

**AN ANALYSIS OF THE IMPLEMENTATION OF THE  
CHAPTER 2 BLOCK GRANT PROGRAM IN THE  
FLINT SCHOOL DISTRICT**

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## **Introduction:**

This research paper is a case study of the Chapter 2 block grant which was ushered into law in 1982 by the administration of President Ronald Reagan. The first part of this paper is an exploration of this program and to the study of how organizations respond to changes in the environment. Next we outline the basic approach for this study but which provides a structure for the analysis of Chapter 2 programs and budget data. The final part of the paper is a detailed analysis of the program as implemented in the Flint School District. We conclude with a discussion in very brief fashion of the impact of the chapter 2 program, in light of the structural economic crisis currently experienced by the City of Flint, and by the Flint Public Schools.

## I. REVIEW OF THE LITERATURE

The selection of a topic for this study began by an examination of the most recent developments in the field of education. One striking trend is the so called "New Federalism" initiated by the Republican Administration of Ronald Reagan. Although these policies extend beyond education, my personal experience is within the field of public education and so I sought to find a program that would best represent the new policy. The Chapter 2 Block Grant was just such a program. It was the prototype of a decentralized program that reduced government regulations and reduced the level of funding. The ideological issues surrounding the wisdom of this approach is beyond the scope of this study. But I wanted to find out just what impact this new policy had in a specific school district. The Flint School District was selected for practical reasons.

The next problem, which this prospectus seeks to resolve, was to choose a theoretical perspective which would enable us to scientifically study the effects of this program.

A review of recent Chapter 2 Block Grant research, and studies of organizational change was done. What follows is a discussion of those readings. We will introduce this section with a quote that seems to best describe the general issue which we seek to address:

"What are the characteristics of organizations in a growth phase, a stable period, or a period of decline? There is little research to test the the popular notion that rapidly growing organizations are characterized by high morale, commitment, and motivation. Even less attention has been given to the processes by which organizations try to adapt to a contracting environment and diminishing resources." (p.543 Katz, 1980)

## A. Organizational Change

A review of some studies of the nature of complex organizations provided us with insights of relevance for selecting a model upon which to study Flint's School Programs. The first is that bureaucracy has certain characteristics that seem to be present universally. These characteristics are best described by Max Weber's fundamental writings on the nature of capitalism. Many modern sociologists followed his thinking in elaborating explanations of social institutions. One such writer is Peter Blau, who states,

"Wherever groups of men associate with one another, social organization develops among them, but not every collectivity has a formal organization. The defining criterion of a formal organization - or an organization for short - is the existence of procedures for mobilizing and coordinating the efforts of various, usually specialized, subgroups in the pursuit of joint objectives, "the term bureaucracy, which connotes colloquially red tape and inefficiency, is used in sociology neutrally to refer to these administrative aspects of organizations. The common element in the colloquial and scientific meanings of the term is that both are indicative of the amount of energy devoted to keeping the organization going rather than achieving its basic objectives." (Blau, 1974 p.29)

A different approach to organizations is that which views organizations as organisms which have a life cycle. The important contribution which this perspective makes is that it underscores the dynamic nature of social units. One such model postulates three dilemmas which all organizations must solve in order to continue to survive. (Ticky, 1981) These problems are:

1. Technical Design Problem
2. Political Allocation Problem
3. Ideological and Cultural Mix Problem

These are problems faced by any organization such as a specific educational program. In order to apply this theoretical model to our proposed study of the fate of externally funded education programs we need to operationalize these concepts. Let us make the following definitions:

### Technical Design:

This can be represented by the results of a formal evaluation process that measures the effectiveness of the program in achieving its stated goals and also the effectiveness of the implementation. This would include such variables as program design, personnel selection, and staff evaluation.

### Political Allocation:

The key element here is the availability of funding and the support by those in authority positions who control funds, information and access to technical staff.

### Ideological and Cultural Mix:

This is to be determined in a school district by how well the program is able to become a part of the established structure of the district. In other words, to what extent is the district defined by the services of the program.

Other studies of interest refer to notions of how management responds to change. The notion of "pre-emptive" control reflects the need to control the environmental variables that are critical to the survival of the organization. (Scott, 1969) Transition management is a prescriptive term used in the study of organizational behavior. The approach is based on the idea since organizations are dynamic, the successful manager is a change agent. Similarly, another management study defines organizational development as, " an effort (1) planned, (2) organization-wide, and (3) managed from the top, to (4) increase organizational effectiveness and health through (5) planned interventions in the organizations processes, using behavioral science knowledge." (Beckhard, 1969, p.9)

These studies point to the importance of planning in the management of modern organizations. We propose to analyze the process by which a school district responds to changes in its environment. The relevant changes are

the amount of funding available and the rules and regulations of the funding process.

We can note that these studies generally refer to large scale organizations concerned with being competitive with other organizations. Large multinational corporations, government agencies, and universities would fall under this category. Clearly survival per se is not a concern to such organizations. However within the larger context there are sub-units of the organization which tend to operate as much as possible as independent and perpetually endowed organisms. This then is the source of a dynamic energy within the organization. There is a constant struggle by each small unit to increase its scope of operations or at least to minimize the effect of negative changes. The theoretical problem we have is to simplify the structure of the organization, in our case an education program, so that we can compare it with similar programs, and so we can understand the way higher level decisions are made. The model we have chosen can be seen as a three step study:

1. Analysis
2. Selection of study variables and
3. Synthesis.

To be more specific with reference to the Flint School district study we can summarize our proposed research method as follows:

1. Analysis of specific programs dependent on external funds.
2. Selection of key variables for each program. Those that reflect the problems of technical design, political allocation, and ideological mix.
3. Synthesis of findings to account for intervening variables such as cuts in other program funds that indirectly affect decisions regarding the experimental programs under study.

## **B. Federal Aid to Education**

There has been much written about education but little attention has been paid to the funding of federal programs. Furthermore the studies that address the issue of federally funded programs take a global perspective rather than focus upon the impact of any particular program in a given school district. This undoubtedly is because federal programs by definition are national in scope and an overview requires attention beyond the borders of a given district.

The importance of federal grants in general to urban cities has been studied, " The central question that the project as a whole explores is to what extent large cities have become dependent on the federal government as a source of revenue." (Anton, p.VIII) The Reagan Administration has, according to Anton, made much of the growth of government spending,

The July 1982 urban policy report by the Reagan Administration argued that the continuing availability of large amounts of federal funds has made local officials more politically responsive to Washington than to their constituents, has distorted local budget and program priorities, and has interfered with the operation of market forces." (Anton, p.XI)

The major role of the federal government in local education is new development, "Governmental grant making on today's scale is a recent phenomenon, dating back only to the late 1950's." (White, p.36) The National Defense Education Act (NDEA) was enacted in 1958, the National Science Foundation Act in 1950, and with the advent of the "War on Poverty", "an unprecedented wave of legislation rolled out of Congress." Expenditures were authorized for education, health care and research; minority business enterprise; drug research and treatment programs; day care centers; community mental health facilities; pre-school, youth, and aging programs; hospital construction; and activities related to the implementation of the 1964 Civil Rights Act." (White, pp. 38-39)



There is little doubt that the increased funding has led to the development of expectations on the part of grantees as the districts who receive grants are called. Indeed, the efforts to obtain grants goes beyond simply mailing an application. Special interest groups have been formed to keep track of funding regulations and priorities. Although some contact with the executive branch takes place, "In recent years communication has tended to be limited to matters of program implementation and evaluation that can be handled at the bureau level and below, rather than matters of overall budgets and program priorities that are handled at the departmental level and above." (Bailey, p. 55)

Recent efforts at a "new federalism" have raised some significant issues in the area of federal assistance to education. One researcher summarizes the issue, "In essence the basic policy question raised was the extent to which federal categorical program goals, which were avowedly focused upon issues of national interest, would continue to be pursued under some less restrictive system of funding in education." (Long, p.2)

The focus of our research is to be the ECIA Chapter 2 block grant program. This program, according to a study of the Rhode Island districts, has tended to reverse the emphasis of federal funding priorities, "In the past there has been a federal funding "tilt" or priority toward the special educational needs of urban centers, towards educational programs offered through public schools, and towards desegregation and other programs cited in this study as receiving lessened support under Chapter 2." (Long, p.12) In other words, this shift in policy goes beyond decentralization and places less importance on the federal role in resolving equity issues.

