

[AN APPRAISAL OF THE LANHAM ACT SCHOOL PROGRAM WITH
SPECIAL REFERENCE TO THE PROBLEM OF FEDERAL
CONTROL OVER PUBLIC EDUCATION]

By
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of the University of Maryland in partial
fulfillment of the requirements for the
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I

INTRODUCTION

CHAPTER I

INTRODUCTION

Decentralization of governmental control is a marked characteristic of public education in the United States. Whereas in many countries the control of schools is centralized in the national government, in the United States the schools are controlled in the main by the people in each state through popularly elected state and local officials. Thus in this country there are forty-eight independent state school systems.

The early American philosophy and practice of government which characterized colonial political action was largely responsible for this general plan of control. Political practices in the early days resulted from a combination of factors such as frontier conditions and reaction against intolerable governmental practices to which the founding fathers had been subjected. The operation of these factors resulted in the development of a design for government which was free from centralized power. Public schools, like other governmental agencies, felt the impact of this early political conception of decentralization.

As a result of this early action, the first schools

established in this country were under local control. The first colonies enacted legislation which endorsed the establishment of schools thus administered. Isolated frontier settlements established their own schools. The schools varied in different settlements and colonies, but all of them were operated under local authority.

The founding of the federal government brought no change in this general pattern of control. In fact, no mention of education was made in either the Articles of Confederation or in the Constitution of the United States. That the control of education was not considered to be within the purview of federal authority was affirmed in the ratification of the Tenth Amendment, which reserved to the states all powers not delegated to the federal government nor prohibited to the states. The main reasons for the failure of the federal government to make provisions for public education have been summarized by Reeder:

(a) The thirteen original colonies which joined hands to form the United States had begun colonial systems of education long before the adoption of the federal Constitution. Moreover, these colonial systems represented various educational traditions and beliefs which the several colonies were interested in maintaining, and which they were afraid they could not maintain under federal control of education.

(b) There were many urgent problems of the new federal government without undertaking those of education. Besides, because society was then less complex than today, education was less necessary; moreover, the home, the church, and other agencies were then much more potent factors in education than

today, and their efforts made a formal educational agency, such as the school, less necessary.

(c) Our forefathers were skeptical of making a central government too strong. They desired to maintain the proper balance of power between the federal government and the state governments. They preferred strong state government to a strong federal government. There was not much feeling of nationalism in those days.¹

The net result of this early action, coupled with subsequent events outside the scope of this investigation, has been the establishment of forty-eight separate state school systems with full recognition by the federal government of education as a state function.

¹ W. G. Reeder, The Fundamentals of Public School Administration (New York: The Macmillan Co., 1941), p. 46.

Statement of the Problem. During recent years the problem of increasing federal control of public education has assumed a position of major importance in educational discussions throughout the country. Congressional enactments made during the past decade have accentuated the significance of this problem, and have aroused considerable concern because they have seemed to mark a definite change in federal-state relationships in the sphere of education. Each enactment has been closely scrutinized by educators with the view of determining whether or not it would lead to federal control of the public school system.

Of major concern to many educators is the fact that the time-honored tradition of education as a function of the states apparently has been broken in some instances. This has been particularly so in connection with enactments made in the name of unemployment relief and promotion of vocational education. The educational programs operated under authority granted by these enactments have in some instances been completely controlled by the federal government. This extreme centralization of control over certain educational enterprises has aroused a storm of protest among educators.

In recognition of this problem the Educational Policies Commission stated in a publication issued in 1941:

When educational needs arise which affect the national welfare, cut across the bounds of states, and appear to be beyond the unaided powers of states

to meet, should the federal government operate and control educational programs intended to meet these needs? Or should the federal government undertake to meet these needs by working through the state-and-local educational systems, strengthening these established agencies, supplying leadership and financial aid, but not exercising control over the processes of education?²

In view of this issue and because of recently enacted federal legislation, there appears to be considerable justification for an intensive investigation into the problem of control involved in recent legislation affecting federal-state educational relationships. If the trends toward federal control of public education which developed along with enactments made in the name of unemployment relief are being implemented by new enactments, then this fact should be revealed. The general status of federal control involved in these new enactments needs to be known. In no other way will it be possible for educators to maintain the advantages of decentralized control of public education and to prevent the development of a system of centralization which might work to the detriment of the educative function in American democracy.

3

An amendment to the Lanham Act, approved June 28, 1941.

2

The Educational Policies Commission. The Civilian Conservation Corps, The National Youth Administration, and the Public Schools (Washington, D.C.: The Commission, 1941), p. 3.

3

U.S. 77th Congress (Chapter 260 - 1st Session), Public Law 137 (H.R. 4545). An Amendment of Public Law 849 (Washington, D.C.: Government Printing Office, 1941).

was designed to meet "educational needs which affect the national welfare, cut across the bounds of states, and appear to be beyond the unaided powers of states to meet." Two paragraphs from the law follow:

Sec. 201. It is hereby declared to be the policy of this title to provide means by which public works may be acquired, maintained, and operated in the areas described in section 202. As used in this title, the term "public work" means any facility necessary for carrying on community life substantially expanded by the national-defense program, but the activities authorized under this title shall be devoted primarily to schools, waterworks, sewers, sewage, garbage and refuse disposal facilities, public sanitary facilities, works for the treatment and purification of water, hospitals and other places for the care of the sick, recreational facilities, and streets and access roads.

Sec. 202. Whenever the President finds that in any area or locality an acute shortage of public works or equipment for public works necessary to the health, safety, or welfare of persons engaged in national-defense activities exists or impends which would impede national-defense activities, and that such public works or equipment cannot otherwise be provided when needed, or could not be provided without the imposition of an increased excessive tax burden or an unusual or excessive increase in the debt limit of the taxing or borrowing authority in which such shortage exists, the Federal Works Administrator is authorized, with the approval of the President, in order to relieve such shortage.

This act was passed as a war emergency measure to provide community facilities, including schools, in areas which had received population increases as a direct result of the war effort. The development of war industries and military centers during 1940-1942 brought a huge population influx to many communities. New towns were created in some sections

of the country. In other areas, the population more than doubled. School facilities as well as other community services had to be provided. The federal government met these emergency needs "which cut across the bounds of states" by passing the Lanham Act.

The administration of this act was placed in the hands of an already existing federal agency, in this instance the Federal Works Agency. It was empowered to deal directly with local school districts. Since this act was similar in many respects to past emergency legislation which brought about increased federal control of public education, it appears reasonable to assume that this act also has brought increased federal control.

A study predicated upon the above hypothesis should provide a solution to the problem of whether or not the federal government has increased its control of public education through the provisions of the Lanham Act. It should also reveal the principles of control involved in the administration of the act and show whether or not new principles of control have developed. Since no study of the Lanham Act has been made, there exists a need for clarification of the status of control resultant from its operation.

The major problem of this study has been, therefore, to determine precisely what changes if any have been made in the control over public education through administration of

the Lanham Act. Answers to the following questions have been sought:

(a) Has the federal government increased its control over public education through administration of the Lanham Act?

(b) Has this act been administered in accordance with recommended principles of federal aid administration?

(c) Have any new policies or procedures of federal aid administration been developed in the administration of this act?

(d) Is this act a continuation of recent trends in the field of federal-state educational relationships whereby the federal government is increasing its control of public education through emergency legislation?

Delimitation. This study has been delimited to a consideration of the principles and procedures utilized in the administration of federal grants made to public schools prior to August 1, 1942 under the provisions of the Lanham Act. The relationships between state and local school agencies on the one hand and federal agencies on the other, have been of central concern. No attempt has been made to investigate the principles involved in the administration of federal grants made for other than educational purposes.

The principles and procedures investigated in this

study were those involved in the following phases of federal aid administration:

- (a) Determination of need for funds
- (b) General conditions of acceptance of grants
- (c) Auditing of construction and operation accounts
- (d) School building construction expenditures
- (e) Maintenance and operation expenditures

The phases of control which have arisen in connection with war time regulations have not been studied. Since these restrictions cut across all spheres of government and have been imposed upon all governmental functions, they were considered to be outside the scope of this study.

Control has been considered to be held by that person or agency which has the power to direct, to restrain, or to exert a governing influence, either in a policy-making or executive capacity, over the administration of funds granted to an educational institution. In order to clarify the term and to give concreteness and objectivity to the study, examples of principles of control in operation have been given in most instances. Thus confusion about the exact meaning of control in a given situation has been avoided.

While such extra-legal controls as pressure groups, the press, radio, community institutions, other governmental agencies, and other forces of influence are admittedly important, no consideration has been given to them in this study.

Attention has been focused exclusively upon the control relationships existent between federal agencies and state-local public educational agencies.

Public educational agencies have been considered to be those agencies which are tax supported and which house children in grades one through twelve. While some grants have been made for nursery school education, they have not been considered in this investigation because nursery schools are not an integral part of public education as it is organized in the United States at the present time.

In the review of related research, however, brief attention has been given to other phases of education in a few instances. This has been done to reveal the growth of federal control, and to show the historical development of certain control principles which are now operative in federal-state education relationships and which have evolved from educational agencies not generally considered to be public schools. Programs of education conducted under the Morrill Acts and the Smith-Lever Act are cases at point.

Additional delimitations were imposed with reference to the review of related research. Chief reliance was made upon studies undertaken by various national committees-- Presidential, Congressional, and educational. Only magazine articles published since 1931, the date of issuance of the report of the National Advisory Committee on Education, have

been analyzed. Books in the field of Federal-state educational administration were reviewed, but no attention was given to books in the field of political science. The central focus in the review of related research has been upon a consideration of Federal control of public education as it has emerged since the inception of the Federal Government. Hence, the researches of students of Federal relations to public education were reviewed exclusively.

Sources of Data. This study has been based upon an analysis of facts gleaned from several sources. The most important were the following:

1. Available published or unpublished investigations dealing with the problem of Federal control.
2. Individual conferences and group discussions with Senior Specialists on School Facilities of the United States Office of Education.
3. File materials, duplicated bulletins, and directives in the Division of State School Administration of the United States Office of Education.
4. File materials in the Office of the County Superintendent of Schools of Prince George's County, Upper Marlboro, Maryland.
5. Copies of the Lanham Act and other Federal legislation.
6. Educational literature:
 - a. General works and textbooks.
 - b. Magazine articles dealing with the problem of Federal control.
 - c. Bulletins and monographs.

Very few studies have been undertaken in the field of federal relations to public education with emphasis on the problem of control. Two investigations which do contain pertinent data, however, have been completed by committees appointed by two different Presidents. President Hoover in 1931 appointed the National Advisory Committee on Education to investigate the problem of federal relations to education. Although the problem of control was not emphasized in this study, basic principles of control were discussed. President Roosevelt appointed the Advisory Committee on Education in 1936. This committee published nineteen volumes which present the most complete research in this field today. Here, again, principles of control were elaborated, although the problem of control was not emphasized in the stated purposes of the investigation. These two investigations have been the chief sources of background information for this study.

Conferences and discussions with Senior Specialists on School Facilities of the United States Office of Education provided data relative to the operation of the Lanham Act. The Senior Specialists were appointed to assist in the determination of need for funds made available under the provisions of the Lanham Act. Each Specialist serves a particular geographical area in the United States. Consequently, these men have an operational insight into the problem of federal control as it functions in the administration of the

act. This source of data was especially valuable in that it expedited the collection of pertinent facts and yielded leads to other sources.

The file materials made available by the United States Office of Education and the Prince George's County Superintendent of Schools were used extensively in the discussion of the Lanham Act. Without them, the study would not have been possible.

The file materials in the Office of Education contain complete descriptions of each educational project administered under the provisions of the Lanham Act. The estimates of need submitted by the Senior Specialists on School Facilities and local school facilities, the correspondence relating to the administration of projects, the bulletins containing rules and regulations, and general instructions for operation of projects were made available.

In the Office of the Superintendent of Schools at Upper Marlboro, Maryland, access was had to the various bulletins, terms and conditions, contracts, plans, specifications, and general instructions issued by the Federal Works Agency. This material revealed the principles of control used by the Federal Works Agency in administering the Lanham Act funds as well as data pertaining to the operation of the Lanham Act in a local school jurisdiction.

