller classroom size. The curriculum is powerful, disciplined, and congruent. This administration embraces diversity, ethnicity, even their problem children are not overlooked; they're always tirelessly trying to create ways to reach and educate them also, and like

all schools these challenges are great. They've brought in select parents as myself to assist so 70% of their day will not be focus on discipline but to educate the minds of each individual that come through their doors and hopefully ignite that thrill for more of the good stuff they have to offer.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Ms. Viola Collins-Brown".

Ms. Viola Collins-Brown
Parent of Jordan Collins-Brown
Room 107

Committee on Education and the Workforce
 Witness Disclosure Requirement – "Truth in Testimony"
 Required by House Rule XI, Clause 2(g)

| | | |
|--|-----|---|
| Your Name: <u>Ms. Viola M. Collins - Brown</u> | | |
| 1. Will you be representing a federal, State, or local government entity? (If the answer is yes please contact the Committee). | Yes | No <input checked="" type="checkbox"/> |
| 2. Please list any federal grants or contracts (including subgrants or subcontracts) which you have received since October 1, 1997: <p style="text-align: center;">N/A</p> | | |
| 3. Will you be representing an entity other than a Government entity? | Yes | No <input checked="" type="checkbox"/> |
| 4. Other than yourself, please list what entity or entities you will be representing: <p style="text-align: center;">The Chicago International Charter School The American Quality School Corporation</p> | | |
| 5. Please list any offices or elected positions held or briefly describe your representational capacity with each of the entities you listed in response to question 4: 1. I am presently a parent of a second grade student of the Chicago International Charter School - Bucktown Campus 2) Room Parent and Teachers Assistant | | |
| 6. Please list any federal grants or contracts (including subgrants or subcontracts) received by the entities you listed in response to question 4 since October 1, 1997, including the source and amount of each grant or contract: <p style="text-align: center;">N/A</p> | | |
| 7. Are there parent organizations, subsidiaries, or partnerships to the entities you disclosed in response to question number 4 that you will not be representing? | Yes | No <input checked="" type="checkbox"/> |

Signature: Viola M. Collins - BrownDate: 9/28/01

Please attach this sheet to your written testimony.

***APPENDIX E – WRITTEN STATEMENT OF JAMES MURPHY,
MANAGING PARTNER, OPTION FUNDING GROUP, PRESIDENT,
CHICAGO CHARTER SCHOOL FOUNDATION, CHICAGO,
ILLINOIS***

Testimony of James K. Murphy
U.S. House of Representatives, Committee on Education and the Workforce
February 28, 2001

Good morning, my name is Jim Murphy, and I want to welcome you to the Chicago International Charter School – Bucktown Campus. This campus is one of four campuses that the Chicago Charter School Foundation oversees through a unique agreement with the Chicago Board of Education.

In 1989, several friends, my brother Bob and I began giving a handful of promising eighth grade kids from poor homes scholarships to attend private high schools in Chicago. Soon after, we created the Daniel Murphy Scholarship Foundation, a 501(c)(3) organization that administers the scholarship program. Over the last decade, DMSF has steadily grown by expanding a network of donors and building a stable of prominent private schools. Today, we support over 500 scholars who attend nearly 60 prominent private schools in Chicago and boarding schools across the country with the help of approximately \$500 million in annual funding.

DMSF is a great success story, but it is not the primary reason I am speaking to you today. Several years ago, when I was still President of DMSF, I became aware of just how many young men and women we had to pass over each year because of lack of funds. For every scholar that we were supporting, another 10 or 12 promising applicants had to be turned away. In the late 1990's, I began searching for a broader way to help the thousands of kids who deserve a quality education.

In 1997, with my direction, the Daniel Murphy Scholarship Foundation submitted an application to the Chicago Board of Education to oversee a multi-campus charter school. After our charter was approved, we created the Chicago Charter School Foundation, an independent 501(c)(3) organization charged with assembling the resources and expertise to successfully operate a charter school. In the fall of 1997, CCSF opened two campuses that served about 1,400 students.

Today, CCSF is the largest charter holder in Illinois, with four campuses that serve 2,450 students in grades K-12. Approximately 74% of our students participate in the Federal Free and Reduced Lunch Program. Over 70% of the student population is African American, and of the 20% that is Hispanic, most live in Spanish-speaking homes.