Another consequence of Chapter 2 is tied to the funding mechanism. Each district receives funding on a formula basis in contrast to what previously was handled through competitive categorical grants. The Texas

experience showed that, "Under the old Federalism, only 79 of the state's 1099 districts received funds. Few private schools had participated...Now virtually all public schools apply and private school participation is rising rapidly" (Katzman, p.20). Funding also shifted away from large cities, "The big losers are districts which have been under court orders to desegregate and which formerly received funds under the Emergency School Assistance Act (ESAA). Most of the losses are accounted for by Austin, Dallas, and Houston" (Katzman, p.20). These findings corroborated by others (Kyle and Moody) are best summarized by the following statement, "The legislation's intents of increased local flexibility and reduced administrative burden seem to have been realized. However, the objectives of two of the largest antecedent programs blocked under Chapter 2, Title IV-C (school improvement and innovation) and Emergency School Aid Act (desegregation), seem to be receiving less attention..."(Corbett, p.7).

One conclusion is that the reduction of funding may not have been the only reason some districts lost funding. There seems to be some justification in looking into a local case study of Chapter 2 impact, "The message of this report is that losing districts have not suffered uniformly and that the actual size of the loss is not the most important determinant of the magnitude of the impact. Instead, for policy adjustments to have maximum impact, differences in local contexts must be understood and taken into account. (Corbett, p.53)

## **II. Research Problem and Methodology**

**The problem:** Understanding the impact of federally funded education programs is difficult because funding is always in a state of flux. Furthermore, education programs are dependent upon a variety of funding sources, often a combination of local, state, and federal funds. It is difficult indeed to isolate the effects of one program, much less to generalize beyond a single instructional innovation.

**The Research Question:** How does a school district make decisions regarding instructional program services when faced with a loss of external funds?

### **Hypothesis:**

Assumption #1: most federal programs have been initiated as attempts to resolve national educational problems related to a lack of educational achievement in low income, minority concentration, urban school districts.

Assumption #2: Federal programs have been initiated to a) increase equality and integration; b) increase quality of education; c) allow for experimental methods.

Hypothesis: The loss of federal funds will not result in the elimination or in the reduction of efforts aimed at achieving equality, excellence, and creativity in urban school districts.

### **Public Policy Implications:**

If the hypothesis is correct: We can no longer assert that the aims of a democratic government based on equal educational opportunity are thwarted by the recent reduction of federal funds for education. This would have ramifications on decisions regarding further cuts in federal programs, and in use of block grant funding.

**Research Method:** The Flint School District will serve as a case study. During the years extending from 1980 - 1986 the district has experienced loss of funds through a combination of events. These are:

- 1) The ECIA Chapter 2 block grant program.
- 2) Reduction of Mott Foundation funding.
- 3) Reduction in of State funding based on total student enrollment.

Given these conditions, a comparative analysis of the school district instructional program in 1983, and in 1986 will be done. Specific re-search questions will be:

- 1) What process was followed in responding to funding losses from the three sources identified for this study (Federal; Mott Foundation; and State)?
- 2) Were services funded by external funds eliminated for loss of funds?
- 3) What types of services are typically placed on local funds?

**Data Selection and Sources:**

1) Mott Foundation Programs: The Office of Community Programs was formed to handle the budget and program evaluation functions involved in the various programs funded through the Mott Foundation. This office has records of what services were provided, the cost involved and the disposition of services as funds gradually declined.

2) Chapter 2 ECIA Block Grant

This program began in 1982 as part of a federal effort to decentralize and simplify education funding. It consolidated a large group of small programs intended to meet two purposes in general: 1) Special needs of low income, low achieving youngsters and 2) Special need to develop innovative teaching methods and subjects.

Records of programs funded in 1983-84 can be compared to records of programs in the ECIA Chapter 2 Applications for 1986-87.

A special problem related to this program is that the change reduced total funding, eliminated certain programs, and also changed the administrative process for distribution of funds. This makes it difficult to assess the overall impact as a funding reduction per se.

3) State Funds: The reduction in state funds due to enrollment drop can be ascertained from business office records. These funds are not earmarked for specific programs unlike Mott Foundation or Federal grants.

These are general education revenues that provide the funds for the most ordinary and basic educational services.

### Data Analysis

First: A summary of the types of services and the costs for these services will be done for each funding source. Second: A comparative analysis will be done at two critical times (1980, and 1986) to detect the changes in services that can be tied to each source of funds. Third: An analysis of programs involved in the funding cuts will be made to answer these questions:

- 1) What types of programs were involved?
- 2) What determined which services were eliminated?
- 3) What was the impact of this program within the context of the funding for the overall district?

### Summary of Methodology

Both a historical, and diachronic analysis will be used. Historical treatment can provide an answer to the question of what process was used in dealing with cuts, and also what cumulative effects if any were involved. The diachronic analysis can tell us something of the type and scope of activities affected by the cuts. This analysis will be done by using a model of programs as dynamic.

### **Part III: Legislative History**

This section will seek to answer three basic questions:

- 1.) Why was this program adopted?
- 2.) What does the legislation actually say?
- 3.) Who were the important actors in the political process of adopting this program?

#### **Why was this program adopted?**

The Chapter II education block grant program was adopted by the Reagan administration to reduce the overall level of government spending. This necessary, claimed David Stockman and others, in order to control inflation and thereby increase overall economic productivity. This point of view, called supply-side economics contained the so called "trickle down theory." This theory is that by helping business, the economy would improve and all people, including those hurt by cuts in social and educational programs, would be helped.

In 1981, the Education Consolidation and Improvement Act ECIA, was introduced in Congress, and by virtue of the popularity by Ronald Reagan, and a new Republican majority in the Senate, became law. The complex rationale given by the White House is that the Chapter II block grant program provides provides solutions to many of the problems caused by previous Democratic Administration. The federal bureaucracy had grown fat and greedy, goes the story, and the burden of a variety of costly and overly prescriptive programs was crushing the educational institutions in the cities and towns of America. Block grants were less costly (a 25% reduction in all educational funding was achieved the first year) and left the actual decision to spend at the state and local level. Indeed, as we will see later, regulations and administrative requirements were simplified.

Another problem according to President Reagan, is that large and expensive federal programs (categorical programs in education included Vocational and Special Education, Title I of ESEA, and Bilingual Education) had build up a and self-serving constituency. These special interest groups were only interested in perpetuating their jobs, and increasing their influence at the taxpayer's expense. Block grants on the other hand would go to the States to be distributed to local districts according to their needs.

This complex issue is to some degree ideological. The Republican Administration is convinced that decentralization of social service programs and elimination of programs if possible, is fundamentally in the national interest. This position is very strongly supported by the wealthy who have the least to gain from social programs. Even rank-and-file working people, as well educated professionals, there is suspicion of centralized government and of programs to aid minorities and poor people. There is a strong American value that the some historians term social darwinism. This concept is that in society there will always be winners and losers, and that this struggle is healthy. Rugged individualism rewards the strong and the ambitious--anyone can make it.

### What Does the Legislation Actually Say?

ECIA Chapter 2 consolidated 27 programs which prior to 1981 were individual categorical federal grants in-aid programs. (See chart A, attached taken from Appendix A of the Michigan Department of Education's "Handbook for the Chapter II Application (July 1985). According to a State Department Handbook, local school districts can choose to allocate its Chapter II funds in any of the programs listed. Any distribution of the funds are allowable. In fact the State goes even further by stating that the list of programs is, "not intended to limit the use of Chapter II funds by LEA's but rather to clarify and provide additional information about the programs consolidated by the Act".

### Funding Guidelines

As was the case with education programs, the total allocation of funds for Chapter II was reduced by about 25%. The advantage of this new education funding concept is that there would be greater flexibility. "Funds must be used for specific purposes, but in accordance with the educational needs and priorities of state and local educational agencies. It is the intent that the programs be implemented with a reduction in the administrative requirements and paperwork burdens associated with the categorical programs. (Levis, 1985, pg.2).

### Funding

Of the available funds, one percent is reserved for the U.S. Territories; six percent for the secretary's discretionary funds; and the remainder to be distributed to states on the basis of each state's share of school-aged population, with none receiving less than 5%. (Levis, 1985, p.3).



It should be pointed out that Chapter 2 of the Education Consolidation and Improvement Act of 1981 (ECIA) is only part of the Republican Administration sponsored education Act. The following is a breakdown of the umbrella legislation.

The ECIA of 1981 Consists of three parts:

Chapter 1: Financial Assistance to Meet Special Educational Needs of Disadvantaged Children. This provision continues the ESEA Title I Compensatory Education Program. Some simplification of requirement for advisory councils of parents, and the 90 percent maintenance of effort.

Chapter 2: Consolidation of Federal Programs for Elementary and Secondary Education, consolidates ESEA, Titles II through Title VI, VIII, and IX, and the supporting authorizations into single program of grants to the states, to be used for the same purposes.

Chapter 3: General provisions, relates to administrative and accounting requirements, and limits both the authority of the secretary to issue regulations and the legal standing of the regulations.