A review of the general works and textbooks dealing with

federal relations to public education revealed that the major portion of the basic information presented in them had been adapted from (a) the report of the National Advisory Committee on Education, and (b) the reports of the Advisory Committee on Education. Consequently, general works and textbooks have been used to a limited degree.

Among the bulletins and monographs which proved to be excellent sources of data were those issued by the United States Office of Education and the Educational Policies Commission. Monographs by the Educational Policies Commission which contained data directly related to the problem of federal control were especially helpful.

Magazine articles by specialists in the field of federal relations to public education were reviewed. Only those articles which revealed pertinent facts and ideas not presented in the aforementioned reports have been cited.

Treatment of the Data. After the various items of information were collected, the data were summarized to facilitate analysis. The analysis and organization of data were made in a form to discover basic principles of control utilized in the administration of the Lanham Act and thus compare them with established and recommended principles of control. In this manner it was possible to determine whether (a) the federal agencies involved in the administration of the

Lanham Act had increased or decreased control over local educational agencies; (b) the Lanham Act had been administered in line with recommended principles of federal aid administration; (c) new principles of federal aid administration had been used; (d) there had been a continuation of recent trends in federal-state educational relationships whereby the federal government had been increasing its control over public education.

Method of Procedure. A general background of information was secured by a review of publications in the field of federal relations to education. Publications for this preliminary review were secured by consulting the Education Index, Encyclopedia of Educational Research, Review of Educational Research, and bibliographies contained in the reports of national committees. Bulletins of the Educational Policies Commission, general works and textbooks, and magazine articles were reviewed. This review provided information which laid the foundation for an understanding of the problem and its ramifications. Those materials which were directly related to the problem were noted for further study.

After completing this preliminary analysis of the literature in the field, data were collected in a manner to reveal as clearly as possible the principles of educational control which had been: (a) operative in federal-state educational

relationships; (b) recommended by specialists for use in the administration of federal aid to public education; and (c) utilized in the administration of the Lanham Act. Data related to items (a) and (b) were collected from the publications noted for further study in the preliminary review. While some data relative to item (c) were collected from published materials, chief reliance had to be made upon primary sources.

In order to secure sufficient data related to item (c) it was necessary to go to the United States Office of Education to study the files containing information on the Lanham Act and to hold conferences with Senior Specialists on School Facilities. Permission to use the file materials and to confer with the Specialists on School Facilities was granted by the Assistant Commissioner of Education.

The general procedure used in analyzing the file materials was as follows: (a) three docket⁴s were selected for intensive study and analysis; and (b) other docket⁴s were studied in order to discover specific principles of federal control which had been operative in the administration of the Lanham Act. Since these docket⁴s contained not only complete descriptions of the proposals but also all the corres-

⁴
Docket refers to the folder of material relating to a given school system.

iven school system

pendence carried on between the United States Office of Education and the school systems involved, they were an excellent source of primary data.

The three dockets selected for intensive study and analysis were arbitrarily chosen to represent three different types of school systems in three different sections of the country. San Diego, California, Prince George's County, Maryland, and Pulaski-Special School District, Arkansas were the systems used for intensive study. They represented, respectively, a large city school system, a good-sized county school system, and a comparatively small district system. A description of the operational aspects of the Lanham Act in these three systems has been presented in Chapter V.

Conferences were undertaken with the Senior Specialists on School Facilities to secure specific information on the operational phases of the Lanham Act, to obtain clues to elements of control, to ascertain control factors utilized by the Federal Works Agency, to check data secured from the files for authenticity and reliability, and to corroborate general findings and conclusions. Both individual and group conferences were held.

Because of the varying nature of the control elements involved and the different areas served by the Senior Specialists, an informal interview was used. After an explanation of the purpose of this investigation, the following questions

were asked of the Senior Specialists:

(a) Which dockets in the area you serve reveal principles of federal control in the administration of the Lanham Act?

(b) What principles of federal control have you discovered in your review of dockets in your area?

(c) What principles of control do you believe to have been utilized by the Federal Works Agency?

(d) What principles of control have been utilized by the Office of Education, in your judgment?

(e) Are there other factors relating to federal control which would be helpful in this investigation?

Varying responses and amounts of information were given by the several available Senior Specialists. Some had no information relative to the problem. Others pointed out specific illustrations and examples. The many leads given to dockets which contained data pertinent to the problem constituted the most helpful single contribution.

Other data relative to the problem of control in the Lanham Act were secured from a firsthand administration of the project undertaken in Prince George's County, Maryland. The writer, who served as Acting Assistant Superintendent of Schools in Prince George's County, Maryland, had the unique opportunity of administering and supervising a Lanham Act school building and maintenance program for a period of eight

months. During this period an intensive analysis of the operational phases of the Lanham Act was made. The procedure utilized in this analysis was as follows:

(a) The steps taken to secure a federal grant were studied.

(b) The analysis of local needs made by the office of the local Superintendent of Schools and the Senior Specialist on School Facilities was reviewed.

(c) The conditions, rules, and regulations involved in the expenditure of the funds were analyzed.

(d) The procedures and principles utilized by the auditors, construction engineers, and the regional director of the Federal Works Agency were noted.

(e) The deviations from usual local practice made necessary by federal regulations were compiled.

(f) Other data related to the problem were collected. The most significant data secured from this source were those related to the administrative principles employed by the Federal Works Agency.

After the data had been collected, an appraisal of the Lanham Act program was made with reference to selected principles of federal aid administration. This was done by discussing the operation of basic principles of federal aid administration in the Lanham Act program. Principles incorporated in the Act, principles used in the administration of

the Act, and principles not incorporated in the Act, and/or not utilized in the administration of the Act were noted. Only those principles of federal aid administration which were consistent with the purpose of the Lanham Act were used in the appraisal.

The final step in the procedure pertained to corroboration of the general findings and conclusions. This was done by sending a copy of the conclusions to three Senior Specialists on School Facilities. They were requested to check the conclusions and to note any disagreement. No disagreements were indicated.

Presentation of the Data. The data have been presented under the following headings, each of which constitutes a chapter of the study:

- (a) The Growth of Federal Control Over Education
- (b) Emergency Grants to Education as They Relate to Federal Control
- (c) Principles of Federal Aid Administration
- (d) The Educational Provisions of the Lanham Act
- (e) Summary and Conclusions

In Chapter II, The Growth of Federal Control Over Education, consideration has been given to the early federal policy of unrestricted grants, the change in policy to grants for specific purposes with conditions attached, and the policy

of making grants for vocational education with many centralized controls attached. The principles of federal aid administration utilized in the operation of these grants have been summarized.

In Chapter III, *Emergency Grants to Education as They Relate to Federal Control*, the centralized controls utilized in the administration of building construction programs, youth work and education programs, and adult education programs have been discussed. Although this chapter is an extension of the discussion of the growth of federal control, it has been presented separately because of the unique type of control involved. A summary of the principles of administration used in the operation of the emergency grants has been presented.

Basic principles of federal aid administration have been reviewed in Chapter IV. The reports of the National Advisory Committee on Education (1931) and the Advisory Committee on Education (1938) have been used extensively in this chapter.

In Chapter V, *The Educational Provisions of The Lanham Act*, a detailed discussion of the operation of the Lanham Act has been presented. Principles used in securing aid, establishing need, auditing local accounts, supervising construction, and administering funds have been considered. An appraisal of the operation of the Lanham Act in terms of selected principles of federal aid administration has been

made.

In the final chapter the findings and conclusions have been briefly summarized.

II

THE GROWTH OF FEDERAL CONTROL OVER EDUCATION

CHAPTER II

THE GROWTH OF FEDERAL CONTROL OVER EDUCATION

The federal government from the beginning of its history has displayed a real interest in public education. This interest, although not given written expression in the Constitution, was definitely¹ in the minds of the members of the Constitutional convention and was given concrete expression through subsequent legislation. Education was given a prominent place in discussions contained in Madison's Journal.² Hamilton, in 1791, stated that the general welfare clause³ of the Constitution covered the problem of education. In fact, two presidents, Jefferson in 1806 and Madison in 1817, urged Congress to pass a constitutional amendment giving the federal government direct power over education.⁴

¹ W. F. Russell, "Federal Financing of Education," School and Society, 38:225-33, August 19, 1935.

² Ibid.

³ J. D. Russell, and C. H. Judd, The American Educational System, p. 77.

⁴ Ibid.

Out of this early interest in education have developed many policies which have a direct bearing upon the control of public education. The expansion and growth of these policies and their relationship to control of public education have been discussed in the following sections with reference to the early policy of unrestricted grants for common schools, grants for restricted purposes, and control over public vocational education. The discussion has been prefaced by a brief review of the merits and shortcomings of centralized and decentralized control. Consideration to emergency grants has been given in the following chapter.

Centralized vs. Decentralized Control. Mort and Studenski sought to determine the advantages and disadvantages of centralized and decentralized control by making an analysis of arguments advanced in the literature of various nations. While their findings do not apply specifically to control of public education, they are in general applicable to the problem under discussion. As cited in their analysis, the merits of local control are:

(1) It promotes local unity, sense of neighborhood responsibility, spirit of self-reliance and capacity for group action; (2) it secures a close adaptation of public services to local needs; (3) it promotes and safeguards freedom, democracy, and responsible government; (4) it promotes socially beneficial inter-community competition; (5) it permits safe experimentation with new forms and methods of government, thus fostering a gradual improvement in govern-

ment throughout the country; (6) it promotes political stability; (7) it promotes national unity and national security; (8) it relieves the national government of congestion of business.⁵

In general, these are in accord with the advantages cited or implied in discussions of decentralized control of education by the Educational Policies Commission,⁶ the National Advisory Committee on Education,⁷ the Advisory Committee on Education,⁸ Moehlman,⁹ and Reeder.¹⁰

In contrast to these merits of local control are the shortcomings of excessive centralized control, the perils

⁵ Paul Studenski, and P. K. Mott, Centralized vs. Decentralized Government in Relation to Democracy (New York: Bureau of Publications, Columbia University, 1941), p. 1.

⁶ Educational Policies Commission, The Structure and Administration of Education in American Democracy (Washington, D.C.: The Commission, 1938).

⁷ National Advisory Committee on Education, Federal Relations to Education (Washington, D.C.: National Capitol Press, 1931).

⁸ The Advisory Committee on Education, Report of the Committee (Washington, D.C.: Government Printing Office, 1938).

⁹ Arthur B. Moehlman, School Administration (Boston: Houghton Mifflin Co., 1941), pp. 139-182.

¹⁰ W. G. Reeder, A First Course in Education (New York: The Macmillan Co., 1937), pp. 413-22.

of which Studenski and Mort point out. Overcentralization, — 3
they say:

(1) Promotes a rule of an irresponsible national bureaucracy and destroys democracy; (2) results in a neglect of local needs; (3) destroys local civic interest, initiative, and responsibility, individual freedom and self-reliance; (4) results in the instability of governmental policies and of the government itself; (5) results in inefficiency and waste; (6) produces a congestion of business, industry, arts, and culture in the capitol and economic and cultural decay of the rest of the country; (7) weakens national unity and security.¹¹

In addition to these dangers there are those which have been cited in publications dealing exclusively with education:

(a) Intimacy between schools and their patrons and neighbors is disturbed in remote controls of a distant authority.¹²

(b) There is a stifling of much local experimentation, which is essential to the virility and continuing growth of every type of education.¹³

(c) If we turn over to the federal government the responsibility of the operation of the schools, we have forged the weapons whereby some able and self-seeking individual or groups may some day transform our political, social and economic system.¹⁴

11

Studenski and Mort, op. cit., p. 52.

12

The National Advisory Committee on Education, op. cit., p. 13.

13

Ibid., pp. 12-13.

14

John J. Tigert, "The Real Peril of Federal Subsidies," The Nation's Schools, 14:12-15, July, 1934.

(d) Centralized administration of education is likely to result in mediocrity.¹⁵

In order to give a more complete picture of the problem of control, the merits of well-conceived centralized control are presented in the following paragraphs. According to Studenski and Kort these advantages are:

(1) Central government unifies the nation; (2) it provides for the common or national needs of the population and for coordinated development of the nation's resources; (3) it safeguards the nation's independence; (4) it safeguards the liberties of the people in a democratic country and provides for an equality of social, economic, and educational opportunities in the various sections of the country; (5) it responds quickly to changed national situations and takes care of national emergencies; (6) it is more efficient and economical in many respects than are local governments; and (7) it gives a common direction to local governments, impels them to maintain minimum standards of public service, and helps them to operate more effectively.¹⁶

Writers in the field of education do not in general agree that all the advantages stated above are applicable to education. Rather, they argue that "education is a state function" and that the so-called advantages of centralized control are insignificant when compared to the disadvantages. They admit, however, that equalization of educational opportunity cannot be achieved without federal assistance, but

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Educational Policies Commission, op. cit., p. 79.