To bring the best programs and leadership to our campuses, we partner with education-management organizations to deliver instruction at our sites. Currently, we contract with American Quality Schools, a Chicago-based non-profit firm led by Michael Bakalis, a professor at the Kellogg Business School at Northwestern and past Illinois State Superintendent of Education. We also contract with Edison Schools, a public company that manages 113 schools in 21 states and the District of Columbia serving approximately 57,000 students.

Now that I have given you some background, I want to address the key issues of this hearing, Freedom and Accountability. If you walk away from this testimony with nothing else, I hope that you remember one central theme from my presentation: Keep It Simple. Streamline the Federal Government's Role in Education; Don't Complicate It. This message underlies all of my remarks.

To illuminate this theme, let me start with the issue of Freedom. As I prepared this testimony, I debated talking about the freedoms we as a charter school foundation enjoy. Under the leadership of Paul Vallas, Gery Chico, and Mayor Daley, Chicago Public Schools has embraced charter schools, enabling us to introduce new choices to the public school system at a broad level. In our agreement with the Board of Education, we have been given a number of critical freedoms, such as hiring and firing our own staff, determining our own curriculum, maintaining our own discipline code, and delivering our own special education services. These freedoms are imperative to the success of charter schools. But rather than limit my testimony to charters, I want to address freedom at a more basic level, the freedom of American citizens.

When my father Daniel Murphy decided to send my brothers and I to Loyola Academy, it wasn't an easy choice. He was a hard working man, but he was also a blue collar laborer in a profession with little upward mobility. As a result, paying our tuition at Loyola took sacrifice and commitment. Looking back on those years now, I am not quite sure how my parents did it, but the sound judgements they made are what enabled my brothers and me to go to college and become successful in business and civic leadership.

Looking back on my own family experience, I know that my parents' freedom as American citizens is what enabled them to make choices about our education. Without the ability to choose, my parents would not have had the commitment or perseverance required to obtain a bright future for their children. Freedom, then, is fundamental to the pursuit of happiness that the Constitution guarantees. Too often, though, our public education system has taken freedoms away from parents out of fear that they won't exercise smart choices.

Through the Daniel Murphy Scholarship Foundation, we are using high school scholarships, not to limit people's freedoms, but to help them make good choices. The families we give scholarships to don't have the financial means to send their children to a private school without help, but they do have the same drive and commitment that my family had.

Before each family is considered for a scholarship, we expect them to learn about DMSF's programs, assemble and submit an application, and come in for a selection interview. Though DMSF and our partner schools pay most of the tuition, our families are also expected to contribute towards their children's education. By sacrificing, they learn to value educational opportunity.

The importance of freedom also applies to charter schools, but in a more complex way. To explore that complexity, I need to explain the Accountability System that controls our Foundation's activities. The Chicago Charter School Foundation has a three-pronged system of accountability:

1. First, CCSF has an agreement with the Board of Education that holds us accountable to academic, financial, and operational performance. If we aren't performing at or above the Board's standards, our charter will not be renewed.
2. Second, CCSF contracts with education management organizations to manage our campuses. To ensure that Edison Schools and American Quality Schools are offering our students a high-quality education, we have negotiated contracts that hold each partner accountable to high standards of performance. To ensure that our standards are met, we carefully oversee the activity of our partners and campuses.
3. Third, CCSF and its partners, Edison and AQS, are accountable to the parents at our campuses. If families at any of our sites are not happy with our performance, they can pull their children out of the school at any time, and the per-pupil funding we receive goes with them.

Right now, these three levels of accountability are necessary to ensure that we are providing a rigorous, college-preparatory education.

However, as charter schools, magnet schools, and other choice initiatives expand, market forces are beginning to work in K-12 education:

- Families are realizing that they have the freedom to make real decisions about how to obtain the best education.
- Children are learning to advocate for their school of choice.
- Parents are becoming more informed, demanding consumers.
- Schools are learning that they have to incorporate innovation and variety to compete with one another. They are learning firsthand that they can be shut down for poor performance.
- Finally, school-management organizations are learning how to use economies of scale to cut costs and fuel research and development.

As market forces expand in public education, parents will take an increasingly active role in holding schools accountable for performance. As consumerism rises, the government should reduce its role in accountability. But these changes won't happen overnight. America must be patient.

As you debate the best way to improve education, please make your primary goal to encourage the development of a market-based system. Help all schools compete on a level playing field by correcting funding inequities. Be aware that, for charter schools to be successful, we need funding for program start-up, facilities development, and real estate acquisition. We can't be successful with 80% of the funds that traditional public

schools receive. In particular, the federal government could help charter schools by using its tax credit program for senior housing construction as a model for supporting facilities development.

As I close, I want to echo the theme I began this testimony with. Keep It Simple. Charter schools have been relieved of many state regulations, but they aren't exempt from federal ones. Rather than increase the legislation that restricts schools, free us up to be more flexible and innovative, particularly in regard to special education laws and national testing systems.

As you set your agenda, stay focused on maximizing the freedoms of schools and choices of families. In the longer term, look to the family unit to become the key decision-maker in the education market. Have faith in the parents' or caregivers' ability to make good choices. Each time I visit one of our campuses or interview a scholarship candidate, I realize how hard people work when pursuing a choice they have made of their own free will. If we continue to trust one another, we will all enjoy the freedom and liberty that has made us a great nation.

Thank You for Taking Time to hear my Testimony.

Committee on Education and the Workforce
Witness Disclosure Requirement - "Truth in Testimony"
Required by House Rule XI, Clause 2(g)

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|---|---|-----------------------------------|--------------------------------|-----------------------------------|-----------------------|-----------------------|--------------------|----------------------------------|--|--|---------------------|---------------------|-------------------|---------------------|---------------------|-------------------|--|--|--------------------|--|--|--------------------|
| Your Name: <u>James K. Murphy</u> | | | | | | | | | | | | | | | | | | | | | | |
| 1. Will you be representing a federal, State, or local government entity? (If the answer is yes please contact the Committee). | Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | |
| 2. Please list any federal grants or contracts (including subgrants or subcontracts) which you have received since October 1, 1997: | | | | | | | | | | | | | | | | | | | | | | |
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| 3. Will you be representing an entity other than a Government entity? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | |
| 4. Other than yourself, please list what entity or entities you will be representing: <u>Chicago Charter School Foundation</u> | | | | | | | | | | | | | | | | | | | | | | |
| 5. Please list any offices or elected positions held or briefly describe your representational capacity with each of the entities you listed in response to question 4: <u>President</u> | | | | | | | | | | | | | | | | | | | | | | |
| 6. Please list any federal grants or contracts (including subgrants or subcontracts) received by the entities you listed in response to question 4 since October 1, 1998, including the source and amount of each grant or contract: | | | | | | | | | | | | | | | | | | | | | | |
| <table border="0"> <tr> <td><u>Federal Bilingual Grant</u></td> <td><u>Federal Chapter 1 Funds</u></td> <td><u>Federal Continuation Grant</u></td> </tr> <tr> <td>2000-01 - \$24,776.92</td> <td>2000-01 - \$43,175.00</td> <td>11/3/98 - \$67,000</td> </tr> <tr> <td><u>Federal Staff Dept. Grant</u></td> <td><u>Federal Safe + Drug Free Grants</u></td> <td></td> </tr> <tr> <td>2000-01 - \$9260.00</td> <td>2000-01 - \$4806.00</td> <td>2/13/01 - \$4,711</td> </tr> <tr> <td>1999-00 - \$3640.00</td> <td>1999-01 - \$8304.00</td> <td>6/23/99 - \$2,000</td> </tr> <tr> <td></td> <td></td> <td>11/3/99 - \$25,000</td> </tr> <tr> <td></td> <td></td> <td>3/22/00 - \$75,000</td> </tr> </table> | | <u>Federal Bilingual Grant</u> | <u>Federal Chapter 1 Funds</u> | <u>Federal Continuation Grant</u> | 2000-01 - \$24,776.92 | 2000-01 - \$43,175.00 | 11/3/98 - \$67,000 | <u>Federal Staff Dept. Grant</u> | <u>Federal Safe + Drug Free Grants</u> | | 2000-01 - \$9260.00 | 2000-01 - \$4806.00 | 2/13/01 - \$4,711 | 1999-00 - \$3640.00 | 1999-01 - \$8304.00 | 6/23/99 - \$2,000 | | | 11/3/99 - \$25,000 | | | 3/22/00 - \$75,000 |
| <u>Federal Bilingual Grant</u> | <u>Federal Chapter 1 Funds</u> | <u>Federal Continuation Grant</u> | | | | | | | | | | | | | | | | | | | | |
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| | | 11/3/99 - \$25,000 | | | | | | | | | | | | | | | | | | | | |
| | | 3/22/00 - \$75,000 | | | | | | | | | | | | | | | | | | | | |
| 7. Are there parent organizations, subsidiaries, or partnerships to the entities you disclosed in response to question number 4 that you will not be representing? | Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> | | | | | | | | | | | | | | | | | | | | | |

Signature: _____

Date: 3/1/01

Please attach this sheet to your written testimony.