Programs not included in the consolidation are:

Bilingual Education (ESEA Title VII); Vocational Education; Education for All Handicapped Children; Vocational Rehabilitation; Adult Education; Women's Education Equity; Civil Rights Act; Title IV; Training and Advisory Services; Impact Aid; Indian Education; Library Services; and Higher Education (Levis, 1985)

## Who Were the Important Actors in the Process of Adopting this Program?

Unlike most previous educational programs, the Reagan Administration programs did not come about as a result of locally initiated advocacy groups. Indeed, the Reagan position was antagonistic to education as seen by his call for the elimination of the U.S. Department of Education, to be replaced by an educational foundation. Further evidence of the de-emphasis upon education is clear when one notes that the ECIA of 1981 is part of the Omnibus Federal Government budget reduction legislation which, "... was enacted through a Congressional budgetary process which bypassed the traditional legislative committee structure and eliminated public hearings on the changes made." (Levis, p.2)

A review of the hearings before the subcommittee on Education of the Senate Labor and Human Resources Committee, May of 1981, reveals much about the controversy surrounding ECIA in general, and Chapter 2 in particular. Senator Orin Hatch of Utah is a supporter of the measure who states, "I believe the time is right for significant revisions in the way the Federal Government assists the great enterprise of education in this country," (Hearings, 97th Congress, May 7 and 8, 1981). He continues with an attack on the federal bureaucracy which has been built around educational programs,

"the current multiplicity of dozens of categorical programs, many with their own differing and often conflicting regulations and requirements for application, planning, use of funds. The inflexibility of the system, in the name of promoting national goals, has prevented local officials from tailoring use of funds to the particular needs of their students..."

(Senate Hearings, p.14)

Senator Edward Kennedy, represents a totally contrary point of view. His statements present a federal issue that continues unresolved, "The administration has recommended 25 percent reductions in the aid to elementary education for the disadvantaged, education for the handicapped at college age, and for low and middle-income students and virtually every other federal program designed to promote quality education". (Senate Hearings, pg. 14).

A block grant bill that is nothing more than a transparent smoke-screen for massive anti-education budget cuts; a block grant that would permit a state to deny any federal funds to school districts struggling to meet the reading needs of needy children, or permit a State to deny any help to all migrants and neglected and delinquent children. (Senate Hearings, pg. 16)

Terrel H. Bell, Secretary of Education, represented the specific rationale and justification of the proposed education Act of 1981. His is a call for the decentralization of education,

"The Federal Government should not conceive its financial aid programs in such a way as to be disruptive, particularly since it only provides 8 percent of the elementary and secondary funding nationally. We believe the bill we are proposing to you holds a strong promise of getting the Federal Government out of those elements of education policymaking in which the State and local education agencies have the prime responsibility." (Senate Hearings, p.19)

Senator Kennedy questions more precisely the possible consequences of the federal regulations void,"...if we do not know who is going to receive the funds and how they are going to be allocated, then it raises the question about whether the areas that have the most severe needs are really going to receive the funds..." (Senate Hearings, p.45)

Marian Wright Edelman, President of Children's Defense fund presented testimony on behalf of the children of greatest need served by Special Education and Title I Disadvantaged Children's Education. Her major point is that these programs have been very effective and that the elimination of regulations would result in a reduction of services to those most in need,

"Federal funds under a block grant will be used for general aid and for tax relief children, the ultimate consumers of education would be no better off with federal aid in the form of block grants than in the absence of any federal financial committment." (Testimony, p.65).

The Chamber of Commerce, on the other hand, supported this new legislation,

"We support the block grant concept in educational finance as a way of turning federal decision-making over to the State and local officials who are elected, appointed or hired to carry out that responsibility for their communities." (Senate Hearings, p.199).

## **Part II Implementation in Michigan**

In this section we will consider the following questions:

1. What have been the results of the transfer from categorical to block grants?
2. Which districts benefitted from ECIA block grants, and which did not?
3. What are the prospects for future block grants? What problems may we anticipate?

In Michigan, the State Department of Education was given the responsibility

for administering the program. Patricia Slocum in the Office of Grants Coordination and Procurement is primarily responsible for administration. She is responsible for the National Difusion Network. She works with Daniel Schultz, who reports to Phillip Runkel. An Advisory Council was formed which provided advice to the state in preparing the formula for distribution. The formula establishes a per capita allocation that takes into consideration poverty, segregation and other variables. According to Dr. Phillip Kearney, who is currently a reasearcher and Professor of Education at the University of Michigan) in Michigan large urban districts were the losers to smaller and wealthier districts. The major loosers, according to data studied by Kearney, "were the twelve school districts which had been receiving federal desegregation aid funds under the Emergency School Aid Act during the 1981-82 school year (Detroit, Grand Rapids, Pontiac, Lansing, Flint, Benton Harbor, Ferndale, Ecorse, Inkster, Ypsilanti, Coloma, and Eau Claire). These districts are still under obligation to desegregate either by court order of voluntary decree (Kearney, p.7). A second set of "losers" are those "which in prior years practiced grantsmanship very successfully, particularly under Title IVC, which provides monies for Exemplary Programs..."(Kearney, p.9) The winners, on the other hand, were the smaller and rural districts that previously had not had much success in competitive grant awards, and which were not involved in desegregation programs. (Kearney, P.15). This has resulted in significant shift of funds from public schools to private schools (Kearney, p.15).

Michigan Department of Education

An examination of Michigan Department of Education's form OG-4684, "1985 Application for Education Consolidation and Improvement Act, Chapter II Discretionary funds", reveals the following categories for local districts applying for funds:

- A. School Improvement
- B. Management Training
- C. School and Community Relations
- D. Cooperative Services
- E. Program Adoption

A total of \$375,000 is available for 1985 for grants ranging from \$5,000 to \$35,000. In addition, \$25,000 was set aside for a "mini-grant" competition to be announced later in the year. These two discretionary programs are significant only in that they indicate a willingness to continue the competitive grant model in operation prior to 1981. The notion that this incentive program will promote innovative practices, and reward districts for improvement of instruction, evidently is still alive and well in Michigan. One wonders, however, to what extent this practice is supported outside the State Department executive offices.

The bulk of the funds, \$15,482,199 in 1985 are distributed to local school districts as formula grants. This amount is greater than in the previous year, 1984, when \$14,215,098 went into formula grants, and \$400,000. in

discretionary grants. The formula grants, as indicated earlier, are block grants that consolidate 30 programs that were previously categorical programs. Each had its own specific purposes, regulations, each had federal, state, and local administrators and individuals who acted as advocates for the special program content funded. Under the new Chapter 2 provisions, any or all of the previously authorized activities could be continued with the Chapter 2 funds. However, the specific regulations of the antecedent programs no longer had any legal status. In other words, the local districts could use the funds for any locally identified educational expenses.

**Part IV: Implementation in Flint School District**

Two major features characterize the Chapter II program in the Flint schools. One is that private schools became recipients of significant amounts of funds for the first time. The other is that the elimination of the Magnet Schools Desegregation grant resulted in a loss of almost a million dollars in the 1983-84 fiscal year.

A review of the program areas funded in 1983-84 indicates that the majority of the funds were allocated to the public schools.

**1983-84 Chapter II Program  
Budget Breakdown**

Non-Public Schools

Redemer Lutheran	\$ 677.00
Mayotte (Donovan)	2,891.00
St. Paul Lutheran	3,807.00
Emanuel Lutheran	734.00
St. Mary	2,788.00
Valley School	1,840.00
Powers	13,144.00
Dukette	2,903.00
Foss Ave.	1,378.00
Alpha Montessori	520.00
Our Savior Lutheran	1,072.00
Sub Total=	<u>31,754.00</u>

Flint Schools

Multi-Cultural (Croudy)	10,000.00
Consumer Educ. (Toth)	3,000.00
Elem. Reading (Kugler)	12,500.00
Elem. Magnet (Gibbs)	152,118.00
Liaisons	84,038.00
Gifted & Talented	29,184.00
Language Magnet	29,743.00
I.M.C. (Thomas)	41,740.00
	<u>362,323.00</u>

Carryover	18,654.00	
Grand Total		\$412,721.00



New allocations included Multicultural Education (this program involved planning and staff training); Elementary Reading, Liaisons (for Middle School); gifted and talented (in addition to a categorical state allocation which is independent of federal funding and the language Magnet.

Programs which were funded before implementation of Chapter II include:

- 1.) Consumer Education (previously an ESEA Chapter IV site);
- 2.) Elementary Magnet Program (the desegregation grant which lost funds);
- 3.) IMC (Instructional Media Center).

This summary raises a number of questions which require further research.

One question is, "How would the funding of these programs have been handled in the absence of the Chapter II program." A related question is, "What programs were not carried out because of the Chapter II program."