16

Studenski and Kort, op. cit., p. 32.

they urge that this assistance be given without any control over the local school systems.¹⁷ With reference to national emergencies, they argue that the state educational systems can meet emergencies as they arise if federal aid is given, and that leadership, stimulation, and direction should be given through an expansion of federally subsidized researches and publications. As to economy, they point out that inefficiency and waste result when the expenditure of funds is too far removed from the central authority, and that "money collected by taxation will be expended with less waste near the source."¹⁸ Finally, they insist that to safeguard the educational liberties of all the people, administration of the schools must be kept close to the people.

While most educators do not in general admit that there are advantages in centralized control of public education, they do agree that there are many weaknesses in decentralized control as it now exists. In general, they seem to agree with Studenski and Mort who state that the principal shortcomings of excessive decentralization may be summarized as follows:

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See Moehlman, op. cit.; also, Educational Policies Commission, op. cit., The National Advisory Committee, op. cit., or the Advisory Committee, op. cit., for a more detailed discussion.

18

Tigert, op. cit., pp. 12-14.

(1) It results in an inefficient and an uneconomic management of local affairs; (2) it fastens local autocratic rule by petty officials and powerful minority groups; (3) it breeds narrow parochialism, and produces national disunity and disorganization; (4) it results in extreme inequality in the standards of public service and protection of civil rights throughout the country, or the region; (5) it produces inertia and extreme rigidity in the organization and operation of the government; and, finally, (6) it lessens national security.¹⁹

Educators would overcome these disadvantages by reorganizing local units within the states and not by centralizing educational responsibility in the federal government. They would strengthen existing educational agencies and reorganize those educational agencies which are operating inefficiently. Many go so far as to insist that federal funds should be granted to states for the express purpose of bringing about reform in public education. Accordingly, the Advisory Committee on Education has stated:

Federal grants for special educational purposes may properly be used to bring about attention to educational matters of special national concern and thus to improve the educational programs conducted under state and local auspices, but such grants should be considered with very great care to see that improvement does in fact result.²⁰

In summary, educators argue that the control of public education should remain a state function. They believe that

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Studenski and Mort, op. cit., p. 21.

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Advisory Committee on Education, op. cit., p. 42.

the advantages of centralized control are far outweighed by the disadvantages. They believe that greater efficiency, more experimentation, better adaptation to local needs, more economy in operation and maintenance of educational programs, and better promotion of democratic principles will result if education is decentralized. They concede, however, that sufficient control may be delegated to insure "honesty, legal-²¹ity, and efficiency in the expenditure of funds."

Not all federal policies relating to public education are in agreement with the position taken by educators. The development of pertinent federal policies is considered in the following pages.

Unrestricted Grants for Common Schools. The policy of granting land in each township for public education was adopted in the Ordinance of 1785, and established as an operational policy in 1787 when the United States entered into a contract to sell land in Ohio. Section 16 of each township was reserved for common schools, and other lands were reserved for universities. When Ohio entered the Union in 1802, Congress reserved Section 16 for the establishment of schools

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Advisory Committee on Education, op. cit., p. 41.

for the inhabitants thereof.²² In 1803 the state legislatures were given control of the school lands. Each of the twelve states which entered the Union between 1802 and 1848 was granted one section of land in each township with the exception of Maine and Texas.²³ After 1848 two sections each were granted to all entering states with the exceptions of Utah, Arizona, and New Mexico, which received four sections each, and West Virginia which seceded from Virginia and received no land.²⁴ Oklahoma was given special consideration because of Indian reservations and received two sections in each township and a cash grant of \$5,000,000.²⁵ In addition to these grants, the federal government has given many acres of swamp, salt, and internal-improvement lands to various states, much of which has been used for educational purposes.²⁶

In addition to the land grants, Congress has made var-

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For a detailed discussion of this problem see F. H. Swift, Federal and State Policies in Public School Finance in the United States (Boston: Ginn and Co., 1951), pp. 1-73.

23

Ibid., p. 16.

24

Ibid., p. 17.

25

Ibid., p. 16.

26

Ibid., p. 21.

ious cash grants to the common school funds of the states. Typical of these grants were: (a) per centum grants made from the sale of government lands; (b) United States deposit fund of 1833; (c) surplus revenue loan of 1837, the distribution fund of 1841, and Forest Reserve Fund.²⁷

Of interest to the student of federal control has been the fact that no educational controls were inherent in these early grants.²⁸ The terms which accompanied these grants were quite general and were usually expressed in phraseology such as "for the purpose of being applied to schools in said Territory."²⁹ No curricular controls, subject requirements, or specific educational stipulations were attached. Mort has pointed out that "they stand as clear-cut controversions of the old maxim that control follows the dollar."³⁰

Grants for Restricted Purposes. Much of the huge endowment which had been made to the states through the early land

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Swift, op. cit., pp. 21-57.

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Some minor stipulations relating to the sale of lands and use of funds were made. See Swift, op. cit., pp. 1-73.

29

Timon Covert, Federal Aid for Education, 1935-36, 1936-37, Leaflet No. 30, United States Office of Education, p. 3.

30

Paul H. Mort, Federal Support of Public Education (New York: Bureau of Publications, Teachers College, Columbia University), p. 48.

31
 grants was dissipated and squandered. According to Swift, incompetence, dishonesty, and political corruption had caused the loss of much of this national gift. These and other factors such as pressure for the endowment of specific types of educational institutions operated to bring about a more specific type of federal policy.

The Morrill Act (1862) marked this change of policy whereby the federal government granted land to each state, or scrip to those states where federal lands were limited, for the special purpose of establishing agriculture and mechanic arts colleges in such manner as the states desired to prescribe.³² Although the state was given full authority, Tigert has indicated that possibilities of federal control did exist.

The Office of Education has never found it necessary to interfere seriously with the operation of the land grant colleges in the use of the Morrill funds, although opinions of the Attorney General of the United States indicate that such interference is possible.³³

That only minor influence has been exerted by the federal government, however, was revealed in Mort's analysis:

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Swift, op. cit., pp. 58-70.

32

W. S. Monroe, Encyclopedia of Educational Research (New York: The Macmillan Co., 1941), p. 495.

33

J. J. Tigert, "The Real Peril of Federal Subsidies," The Nation's Schools, 14:12-15, July, 1934.

Down to the very latest interpretations of this act, there seems to have been no tendency to impose controls the Federal Government, however, has influenced practice through the leadership of army officers assigned to the colleges in accordance with laws passed soon after the Civil war. The only difficulties encountered so far as the writer has been able to discover, have arisen from the interpretation of the requirements for military tactics. These difficulties have arisen from lack of an exact definition as well as from the existence of the condition itself. So far as has been found, there is no indication that the Morrill Act grants have resulted in any accumulation of federal control in the three-quarters of a century in which they have operated.³⁴

Although no appreciable amount of federal control arose from the Morrill Act, it was a unique enactment in that a new policy of specifying a definite purpose for the use of the grant and the inclusion of military tactics in the curriculum were effected. An accounting and annual report to the federal government was also required under the provisions of this act.

In the Second Morrill Act (1890), Congress gave the Secretary of the Interior power to withhold grants for cause.³⁵ This was a new policy which had a potency that was revealed in later legislation. Mort's analysis pointed out this factor very clearly:

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Mort, op. cit., p. 49.

35
26 Stat. L. 419.

This was a forerunner of a new policy in federal aid which reached its climax in the Smith-Hughes Act as well as in the centrally controlled emergency aids to education during the past two years granted under the guise of relief. It did not do away with the objective features of the law, but gave to the central government certain discretionary powers of withholding funds. In this respect the second Morrill Act represented a shifting in the direction of central control, at least in the language of the Act.³⁶

The Nelson amendment (1907) and the Bankhead-Jones Act (1935) increased the funds made available under the Second Morrill Act but did not increase discretionary power.³⁷

Other control principles were developed in agricultural legislation. The Hatch Act (1897), which established agricultural experiment stations in connection with the land-grant colleges, created new federal controls. As pointed out in Moehlman's analysis:

The United States Department of Agriculture is responsible for the administration of these funds, for co-ordination of the research, and for giving advice concerning desirable research. Each institution must report annually to both the Secretary of Agriculture and the Secretary of the Treasury and also prepare and publish special reports at regular intervals. The specialists paid from these funds cannot teach on experiment station time but must devote themselves fully to research and investigation of agricultural problems. In many of the land-grant colleges the

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Mort, op. cit., p. 50.

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See Moehlman, School Administration, p. 816, for an excellent discussion of this problem.

time of a portion of its faculty has been split between the college and experiment station payrolls, so that the experience of these men may also be used in the classroom. Further controls were established in that the Federal Government did not pay out money under the Hatch and subsequent acts until the expense had actually been incurred and the accounts approved by the Federal Government.³⁸

The matching policy was another control which was developed in extension education legislation. The Smith-Lever Act (1914), which provided extension work in agricultural and home economics under the supervision of the land-grant colleges, contained the principle which originated in the Weeks Act (1911).³⁹ The chief defects of the matching principle have been set forth in the final report of The National Advisory Committee:

The matching of federal money grants, with state or local funds whether their use is for general or special educational purposes is a policy not to be favored in the field of education.

The matching of federal grants for general educational purposes is far less serious than matching special grants. The States and local communities are likely to be spending far more money for education in general than the probable amounts of aid which the Federal Government is likely to grant in a perceivable future. But if any general federal grants require matching with new, or additional, local monies, it may have a serious result in States already taxing themselves near their limit. Federal aid would, under

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Loehman, op. cit., p. 817.

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Mort, op. cit., p. 2.

these conditions, not relieve poor States but overburden them.

The state and local matching of special purpose grants tends to aggravate already existing state budget difficulties by giving the Federal Government actual control over certain portions of state money now in many instances, raised with great difficulty. State and local monies matching federal aid are, under present practice, expendable under contractual conditions affecting both alike; thus monies raised by the States tend to pass out of their free and flexible management. Thus, matching federal grants tends to distort state budgets by committing local monies to purposes for longer than ordinary legislative interims, so great is the temptation offered in the form of conditioned federal monies. Theoretically, one legislative body cannot readily bind its successors. Practically, a sense of moral obligation to agreements and understandings does hamper the freedom of succeeding legislatures.

Matching federal funds for special educational purposes with state or local funds tends to create favored types of education, taking from the State the free discretion to deal equitably by all types of education. Through standardization, nationally induced, salary status and equipment discrimination have been brought into existence with serious effects upon professional morale in the various localities.⁴⁰

Another control policy of importance utilized in the Smith-Lever Act was that of disbursing the funds to the states after the states had made the expenditures and had secured the approval of the Department of Agriculture. This policy was later incorporated in the Smith-Hughes Act and

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National Advisory Committee on Education, op. cit., pp. 33-4.

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 has caused considerable remonstrance among educators. By reason of this policy the administering agency has been able to establish rules for expenditure and thus exert control over the program. This principle has been used extensively in the administration of the Smith-Hughes Act, which is discussed in the following section.

Grants for Public Vocational Education. The social and economic changes which took place during the last half of the nineteenth century created a huge demand for skilled workers. The typical secondary school had not adjusted its program of studies to meet this need. Industrialists and labor unions demanded a more effective type of training. Various industrial and vocational educators sought to remedy the need for industrial workers by proposing legislation which would have started a federal system of vocational education. The Davis Bill (1907) and the Page Bill (1912) were sponsored by a group especially interested in vocational education, and had they been passed by Congress, they would have set up a separate system of vocational schools, under the direction of federal officials.

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 See Moehlman, op. cit.; Mort, op. cit.; and the Advisory Committee on Education, Vocational Education, Staff Study No. 8.

