



Highlights of [GAO-03-691](#), a report to Congressional Requesters

## Why GAO Did This Study

The No Child Left Behind Act of 2001 (NCLBA) has focused national attention on increasing accountability for states and school districts to improve student achievement. While increasing accountability, NCLBA also provided states and school districts with additional flexibility. The act established two flexibility demonstration programs—State-Flex and Local-Flex—which allow up to 7 states and 80 school districts to redirect up to 100 percent of certain NCLBA program funds.

GAO was asked to determine factors that affect states' and districts' decisions whether or not to apply for the demonstration programs and to determine the extent to which the U.S. Department of Education publicized, provided guidance, and established a process to review and award flexibility demonstration programs. To address these questions, GAO conducted a study, using telephone interviews with officials in 22 states and 37 school districts, and site visits to 2 of the four applicants.

## What GAO Recommends

GAO recommends that the U.S. Department of Education better target information to states and districts in the best position to apply for additional flexibility.

[www.gao.gov/cgi-bin/getrpt?GAO-03-691](http://www.gao.gov/cgi-bin/getrpt?GAO-03-691).

To view the full report, including the scope and methodology, click on the link above. For more information, contact Marnie S. Shaul (202)-512-7215 or [shaulm@gao.gov](mailto:shaulm@gao.gov).

# FLEXIBILITY DEMONSTRATION PROGRAMS

## Education Needs to Better Target Program Information

### What GAO Found

The one applicant for State-Flex and the three applicants for Local-Flex cited two main reasons why they applied—the commitment of leadership and the ability to develop goals and strategies to improve student achievement. In contrast, states did not apply primarily due to few perceived benefits, as well as conflicting deadlines with other NCLBA requirements, while school districts did not apply primarily due to a lack of awareness about the program. In particular, state officials said they were busy completing mandatory draft plans for measuring student achievement. Additionally, these state officials indicated that they needed student achievement data based on these plans in order to apply for State-Flex. Officials in other states said that less time-consuming options to transfer funds were preferable to State-Flex due to the time and effort required to complete the State-Flex application and develop agreements with school districts. Finally, most school district officials GAO spoke with did not apply for Local-Flex because they were not aware of the program.

Education publicized the flexibility demonstration programs in routine channels, such as the *Federal Register*, at conferences informing states and school districts about NCLBA, and in letters to nearly 200 of the largest districts. However, Education's communication strategy did not target those potential applicants in the best position to apply—states and districts that had developed goals and strategies to improve student achievement and narrow achievement gaps. Additionally, Education provided guidance on the application process and assisted interested applicants. However, the two applicants GAO visited said that more guidance was needed in some areas, such as how to demonstrate that funds would be used for allowable purposes. Finally, while Education has developed criteria and procedures for reviewing and awarding flexibility, it is too early to comment on its processes because it has not made awards under these two flexibility programs to any state or district.