The answers are difficult because under previous legislation a different set of programs funded each year.

The exception is the desegregation grant for which Flint had successfully competed. For that program, Chapter II meant a loss of revenues. This loss of revenues did not however result in the elimination of the program. What happened was that the district resources were used to continue services. However, the program was weakened by the availability of staff and funds to enhance existing programs at Magnet sites.

The majority of the funds allocated to private schools were designated for the purchase of instructional materials, computer software, and to a lesser degree, inservice training for teaching staff.

A comparison of the programs implemented in 1982 with those in the 1986-87 School year(see Appendix B) reveals the following :

1. The level of funding remained stable after the initial loss due to the elimination of desegregation funds.
2. Five out of eight programs funded in 1982 continues to receive funds in 1986.
3. Seven programs received funding in 1986 which did not receive Chapter two support in 1982.

#### **V. Programs of Chapter II in Flint: A Cost-Benefit Analysis**

The program as implemented in the 1983-84 school year has been selected for an examination in terms of cost and benefits associated with their implementation. The Flint Public Schools used Chapter II ECIA funds to support eight distinct programs, all of which had existed in some form in previous years under other funding. In most cases the level of funding of these programs had been reduced.

#### Description of Flint School District Chapter II Programs: \$362,323

1. Educational Improvement - Multicultural Education - \$10,000

The purpose of this program is to support through training and planning the goal of preparing students to increase the understanding of the cultural diversity in it's geographical areas.

2. Consumer Education/Economics and the Consumer - \$3,000

This program meets the need for economics/consumer education and to relate this approach to components of career education.

3. Elementary Reading Improvement - \$12,500

This program seeks to train 21 teachers at Garfield and Martin Elementary Schools in the ITIP reading improvement model. In 1981 and 1982, Martin School had 68 and 53% of its third graders scoring in the lowest quartile nationally in the SRA Reading Achievement Test.

4. Magnet Desegregation Programs for Elementary Schools - \$152,118

In the Consent Decree of April 1980, the Flint Community Schools were specifically directed to develop six new magnets to enhance the programs of the eleven existing magnets.

The purpose of this is to make them attractive enough for parents to voluntarily enroll their children in these 17 schools. During the 1981-82 year, twelve schools had met or exceeded their second year goals, two schools needed 5% or fewer, one needed 12%, and 2 needed 21% to meet their goals.

5. Middle School Community Liaison Program - \$84,038

This program addresses the following problems:

- a. Parents who do not know their children are skipping class,
- b. Illness at home,
- c. Lack of shoes and clothing,
- d. Lack of home control,
- e. Need for professional assistance.

Five community liaison persons will be hired.

6. Gifted Middle School - \$29,184

The need to be addressed is the national and personal requirement for providing a challenging and enriching special educational program for gifted and talented children district-wide, regardless of racial, ethnic, or social economic background.

To meet these needs it is proposed to provide a new seventh and eighth grade gifted program at a second middle school location.

7. Middle School Language Magnet - \$29,743

To enhance desegregation through the implementation of a Middle School Magnet Program that is designed to provide uninterrupted and sequential French language instruction. This program will offer an opportunity for language study to those students who have already participated in the elementary program which is part of Flint's voluntary desegregation plan.

8. Instructional Equipment - \$41,700

Purchase of microcomputer hardware to augment the equipment purchased the preceeding year in order to better promote the use of computers in instruction.

Also additional video recorders are needed to accomodate the increased demand for video in classroom instruction.

Finally training and support services will be purchased to make staff better prepared to use existing computer and video equipment.

Special Considerations:

Full employment is usually assumed for cost benefit analysis. The preceeding assumptions are impossible because of the chronic unemployment which exists in the Flint area (especially in a labor intensive program, which incidentally is typical of education in general, labor costs can be a social benefit).

The value of the outputs are very difficult to quantify. It is possible to compare the cost of public education with the cost of private education. In this case we are considering establishing a person who has a surplus of money after basic needs as satisfied. This would give educational services a greater value than if we were to determine what a person on ADC would be willing to pay for educational services to his child in the absence of publically supported education. The direct involvement of the local, state, and federal government is assuring free compulsory public education to all children reflect the perceived positive externalities of an education. The true social benefit of education may not necessarily be perceived by individual parents or students.

## A. Specific Variables Relevant to a Cost-Benefit Analysis

The gross economic cost of these programs can simply be stated as the \$362,323 allocated to the district by the state from the federal ECIA Chapter II allocation for 1982-83.

However to develop a more comprehensive assessment of social costs and benefits of these programs we need to consider additional factors. We will list some costs and benefits for individual programs that are in addition to this program's general benefits to society of education. These general benefits are:

- a. Better trained worker - productivity: flexibility
- b. Reduced crime-tax savings for prison care
- c. Greater % grads-lower training needs to industry
- d. AFDC---Reduced taxes for welfare
- e. Reduced inequality---Increased political stability
- f. Reduction of illiteracy---Increase in democratic participation

Considerations relevant to an appraisal of the relative merit of one program over another could be made with the following cost benefit items. It should be remembered that a full cost benefit analysis would ultimately end up with a net cost per program, per student, or some other similar unit of benefit relative to cost. The following break-down, then only suggests some of the pertinent benefits, and some of the most obvious costs.

<u>PROGRAM TITLE</u>	<u>SOCIAL COSTS</u>	<u>SOCIAL BENEFITS</u>
Multicultural Education	<ul style="list-style-type: none"> <li>-Use of teacher Inservice time for this topic</li> <li>-Materials and supplies</li> <li>-Curriculum modification time spent by teachers</li> <li>-Attention time of board members, superintendent,</li> </ul>	<ul style="list-style-type: none"> <li>-Better relations between students of different ethnic groups.</li> <li>-Improved self concept of students.</li> <li>-Future racial tensions reduced.</li> <li>-Teachers become more aware of prejudice and become better teachers.</li> <li>-Better attitudes.</li> </ul>
Consumer Economics	<ul style="list-style-type: none"> <li>-Time taken from basics</li> <li>-Cost of training &amp; Mtrls.</li> </ul>	<ul style="list-style-type: none"> <li>-Low income wage earners or AFDC clients use scare resource better.</li> <li>-Understanding of economics leads to more rational view of prices,</li> </ul>
Elementary Reading	<ul style="list-style-type: none"> <li>-Cost of materials which have been used for other subject areas, other schools</li> <li>-Time that could have been devoted to mathematics,</li> </ul>	<ul style="list-style-type: none"> <li>-High need students get benefits of better trained teachers</li> </ul>
Magnet Programs	<ul style="list-style-type: none"> <li>-Cost of staff that could have taught basic skills of Math &amp; English Reading</li> <li>-Administrative planning time that could have been devoted to another social need such as health, welfare, pre-school.</li> </ul>	<ul style="list-style-type: none"> <li>-Reduction of segregation of school system may improve chances of students to learn.</li> <li>-Reduced alternation between black/white parents, more productive citizens.</li> </ul>
Instructional Equipment	<ul style="list-style-type: none"> <li>-Loss of traditional supplies</li> <li>-Supplies for library</li> <li>-Future computer demand</li> </ul>	<ul style="list-style-type: none"> <li>-Better instruction</li> <li>-Increased student motivation</li> </ul>

PROGRAM TITLESOCIAL COSTSSOCIAL BENEFITS

Community  
Liaison  
Program

-Staff that could have been working in the private production of goods and services.

-Improve the attitude of students toward school

-Parents are more knowledgeable in supporting the education of their children.

Gifted  
Middle  
School

-Efforts of staff that could have been used at some other program.

-Development of readers for society in business and other fields.

-Opportunity to serve students of low academic levels, normal achievement

-Desegregation efforts aided lessens future racial tensions.

Middle School  
Language  
Magnet

-Spanish language instruction

-Better college SAT scores of students

-Other Subjects

-Efforts at elementary and secondary schools.

-Awareness of other nations business acumen

-Other private industry employment

Adjustments must be made to include spillovers of positive social benefits, beyond the direct benefit to the individual student's future earning. Accordingly, "In evaluating any project, the economist may effectively correct a number of market prices, and also, attribute prices to unpriced gains and losses that it is expected to generate." The use of shadow prices for the salaries of teachers is also necessary to adjust for the opportunity cost of professionals in other fields. It is estimated that teachers earn about 20% less than professionals in business. Some adjustment is also necessary because of the future shortage of public school teachers and administrators.

## **B. Program Evaluation: A Framework for Benefit Analysis**

In this section we will attempt to discuss some of the most common measures of the benefits of educational programs available to program directors or evaluators. Although program evaluation is quite common, it should be noted that the type of evaluation may vary for as much as a one million dollar three year study, to the simply survey of teachers and parents to find out if they "liked the program: very much; somewhat; not at all."

### PROGRAM EVALUATION DATA: PROGRAM VS STUDENT SUCCESS

One aspect of educational services that lends itself to analysis of net benefits is the degree to which the goals of the program are achieved. This sort of evaluation is generally expressed in terms of process and product effectiveness. Process evaluation, sometimes referred to as formative evaluation, concerns itself with the way in which a program carries out its activities. Product evaluation, also called a summative evaluation, seeks to determine to what extent progress of the students has been achieved. This is usually expressed in terms of the achievement of specific learning objectives. A test is usually the instrument of measure. Both objective reference and norm reference criteria can be used. The benefits of a given program can accordingly be a function of the percent of objectives taught that a student (or a group average) actually masters during a specified period, say an academic year. Similarly, if norm referenced tests are used (a naturally normed Reading test like the Iowa Test of Basic Skill) the progress or learning that takes place near a project period can be ex-



pressed in terms of percentile averages or grade equivalent units of gain. However, a control or comparison group must be used to determine if the gains can be attributed to the program treatment under similar conditions. An alternative is to measure a rate of gain in normal curve equivalent (NCE) units. This then allows a comparison to the nationally average rate of gain (ROG).

Clearly then the benefit of one program may be greater than another if the students show greater gains in academic achievement over the same period of time. Indeed such data driven evaluations are used in the educational research data, and in certain sophisticated program evaluations such as those required by the JDRP or Joint Dissemination Review Panel. This is a national group of experts that judge the claims of effectiveness based on the validity and reliability of the data collected over a three year period. Programs who pass this rigid test are certified as being nationally validated exemplary programs. Besides this stamp of approval, funds are sometimes available to enable the model program to develop materials and provide technical assistance to districts which try to replicate the program. Minimal staff and material requirements are usually stipulated, and also the average cost per student is given. For example a program that seeks to teach mathematics to second graders may state that "given an investment of six months planning, three months of training for a teacher and two volunteer aides, an average of 1.6 years of growth can be expected in one academic year. Usual cost for training and materials for one year will be about \$200/student or \$6,000 for a class of 30 students.

Theoretically this approach lends itself to a precise and scientific cost-benefits analysis. However in most circumstances this sort of data is not determined. Furthermore some experts disagree with the idea that any

program can be replicated at all. Reasons for this include:

1. The fact that the student population of the replication site may not be comparable.
2. The amount of funding for education in general varies substantially from district to district.
3. The economic and educational background of the student's parents is a variable of great importance which cannot be controlled.
4. The success of a program is usually attributed to the skill or carisma of a specific innovated individual who cannot be replicated.

In general terms educators seem to agree on what constitutes successful programs in terms of process and product data. However it seems very difficult, expensive, and controversial to objectively measure the dependent variable in a given program. Moreover, it seems even more impossible to compare claims of effectiveness because of the multiplicity of variables and the inability of a researcher or evaluator to control those variables.

### **C. Costs of Education: A Reconsideration**

Some sense of what direct and indirect, tangible and intangible, costs are associated with Flint's 1983 ECIA Chapter II Programs has been suggested in the analysis done in this paper. However, further considerations are relevant to anyone who needs to develop a model by which a full cost benefit analysis could ultimately be done.

First it must be noted that the vast majority of funding for education is covered by the tax payers, and supports the salaries of teachers, custodians, bus drivers, food service employees, and administrators. When a funding crisis exists--as when millage election fails to pass--administrators are forced to consider the effects of future budget reductions. Some would argue that an implicit cost-benefit analysis is done to prioritize programs

in ranking order and then proceed to eliminate those programs that are of lowest priority.

A similar process may be expected when the funding from the State of Michigan or from the U.S. Department of Education is reduced. In other words, given the inevitability of funding loss through the implementation of the ECIA Chapter II Block grant program in 1982, one might expect administrators to:

1. Calculate the costs and benefits of each program funded by pre-block grant funds
2. Compare the relative cost-benefit ratios of these programs
3. Establish a priority list by which to choose the most expendible programs.

However, based on interviews with informed Flint School District Administrative officials, it does not appear that such an analysis was done. And there is no mention of such a process in the narrative of the State of Michigan Chapter II block grant application for Flint in 1983.

Interviews were done with the key administrators including the superintendent, Deputy Superintendent, Chapter II Grant Administrator, Executive Director of Public Affairs (responsible for state and federal program relations), and the administrator of grants coordination. The lay questions were: Did Chapter I regulations result in substantial relief from external control? Were Costs and benefits used to determine allocation of Chapter II grant funds or was some other process used?

Those interviewed agreed that at no point was any systematic cost-benefit study undertaken for any of the programs affected by the ECIA Chapter II program. Again all agreed that regulations had been relaxed giving greater flexibility to the district to address whatever priorities were identified. Finally, most respondents conclusively stated no

decision-making process was established in the wake of increased flexibility and decreased funding.

Again, I should emphasize that further research is needed to determine the process of decision-making in Flint, and the consequences of the decisions for antecedent programs. However at this stage of investigation, it appears that three factors figured into the final disposition of Chapter II funds. These are:

1. District priorities at the time of the funding request;
2. The ability of program staff and of benefiting parents to successfully lobby in favor of their program;
3. The personal preferences of key administrators regarding the importance of a given program to the overall stability of the district, and to the members of the board of education.

The cost-benefit ratio of the programs involved was less important than more pragmatic factors like the retirement, transfer, or promotion of one of the staff members of a project. I observed in one case expediency resulted in the elimination of a program whose director left the district. Similarly the bilingual program needed funds urgently at the time that decisions were made, and because legal commitments and contractual obligations to staff personnel were involved, it was again expedient to use Chapter II funds to meet the crisis.

In conclusion it can be stated that cost effectiveness is not impossible to determine, although it would be expensive and difficult. It is also safe to conclude that such analysis is not part of the day to day administration of programs. It is not done at the program level, nor at the district superintendent level nor at the board of education level. Without further study it is however not possible to determine to what degree cost-benefit analysis of education programs is done if at all.

**Part VI: Final Observations: Chapter 2 and the Funding Crisis**

The Flint school district is in a very difficult economic situation. The loss of funds for the chapter two program seems to have been absorbed by the local support of well established programs. A similar loss of funds has occurred in all federal programs. However, it must be noted that federal funds constitutes only a small position of the overall revenue for public education in Flint. (See chart below).

**Flint School District's General Fund Revenue**

	FYE 85	FYE 84	FYE 83
Local Sources	49.73%	51.58%	54.65%
State Sources	40.35%	37.64%	32.37%
Federal Sources	7.26%	7.22%	8.71%
Incoming Transfers	<u>2.66%</u>	<u>3.56%</u>	<u>4.27%</u>
	100.00%	100.00%	100.00%

The funds received from the state of Michigan has increased in relation to local property tax revenues, and actually offsets the loss of federal funds.

This trend may continue and the outlook is not positive. The decreased number of students enrolled in the Flint school district (see Appendices C, D, and E) means a loss of now even more important state funds (at the rate of almost \$3500 per student). The phenomenon of declining enrollment is economically troublesome because there is no mechanism available to the Board of Education to reduce expenditures in proportion to decreased student enrollment. In addition we must consider the possibility that increases in unemployment (see Appendix F) will ultimately lead to further declines in enrollment, and certain erosion of the property tax base in the city of Flint.

The phase-out of Mott foundation funds over the past ten years (see Appendix F) has also meant some belt tightening for the district. It is beyond the scope of this project to study the impact of this loss of funding. Surely a reduction in "community education" activities outside the regular instructional program will result. Perhaps some benefits will continue by virtue of the research and development experience enjoyed by the district for over a decade. Nevertheless we cannot underestimate the loss in efforts to enrich the lives of school children with cultural and recreational activities that for many lay beyond their means. The result if not in narrow academic terms is obvious in the deterioration of the quality of life in the community of Flint.

Public education is essential to preserving democracy in the United States. Recent efforts to reduce the role of the federal government in local education has meant more to districts like Flint than to more middle-class districts. That is because many of the programs for which Flint had competed were aimed at addressing the problems chronically afflicting large cities where predominantly black or other minority working class people reside. To be sure, some people have supported the Republican administrations position that we need fiscal restraint and reduced government interference. However one might ask if these are not the same who react to the announcement of the lay-offs of 14,000 workers by General Motors as "Good business".