42
 Moehlman, op. cit., p. 818.

Because of the tremendous agitation for vocational education, Congress by resolution in 1914 authorized the appointment of a Commission on National Aid to Education.⁴³

The report of this Commission revealed the existence of a serious need for vocational education, and on February 23, 1917, President Wilson approved the Smith-Hughes Act.⁴⁴ Although the original proposal of the Commission recommended the establishment of separate trade schools, John Dewey, with the assistance of other educators, was instrumental in changing the plan so that existing high schools were used for the new courses.⁴⁵

The major features incorporated in the Smith-Hughes Act were: (a) the establishment of a Federal Board for Vocational Education; (b) state acceptance of all provisions of the law; (c) matching of federal funds for teachers' salaries; (d) federal supervision of plans, work, and expenditures;

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John Dale Russell, and Associates, Vocational Education, Staff Study No. 8, The Advisory Committee on Education (Washington, D.C.: Government Printing Office, 1938), p. 16.

44

39 Stat. L. 929-36.

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Roscoe Pulliam, "Influence of the Federal Government in Education," School and Society, 47:65-74, Jan. 15, 1938.

(e) creation of a state board of vocational education; (f) the conducting of ^{educational} research in agriculture, home economics, industry, trade, commerce, and curricula; (g) the expenditure of funds for the salaries of teachers and supervisors of agricultural, trades, industrial, and home economics subjects; (h) the preparation of teachers in the aforementioned subjects; (i) the education of pupils less than college grade but of 14 years of age; (j) distribution of funds on the proportional basis of rural, urban, and total population of the United States; (k) and minimum appropriations to each state. ⁴⁶

The Federal Board for Vocational Education established by this act was composed of four ex-officio members, namely, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Commissioner of Education, and three appointive members representing agriculture, industry, and labor. This Board was granted full and complete control in the administration of the Smith-Hughes Act. In 1933 the Board and its powers were transferred to the United States Office of Education and made a major division thereof.

In general the duties which were formerly under the Board and which were placed under the control of the United States Office of Education were as follows:

1. Stimulating the development of vocational education.
2. Interpreting the provisions of the federal legislation.
3. Approving the plans of the States for vocational education.
4. Supervising the program in the States.
5. Carrying on research related to vocational education.
6. Administering the financial phases of the program, such as allotting funds to the States, auditing accounts, and requiring informational reports.
7. Compiling material for the annual report to Congress.

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In 1920, under the provisions of the Vocational Rehabilitation Act,⁴⁸ the Board for Vocational Education also was given full responsibility for the administration of the program of vocational rehabilitation.

The specific nature of the controls inherent in the Smith-Hughes Act was clearly portrayed in the following section which was typical of all provisions in the Act:

That in order to receive the benefits of the appropriation for the salaries of teachers of trade, home economics, and industrial subjects the State board of any State shall provide in its plan for trade, home economics, and industrial education that such education shall be given in schools or classes under public supervision or control; that

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41 Stat. L. 735-8.

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John Dale Russell, and Associates, op. cit., p. 32.

the controlling purpose of such education shall be to fit for useful employment; that such education shall be of less than college grade and shall be designed to meet the needs of persons over fourteen years of age who are preparing for a trade or industrial pursuit or who have entered upon the work of a trade or industrial pursuit; that the State or local community, or both, shall provide the necessary plant and equipment determined upon by the State board, with the approval of the Federal Board for Vocational Education, as the minimum requirement in such State for education for any given trade or industrial pursuit; that the total amount expended for the maintenance of such education in any school or class receiving the benefit of such appropriation shall be not less annually than the amount fixed by the State board, with the approval of the Federal board, as the minimum for such schools or classes in the State; that such schools or classes giving instruction to persons who have not entered upon employment shall require that at least half of the time of such instruction be given to practical work on a useful or productive basis, such instruction to extend over not less than nine months per year and not less than thirty hours per week; that at least one-third of the sum appropriated to any State for the salaries of teachers of trade, home economics, and industrial subjects shall, if expended, be applied to part-time school or class, may mean any subject given to enlarge the civic or vocational intelligence of such workers over fourteen and less than eighteen years of age; that such part-time schools or classes shall provide for not less than one hundred and forty-four hours of classroom instruction per year; that evening industrial schools shall fix the age of sixteen years as a minimum entrance requirement and shall confine instruction to that which is supplemental to the daily employment; that the teachers of any trade or industrial subject in any State shall have at least the minimum qualifications for teachers of such subject determined upon for such State by the State board, with the approval of the Federal Board for Vocational Education: Provided, That for cities and towns of less than twenty-five thousand population, according to the last preceding United States census, the State board, with the approval of the Federal Board for Vocational Education, may modify the conditions as to the length of course and hours of instruction per week for schools and classes giving instruction to those who have not

entered upon employment, in order to meet the particular needs of such cities and towns.⁴⁹

The requirement that all states have their plans approved by the Federal Board was another very potent administrative control. Section 8 of the Smith-Hughes Act enumerated the following items:

The State board shall prepare plans, showing the kinds of vocational education for which it is proposed that the appropriation shall be used; the kinds of schools and equipment; courses of study; methods of instruction; qualifications of teachers; advisors or directors; plans for the training of teachers; and, in the case of agricultural subjects, plans for the supervision of agricultural education, as provided for in section ten. Such plans shall be submitted by the State Board for Vocational Education, and if the Federal board finds the same to be in conformity with the provisions and purposes of this Act, the same shall be approved. The State board shall make an annual report to the Federal Board for Vocational Education, on or before September first of each year, on the work done in the State and the receipts and expenditures of money under the provisions of this Act.⁵⁰

Because of Section 16 which stated that "the Federal Board for Vocational Education may withhold the allotment of moneys to any State whenever it shall be determined that such moneys are not being expended for the purposes and under the conditions of the Act,"⁵¹ the federal office was able to enforce

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39 Stat. L. 934.

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39 Stat. L. 933.

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39 Stat. L. 936.

the detailed requirements to the utmost.

In addition to the many specific controls granted to the federal office in the Smith-Hughes Act itself, much control has arisen from the decisions of administrative officers. As pointed out in the report on Vocational Education of the Advisory Committee on Education:

Not only is the Smith-Hughes Act itself excessively specific, but in the interpretation of the statute the officials in charge of its administration have, in effect, supplemented and extended its provisions by a series of rulings that go beyond the requirements specifically established in the Act. The provisions of the legislation have been extended both by inferring prohibitions of certain types of activities and also by inferring permission to use federal funds for purposes not specified in the Act.⁵²

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In this connection Russell and associates have pointed out that the federal office has required states to submit specifications relative to the qualifications of instructors who have been employed in teacher training institutions and reimbursed by Smith-Hughes funds; it has insisted upon three consecutive clock hours of instruction per day to vocational subjects whereas the Act itself sets up weekly time requirements; and funds specified for teacher training have been

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John Dale Russell, and Associates, op. cit., p. 39.

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Ibid.

utilized in administrative service in state departments by denoting supervision as a teacher training activity. This was a classic example of the types of control which arose when discretionary authority was granted to a federal board. 54

Another powerful administrative control in the federal office was the Statement of Policies which has been developed by the Federal Board for Vocational Education and the Office of Education with the co-operation of interested groups. This statement consists of a body of rules and interpretations which supplement the provisions of the Smith-Hughes Act. From a small beginning in 1917 the published edition entitled Statement of Policies for the Administration of Vocational Education has grown to unusual significance. This fact has been pointed out in the report of John D. Russell and associates:

During the 20-year period at least 97 different rules have been adopted by the federal agency administering vocational education in addition to those adopted for the internal administration of its own office. Twenty-seven of these 97 pieces of sublegislation have remained unchanged through the entire period of 20 years. Sixty now represent either adaptations of earlier rules or additions to them. Ten are changes or complete reversals of former policies.

The significance of the Statement of Policies, however, lies in the manner in which it amplifies the provisions of the statutes relating to the content of

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See Paul Mort, Federal Support for Public Education, pp. 51-2, for a discussion of this problem.

state plans. The extent to which the officials of the United States Office of Education regard themselves as vested with discretionary powers over the content of State plans is indicated by the relevant passages of the Statement of Policies. A comparison of the successive additions of the Statement indicates that the official concept of Federal discretionary authority has tended to grow with the passing of the years. The effect of every revision has been to increase the amount of detail the States are required to submit for approval in their State plans. The history of present policies with respect to requirements for State supervision, the qualifications of teacher trainers, the use of teacher training funds for supervision, and related matters illustrates the gradual expansion of Federal jurisdiction over the operation of the programs in the states.⁵⁵

Moehlman has pointed out that the placing of the administration of vocational education under the immediate supervision of the United States Office of Education has not decreased the amount of federal control.

The contention of certain groups of educators that this undesirable control was due to the influence of the Federal Board for Vocational Education and that a great change would be seen when the direction of vocational education was placed under the United States Commissioner of Education has not been borne out. The power of the Federal bureaucracy over state programs and community practice has actually been increased since the change in control in 1933, leading to the conclusion that bureaucratic control is inherent in any elaborate system of subventions such as has been developed under these acts.⁵⁶

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John D. Russell and Associates, op. cit., pp. 37, 43-44.

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Arthur B. Moehlman, School Administration (Boston: Houghton Mifflin Co., 1941), p. 825.

In summarizing the control resultant from the Smith-Hughes Act, Russell and associates stated:

The conclusion is inescapable that Federal Control over vocational education has been so administered under the authority of the statutes as to shape very definitely and decidedly the development of the program of vocational education in the states and local communities. The federally supported program has to a considerable extent become a federally dictated program in many States.⁵⁷

The Educational Policies Commission has likewise called attention to the centralized control in the Smith-Hughes and related acts:

The largest measure of control occurs in the Smith-Hughes Act for the support of vocational education. This measure provides for the control of courses of study, the preparation of teachers, and even the allocation of the time of students. Approval from the central authority is necessary in order to secure federal funds. There is also the provision for the matching of funds This sort of control may well mean that the state's educational program may be thrown out of balance by the desire to secure federal support.⁵⁸

The Smith-Hughes Act has been followed by several other legislative enactments providing funds for vocational education. Supplementary appropriations were authorized by the George-Need Act of 1929 and the George-Ellzey Act of 1934. The George-Deen Act of 1936 increased the appropriation to

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Russell and Associates, op. cit., p. 46.

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Educational Policies Commission, The Structure and Administration of Education in American Democracy (Washington, D.C.: The Commission, 1938), p. 104.

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\$14,483,000. This more than doubled the \$7,000,000 authorized by the Smith-Hughes Act. Various defense training acts were passed during 1940-1943. These enactments have increased the proposed expenditure for 1943 to a net amount of more than \$115,000,000 for vocational education of less than college grade. ⁶⁰ None of these acts, however, has altered the basic pattern of control with the single exception that the matching principle was not incorporated in the defense training acts.

Summary. The most significant generalizations developed in this chapter may be summarized as follows:

1. In general, educators take the position that the advantages of decentralized control far outweigh the advantages of centralized control.
2. The federal government from its inception to the present time has displayed a real interest in public education.
3. Many varied policies have characterized the activities of the federal government in the administration of grants

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Timon Covert, Federal Funds for Education. Leaflet No. 54, United States Office of Education, p. 11.

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Taken from information received from the clerk of the United States Office of Education.

made for educational purposes.

4. Grants of land, swamp and salt lands, proceeds from the sale of lands, and various cash grants have been made to the state common school funds with few if any restrictions and little or no control.

5. The policy of unrestricted grants was changed in the Morrill Act whereby land was granted for the specific purpose of promoting the establishment of agriculture and mechanic arts colleges, and military tactics in the curriculum and annual reports on expenditures were required.

6. In the Second Morrill Act the policy of granting discretionary authority to a federal agency whereby funds could be withheld for cause was established.

7. Specific controls over research, reporting, teaching, and withholding of funds until expenditures had been approved were established in agricultural experiment station legislation under the provisions of the Hatch Act.

8. The matching principle was incorporated in extension education legislation under the provisions of the Smith-Lever Act in addition to the policy of withholding funds until approval of expenditures had been made.

9. The Smith-Hughes Act not only included the matching principle, the principle of withholding funds until approval of expenditures had been made, and the granting of discretionary authority to a federal agency, but in addition granted

federal officials authority to:

- (a) Supervise programs of vocational education
- (b) Interpret provisions of the act
- (c) Stimulate the development of vocational education
- (d) Approve plans
- (e) Conduct research
- (f) Allot funds
- (g) Compile materials for annual reports

10. The shifting of the administration of the program of vocational education from the Federal Board for Vocational Education to the United States Office of Education did not alter the basic pattern of control.

