

DAY ONE PROJECT

Reform Education's General
Administrative Regulations (EDGAR)
and Grants Administration Processes
to Strengthen State and Local Data,
Evaluation, and Evidence Capacity

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Summary

By strengthening state and local capacity to use data analytics, evaluation, and evidence in formula grant programs, the Department of Education (ED) could significantly increase the impact of its major investments in pre-K, K-12, and community college systems. Important changes could be made through coordinated regulatory and administrative actions that do not require congressional action, laying the groundwork for future congressional action to fill critical gaps.

Challenge and Opportunity

The Department of Education's main initiatives to strengthen the use of data, evaluation, and evidence have focused on a small number of competitive grant programs (e.g., Education Innovation and Research, State Longitudinal Data Systems) with funding totaling less than \$500 million annually. The vast majority of ED's annual funding to state and local governments is allocated by formula to programs supporting pre-K, K-12, and community college systems (totaling over \$39 billion). With the possible exception of a few recent ESSA provisions requiring states and localities to use evidence, ED lacks meaningful policies to strengthen state and local use of data, evidence and evaluation to improve the impact of formula grants.

States and localities face multiple impediments to using data and evidence to make decisions, including impediments that stem from ED policies and practices:

- Lack of strong financial incentives for states and localities to use formula funding for data, analytics, evaluation, and adoption of evidence-based approaches.
- Lack of clarity about ways that existing program funds may be used to build data, analytics and evaluation capacity.
- Confusion about how to share and analyze data while meeting FERPA privacy requirements.
- An overemphasis on reporting compliance measures rather than outcomes and evaluation findings that would help programs improve.

Many of these impediments could be addressed through ED regulatory and administrative reforms that do not require legislation. These reforms would help address systemic weaknesses and equity issues in state and local education systems that have been amplified by the COVID-19 pandemic.

Plan of Action

The Secretary should designate a senior ED policy official and an attorney to lead a task force to devise regulatory and administrative reforms that can strengthen state and local data, analytics, and evaluation capacity. To be developed through extensive consultation with state and local officials, these reforms would include:

- **Regulatory reforms:** ED should revise EDGAR provisions to:
 - **Require, as a condition of funding, that grantees use data and analytics** to answer key questions that can improve program effectiveness. This common-sense change to both formula and competitive grants is long overdue, since no organization or program can function effectively without using data to guide decisions.
 - **Clarify that grantees with formula and competitive grants may use program funds** (beyond those included in indirect costs) **to strengthen their data, analytics, and evaluation capacity.** This would include capacity to integrate and analyze education and non-education data to improve cross-program coordination that could lead to better student outcomes. This is consistent with GAO’s “necessary expense rule”, which clarifies that statutes need not specify all allowable uses of funds.
 - **Modify the “Strategy to Scale” selection criteria for competitive grants** to award extra points to projects designed to scale up evidence-based interventions that will leverage formula grant funding (e.g., Title I, CTE), or state and local funding, above the minimum required by statute (e.g., 10 percent for EIR). This change would (1) increase adoption of effective interventions that cannot reach scale using competitive grant funds alone; and (2) increase the share of ED formula funding that supports evidence-based strategies. (There is precedent for this model, which was previously used in HHS’ 2008 home visiting initiative.)
- **Streamlining data collections:** ED should continue to work with state and local grantees: (1) to eliminate unnecessary reporting that does not help grantees improve programs; and (2) to standardize data to improve its utility to users at all levels.
- **Technical assistance:** ED, in collaboration with non-federal partners, should provide proactive technical assistance to help state and local governments make effective use of increased investments in data, analytics, and evaluation, including: (1) additional guidance and examples on how individual level data can be shared and integrated with non-education data while meeting FERPA requirements; (2) case studies on how to answer key questions with data analytics and evaluation; (3) open-source technology solutions that can be deployed at the state and local level, including data-linkage platforms to link data across programs; (4) ways to build staff data and technology skills; (5) cost-allocation tools, vetted with auditors, for building shared data and analytics capacity with multiple funding streams; and (6) strategies to reduce bias and promote equity in data analytics.
- **Innovative Personnel Exchanges and Public Private Partnerships:** ED should employ the use IPAs, public-private partnerships, and other partnerships with relevant community organizations to engage state and local perspectives and non-government talent in implementing the action plan.
- **Assessment of state and local capacity:** With state and local partners, ED should conduct a thorough assessment of state and local capacity gaps that cannot be adequately

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addressed through the regulatory and administrative actions above. This assessment would inform potential legislative and appropriations proposals to Congress.

While the focus of this initiative would be on federally funded programs, the potential benefits would extend to activities funded at the state and local level. This ED initiative could be part of a White House-led strategy to strengthen state and local data and analytics capacity across a broad range of federally funded programs, particularly those serving vulnerable populations.

About the Author



Kathy Stack is an independent consultant helping government and non-profit organizations develop creative strategies for using data, evidence, and innovation to improve the impact of government social programs. Previously she spent over three decades in the federal government, including 27 years at the White House Office of Management and Budget. As OMB's Deputy Associate Director for Education, Income Maintenance and Labor from 2007 to 2013, she oversaw budget, policy, legislation, regulations, and management issues for the Departments of Education and Labor and major human services programs. From 2013 to 2015, she launched and led OMB's Evidence Team to strengthen federal agency capacity to use evidence, evaluation, data, and outcome-focused program designs to improve program effectiveness. After retiring from the federal government in 2015, Kathy served for several years as Vice President at the Laura and John Arnold Foundation where she helped federal, state, and local governments build capacity to use data and evidence to improve decision-making.



About the Day One Project

The Day One Project is dedicated to democratizing the policymaking process by working with new and expert voices across the science and technology community, helping to develop actionable policies that can improve the lives of all Americans, and readying them for Day One of a future presidential term. For more about the Day One Project, visit dayoneproject.org.