In the process of investigating the use of Chapter 2 Block Grant funds in Flint we have also studied the overall funding picture. We have seen that the economic context in which decisions are now being made as one of austerity. Declining enrollment and white flight (see Appendix E) is increasing the problems of the students home environment while at the same

time reducing the funds available to prevent further damage. Insofar as the Chapter 2 program is concerned, we have seen that there was a reduction of funding of about a million dollars initially in 1982. According to administration officials there has been a reduction of regulatory constraints as well. But in general there has been very little change in the direction of the programs which are funded by these dollars between 1982 and 1986. For the most part the funds are used to support small and relatively successful innovations which support the regular education programs of the district. The reduced level of funding has resulted a smaller scope of activities serving fewer students.

Because funding was used to continue many of the same programs, a net decrease in the number of new program directions must be assumed. It may be that times of retrenchment are not the best of times for creative efforts in education.

A salient finding of this inquiry is that there is no systematic process in place with which the Flint Board of Education responds to a loss of revenues. At another level we have revealed a painful but inevitable crisis directly related to structural unemployment in the automobile industry.

From the perspective of an educator continued reductions in funding means even fewer tools to protect the fragile but precious minds in the schools. The ultimate victims of what some cynically refer to as "urban decay" are the children in today's society. This is tragic because we cannot afford to perpetuate an underclass of uneducated people that will no longer be absorbed by the factories and fields of our nation.

## Summary

In the following section we will list key questions and the findings discussed throughout the paper.

### **1. How does a school district make decisions regarding instructional program services when faced with a loss of external funds?**

Given a case study of the Flint School District's response to the implementation of the Chapter 2 block grant, at reduced level of funding, we found that:

a. No clear objective method is used to determine what programs will receive funding.

b. Services in place at the time of the funding reduction were reduced but not eliminated in total.

### **2. What process was followed in responding to funding losses from three sources identified for this study (Federal, Mott Foundation, and State)?**

State funds were reduced because the enrollment of students decreased. A general unavailability of funds for increasing services or continuing services previously funded by other sources limited the responses to across the board reductions in Chapter 2 category programs as well as community education programs previously under Mott Foundation funds.

### **3. Were services funded by external funds eliminated for loss of funds?**

Generally, no. Reductions in the scope of operations was a far more likely response.

### **4. What types of services were typically placed on local funds?**

The salaries of key personnel have been placed on local funds even when the scope of operations is reduced. Training, travel and materials are not usually funded locally.

### **5. What types of programs were involved in funding reductions?**

A list of affected programs and an analysis of the costs and benefits is provided on pages 21 to 29.

### **6. What determined which services were eliminated?**

As indicated previously in answer to questions 3 and 4, no systematic process was evident. At this time we can conclude that personal criteria known to key decision makers on the Superintendents cabinet and individual board members may provide another perspective.



**7. What was the impact of this program (Chapter 2) within the context of funding for the overall district?**

Chapter 2 funds constitute an insignificant portion of the total funds used by the Flint School District. However, the very nature of these funds is that they are discretionary and allow for experimentation. In that sense they become more important. The reduction of funds has not changed the districts need for experimentation. In fact, due to the loss of Mott Foundation funds, Chapter 2 continues to provide an essential source of funding for programs that answer emerging needs with innovative approaches.

**8. Why was the program adopted?**

Chapter 2 was one of a proposed massive education block grant proposal. The administration proclaimed decentralization, deregulation, and fiscal restraint as the main justifications.

**9. What does the legislation actually say?**

The block grant program provides funds with very little if any strict guidelines and limitations. The State of Michigan has provided a similar flexibility in its regulations (See Appendix A).

**10. Who were the important actors in the political process of adopting this program?**

The Reagan administration led by Terrell Bell, and the congress led by Senator Edward Kennedy.

**11. What have been the results of the transfer from categorical to block grant funding in Michigan?**

In Michigan the pattern followed national trends. In Flint our case study showed the same results, namely a loss of funds for desegregation and a reduction of modest degree in other programs. On the other hand, some smaller districts and private schools experienced an increase in funds.

**12. Which districts benefited from ECIA block grants, and which did not?**

Large urban district were the losers, whereas smaller districts and private schools gained from the new legislation.

**13. What are the prospects for future block grants? What problems may we anticipate?**

The momentum of the Reagan administration's proposals has lost force. There is little likelihood of any further expansion of this sort of funding for education categorical programs.

The flexibility of block grants is well received by local districts. But the loss of total funds and the lack of attention to equity issues has led to widespread opposition to current administration policies and programs.

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**GENERAL MOTORS EMPLOYMENT AND LAY-OFF  
ESTIMATES, NOVEMBER, 1986**

<b>Division</b>	<b>Plant</b>	<b>Address</b>	<b>Number of Employees</b>	<b>Projected Lay-offs</b>	<b>Date</b>
A.C. Spark Plug	A.C. Spark Plug	1300 N. Dort Hwy.	12,000		
B-O-C	Body Assembly	4300 S. Saginaw	3,300	3,300	12-87
	Buick City	902 E. Hamilton	14,740	1,300*	11-86
	Metal Fabricating	10800 S. Saginaw	3,450		
C-P-C	Engine Plant	G-3248 Vanslyke	5,100	500	12-86
Fisher Guide	Coldwater Rd. Plant	1245 E. Coldwater	1,850		
	Flint Manufacturing	300 N. Chevrolet	4,300		
Truck & Bus	Assembly Plant	G-3100 Vanslyke	8,200	3,500	8-87
	Metal Fabricating	G-2238 Bristol	4,100		
Warehouse/Dist.	Warehouse/Dist.	6060 Miller Rd.	2,656		
<b>Totals</b>			<b>59,696</b>	<b>8,600</b>	

\*indefinite layoff

Source: Research Services, Flint Community Schools.

APPENDIX B:

**Civilian Labor Force  
Employment and Unemployment Estimates  
September, 1986**

<b>Area</b>	<b>Civilian Labor Force</b>	<b>Total Employment</b>	<b>Total Unemployment</b>	<b>Unemployment Rate</b>
Ann Arbor	150,000	143,200	6,900	4.6%
Battle Creek	63,200	57,900	5,300	8.4
Benton Harbor	73,400	67,300	6,100	8.4
Detroit	2,116,000	1,948,000	168,000	8.0
<b>Flint</b>	<b>198,400</b>	<b>174,600</b>	<b>23,700</b>	<b>12.0</b>
Grand Rapids	330,300	306,800	23,500	7.1
Jackson	61,600	56,600	5,000	8.1
Kalamazoo	110,200	103,600	6,600	6.0
Lansing	225,300	210,300	15,100	6.7
Muskegon	67,300	60,600	6,600	9.9
Sag-Bay-Mid.	179,500	162,800	16,700	9.3
Upper Peninsula	130,100	116,800	13,300	10.2
<b>Michigan</b>	<b>4,348,000</b>	<b>3,989,000</b>	<b>359,000</b>	<b>8.3%</b>

Source: Michigan Employment Security Commission

APPENDIX C: PRELIMINARY FIVE YEAR ENROLLMENT PROJECTION  
FLINT COMMUNITY SCHOOLS

Grade	1986 Actual	Factor	1987		1988		1989		1990		1991	
			Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected		
K	2,781	--	2,569	2,418	2,405	2,471	2,471	2,471	2,471	2,471	2,471	2,471
1	2,777	.966	2,686	2,481	2,335	2,323	2,323	2,323	2,323	2,323	2,323	2,386
2	2,547	.906	2,515	2,433	2,247	2,115	2,115	2,115	2,115	2,115	2,104	2,104
3	2,239	.944	2,404	2,535	2,296	2,121	2,121	2,121	2,121	2,121	1,996	1,996
4	2,130	.958	2,144	2,303	2,428	2,199	2,199	2,199	2,199	2,199	2,031	2,031
5	2,061	.948	2,019	2,032	2,183	2,301	2,301	2,301	2,301	2,301	2,084	2,084
6	2,001	.931	1,918	1,879	1,891	2,032	2,032	2,032	2,032	2,032	2,142	2,142
7	2,413	1.146	2,293	2,198	2,153	2,167	2,167	2,167	2,167	2,167	2,328	2,328
8	2,277	.915	2,207	2,098	2,011	1,969	1,969	1,969	1,969	1,969	1,982	1,982
9	2,369	.989	2,251	2,182	2,074	1,988	1,988	1,988	1,988	1,988	1,947	1,947
10	2,245	.944	2,236	2,124	2,059	1,957	1,957	1,957	1,957	1,957	1,876	1,876
11	1,892	.813	1,825	1,817	1,726	1,673	1,673	1,673	1,673	1,673	1,591	1,591
12	1,444	.802	1,517	1,463	1,457	1,384	1,384	1,384	1,384	1,384	1,341	1,341
Spec.	1,037	1.000	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037	1,037
Totals	30,213		29,621	29,000	28,302	27,737	27,737	27,737	27,737	27,737	27,316	27,316
Net Change			(592)	(621)	(698)	(565)	(565)	(565)	(565)	(565)	(421)	(2,897)

APPENDIX D: PRELIMINARY FIVE YEAR ENROLLMENT PROJECTION BY GRADE LEVEL  
FLINT COMMUNITY SCHOOLS

Division	Actual	Change	1987		1988		1989		1990		1991	
			Net	Change	Net	Change	Net	Change	Net	Change	Net	Change
K	2,781	-10	2,569	-212	2,418	-151	2,405	-13	2,471	+66	2,471	0
1-6	13,755	+47	13,686	-69	13,663	-23	13,380	-283	13,091	-289	12,743	-348
7-8	4,690	-256	4,500	-190	4,296	-204	4,164	-132	4,136	-28	4,310	+174
9-12	7,950	-181	7,829	-121	7,586	-243	7,316	-270	7,002	-314	6,755	-247
Spec.	1,037	-5	1,037	0	1,037	0	1,037	0	1,037	0	1,037	0
Total	30,213	-405	29,621	-592	29,000	-621	28,302	-698	27,737	-565	27,316	-421

APPENDIX F  
1981 REVISED GRANDFATHER SCHEDULE  
MOTT PROGRAM GRANTS TO BE GRANDFATHERED

PROGRAMS	1977-78 GRANT	1978-79 10%	1979-80 10%	1980-81 10%	1981-82 10%	1982-83 10%	1983-84 10%	1984-85 10%	1985-86 10%	1986-87 10%
Adult Special Education	6,084	5,476	4,868	4,260	3,652	3,044*	2,436*	1,828*	1,220*	612*
Art & Crafts	118,706	106,835	94,964	83,093	71,222	59,351	47,480	35,609	23,738	11,867
Business Education	75,559	68,003	60,447	52,891	45,335	37,779	30,223	22,667	15,111	7,555
Career Planning	123,060	110,754	98,448	86,142	73,836	61,530	49,224	36,918	24,612	12,306
Community Service Occupations	42,017	37,815	33,613	29,411	25,209	21,007	16,805	12,603	8,401	4,199
Consumer & Home Economics	147,225	132,503	117,781	103,059	88,337	73,615	58,893	44,171	29,449	14,727
Continuation School for Girls	97,172	77,738	58,304	38,870	19,436	-0-	-0-	-0-	-0-	-0-
Early Childhood Education	126,689	114,020	101,351	88,682	76,013	63,344	50,675	38,006	25,337	12,668
Elementary Community Education	442,574	398,317	354,060	309,803	265,546	221,289	177,032	132,775	88,518	44,261
Foreign Languages	6,079	5,471	4,863	4,255	3,647	3,039	2,431	1,823	1,215	607
Home-School Counselors	320,973	288,876	256,779	224,682	192,585	160,488	128,391	96,294	64,197	32,100
Humanities & Language Arts	19,970	17,973	15,976	13,979	11,982	9,985	7,988	5,991	3,994	1,997
Industrial-Technical	49,482	44,534	39,586	34,638	29,690	24,742	19,794	14,846	9,898	4,950
Leadership & Inservice	60,000	54,000	48,000	42,000	36,000	30,000	24,000	18,000	12,000	6,000
Mathematics	9,854	8,869	7,884	6,899	5,914	4,929	3,944	2,959	1,974	989
Mott Farm	70,603	63,543	56,483	49,423	42,363	35,303	28,243	21,183	14,123	7,063
Music Enrichment	39,726	35,753	31,780	27,807	23,834	19,861	15,888	11,915	7,942	3,969
Police-School Cadets	41,882	37,694	33,506	29,318	25,130	20,942	16,754	12,566	8,378	4,190
Recreation & Sports	477,404	429,664	381,924	334,184	286,444	238,704	190,964	143,224	95,484	47,744
Science Enrichment	9,808	8,827	7,846	6,865	5,884	4,903	3,922	2,941	1,960	979
Secondary Community Education	269,900	242,910	215,920	188,930	161,940	134,950	107,960	80,970	53,980	26,990
Senior Citizens	73,346	66,011	58,676	51,341	44,006	36,671	29,336	22,001	14,666	7,331
Speech & Drama	86,454	77,809	69,164	60,519	51,874	43,229	34,584	25,939	17,294	8,649
Stepping Stones	45,052	40,547	36,042	31,537	27,032	22,527	18,022	13,517	9,012	4,507
Youth Projects	173,450	156,105	138,760	121,415	104,070	86,725	69,380	52,035	34,690	17,345
TOTAL	2,933,069	2,630,047	2,327,025	2,024,003	1,720,981	1,417,957	1,134,369	850,781	567,193	283,605

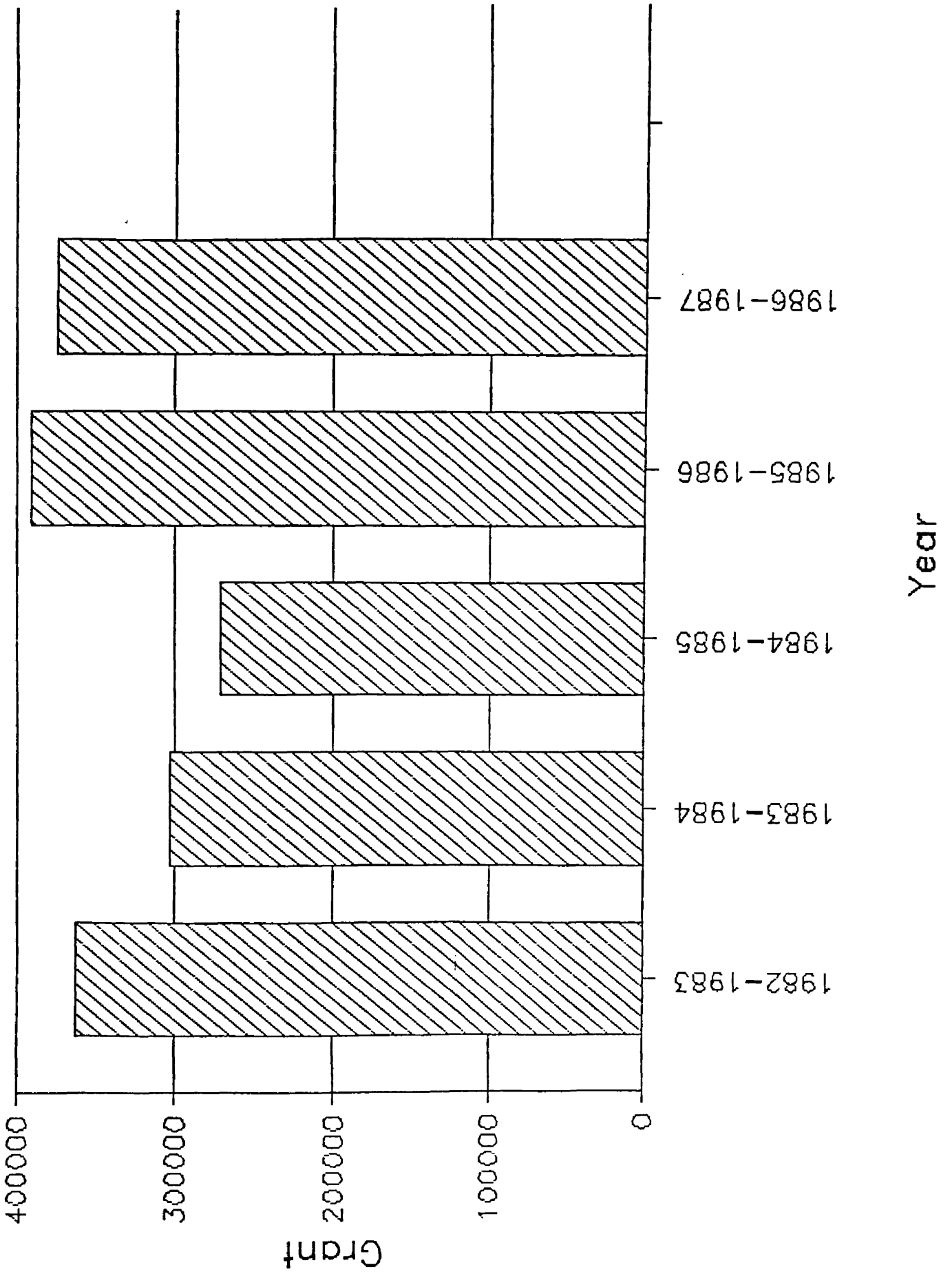
\*AVAILABLE FOR TRANSFERS

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APPENDIX G  
ECIA CHAPTER 2 BLOCK GRANT REPORT

Program	1982-1983	1983-1984	1984-1985	1985-1986	1986-1987	TOTALS
Desegregation (Elem. Magnet)	152,118	124,000	91,182	83,775	115,000	566,075
Multicultural	10,000		3,253	4,300	2,000	19,553
Consumer Ed	3,000	1,000				4,000
Elem. Reading	12,500	10,000	12,500	6,000		41,000
Community Ed - Liaisons	84,038	96,762	102,402	62,858	22,455	368,515
Gifted & Talented	29,184	23,308				52,492
I.M.C.	41,740	30,000	15,000	22,000	20,000	128,740
Foreign Language Magnet	29,743	18,000	18,500	17,761	19,185	103,189
Bilingual Mainstreaming			22,243	23,885	25,184	71,312
Computer Managed Instruction			6,000	19,200	14,934	40,134
Dial-a-Teacher				58,270		58,270
Effective Schools				50,072	21,995	72,067
Dropout Prevention				118,435		118,435
Instructional Equipment Chem.				10,000	10,020	20,020
Middle School Computers				27,454		27,454
Pre-engineering				5,000	5,000	10,000
TOTALS	362,323	303,070	271,080	390,575	374,208	1,701,256
			<u>CARRYOVER</u>			
Desegregation			15,000	15,000		30,000
Dial -a-Teacher					53,000	53,000
Computer Managed Instruction		30,000				30,000
Multicultural		4,000				4,000

# ECIA CHAPTER 2 BLOCK GRANT





APPENDIX H  
AUTHORIZED PROGRAMS AND PROJECTS

Each LEA shall have complete discretion in determining how funds they receive will be divided among the purposes of Chapter 2. The funds are authorized to be encumbered in three areas, Subchapters A, B, and C, described below.

A. Subchapter A -- Basic Skills Development

Section 571 of P.L. 97-35 authorizes LEAs to develop and implement a comprehensive and coordinated program to improve instruction in the basic skills of reading, mathematics, and written and oral communication, as formerly authorized by ESEA Title II. THE PROGRAMS SHALL INCLUDE:

- (1) diagnostic assessment to identify the needs of all children in the school;
- 2) the establishment of learning goals and objectives for children and for the school;
- (3) pre-service and in-service training and development programs for teachers, administrators, teacher aides and other support personnel;
- (4) activities designed to enlist the support and participation of parents to aid in the instruction of their children; and
- (5) procedures for testing students and for evaluation of the effectiveness of programs for maintaining a continuity of effort for individual children.

The programs may include such areawide or districtwide activities as learning centers accessible to students and parents, demonstration and training programs for parents, and other activities designed to promote more effective instruction in the basic skills.

B. Subchapter B -- Educational Improvement and Support Services

Section 576 of P.L. 97-35 authorizes LEAs to use Federal funds (directly and through grants to or contracts with educational agencies, local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions) to carry out selected activities from among the full range of programs and projects formerly authorized under:

- (1) title IV, V, and VI of the Elementary and Secondary Education Act of 1965;
- (2) section 3(a)(1) of the National Science Foundation Act relating to pre-college science teacher training (separate in FY 1982, consolidated in FY 1983); and
- (3) part A and section 532 of title V of the Higher Education Act of 1965.

PROGRAMS AND PROJECTS AUTHORIZED UNDER SUBCHAPTER B INCLUDE:

- (1) Instructional Materials and Equipment (which take into account the needs of children in both public and private schools based upon periodic consultation with teachers, librarians, media specialists, and private school officials):
  - a) the acquisition and utilization of school library resources, textbooks and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools which shall be used for instructional purposes only, and

- b) the acquisition and utilization of instructional equipment and materials suitable for use in providing education in academic subjects for use by children and teachers in elementary and secondary schools which shall be used for instructional purposes only;
- (2) Educational Improvement: the development of programs designed to improve local educational practices in elementary and secondary schools and particularly activities designed to address educational problems such as the education of children with special needs (educationally deprived children, gifted and talented children, including children in private schools);
- (3) Minority Group Isolation: programs designed to assist local educational agencies to more effectively address educational problems caused by the isolation or concentration of minority group children in certain schools if such assistance is not conditioned upon any requirement that a local educational agency which assigns students to schools on the basis of geographic attendance areas adopt any other method of student assignment, and that such assistance is not made available for the transportation of students or teachers or for the acquisition of equipment for such transportation;
- (4) Guidance, Counseling and Testing: comprehensive guidance, counseling, and testing programs in elementary and secondary schools and State and local support services necessary for the effective implementation and evaluation of such programs (including those designed to help prepare students for employment);
- (5) School Management: programs and projects to improve the planning, management and implementation of educational programs, including fiscal management, by both State and local education agencies, and the cooperation of such agencies with other public agencies;
- (6) Staff Development and Teacher Training: programs and projects to assist in teacher training and in-service staff development, particularly to better prepare both new and in-service personnel to deal with contemporary teaching and learning requirements and to provide assistance in the teaching and learning of educationally deprived students; and
- (7) Desegregation: programs and projects to assist local educational agencies to meet the needs of children in schools undergoing desegregation and to assist such agencies to develop and implement plans for desegregation in the schools of such agencies.

C. Subchapter C -- Special Projects

Section 581 of P.L. 97-35 authorizes LEAs to use Federal funds (directly and through grants to or contracts with educational agencies; local educational agencies, institutions of higher education, and other public and private agencies, organizations, and institutions) to carry out selected activities from among the full range of programs and projects formerly authorized under: (1) title III, VIII and IX (except part C) of the Elementary and Secondary Education Act of 1965; (2) the Career Education Incentive Act; (3) part B of Title V of the Economic Opportunity Act of 1964; (4) title IV of the Civil Rights Act of 1964; and (5) the Education Consolidation and Improvement Act of 1981, as amended.

PROGRAMS AND PROJECTS AUTHORIZED UNDER SUBCHAPTER C INCLUDE;

- (1) Metric Education: preparation of students to use metric weights and measurements when such use is needed;
- (2) Arts in Education: emphasis on the arts as an integral part of the curriculum;
- (3) In school Partnership: programs in which the parents of school age children participate to enhance the education and personal development of children (previously authorized by part B of the Headstart-Follow Through Act);
- (4) Pre-school Partnership: programs in which the schools work with parents of preschool children in cooperation with programs funded under the Headstart-Follow Through Act;
- (5) Consumer Education: programs to provide consumer education to the public;
- (6) Youth Employment: preparation for employment, the relationship between basic academic skill development and work experience, and coordination with youth employment programs.
- (7) Law-Related Education: education about legal institutions and the American system of law and its underlying principles;
- (8) Environmental Education: programs to educate the public on the problems of environmental quality and ecological balance;
- (9) Health Education: programs to prepare students to maintain their physical health and well being;
- (10) Correction Education: academic and vocational education of juvenile delinquents, youth offenders, and adult criminal offenders;
- (11) Population Education: studies on population and the effects of population changes;
- (12) Biomedical Education: programs to introduce disadvantaged secondary school students to the possibilities of careers in the biomedical and medical sciences, and to encourage, motivate, and assist them in the pursuit of such careers;
- (13) Career Education: previously authorized by the Career Education Incentive Act;
- (14) Community Schools: the use of public education facilities as community centers operated by an LEA in conjunction with other local governmental agencies and community organizations and groups to provide educational, recreational, health care, cultural, and other related community and human services for the community served in accordance with the needs, interests, and concerns of the community and the agreement and conditions of the governing board of the LEA;

- (15) Gifted and Talented Children: special programs to identify, encourage, and meet the special educational needs of children who give evidence of high performance capability in areas such as intellectual, creative, artistic, leadership capacity, or specific academic fields, and who require services or activities not ordinarily provided by the school in order to fully develop such capabilities;
- (16) Educational Proficiency Standards: establishment of educational proficiency standards for reading, writing, mathematics, or other subjects, the administration of examinations to measure the proficiency of students, and implementation of programs (coordinated with those under Subchapter A - Basic Skill Development) designed to assist students in achieving levels of proficiency compatible with established standards;
- (17) Safe Schools: programs designed to promote safety in the schools and to reduce the incidence of crime and vandalism in the school environment;
- (18) Ethnic Heritage Studies: planning, developing, and implementing ethnic heritage studies programs to provide all persons with an opportunity to learn about and appreciate the unique contributions to the American national heritage made by the various ethnic groups, and to enable students to better understand their own cultural heritage as well as the cultural heritage of others; and
- (19) Desegregation Training and Advisory Services: programs involving training and advisory services under title IV of the Civil Rights Act of 1964;
- (20) Follow Through: programs designed to provide comprehensive service for children from low-income families in kindergarten and primary grades who were previously enrolled in Headstart or similar programs and to provide for parental participation in the development, conduct and overall direction of the program.
- (21) Citizens in Education: programs to teach the principles of citizenship at all levels of the elementary and secondary education program.