



STATE OF MICHIGAN
DEPARTMENT OF EDUCATION
LANSING



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MEMORANDUM

TO: Members of the State Board of Education

FROM: Michael P. Flanagan, Chairman 

DATE: January 29, 2007

SUBJECT: Presentation on the Status of Supplemental Educational Services Provision under NCLB

Because Michigan was ahead of most other states in identifying schools not making Adequate Yearly Progress (based on Michigan standards before the passage of NCLB), the Department needed to move immediately to develop a system for selecting and approving Supplemental Educational Services (SES) Providers. This included developing an application process, a set of standards for the approval, guidance on how districts should implement the provision, a complaint resolution process, and an evaluation of SES providers.

With several years of experience now behind us, the Department has learned quite a bit about this provision and has envisioned a better method for selecting providers based on more rigorous criteria. These proposed new criteria not only address some of the issues that have arisen with the SES provider system in the past several years, but set a new student achievement focus on the approval process as a whole, whether initial or renewal.

This presentation is intended to establish the context for developing new criteria and for administering a more comprehensive selection process. It is also intended to provide a summary of the success and challenges the Department faces as we implement this provision under NCLB legislation.

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SUPPLEMENTAL EDUCATIONAL SERVICES PROGRAM SUMMARY

BACKGROUND INFORMATION

- Under the *No Child Left Behind Act of 2001* (NCLB), supplemental educational services (SES) are required for schools in the third year of improvement or higher.
- Michigan was one of a few states that had schools identified for improvement under the previous 1994 reauthorization of the Elementary and Secondary Education Act of 1965.
- In an effort to comply with the NCLB, MDE required Local Education Agencies (LEAs) that were identified for improvement, based on data required by the 1994 reauthorization, to begin providing SES in 2002-2003.
- Many state education agencies (SEAs) did not initiate the Adequate Yearly Progress process until the 2002-2003 school year. These states had several additional years to gear up their SES program before their first schools entered the third year of improvement.
- Michigan made a positive effort to comply with legislative requirements and has been requiring SES longer than most other SEAs.
- Michigan was required to develop an SES application and other program elements quickly and with little guidance.

MDE is currently reviewing and restructuring oversight of SES based on new guidance and past experience, to ensure that students and parents are provided with quality SES services. Michigan's experiences, as well as the experiences of other States, have led to increased knowledge that will positively impact our program.

The number of schools required to offer SES (Fig. 1) has decreased annually since the 2002-2003 school year. The number of State approved providers has increased annually since the 2002-2003 school year.

Figure 1 – History of Eligible Districts and Approved Providers

	Number of Schools Required to Offer SES	Number of State Approved SES Providers
2002-2003	281	38
2003-2004	229	91
2004-2005	204	106
2005-2006	167	158
2006-2007	126	213



SUPPLEMENTAL EDUCATIONAL SERVICES PROGRAM SUMMARY CONTINUED

Historically, the quantity of approved providers has been sufficient to meet the needs of the schools required to offer SES. The quality of services, however, has demonstrated that a more rigorous application and evaluation process is needed. Increasing the expectations of providers through the application process may reduce the number of choices for schools, but will improve the quality of those choices.

Key elements of the recently upgraded SES program include:

- **A new application that will require all current providers and prospective providers to apply. The application requires submission of a revised Code of Ethics and Assurances.**
- **New criteria to become an approved SES provider that will ensure high quality SES programs.**
- **New state technical assistance materials for the administration of SES programs.**
- **Implementation of an SES provider evaluation process that considers achievement data and satisfaction surveys from parents, teachers and district SES coordinators.**
- **Establishment of an SES advisory committee.**
- **Development of a complaint resolution and appeal process.**

This report is intended to provide an update on the current successes, status, developments and challenges related to SES in Michigan.

Successes

LEA Implementation of SES is Improving

While the process of implementation is still in the evolution stage, LEAs, in general, have devoted considerable time and effort to comply with legislative requirements and do what is best for students resulting in services to 19,000 students during 2005-2006. In addition, OSI regional consultants continue to provide ongoing technical assistance.

Development of Technical Assistance Materials

The Office of School Improvement (OSI) has worked diligently to develop a technical assistance packet for SES providers.

Through this process, the MDE will publish SES guidance related to the following topics:

- Committee Membership Requirements and Goals.
- Appeal Process for Removal from the State Approved List.
- Criteria for Approval to be on the State Approved List.
- Indicators of Performance, Quality and Effectiveness.
- Responsibilities of an Approved SES Provider.

Electronic Application

SES applicants have the opportunity, and are strongly encouraged, to submit applications electronically through an interactive website. This process will allow the OSI to expedite the review process by exporting data summaries without having to enter the data manually after receiving paper applications.

Status and Developments

Federal Non-regulatory Guidance identifies SEA responsibilities related to SES. The status of MDE's implementation of these responsibilities is identified below.

1. *Consult with parents, teachers, LEAs, and interested members of the public to promote maximum participation by providers to ensure, to the extent practicable, that parents have as many choices as possible.*

Status: OSI has developed a comprehensive set of guidelines for committee member selection as well as committee goals and expectations.
It is expected that the first committee meeting will convene in February.