11. Subsequent vocational education legislation has not altered the basic pattern of control with the exception of temporary defense training enactments from which the matching principle has been omitted.

12. There has been a growth of federal control over public education. From a policy of no control over grants made to common schools the federal government has moved to a policy of specific and extensive control over a special sphere of public education.

CHAPTER III

EMERGENCY GRANTS TO EDUCATION AS THEY RELATE TO FEDERAL CONTROL

Increasing federal control of public education has been closely related to various crises in our national life. According to Pulliam,

The Morrill Act was a part of the whole process of social change which culminated in the Civil War. Its emphasis upon engineering and upon military training is easily understood when it is remembered that the great obstacle to the early success of the Union army was the almost complete absence among the volunteers of men who could quickly become competent army officers.¹

Pulliam has likewise pointed out that the Smith-Lever Act was passed after the Country Commission appointed by President Theodore Roosevelt issued a report which revealed a shocking need for agricultural and home economics education in rural areas. The Smith-Hughes Act came during the World War of 1917 and followed the report of a commission appointed by President Wilson. With each succeeding enactment

¹ Roscoe Pulliam, "Influence of the Federal Government on Education," School and Society, January 15, 1938, p. 69.

brought about by a crisis has come increased federal control. This has been as true in other spheres of activity as in
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 the sphere of education.

The great depression of the last decade was no exception to this general trend. Educational problems arose and demands for assistance were made upon the federal government. Emergency grants were made available to meet the demands.

The reports of two conferences pointed the need for federal emergency assistance. The Joint Commission on the Emergency in Education had a special conference in the summer of 1933 and reached the following conclusions:

(a) Federal support for education is in accord with the development of national policy with respect to education.

(b) The need for national aid to the states, apparent from the beginning, has been increased by the development of the machine and power age.

(c) The Federal government should enable the states to support a foundation program of education for all children within the nation.³

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See A. C. Millsbaugh, Democracy, Efficiency, Stability (Washington, D.C.: The Brookings Institution, 1942) for a discussion of centralizing tendencies in other spheres of activity in the United States.

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Taken from Report of National Conference on the Financing of Education, held under the auspices of the Joint Commission on the Emergency in Education of the National Education Association and the Department of Superintendence, Columbia University, July, 1931 to August 11, 1933 (Washington, D.C.: National Education Association), pp. 77 ff.

Far more helpful in terms of securing immediate aid for education, however, was the conference called by Commissioner George F. Zook in the fall of 1933. A specific program was developed and

. . . . the activities implemented by this conference have been pointed largely to the problem of emergency aid. The program agreed upon included aid to the poorer states to keep schools open, aid on a more general basis to assist the property tax in carrying the burden of schools during the depression, school construction aid with particular attention to the rehousing of rural schools, the use of Federal credit for refunding certain district indebtedness, and aid to college students.⁴

Among the emergency activities initiated during the depression which were directly related to this problem were: (a) Emergency Grants to Keep Schools Open; (b) Works Progress Administration Educational Projects; (c) Public Works Administration Grants for School Building Construction and Repair; (d) The Civilian Conservation Corps; and (e) The National Youth Administration.

Emergency Grants to Keep Schools Open. One of the first depression educational enterprises of the federal government was the virtual gift of funds to states for the purpose of keeping schools open. Many school districts, especially those in submarginal areas, were forced to discontinue edu-

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Paul R. Hertz, and W. C. Neusser, Public School Finance (New York: McGraw-Hill Book Company, 1941), p. 474.

ational services. Acting under authority granted to the Federal Emergency Relief Administration,⁵ the Federal Administrator released approximately \$22,000,000 to local school districts during 1934 and 1935.⁶ The grant of funds to any district was contingent upon the certification of the state superintendent of schools that the funds were needed to keep the schools open six months. Joyal has pointed out that these grants were made with "no 'strings' attached . . . there was no federal control in these acts."⁷

The Works Progress Administration Educational Projects.

The Works Progress Administration was established May 6, 1935 by Executive Order No. 7034 and empowered to perform the following functions:

- (1) To operate useful work projects designed to provide maximum employment in all localities . . . whether operated by the Works Progress Administration or by other Federal Agencies.

⁵ For a presentation of the chronology of the Federal Emergency Relief Administration see, Doak S. Campbell and Others, Educational Activities of the Works Progress Administration, Staff Study No. 14, Advisory Committee on Education (Washington, D.C.: Government Printing Office, 1939), pp. 158-9.

⁶ Timon Covert, Federal Aid for Education, Leaflet No. 54, United States Office of Education, p. 17.

⁷ Arnold K. Joyal, "Another Step Toward Federal Control," Frontiers of Democracy, February 15, 1941, p. 143.

(2) To coordinate the entire program: including the selection of persons for employment

(3) To coordinate such data compiling projects as may be useful in carrying out the Works Program.⁸

Organized as a division under the immediate supervision of the Deputy Administrator was the Division of Education Projects whose major activities were: general adult education, literacy and naturalization classes, avocational and leisure-time activities, vocational education, nursery schools, home-making education, parent education, public affairs education, worker's education, correspondence instruction, and research studies. While most of these activities were outside the realm of public education and were largely in the field of adult education, the educational program of the Works Progress Administration has been briefly reviewed in order to reveal the general growth of federal control during the past decade.

Of interest to the student of educational control was the fact that "the director of the Division of Education Projects [was] a member of the staff of the Office of Education on full time loan to the Works Progress Administration to administer the emergency education program."⁹ In selecting specialists who assisted him in an advisory capacity only, the director was not required to consult any

⁸ Doak S. Campbell and others, op. cit., p. 11.

⁹ Ibid., p. 14.

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 person or committee. In short, the director had full and complete authority.

Administrative control varied greatly among the states, depending largely upon the strength or influence of the state departments of education. In some states the state department of education was in full control, whereas in others the Works Progress Administration officials either administered the program or shared the administration with local officials. In general, however,

It has been the policy of the Works Progress Administration in the operation of its education program to insist that, within the limits prescribed by Works Progress Administration regulations, each State shall approve of and cooperate in the detailed operation of its program.¹¹

In all educational projects the requirements of the State Department of Education, the State Works Progress Administration administrators, and the National Director of the Division of Education Projects theoretically were supposed to be met.¹² Recognition was given to the fact that "the State government [should] be responsible for the nature and content of the program"¹³

¹⁰
 Doak S. Campbell and others, op. cit., p. 14.

¹¹
Ibid., p. 21.

¹²
Ibid., pp. 15-16.

¹³
Ibid., p. 16.

Relationships between the state organization and the teachers employed on local projects were maintained through supervisors who were responsible to the state director. The teachers and local supervisors were selected from relief rolls and in many instances worked within the administrative organization of the local school unit in those areas where the local school district was the project sponsor.

In general, from the point of view of the Works Progress Administration, administrative responsibility followed the lines of the Works Progress organization in the State; responsibility for educational supervision followed the lines of public school organization.¹⁴

A basic principle of control that was reserved by the national director of the education program was final approval of all projects. This control was utilized "to insure against deviation from Federal regulations governing projects and to provide such technical advice as may be necessary to improve the quality and effectiveness of the projects when established."¹⁵ After approval, the projects were supervised by the state director in collaboration with a representative of the sponsor. In some states the projects were unofficially supervised by local community councils.

¹⁴
Doak S. Campbell and others, op. cit., p. 19.

¹⁵
Ibid., p. 21.

An important activity in terms of future policy of the federal government was the nursery school program. Since 1919, nursery schools have been established in many communities. Of the 1900 existing in 1938, it has been estimated that 1500 were under the Education Division of the Works Progress Administration.¹⁶ These nursery schools were organized in four different ways: (a) as part of the local school system, (b) in connection with colleges as training centers, (c) in connection with high school courses in child care, and (d) as separate units in the community under the sponsorship of non-school agencies. It was estimated that public schools sponsored about two-thirds of them.¹⁷

Continued interest in the development of nursery schools has been shown by the federal government during the past year. Under the provisions of the Lanham Act, many nursery schools have been established in defense industry centers to care for the children of defense workers. Many more are to be opened as women are called into industrial pursuits.¹⁸ It remains

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Doak S. Campbell and others, op. cit., p. 108.

17

Ibid., p. 109.

18

From information received from Miss Helen Heffernan, Chief, Division of Elementary Education, California State Department of Education, November 5, 1942.

to be seen whether they will be federally or locally controlled.

In theory, the educational program of the Works Progress Administration was decentralized and supposedly free from federal domination. That this was not true in practice has been revealed by two different reports. The report of the Advisory Committee on Education stated:

The theory of State supervision over the emergency education program, as outlined by the Works Progress Administration in its regulations, necessarily implies a system of decentralized control. Evidence given above relating to the status of the State directors of the emergency program tends to illustrate the practical application of this theory. The relationship of the State director not only to the State educational authorities but also to other Federal officials on the relief program varies markedly from one State to another. Thus, in one State the education director is immediately responsible to the Works Progress administrator for the State; and in the next, he may be subordinate to the director of another operating division. Similarly, for example, only a few States provide worker's education as such; others include it as a constituent part of the public affairs or of the general adult program; and others in turn refuse to accept it in any form.

That this flexibility of administrative arrangement is evidence of local health and vigor would be true if the State alone were responsible for the decision, or if existing variation in organization were evidence of an experimental policy to determine the best form of administration. As it is, however, the decision is frequently determined in part or in whole by the Federal hierarchy, and to that extent is imposed on State authority. Furthermore, it would seem that the decision is not always made in terms of what is best from the point of view of sound educational policy, but frequently in the narrow terms of personal predilection.

It is desirable that the emergency education program should conform more nearly in practice to what it purports to be in theory. The States should be permitted to determine the content of their own program, and the program should be administered by an emergency education director, administratively responsible to no one in the State office of the Works Progress administrator except the administrator of the State.¹⁹

In a similar vein, Joyal has pointed out:

The WPA program in education is essentially a Washington-directed affair. It does have state and regional administrators and advisory groups. For the most part the gestures in the direction of local initiative are feeble and sometimes hypocritical. Anyone who is at all familiar with the program will agree that control is centered in the federal administration.²⁰

Grants for School Building Construction and Repair. Both the Works Progress Administration and the Public Works Administration granted federal aid to local school systems for construction and repair of school buildings. Minor grants were also made under the auspices of the Civil Works Administration and the Federal Emergency Relief Administration. The amounts granted to different school districts varied from complete grants in submarginal school districts to 45 per

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Campbell and others, op. cit., p. 146.

20

Arnold E. Joyal, "Another Step Toward Federal Control of Education," Frontiers of Democracy, February 15, 1942, p. 144.

cent grants in more well-to-do areas. The total amount made available by the federal government through grants and loans during 1934-1939 was \$679,944,344. This amount plus that furnished by the applicant made a grand total of \$1,195,967,191 expended for school building construction, repair, and improvement.

The United States Office of Education in a study of 1965 completed school buildings revealed that

nearly two-thirds of them were erected in school districts outside of cities. Furthermore, 47 per cent of the buildings were in communities under 25,000 in population. This was important because the communities outside the larger cities are the ones which have been severely handicapped for years due to lack of funds in their school-building programs.²¹

The stimulation of school building construction in submarginal areas was a unique aspect of this program.

The chief reservations made by the federal government in making these grants were "the right to approve the plans and specifications, to supervise the construction, and to audit the books on the projects."²² The same reservations were later made in the administrative regulations of the Federal Works Agency pertaining to the Lanham Act. These were

21

Alice Barrows, "New School Buildings for Old," The American Teacher, April, 1940, p. 22.

22

Joyal, op. cit., p. 144.

the major controls of the federal government in the administration of the building program. The major purpose of these controls was to insure the expenditure of the funds for specific purposes, sound construction of buildings, and legality and honesty in the expenditure of funds. These controls were essentially in line with recommendations of the Advisory Committee on Education with the following exceptions:

(a) Individual construction projects should be reviewed by the respective State departments of education, and should then be submitted to the United States Office of Education for approval.

(b) The supervision of construction, and auditing of local construction accounts should be left so far as possible to the States.²³

However, with reference to federal control the Advisory Committee on Education stated:

No serious objections have been presented to the Committee with respect to the manner in which the large emergency Federal funds used for school-building construction have been provided and supervised.²⁴

23

The Advisory Committee on Education, Report of the Committee, pp. 202-3.

24

Ibid., p. 44.

The Civilian Conservation Corps. The Civilian Conservation Corps was established by Executive Order No. 6101 on April 3, 1933, under an Act of Congress, "for the relief of unemployment through the performance of useful public work, and for other purposes."²⁵ General administrative responsibility for the construction and operation of camps was given to the War Department. Supervision of work projects was carried on by the Departments of Interior and Agriculture, while selection of enrollees was done by state agencies appointed by the Department of Labor. Co-ordination and general direction was carried on by the Civilian Conservation Corps staff. The Office of Education served in an advisory capacity on educational matters. Thus five different agencies participated in the program.

That the Civilian Conservation Corps program was of a tremendous scope is revealed by a cursory analysis of expenditures made and youth served. From its inception to its termination in July, 1942, more than \$2,827,000,000²⁶ had been expended. Of this amount approximately \$33,000,000 had

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48 Stat. L. 22.

26

U.S. Senate, 77th Congress, 2nd Session (1942). Termination of Civilian Conservation Corps and National Youth Administration. Hearings before the Committee on Education and Labor (Washington, D.C.: Government Printing Office, 1942, p. 287.

been expended for educational purposes;²⁷ 3,118,721 unem-
 ployed youth had been enrolled, and 2,806,848, or 90 per
 cent, participated in organized classes and activities.²⁸
 The average annual cost for maintaining each enrollee varied
 "from \$950 to \$1050 including \$360 wages, of which \$260
 [was] allotted to dependents or deposited."²⁹

Although the avowed purpose for the creation of this
 agency was relief of "the acute condition of widespread dis-
 tress and unemployment now existing in the United States,
 and in order to provide for the restoration of the country's
 depleted natural resources and the advancement of an orderly
 program of useful public works,"³⁰ a federally controlled

27

Taken from a letter dated November 18, 1942 from the
 Civilian Conservation Corps.

28

U.S. Senate, 77th Congress, 2nd Session (1942). Ter-
 mination of Civilian Conservation Corps and National Youth
 Administration. Hearings before the Committee on Education
 and Labor, p. 592.

29

J. J. McEntee, "The Point of View of the CCC,"
Frontiers of Democracy, December 15, 1941, p. 79.

30

48 Stat. L. 22.

and directed educational program was begun in December, 1933.

This program of education was administered as follows:

The CCC Division of the Adjutant General's office of the Army, under the general supervision of the Office of Director, CCC, administers the educational program, technical details of which are formulated by the Office of Education. The professional details of the program are handled by a CCC paid Director of CCC Camp Education and staff in the Office of Education. The Commissioner of Education is advised and assisted in the formulation of educational policies to be recommended to the War Department by an Educational Advisory Committee composed of a representative of the Director's Office and of each of the Departments of War, Interior and Agriculture.³²

Since the War Department had charge of the program, the commanding officers in each camp were responsible for the educational program therein. An educational adviser, nominated by the Office of Education but employed by the War Department, was responsible to the commanding officer for the planning and operation of the educational program.

An educational committee consisting of the company commander as chairman, the educational adviser, and the project superintendent was established in each camp. The major pur-

31

Educational Policies Commission. The Civilian Conservation Corps, The National Youth Administration and the Public Schools (Washington, D.C.: The Commission, 1941), p. 12.

32

James J. McEntee, "The CCC Program for Youth," The American Teacher, April, 1940, p. 40.

pose of this committee was

to formulate the specific camp educational program and determine the courses to be offered, the time to be allotted each, how the various courses will fit together, the special provisions to be made for unusual cases--the integration into one unified program all the details incident to meeting the educational needs of two hundred young men in connection with the successful operation of the work projects.³³

The local educational committees in co-operation with the advisory committee in Washington developed a practical educational program which varied from camp to camp. The fundamental underlying objective was

to return the enrollees to their communities as better citizens and with a better knowledge of their government. The elimination of illiteracy, the removal of deficiencies in elementary school subjects, special instruction on camp work jobs, vocational training, recreational training, cultural and general education, training in health, first aid, safety and life saving, character-building and citizenship-training activities, and specific training in how to get a job.³⁴

Specific training in how to get a job was one of the educational activities carried on in different camps. ³⁵ A comprehensive program of formal classes in general, vocational, and

33

McIntee, op. cit., p. 41.

34

Ibid., pp. 40-41.

35

Loc. cit.

avocational subjects was offered.

One of the most serious educational needs was that of providing basic education in the "Three R's." According to the report of the Advisory Committee on education,³⁶ 84 per cent of the enrollees had not completed high school, and 44 per cent had not completed the elementary school. About 105,000³⁷ boys were taught to read and write, and more than 500,000 received instruction in elementary school subjects.³⁸

To give concrete implementation to the program which was organized to overcome these deficiencies, the Office of Education designed a series of workbooks in the fields of arithmetic and language arts. Those dealing with reading contained stories concerning "CCC camp life, home and family life, social studies, community life, government, biographies, job information, safety, recreation, and health."³⁹ These workbooks were written in the Office of Education and used throughout the entire country.

36

The Advisory Committee on Education, op. cit., p. 117.

37

U.S. Senate. Termination of National Youth Administration and Civilian Conservation Corps, p. 592.

38

The Advisory Committee on Education, op. cit., p. 118.

39

McEntee, op. cit., p. 41.

The vocational training program was developed with reference to the type of training needed to undertake successfully work projects and to operate the camps. More than 300 jobs for training purposes were discovered in the work projects.⁴⁰ Cooking, clerical work, radio, and mechanics were taught in connection with camp maintenance. In addition to these vocational education opportunities, other courses not related to the project were given in trade schools near the camps.

41

McEntee has given a partial list of the types of vocational training offered to enrollees:

Auto mechanics	Masonry	Explosives
Blacksmithing	Nursery work	Foreman and leader training
Blueprint reading	Office practice	Stonecutting
Bridge construction	Quarrying	Surveying
Building construction	Saw filing	Telephone line work
Bulldozer operation	Sign making	Tractor operation
Care of tools	Steel structure construction	Trail maintenance
Carpentry	Concrete construction	Truck driving
Clerking, office	Crusher operation	Typing
Compressor operation	Dam construction (small dams)	Use of tools
Grader operation	Diesel engines	Welding
Jackhammer operation	Drafting	Woodworking
Landscaping	Drainage	
Mapping or map making	Equipment maintenance	

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McEntee, op. cit., p. 42.

41

Ibid.

In addition to the academic and vocational training programs, the Civilian Conservation Corps provided a complete recreational, athletic, and avocational program. Included in this phase of the educational program were such arts and crafts as leather work, metal turning, wood carving, bead work, etc., and a complete range of hobby developing activities such as photography, stamp collecting, taxidermy, and amateur radio. The athletic program included baseball, football, soft-ball, boxing, etc. Oratorical and debating activities were also undertaken. In some camps extension courses were given by high schools and colleges, while in others enrollees undertook studies in near-by schools. All in all, the federal government developed an extensive educational program for the enrollees.

42

With reference to centralized Federal control of the educational program it was reported by the Advisory Committee on Education in 1938:

The program has also been highly decentralized. Every effort has been made to secure the active participation of individuals and organizations in the various localities, with the result that much interest has been stimulated in finding ways to make useful the idle time and ability of unemployed young people. A willingness to experiment and improvise has been demonstrated throughout the program.⁴³

42

See McIntee, op. cit., for a more detailed discussion.

43

Advisory Committee on Education, Report of the Committee, p. 121.

This was an amazing testimonial when the frequently cited dangers of federal control are recalled to mind. It revealed that so far as the Advisory Committee could determine at the time of their investigation, the program was adaptable, experimental, and eager to utilize local co-operation.

The Advisory Committee also expressed a doubt that the Civilian Conservation Corps program could be administered and controlled by state and local authorities because: (a) much of the work was done in the public domain; (b) many youth were not enrolled in their home states; (c) it was questionable as to which state department--labor, public works, welfare, or education--should administer the program; and (d) any system of (administration of) statutory grants to the States was likely to be inflexible and inadaptably to changing needs.⁴⁴ The Committee therefore recommended "that national programs of work camps and work projects for youth should be administered by the Federal Government at least until such time as it is evident that they should be made permanent."⁴⁵

44

Advisory Committee on Education, op. cit., p. 123.

45

Ibid. Other recommendations of the Advisory Committee on Education are presented in the immediately following section dealing with the National Youth Administration.

quite in contrast to the favorable report of the Advisory Committee on Education was the report of the Educational Policies Commission issued in October, 1941.⁴⁶ The Commission reviewed evidence which revealed three basic facts:

(a) The CCC and the NYA, both of which were originally established solely to provide employment for needy youth, assumed functions of education as well.

(b) The educational programs of both agencies were completely under the control of the Federal Government.

(c) Both agencies were moving in the direction of becoming permanent.⁴⁷

In substantiation of the first point the Commission pointed out that in 1937, through congressional enactment, it was established as a separate agency. In this enactment the stated purpose was "providing employment as well as vocational training, for youthful citizens of the United States."⁴⁸ In addition, it was provided "that at least ten hours each week may be devoted to general educational and vocational training."⁴⁹ Under the presidential reorganization plan of

⁴⁶ Educational Policies Commission, op. cit.

⁴⁷ Ibid., p. 9.

⁴⁸ 50 Stat. 319. Cited in the Report of the Educational Policies Commission, op. cit., p. 12.

⁴⁹ Loc. cit.

1939 the Civilian Conservation Corps was moved into the newly created Federal Security Agency along with the National Youth Administration. In this order the President confirmed the educative function by stating that ". . . its major purpose is to promote the welfare and further the training of individuals who make up the Corps, important as may be the construction work which they have carried on so successfully."⁵⁰ Thus both presidential and congressional sanction was given to the Civilian Conservation Corps educational program.

With reference to the second point the Commission stated that:

Decentralization existed only by virtue of delegation of authority, which could be withdrawn at any time The CCC educational program from the beginning has been under the administration of the Adjutant General of the United States Army All relationships and cooperation between the CCC and schools existed at the pleasure of persons and not because of legal requirements.⁵¹

The charge of "becoming permanent" was documented by citing the recommendation of the Civilian Conservation Corps Director made in his annual report "that this work be adopted

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U.S. Senate, Congressional Record, 84:6578, April 24, 1939. Quoted in the report of the Educational Policies Commission, op. cit., p. 14.

51

Educational Policies Commission, op. cit., pp. 15-17.

as a permanent part of our national governmental activities." ⁵²

In addition, the Commission argued that the liberalization of requirements for enrollees and the large investment in buildings and equipment were steps toward permanence. ⁵³

The Commission report further pointed out that other organizations had issued public statements with a similar intent. ⁵⁴ Because of these reports and the findings revealed in their study the Commission recommended that (a) after com-

52

Educational Policies Commission, op. cit., p. 20.

53

Ibid., pp. 20-21.

54

Ibid., p. 26. Reports cited were:

National Education Association, Proceedings, 1940 (Washington, D.C.: The Association, 1940), p. 902.

American Association of School Administrators, Summary of the 1939 Convention (Washington, D.C.: The Association, 1939), p. 30.

Special Committee of the National Committee on Coordination in Secondary Education, "The Relationship of the Federal Government to the Education of Youth of Secondary School Age," Bulletin of the National Association of Secondary School Principals, 25:3-24, April, 1941.

New England Association of School Superintendents, "The Educational Policies for Today," Massachusetts Teacher, 20:10-11, February, 1941.

New York State Teachers Association Committee on Youth Needs. An Educational Program for the Youth of New York State (Albany, N.Y.: The Association, September, 1940), pp. 21-22.

pletion of present defense training projects the Civilian Conservation Corps should be discontinued as a separate youth agency; and (b) all guidance, vocational, and general education functions should be transferred to state and local educational agencies.

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The National Youth Administration. Not long after the establishment of the Civilian Conservation Corps, the federal government took steps to aid needy college youth. A student aid program was organized whereby college students were paid wages for useful work done in the colleges they were attending. This program was first tried at the University of Minnesota in 1933 by funds secured from the Federal Emergency Relief Administration. In February, 1934, the F E R A extended this aid throughout the entire country. In May of the same year resident schools and camps for unemployed women were established. These two developments were forerunners of the National Youth Administration.

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Educational Policies Commission, op. cit., p. 77.

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F E R A Communication E-15, February 2, 1934. Cited in Palmer O. Johnson and Oswald L. Harvey, The National Youth Administration. Staff Study No. 13. Advisory Committee on Education (Washington, D.C.: Government Printing Office, 1938), p. 7.

On June 6, 1935, the National Youth Administration was established by Executive Order of President Roosevelt.⁵⁷

The prescribed functions and duties were:

To initiate and administer a program of approved projects which shall provide relief, work relief, and employment for persons between the ages of sixteen and twenty-five years who are no longer in regular attendance at a school requiring full time, and who are not regularly engaged in remunerative employment.⁵⁸

Two major programs were organized to achieve the stated purpose:

(a) A student aid program to provide funds for the part-time employment of needy school, college, and graduate students sixteen to twenty-four years of age; and

(b) A work projects program to provide employment for youth from relief families and to benefit communities in which the youth resided.⁵⁹ Among the activities carried on by the National Youth Administration were the junior guidance and placement service, the apprentice-training program, the program of educational camps which was discontinued after

⁵⁷
Executive Order No. 7086, June 26, 1935. Cited in the report of the Educational Policies Commission, op. cit., p. 11.

⁵⁸
Ibid., p. 92.

⁵⁹
Ibid., p. 7.

a relatively short time, and the defense-training program.

The National Youth Administration was originally organized within the framework of the Works Progress Administration. In 1938 it was detached from the Works Progress Administration and made an independent agency directly responsible to the President.⁶⁰ In 1939 it was transferred to the newly created Federal Security Agency, within which it has continued its operations up to the present time.

A national director was placed in charge of the entire program. The director was assisted by "an executive committee of 6 members from various federal agencies; and a national advisory committee of 35 members, representative of labor, business, agriculture and youth."⁶¹ Although the national director changed the internal organization at different times it was characterized by: (a) executive assistants in the national office in charge of student aid, work projects, finance, and statistics; (b) regional and state directors; (c) district and local supervisors; and (d) state and local lay advisory committees. The student aid programs within the general requirements of the National Youth Admin-

60

Educational Policies Commission, op. cit., p. 14.

61

Falmer and Johnson, op. cit., p. 9.

istration was largely administered by the schools and colleges whose students were receiving monetary aid.⁶² In 1942, when the program was reduced in size, the National Director abolished the offices of the state directors and utilized a regional organization in lieu thereof.

The tremendous scope of the National Youth Administration program may be visualized by considering the amount of funds which have been expended and the number of youth served. Through July, 1942, more than \$674,232,324 had been appropriated by Congress.⁶³ At this same time, more than 2,500,000 youth had participated in the program.⁶⁴ These figures were cumulated totals made with reference to all the different types of programs offered by the National Youth Administration organization.

Educational work experiences were a large portion of this program and were given in the following areas:⁶⁵ sheet

62

Palmer and Johnson, op. cit., p. 11.

63

Data taken from correspondence received from the National Youth Administration, December, 1942.

64

Ibid.

65

See Aubrey Williams, "Jobs for Unemployed Youth," The American Teacher, April, 1940, pp. 35-39.

metal, welding, foundry, automotive mechanics, aviation mechanics, electricity, radio, sewing, woodworking, comptometry, masonry, occupational orientation, carpentry, metal shop, furniture repairs, homemaking, and nursery school. Related classes were held in resident centers, camps, and near-by schools. Related classroom instruction was frequently given in near-by schools.

An important phase of the National Youth Administration educational program was that carried on in the resident centers. In these centers each enrollee spent about half time in attending classes and the remainder of the time on service and production.⁶⁶

In May, 1940, there were approximately 600 resident centers enrolling more than 30,000 youth.⁶⁷

To present a general picture of the operation of the National Youth Administration resident center, an excerpt of a descriptive report of the project at Chapman Springs, Georgia has been quoted from the hearings on the Termination of the Civilian Conservation Corps and National Youth Administration:

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See Aubrey Williams, op. cit., pp. 35-39.

67

Educational Policies Commission, op. cit., p. 13.

The largest portion of the operations are in one large frame building. The units included a machine shop, with 28 youth; a foundry, employing 8 youth; an electric welding shop, employing 8 youth; an auto mechanics shop employing 20 youth, and a sheet metal shop employing 28 youth. There are 273 youth in residence and the shop is operating two shifts of 8 hours each day and the Department of Vocational Education is using the welding equipment for a third shift. The major portion of their work was in the manufacturing of 50 sets of 6-foot sheet metal brakes for other National Youth Administration centers and of work for the Fort Benning warehouse. Included in this were some heavy duty truck casters, both plain and swivel type. These had been designed on the project, the patterns had been made there, the castings made, and the machine work was being done.

It was a very high type job and it provided opportunity for good work experience, in addition to making a useful product. Youth are registered with the employment service and with the civil service immediately upon reporting. A good counseling program permits of readjustment where youth are occupationally unsatisfactory. The sheet-metal shop was making 6,000 pieces of stove pipe for Fort Benning and 500 stove hoods, as well as reworking some 500 that had been procured commercially. They were doing a considerable amount of auto repair and repainting for Fort Benning. The small foundry is being replaced by a larger one. In addition to the 8 hours per day of each youth, 5 hours per week of extra time is required for assigned work in citizenship, health, and student government. Youth are housed on a contract basis in the county-owned cottages and take their meals in the county-owned dining hall. A full time nurse is in residence and supervises health. The civil service allows the youth 6 months for his time at Chapman Springs, considering 3 months as training and 3 months as actual work experience. Youth are leaving at the end of almost exactly 3 months of training and are going largely into civil service jobs.⁶⁸

68

U.S. Senate. 77th Congress. 2nd Session, Senate Committee on Education and Labor. Termination of Civilian Conservation Corps and National Youth Administration (Washington, D.C.: Government Printing Office, 1942), p. 371.

The advent of the war brought a radical change in the National Youth Administration program. The testimony of the Federal Administrator clearly revealed this change:

Since (September, 1940) the N Y A program has undergone a complete change. First, we have concentrated on the shop type of project and on resident centers to help youth go where the industrial opportunities are Our whole program has been becoming more and more of a support for defense industries. A large portion of the funds that we received were utilized to modify the program that we had and build it up to a point where it could do an acceptable job of providing training for defense.⁶⁹

In accord with this stated policy, the National Youth Administration administrator organized a "Youth Work Defense Program,"⁷⁰ and on April 1, 1942, limited the work projects to defense training and defense production projects of the following categories: "training for war production industries; army and navy construction and service work; the production and conservation of food; the training of stenographic and clerical workers; and the training of hospital aides."⁷¹ The

69

U.S. 77th Congress, 1st Session, House Subcommittee of the Committee on Appropriations. Hearings on the Department of Labor Federal Security Agency Appropriation Bill for 1942, Post 2 (Washington, D.C.: Government Printing Office), pp. 225, 229.

70

Educational Policies Commission, op. cit., p. 40.

71

U.S. 77th Congress, 2nd Session. Senate Committee on Education and Labor. Termination of Civilian Conservation Corps and National Youth Administration (Washington, D.C.: Government Printing Office, 1942), pp. 382-3.

training given in this program was of two types: (a) on the job training for the National Youth Administration; and (b) class instruction in near-by schools. As pointed out by the Policies Commission, however, a very small percentage of the students participated in the class instruction and the program was largely a National Youth Administration program. 72

A typical example of this type of defense training program and related training carried on in cooperation with local school systems has been described by Mead as follows:

The most thorough and extensive part of the school's cooperative training program has been carried on in connection with work experience provided by the National Youth Administration. Within the past school year, this agency has constructed and equipped a standard work experience center for training non-school youth in machine tool operation, welding, forging, sheet metal work, and radio. A total of \$85,000 was expended for this building and its mechanical equipment. The board of education cooperated by granting a long term lease on a plot 300 feet square which is adjacent to the school plant on school property. Approximately 150 work stations were provided in this structure.

Each student registered for training under the cooperative plan is given five hours per day actual production experience in the NYA workshop and two and one-half hours per day of related training in the high school. Federal funds are available to finance the related training offered by the school. Youth employed on national defense projects receive \$25.00 per month for their services.

School and NYA officials cooperated in setting up a three-shift day in the production shop which would free these youths for related training in shop

mathematics, blueprint reading, and applied science in the high school. Controlled production involving manipulative exercises is provided for students with meager background in machine tool operation. One shift is composed exclusively of youth who have had previous experience in the Bloom vocational shops. These youth are provided related training involving more theory and fewer manipulative exercises and are being prepared particularly for supervisory positions in industry. Under this plan the facilities of the school are in use from 7:30 in the morning until midnight.⁷³

Pronounced emphasis on educational problems, however, was given early in the National Youth Administration program. According to the Policies Commission:

When these federal agencies of relief employment became federal agencies of education as well, these patterns of federal control were extended to their educational activities.⁷⁴

In a similar manner Palmer and Johnson pointed out the increased emphasis on education, but they cited the fact that it was highly decentralized and desirable in many respects.

In actual operation the National Youth Administration has transcended the immediate problem of relief and has ventured, with considerable success, into educational and employment fields which might have been deemed entirely outside its province. In so doing, it has demonstrated possibilities of profound social significance; and its very unusualness as an agency has made possible the novel and productive approach that has characterized its development from the beginning It is desirable that as

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R. D. Meade, "School Cooperation with Governmental Agencies," The American School Board Journal, October, 1941, pp. 18-21.

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Educational Policies Commission, op. cit., p. 16.

early as conveniently possible the functions of the Youth Administration should be incorporated into the regular governmental structure.⁷⁵

The Educational Policies Commission has likewise conceded that decentralization of control existed. But, stated the Commission:

Decentralization existed only by virtue of delegation of authority, which could be withdrawn at any time State NYA administrators are appointed by the federal administrator, and these state administrators appoint their subordinates in state and area offices. Regulations governing the program are issued from Washington. To be sure, there is considerable decentralization of administrative responsibility, but this is fundamentally different from the decentralization of control in the cases of vocational education, cooperative agricultural extension, and land-grant colleges. In the latter cases, the broad purposes and conditions are defined by federal statutes, while the planning and operation of state and local programs, within these limits, are controlled by the appropriate state and local public agencies. In the case of the NYA, the federal statutes, until as late as October 9, 1940, gave no authority to state and local agencies of government or of public education, but vested all authority in federal officials, who might "decentralize" controls by delegating authority to subordinates on the NYA staff at state and local levels.⁷⁶

In discussing the operating principle of the National Youth Administration, Palmer and Johnson stated:

To enlist and ensure the cooperation of the public in the execution and development of its program, the National Youth Administration has in principle

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Palmer and Johnson, op. cit., p. 16.

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Educational Policies Commission, op. cit., pp. 15-16.

worked in close cooperation with local, State, and Federal governmental agencies and with numerous non-governmental organizations The operating principle of the National Youth Administration is essentially democratic Its success in conducting a nation-wide enterprise through a system of decentralized control probably has had significant bearing on the relationship between Federal and State Governments in educational matters it has demonstrated not only that cooperative programs between agencies at different levels of control can be effective, but also that such programs offer possibilities of substantial economies in administration.⁷⁷

The foregoing excerpts bring to light many facts which are controversions of some of the alleged "dangers of centralized control" discussed in Chapter I of this study. With the National Youth Administration, as with the Civilian Conservation Corps, adaptation to local needs and cooperation with local agencies and groups were typical of the administrative officials charged with operation of the programs.

In summarizing the status of the National Youth Administration the members of the Educational Policies Commission charged that:

(a) The CCC and the NYA, both of which were originally established solely to provide employment for needy youth, assumed functions of education as well.

(b) The educational programs of both agencies were completely under the control of the federal government.

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Palmer and Johnson, op. cit., pp. 12, 21, 90.

(c) Both agencies were moving in the direction of becoming permanent.⁷⁸

These three facts were elaborated by pointing out that the early congressional appropriations made to the National Youth Administration stipulated that "no portion of the funds hereby appropriated shall be allocated or used for any purpose except to provide relief or work relief for persons in need." In 1938 Congress recognized an educational function by stating that the expenditure of federal funds was authorized "to provide part-time work and training to needy young persons who are no longer in regular attendance at school and who have been unable to obtain employment."⁷⁹ In 1939 the President in a message of transmittal which accompanied his reorganization plan stated that the major purpose of the National Youth Administration "is to extend the educational opportunities of the youth of the country and to bring them through the processes of training into the possession of skills which enable them to find employment Work projects have been merely the process through which its major purpose was accomplished."⁸⁰

78

Educational Policies Commission, op. cit., p. 9.

79

Ibid., p. 13.

80

Ibid., p. 14. Quoted by the Commission from U.S. Senate, Congressional Record, 84:65-78, April 25, 1939.

With reference to the federal control involved in the newly created Youth Work Defense Program of the National Youth Administration, the Educational Policies Commission stated:

. . . . the NYA is operating (a program) in which vocational training is the controlling purpose, and in which youth acquire occupational skill, not incidentally, but as the chief objective of their employment.⁸¹

The Commission further pointed out that this purpose was clearly stated before the House Subcommittee on appropriations by the Federal Security Agency Coordinator of Defense Training.

The fundamental purpose of the program that we are discussing is training and development of skills in order to qualify enrollees for jobs in defense industries this program carries out the intended objective of giving training of a specific nature, so that the youth upon completion secures a job. This program is not primarily a work project.⁸²

In concluding their analysis of control of the training program of the National Youth Administration the Commission

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Educational Policies Commission, op. cit., p. 38.

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Educational Policies Commission, op. cit., p. 39. Quoted from U.S. 77th Congress, 1st Session, House Subcommittee of the Committee on Appropriations. Hearings on the Department of Labor--Federal Security Agency Appropriation Bill for 1942, Part 2 (Washington, D.C.: Government Printing Office, 1941), pp. 958-59.

stated:

The NYA has assumed full control of training on the job, and has made it the major purpose of its employment program for all youth it employs.

The conclusion seems inescapable that the NYA remains a federal agency "to bring youth through the processes of training into the possession of skills which enable them to find employment"; that work projects are still "merely the process through which its major purpose [is] accomplished," and that in this process of training NYA youth, the role of the state- and-local educational agencies is either auxiliary or, in most cases, non-existent.⁸³

Recent Steps to Decrease Federal Control. The report of the Commission also revealed four important steps taken by the federal government which decreased centralized control. These steps were: (a) the defense training program launched in high schools and colleges; (b) the agreement between the United States Office of Education and the National Youth Administration giving the Office of Education and its state boards control of all education not incidental to work

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Educational Policies Commission, op. cit., p. 41.

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Educational Policies Commission, op. cit., pp. 30-31. Enactments cited by the Commission were: U.S. 76th Congress, 3rd Session, Ch. 437, p. 5. Public No. 668. Approved June 27, 1940; U.S. 76th Congress, 3rd Session, Ch. 780, pp. 4-6. Public No. 812. Approved Oct. 9, 1940; U.S. 77th Congress, 1st Session, Ch. 269, pp. 12-14. Public Law 146. Approved July 1, 1941.

projects; (c) congressional appropriations of funds for use by public schools in the education of National Youth Administration and other out of school youth;⁸⁵ and (d) arrangements for the education of Civilian Conservation Corps youth in public schools.⁸⁶ In addition to these steps, the federal government has now terminated all of the emergency programs discussed above except the National Youth Administration which is now operating on a reduced budget. Whether these or other federal agencies will be restored after the war remains to be seen.

Summary. The essence of the foregoing discussion may be summarized as follows:

1. The federal government has given grants for educational purposes in response to demands brought about by various national crises.

2. With each enactment made for educational purposes in response to demands created by a crisis there has developed increased federal control over public education.

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Educational Policies Commission, op. cit., p. 31.

86

Ibid., pp. 32-33.

3. The depression of the last decade created an imperative need for federal aid to keep schools open, to construct and repair school buildings, to meet educational needs of out of school youth, and to provide educational opportunities for adults.
4. No federal control developed in the administration of emergency grants which were made to keep public schools open.
5. The program of educational activities organized under the auspices of the Works Progress Administration was federally controlled with limited state and local participation. Although the program was theoretically decentralized, it was dominated by the federal authorities.
6. The school building construction and repair program under the Public Works Administration was federally administered. A form of the matching principle whereby the local school jurisdiction furnished 55 per cent of the funds was utilized in most cases. The federal government reserved the right to approve plans and specifications, supervise construction, and audit accounts. No serious objections to the principles of administration utilized have been reported by students of federal relations to public education.
7. The Civilian Conservation Corps was operated under federal control. A comprehensive program of education was offered in line with recommendations and advice given by the United States Office of Education. Adaptation to local need

and limited experimentation characterized the program in many areas.

8. The National Youth Administration was controlled by federal authorities. Lay advisory councils were used in local and state school jurisdictions. Co-operation with local school authorities, adaptation to local need, and limited experimentation were typical characteristics of the program.

9. Decentralization of authority and co-operation with local officials existed at the discretion of federal authorities in all of the educational programs made possible by emergency grants. It could have been withdrawn at any time.

10. The development of educational programs as a by-product of emergency agencies established by executive orders of the President was a new policy in federal relations to public education.

11. The adaptation to local need, the co-operation with local authorities, and the use of local lay advisory councils which characterized certain emergency programs need to be considered carefully by students of federal relations to education in the light of commonly accepted shortcomings of centralized control.

12. Tendencies to diminish federal control over public education were revealed by the action of the federal government in abolishing all of the aforementioned emergency agen-

cies except the National Youth Administration, reducing the appropriations of the National Youth Administration, giving control over the training program of the National Youth Administration to State Boards for Vocational Education, and launching defense training programs in public high schools. Since these steps were taken as a result of the war effort, they must be considered carefully before any generalizations are made concerning federal control.

IV

PRINCIPLES OF FEDERAL AID ADMINISTRATION

CHAPTER IV

PRINCIPLES OF FEDERAL AID ADMINISTRATION

Students who have made a study of federal relations to public education have endeavored to determine basic principles of federal aid administration which should be utilized in granting federal funds to local school jurisdictions. One major problem has been the formulation of a set of operational principles whereby federal aid could be granted without any loss of state and local control over the educational program. A second problem has been that of developing a set of principles for federal aid administration under which the inequalities of educational opportunity which exist among states and within states could be greatly reduced or removed. Finally, consideration has been given to the development of basic principles whereby existing federal aid legislation could be revised so that objectionable features could be removed. Out of various attempts to solve these problems there has been developed a significant body of recommended principles and procedures for federal aid administration.

In this chapter emphasis has been placed upon proposed principles disclosed in recently published researches based upon investigations made by national committees. The reviewed

reports thus represent the combined judgment of many individuals. Since the purpose of this review has been to develop a background of information relative to principles of federal aid administration for use in appraising the operation of the Lanham Act, it has been considered of first importance to present only those principles which have been commonly accepted by students of federal relations to public education; hence, the recently published reports of national committees have been given primary consideration.

In order to give completeness to this discussion of principles of federal aid administration, all of the principles recommended by the National Advisory Committee of Education¹ and the Advisory Committee on Education² have been presented. Not all of these, however, could be used in the appraisal of the Lanham Act, for the differences between the purpose of the Lanham Act and the program proposed by the National Committees made it impossible to apply the same principles in toto. Furthermore, there is disagreement on several

¹ National Advisory Committee of Education. Federal Relations to Education (Washington, D.C.: National Capitol Press, Inc., 1931).

² Advisory Committee on Education. Report of the Committee (Washington, D.C.: Government Printing Office, 1938).

principles in the two reports. Such disagreement has been resolved arbitrarily in this study by accepting the viewpoint of the last report.

The principles selected for use in appraising the Lanham Act have been presented in the following chapter in connection with the discussion of the act. In this chapter, consideration has been given exclusively to a general discussion and elaboration of principles of federal aid administration for the express purpose of developing a background of information necessary for an appraisal of the Lanham Act.

General Principles of Federal Aid Administration. The National Advisory Committee on Education³ was the first national study to present several principles and policies of federal aid administration based upon intensive research. This report set forth principles which are still accepted by many educators as being fundamental in wholesome federal-state educational relations. Most important among them were the following:

- (a) There are national responsibilities for education which only the Federal Government can adequately meet.
- (b) Although the educational obligations of each of the three levels of American government--federal,

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National Advisory Committee on Education, op. cit.

state, and local--are equally full and binding, these obligations may and ought, in fact, to be discharged by each of these governments in a somewhat different manner. Our civilization seems to call for neither complete local decentralization, where we began, nor for the exercise of complete state power, which is the existing legal theory, nor for an increasing federal management and control, toward which policy we have been recently tending.

(c) It is particularly unwise to centralize in the Federal Government the power of determining the social purposes to be served by educational institutions or of establishing the techniques of educational procedure.

(d) The American people are justified in using their federal tax system to give financial aid to education in the States, provided they do this in a manner that does not delegate to the Federal Government any control of the social purposes and specific processes of education.

(e) If federally collected tax money is used to give financial aid to the states, it should be given to aid education as a whole and not as special grants for the stimulation of particular types of training.

(f) The matching of federal money grants, with state or local funds whether their use is for general or special educational purposes is a policy not to be favored in the field of education.

(g) The Federal Government should render large intellectual assistance to the States in matters of education through scientific research, and the collection and dissemination of reliable information, particularly when the needed service cannot be provided by the States and local units.

(h) Modification of the federal means of education should include provisions to assure adequate periods of transition.⁴

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National Advisory Committee on Education, op. cit., pp. 27-36.

with these basic principles as their frame of reference,⁵ the National Advisory Committee recommended in 1931 that:

(a) The special aid then in force should be continued until adequate surveys were undertaken; (b) all federal laws which interfere with state and local autonomy in public education should be amended; (c) all legislation authorizing special grants to education should be restricted; (d) a study of school finances should be undertaken to determine need for and use of federal aid; (e) audits should be restricted so that no educational controls result; (f) emergency aid should be limited to investigation, dissemination of information, and promotion of co-operation between states and local communities; (g) adequate federal headquarters for education should be created; and (h) appropriations for research should be increased.

Although no congressional action was taken on the recommendations of the National Advisory Committee, several investigations were undertaken which revealed the dire need for federal aid and helped to clarify the rôle of the federal government in public education. The studies by Ashby,⁶

⁵ National Advisory Committee on Education, op. cit., pp. 36-39.

⁶ Lyle W. Ashby, Efforts of the States to Support Education as Related to the Adequacy of Financial Support Provided and the Ability of the States to Support Education (Washington, D.C.: National Education Association, 1936).

7
 Chism, and Newcomer⁸ corroborated the findings of Norton's⁹
 earlier study and gave further documentation to the need for
 federal aid revealed by the National Survey of School Finance.¹⁰
 Jointly considered, these researches revealed that the abil-
 ity, effort, burden, and expenditures for education varied
 greatly among the states. The greatest effort was being put
 forth by those states which had the greatest educational bur-
 den and the least financial ability to support schools. Fed-
 eral aid was shown to be imperative if existing inequalities
 of educational opportunity were to be remedied.

A comprehensive set of recommended principles and proced-
 ures of federal aid administration was published in 1938 by

7
 Leslie L. Chism, The Economic Ability of the States to Finance Public Schools (New York: Bureau of Publications, Teachers College, Columbia University, 1935).

8
 Mabel Newcomer, An Index of the Taxpaying Ability of State and Local Governments (New York: Bureau of Publications, Teachers College, Columbia University, 1935).

9
 John K. Norton, and Margaret A. Norton. Wealth, Children and Education (New York: Bureau of Publications, Teachers College, Columbia University, 1938).

10
 National Survey of School Finance, State Support for Public Education (Washington, D.C.: American Council on Education, 1933).

the Advisory Committee on Education. This Committee was appointed by President Roosevelt in 1936 to undertake a study of vocational education. In 1937 the President requested the Committee to expand the investigation to a consideration of "the whole subject of Federal relationship to State and local conduct of education and to prepare a report."¹¹ Many of the recommended principles and procedures set forth in the report of this committee have been used in the present study for appraisal and analysis of the Lanham Act. