

May 28, 2004

VIA FACSIMILE AND FIRST CLASS MAIL

Raymond J. Simon
Assistant Secretary
Office of Elementary and Secondary Education
400 Maryland Avenue, S.W.
Washington, D.C. 20202

Dear Assistant Secretary Simon:

I am writing to obtain clarification on questions concerning incentives offered by supplemental educational service (SES) providers.

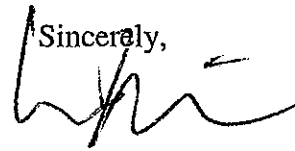
As many schools enter their second year of school improvement more students are eligible to receive supplemental educational services. Some SES providers are offering students incentives to choose their services over other providers. For example, an SES provider may offer parents a cash reward or other prize if they agree to send their children to that provider.

In light of this situation, your guidance on the following questions would be of immense assistance to SEAs and LEAs throughout the Nation:

1. May SES providers serving eligible students under Title I offer incentives to encourage parents to select the provider? Does it make a difference if the incentive is of nominal value?
 - a. What if the SES provider holds a raffle, i.e. all parents who select the provider will be eligible to win a television?
 - b. What if the provider offers an incentive at the end of the term? For example, all children who successfully complete the term receive a prize? What about a prize for perfect attendance? Does it make a difference if the prize is of nominal value?

2. May SEAs prohibit SES providers from offering incentives? For example, may an SEA make it a condition of being placed on the state's eligible provider list that the provider agrees not to offer incentives?
3. If the SEA does not prohibit SES providers from offering incentives, may an LEA?

I greatly appreciate your attention to these questions. As we enter the implementation phase of NCLB, it will be critical that States and districts are able to access responses to these crucial questions. Thank you in advance for your prompt assistance.

Sincerely,


Leigh M. Manasevit