2. *Provide and disseminate broadly, through an annual notice to potential providers, the process for obtaining approval to be a provider of supplemental educational services.*

Status: Annual notice is disseminated to potential providers identifying the process for obtaining approval to be a provider of SES. In addition, the OSI provides technical assistance through multiple workshops, email and phone throughout the application process.

3. Develop and apply objective criteria for approving potential providers.

Status: The application for approving providers has been reconstructed annually to utilize our experiences and information from the field. A team comprised of OSI representatives and experienced SES representatives have worked diligently to improve the criteria for approving providers.

4. Maintain an updated list of approved providers, across the State, by school district, from which parents may select.

Status: We have a list of 213 SES providers throughout the state. The list is available on our website for public access, and it has been disseminated to all districts with schools in AYP Phase 2 or higher. This list provides a summary description of the services offered written by the SES provider. Providers update information regularly. These service descriptions have not been verified for accuracy.

5. Develop, implement, and publicly report on standards and techniques for monitoring the quality and effectiveness of services offered by approved supplemental educational services providers, and for withdrawing approval from providers that fail, for two consecutive years, to contribute to increasing the academic proficiency of students served by the providers. An SEA should also give school districts a list of approved providers in their general geographic locations.

Status: Beginning in February, with the launch of the 2007-2008 application process, we will be evaluating the quality and effectiveness of SES providers with the intent to remove those who fail to demonstrate academic success for two consecutive years. This is a new and challenging endeavor as it is difficult to demonstrate a link between state achievement data (MEAP) and SES. In addition, the evaluation process will consider:

- Survey data collected from districts, teachers and parents in order to ascertain consumer satisfaction.
- Complaint resolution history. A process for monitoring and documenting complaints has been developed.
- Financial soundness.
- Management structure (billing process, payment of employees, etc.).

Through this process, it became evident that the responsibilities of SES providers should be clearly stated and distributed. The roll-out of this document will occur with the 2007-2008 application training. We have contracted with an outside agency to compile survey and achievement information in a manner that can be easily understood by the team of reviewers evaluating providers for the approved list. In addition, an appeal process was developed to provide adequate due process for those providers that have been removed.

Challenges

SEA Costs

Inherent with quality program development are increased costs. 1.5 FTE has been contracted solely to work on SES tasks such as the development of technical assistance materials, training for SES applicants, approved providers and LEAs, the application process and complaint resolution. In addition, SES providers are determined based on a review of applications by a selection committee representative of various stakeholders across the state.

The evaluation process for determining whether approved providers should be removed from the list is a costly endeavor. It is anticipated that the costs will escalate from the currently approved \$109,000 for three years to \$210,000 each year. The enhancements under negotiation will provide for evaluation of all SES providers in all districts, measuring achievement using our own assessment data, surveys of parent, teacher and district satisfaction and the electronic application. Summaries will follow a "Consumer Report" format, that will be easy to read and interpret by most parents. MDE would get the necessary information to approve or withdraw SES providers.

LEA Administrative Burdens

Although most elements in NCLB were based on researched evidence of positive impact on achievement, SES is the exception. There is little evidence that an SES program has a positive impact on achievement, and there is much anecdotal evidence that SES programs creates significant administrative and financial burdens for LEAs. NCLB did not allocate additional funds to implement SES programs, assuming that the costs would be incurred using regular Title I funds thereby reducing funds that could have been dedicated to instructional programming efforts.

Some examples of administration tasks that require increased administrative time and increased expenditure include:

- Notices to parents in several languages.
- Program advertisements, disseminated by the LEA and by each eligible building.

- Provider/parent fairs that offer assistance in selection of a provider.
- SES provider orientation sessions.
- Provider contracts, student privacy protection, liability checks.
- Determination of which students should receive SES services (NCLB criteria).
- Verification of attendance, student plans, teacher contacts, and criminal background checks.
- Invoices, provider payments and business activities.
- Complaint processing.
- Required reports to MDE.
- Provider evaluation data collection.
- Scheduling SES providers in buildings.

The Detroit Public School District is in the third year of required SES implementation. Representatives from the district have indicated that at least sixty employees within the district are dedicated to SES. These include central office staff that facilitate contract development, engage in oversight, provide training and develop training materials, handle complaints and many additional responsibilities. In addition, SES requires informed building representatives who are designated to handle SES tasks such as correspondence, applications from parents, and student progress reports.

Distribution of Providers

During the application process, SES providers select the county and district in which they choose to render services. The number of applicants that target a specific area can greatly affect the SES process. Rural districts, for instance, may have few SES options, while large urban districts have many choices. Historically, a large number of providers have selected to service "All of Michigan," without realizing the repercussions of their actions.

Distribution of Students Eligible for SES

The number of students eligible for services varies tremendously by district and school. Districts often struggle with distribution and processing of materials if the number of students eligible for SES is large. Informational materials must be distributed to every student identified as eligible. However, districts are only allowed to spend a maximum of 15% of their Title I allocation for the purposes of SES. This may not cover the cost for all eligible students.