The Chicago Charter School Foundation
Overview

The Chicago Charter School Foundation (CCSF) is the largest charter-school holder in Illinois, with four campuses that serve over 2,500 students in grades K-12. *CCSF's mission is to operate K-12 charter schools that provide a rigorous, college-preparatory education to every student, thereby bringing innovation, choice, and competition to education in Chicago.*

Under the terms of its agreement with the Chicago Board of Education, CCSF has been given autonomy from many of the regulations of the traditional school system in return for improving the quality of education at its campuses. Like all charter schools, CCSF provides children from the public school system with a tuition-free education. Unlike traditional public schools, though, CCSF is held accountable for performance because the renewal of its charter depends on success.

Most of CCSF's students are from disadvantaged families, as evident in the fact that 74% participate in the federal free and reduced lunch program. Currently, CCSF's campuses are located in Roseland, Brainerd/Beverly, Bucktown, and Washington Park, and they serve students from across Chicago. All of CCSF's campuses offer nationally recognized educational programs in a disciplined learning environment.

Rather than creating its own curriculum, CCSF has chosen to contract with two school-management organizations to deliver instruction at its campuses:

- Edison Schools (Edison) manages 113 schools in 21 states and the District of Columbia. Currently, Edison serves approximately 57,000 students in grades K-12. By operating a national school system, Edison offers its local partners economies of scale, a broad pool of human and financial resources, and ongoing research and development.
- American Quality Schools (AQS) is a Chicago-based non-profit firm led by Michael Bakalis, Professor at the Kellogg Graduate School of Management at Northwestern University and past Illinois State Superintendent of Education. AQS' goal is to help every child succeed by managing schools with the highest educational, management, and ethical standards.

Through contracting with Edison and AQS, CCSF has been able to open campuses rapidly and reach out to families citywide. It has also been able to draw leadership and proven educational programs from across the country.

Because of CCSF's ability to operate multiple campuses, its focus on serving needy communities, and the strength of its relationship with the Board of Education, the Foundation is capable of having a broad, systemic impact on Chicagoland education. But to have that impact, CCSF needs donors that see the importance of its work for the future of urban education. CCSF receives less than 80% of the operating funds available to traditional public schools. Thus, the Foundation needs start-up support from local foundations to rehabilitate facilities and initiate educational programs.

By operating a multi-site charter school, CCSF is playing a crucial role in improving disadvantaged communities across Chicago. When children from needy families receive a good education, they are equipped with the vision and skills to lift their families out of poverty and to become contributing citizens. When a successful school is planted in a struggling community, it challenges surrounding schools to improve their performance. When the quality of education in a community rises, it attracts families, businesses, and developers, thus strengthening the local economy.

**APPENDIX F – WRITTEN STATEMENT OF PAUL VALLAS, CHIEF
EXECUTIVE OFFICER, CHICAGO PUBLIC SCHOOLS, CHICAGO,
ILLINOIS**

Greetings members of the Committee:

Thank you for the opportunity to testify before you today.

Education is indeed America's new civil rights and national security issue of the 21st Century and can be the great bipartisan catalyst of our day. A strong education policy agenda that embraces high standards, accountability, adequate funding, and viable school choice options is the lynchpin to building a new bipartisan majority.

Accordingly, Chicago Public Schools looks forward to being of assistance to you and the administration to help construct an education agenda and to provide ideas for federal funding priorities that truly reflects the interests of the American public, and that are broad enough to give Congress the flexibility to reach bipartisan consensus. In my estimation, both President Bush's nomination of Rod Paige as Secretary of Education and the "No Child Left Behind" education plan are solid first steps in advancing such an agenda.

We in Chicago are extremely proud of the systemic reforms that have become the hallmark of the Chicago Public Schools' (CPS) accomplishments during the past six years. Our success is the result of Mayor Daley's leadership and innovation coupled with support at the federal, state, and local levels. We have reformed our system by establishing accountability measures, rigorous academic standards, and by embracing real viable school choice options for parents and children. We have advanced programs to augment traditional classroom instruction and to increase time on task by establishing 405 after school, 483 summer school and 325 pre kindergarten programs. We have initiated an ambitious professional development and recruitment plan that recruits teachers nationally and internationally and provides alternative certification for retired military personnel and other high skilled professionals interested in teaching. These initiatives are reinforced with essential financial flexibility to support what works. We are strictly wedded to programs that generate results!

Standards-Based Reform and Accountability

The Chicago Public Schools has been committed to standards-based education since we assumed leadership of the system in 1995. Academic standards are in place in grades K to 12 in the core subject areas of English/Language Arts, Mathematics, Science, and Social Studies and for the other fundamental learning areas (World Languages, Fine and Performing Arts, and Health and Physical Education). Additional standards have been implemented for early childhood education and English as a Second Language.

An assessment system tied to the standards also is in place. This system includes national norm-referenced tests and state and locally developed exams. To better prepare for college and career, high school students take the EXPLORE and PLAN tests. Statewide, all 11th graders take the ACT.

To assist teachers in teaching to the standards, we have developed curriculum frameworks, programs of study, and curriculum models with daily lessons. These materials are based on training models designed by the Military Command and General Staff Council. They ensure proper pacing from grade to grade and consistent and high quality instruction. The models are in use during the Summer Bridge program and during the regular school year. Models are also

available for after school instruction and early childhood education. In addition, newly developed blueprints help high school teachers prepare students for assessments.

The Chicago Academic Standards are based on international standards to ensure the highest quality education for our students. Accountability rewards and sanctions are in place to encourage schools to teach to these high standards.

Through Step Ahead materials used at home, parents can further their children's academic progress in relation to the academic standards during July and August.

Block Grants

The 1995 reform legislation gave us key powers over finances and unions, increasing our flexibility within a framework of accountability. Through these powers, we established sound management structures and processes and made more effective use of new and existing resources, including the establishment of educational support programs that are a first for the Chicago Public Schools.

Some of our initial actions included initiating long-term labor agreements that provided stability to the school system for the first time in almost two decades, balancing the budget through the year 2003, redirecting over \$167 million to the classroom for educational purposes, eliminating waste and mismanagement, and privatizing many support functions.

In addition, we have consolidated and reallocated categorical funds and tax levies to boost student achievement while continuing to meet basic service requirements. These actions have resulted in some of the nation's largest programs that contribute directly to improved student achievement. Early childhood education, primary grade intervention, Summer Bridge, after-school Lighthouse, and magnet school options are examples of some of these programs.

In addition, we have changed work rules to facilitate class size reduction in schools with large numbers of retained students and used federal class size money to target the 125 lowest performing schools.

School Choice

In our effort to provide school choice options, we have developed elementary neighborhood-based Magnet School Clusters focusing on math/science, fine/performing arts, and world language as well as an International CPS Scholars program. Other options include magnet specialty schools, classical and gifted centers, and middle-years International Baccalaureate (IB) programs.

Once completed with their elementary education, students may continue the specialty in high school. High school choices include 10 math and science academies, 12 language academies, 6 fine and performing arts programs, 15 schools with IB programs, 6 regional magnets, 12 career academy schools, and 2 military academy schools. More than half of our high schools now offer advanced placement courses, with 26 percent more students taking the exams this past school year and a 28 percent increase in the success rate—more than double the 13 percent state and national success rate.

Our students also have choice in the form of 14 charter schools with strong accountability guidelines. Edison operates one of the charters, and KIPP will soon open a new one. Charters

are available to both new schools and existing parochial schools to ensure the viability of our private school options.

Increasingly, we have built collaborative relationships with the private sector. In fact, we have purchased public and private space through a unique High School Voucher Plan offering students college credit opportunities. Through Project Excel and College Bridge, over 3,000 high school students are taking over 12,000 credits in area colleges and universities. In addition, there are in the city over 20 alternative high schools, many privatized but still held accountable.

Special Education

As you know, school districts face an enormous financial burden due to complex and challenging federally imposed special education mandates. A typical large school district, such as Chicago dedicates 20% of its budget to services for children with disabilities.

The federal government has a real opportunity to offset this burden by increasing federal special education funding to the authorized 40% funding level promised by Congress at the law's inception. This increase will allow districts to reallocate local dollars for essential services such as early childhood, after school, and summer school programs that have contributed so greatly to increased student achievement.

In addition, there is a need to develop special weighting in funding for those school districts that disproportionately fund special education transportation costs.

Medicaid Reimbursement

School districts such as Chicago invest enormous resources into health services for students because we know that physical and mental health is vital to academic success. To appropriately address this significant issue, we need your continued support to ensure that school districts receive Medicaid reimbursement for Medicaid eligible services for Medicaid enrolled students.

Currently, the Health Care Financing Administration's (HCFA) draft, Medicaid School-based Administrative Claiming Manual, unnecessarily restricts a school district's ability to receive Medicaid reimbursement for essential student health services. The Chicago Public Schools alone may lose at least \$5 million annually and school districts in Illinois and across the country are facing comparable or greater losses.

Any revision to the Medicaid draft manual should be guided by the premise that schools provide the optimal setting for the referral and delivery of children's health services. It is our experience that school-based programs result in improved services and cost efficiencies and benefits that would be even greater with clear goals, standards, and technical assistance from HCFA.

I want to thank the Appropriations Committee for the great job it did in providing language in the FY 2001 appropriations bill requiring HCFA to confer with schools in the development of its Medicaid Administrative Claiming Manual and to report back to this committee by way of testimony. Unfortunately, I am not aware that HCFA followed up as requested.

School Construction

As the last eight years has seen education rise to become the issue that most concerns the American public, school modernization including funding for new construction, repairs, renovations, and technology upgrades is an issue that will resonate. A comprehensive education agenda must include a dedicated revenue stream or continuing appropriation for such a measure. This would enable school districts to engage in comprehensive and long-term planning, assist school districts in paying for unfunded federal mandates such as the requirements of the Americans with Disabilities Act, and expand infrastructure funding for private and parochial schools. A strong commitment to school construction will immediately establish an undeniable legacy for the 107th Congress. The momentum carried over from the efforts of the 106th Congress can assist you in bridging the partisan gap. As a tangible sign of progress, school construction will restore confidence in the federal bureaucracy, therefore, buying Congress and the Administration time to build consensus on more controversial education policy measures. Just as the Eisenhower administration prioritized the construction of the interstate highway system as a national security interest and economic stimulus plan, school construction should be similarly viewed. School construction is the vehicle to address a major problem confronting public (urban, rural and suburban), private and parochial school systems.

Adequate Resources

It is imperative that federal resources match the increasing responsibilities and obligations being imposed on school districts around the country. To realize substantial improvement in closing the education gap for disadvantaged urban youth, our nation's investment in education must not be shortchanged. The President has told the nation that as his top domestic priority, he plans to invest an 11.5 percent increase in education funding for the coming fiscal year. Over the last five years, the federal education budget has increased by an average of 13 percent a year. Congress must ensure that its investment in education is genuine and not merely political rhetoric and shell games designed to mask budgetary shortfalls. While the President's first budget submittal in April will resolve many of the questions and concerns raised by his recent budget blueprint, I have seen estimates that suggest the real increase in education could be as little as 1.4 percent to 5.7 percent. I would view this as inadequate to keep up with the ever-escalating costs due to increasing federal mandates, the rate of inflation, and the disproportionate costs of educating children in poverty.

After School/Summer School

A recent research report by the Consortium on Chicago School Research at the University of Chicago identified our academic summer school and after-school programs as key factors in our students' upward achievement trends. Indeed, across the nation, school districts are following Chicago's lead, realizing that strong accountability measures work only if they are coupled with intensive support for students who achieve below grade level.

Besides academic support programs, we also offer social, vocational, athletic, and cultural activities after regular school hours and on Saturdays. This year there are 270,000 students participating in all of these programs combined.

While flexible funding opportunities have helped us underwrite the cost of providing academic remediation and enrichment programs, and social services, the need far outstrips our resources. Our recommendation is to increase funding for programs like the 21st Century Learning Center program and target those resources to school districts with large numbers of high poverty students. We further support the concept of interfaith school/religious partnerships as we are in the fifth year of a successful program whose focus is tutoring, mentoring, school crisis management, institutional safe havens, and safe passage monitoring of children to and from school. As schools are uniquely qualified to engage in the planning of school-based social services to augment instructional programs and can be held accountable for achieving results, we encourage any federally funded faith-based initiative to consider schools as the chief arbiters for determining what works and fits within a comprehensive framework of social services. As religious institutions and schools are perhaps the two most dynamic institutions in any community, we seek to foster creative relationships that maximize the financial, and human resources that both institutions bring to bare.

In addition, we are concerned about the potential dilution of funds and the fragmentation of programs by competing religious entities that would apply for and receive 21st Century Learning Center funding. Our school-based interfaith initiatives would be well served if the federal government ensures collaboration and comprehensive program planning and development as well as accountability by making school districts the fiscal agent.

Finally, there is an investment role for the federal government to play in easing the local tax and financial burdens placed on local school districts, but it must be tied to performance agreements which insist on testing, reporting, disaggregating data, and norming test results, and accountability to uphold high standards. The role of the Department of Education should be expanded to serve as a research and development-clearinghouse for best practices in curriculum development and other academic initiatives to be made available to all schools.

I believe these priorities will have a direct and immediate impact on local school districts. As these ideas have been conceived to have broad-based appeal, it is my hope that they will be useful to members of the Education and Workforce Committee as you seek to create viable solutions for America's school children.

The Chicago Public Schools and I stand ready to be of assistance to you in your efforts to prioritize appropriate funding for sound national education policies.

Thank you.

Paul G. Vallas
Chief Executive Officer
PGV/ra/cp/ma/sa

**APPENDIX G – WRITTEN STATEMENT OF GLENN W. McGEE,
STATE SUPERINTENDENT OF EDUCATION, ILLINOIS STATE
BOARD OF EDUCATION, SPRINGFIELD, ILLINOIS**

**House Education and Workforce Committee
Field Hearing**

*Improving Academic Achievement with
Freedom and Accountability*



Testimony
of
Glenn W. McGee

State Superintendent of Education

March 2, 2001

Welcome to Illinois! As State Superintendent of Education, I am delighted that you've chosen Illinois for your field hearing.

“Freedom” and Student Achievement

The Illinois charter school law allowed charter schools to open in 1996, authorizing 45 schools (15 in Chicago, 15 in the suburbs, and 15 downstate). The Peoria Charter School began in 1996-97, and in 1997-98 seven schools came on line, including Chicago International Charter School. This fall, there were 19 charter schools in operation. Two schools that had been in operation have closed (one ran its full term and another was closed by mutual agreement of all parties). One more is chartered to open this fall. There are 25 remaining charters available in Illinois. The interest in charter schools has always been high in Chicago, and is increasing in downstate Illinois. About 7,200 students are currently enrolled in Illinois charter schools.

In addition to the Chicago charter schools, we also have:

- Fort Bowman Charter School in Cahokia, near East St. Louis. It serves grades K-8 and is a back-to-basics school.
- Governor's State University in Crete-Monee, south of Chicago, began a K-4 program this fall.
- Springfield Ball Charter School, in Springfield, a K-8 school, is operated by the Ball Foundation, with a focus on literacy and numeracy.

- Thomas Jefferson Charter School, in the northwest suburbs, opened in 1999, serving grades K-8.
- Southern Illinois University in East St. Louis sponsors a charter high school.
- Prairie Crossing Charter School, in the northern suburbs, serves grades K-3, and focuses on the environment.
- KEYS, a charter school in Edwardsville, also near East St. Louis, will open this August.

The State Board completes an annual report on its charter schools to the Illinois General Assembly and Governor Ryan. (see the report available at www.isbe.state.il.us/charter/pdf/annualreportJan-2001.pdf). On the plus side, the report states that parent and staff satisfaction is high. The parents had the opportunity to choose the school for their child. Staff had the opportunity to work in a school of their choice, generally one that is free of traditional barriers. On the down side, the cost of facilities acquisition, renovation, and maintenance is a barrier to new *and* operating schools. Another concern is the provision of special education services, given the cost of such services being far in excess of per pupil federal and state funding.

The annual report shows that academic performance results are mixed. Some schools have Illinois Student Achievement Test (ISAT) results above the statewide and districtwide average; some are below. For example, at the Ball Charter School in 2000, 40% of their 3rd grade students exceeded the state standards in reading versus 15% of

the students districtwide; for math, that was 32% versus 17%; as you might guess, they have a long waiting list. The State Board of Education is conducting an external charter school evaluation of achievement and parent satisfaction levels this year. We look forward to seeing the results, and using them for continuous improvement.

Accountability and Student Achievement

In Illinois we have many challenges facing us. We have:

- 894 school districts (3rd in nation), ranging in size from 1 square mile to 461 square miles and in student population from 38 students to 431, 750 (obviously Chicago);
- 3,907 schools, with enrollments ranging from 24 to 4,204;
- a low income enrollment of 36.7%;
- 6.1% limited English proficient enrollment; and
- 17.5% mobility.

On one hand, we have been able to surmount many of these challenges. Our Advanced Placement scores are the highest in the nation. We have increasing numbers of students taking the ACT, yet scores continue to rise and far surpass national averages. Interventions in some of our poorest districts, such as East St. Louis, have resulted in significant achievement gains. Approximately 57% of our schools showed improvement on last year's state standards-based achievement test, the ISAT.

On the other hand, we have some serious problems. Over 30% of Illinois students do not reach the goal of reading at grade level by 3rd grade. That problem is exacerbated when we look in detail at this fact. Looking at the state's 3rd grade reading scores, 86% of white students meet standards while only 33% of African-Americans and 47% of the Hispanic population do so. In math at the 3rd grade level, 60% white students meet standards while only 16% of African-American students and 23% of Hispanic students meet Illinois standards. We need to take action.

We've had early childhood programs for 15 years in Illinois. In addition to the more than 53,000 youngsters who are served, another 7,000 3- and 4-year-olds have been identified but are not served (either by the prekindergarten program or Head Start).

Financially, local district Equalized Assessed Valuation (EAV) per pupil ranges in Illinois from \$8,000 per pupil to \$1.2 million per pupil.

In addition to financial inequality, there is inequitable access to quality teachers. Up to 40% of classes in high poverty classes in high schools are taught by teachers who lack even a minor in the field. We also had 2,200 unfilled positions this fall.

To address these challenges and be accountable, we have worked closely with Governor George Ryan to make Illinois education *Second to None*. He has dedicated 51% of all new revenue to education. We have identified a common agenda and are moving on it in each of our nearly 900 districts.

Illinois efforts correspond to President Bush's plan, *No Child Left Behind*, on high standards and accountability.

Our top priorities are having a system of standards and assessment that will drive school improvement initiatives, early childhood education, reading and math, having caring, competent, qualified teachers in every classroom, and creating a solid support system for students and schools at risk.

Here are some examples of specific initiatives in education reform that are working well for Illinois.

Student learning standards were adopted in 1997-98. Student performance standards and work samples for all learning standards were released in January 2001, and are on our web site (see the standards information at www.isbe.state.il.us/ils/resources.html).

Teaching standards were adopted in 1999-2000, with testing to begin in 2002-2003.

The Illinois Standards Achievement Test (ISAT) is given to students in grades 3, 5, and 8 in reading, math and writing, and grades 4 and 7 in science and social sciences, with local testing generally occurring as well. The Prairie State Achievement Exam (with the ACT as a required component, Illinois being the first state in the nation to do so) will be administered to all students in grade 11, commencing this spring.

You may want to peruse our Illinois School Improvement (ILSI) web site (see the web site at <http://ils.iisbe.net>) (see bookmarks). The ILSI website compares school performance, stimulates sharing of successful programs and practices, and guides

development of School Improvement Plans. The ILSI website also provides standards, performance standards, student work samples, model lessons and multiple professional resources. We also have the ILEARN website, which compares district financial data to guide resource allocation to support School Improvement Plans.

Our accountability system has **all** student scores reported as performance levels. School-level and district-level report cards are issued annually, with all school scores reported as a percentage of students “exceeding”, “meeting” or “below standards”. School designations will be assigned, based on the percentage of students meeting student learning standards. We provide on-site support for schools that are in trouble.

My contract with the State Board of Education is directly tied to student performance. Similarly, local school district superintendents have multi-year contracts which are inked directly to student performance.

Illinois offers a “Summer Bridges” program. This prekindergarten through sixth grade program provides additional learning opportunities to improve students’ reading, writing and math skills in districts where a significant number of students do not meet the Illinois Learning Standards. There is a significant emphasis on professional development of the faculty, and the program carries over into the regular school year to reinforce the learning for students and faculty. Summer Bridges served over 56,000 students and 3,500 teachers in 2000. Over 70% showed measurable reading improvements in just 8 weeks.

I'll conclude by sharing with you our newest venture and leaving you with one request.

First, the venture. The Illinois Virtual High School was launched in January 2001 under the leadership of Governor George H. Ryan and working with the Illinois Community College Board and the Illinois Board of Higher Education (see www.ivhs.org). There is another bookmark attached to my testimony on the IVHS. I hope you take the time to look at this school on the web. We are excited about its possibilities, for freedom, for accountability and for student achievement.

Second, the request. I know you've all committed the report of the Glenn Commission to memory by now, *Before It's Too Late, A Report to the Nation from the National Commission on Mathematics and Science Teaching for the 21st Century*. Illinois and every other state needs to move forward with initiating, implementing and institutionalizing what it recommends. The primary recommendation revolves around professional development for school personnel. In Illinois, that is particularly critical in the area of mathematics. We ask your support for a Mathematics Excellence Act, similar to what had occurred in the last few years as a Reading Excellence Act or what President Bush is proposing now in *No Child Left Behind* as Reading First. We have made this request of Representative Biggert of Illinois, and I request that of you today.

Thank you for this opportunity. Again, thank you for coming to Illinois.

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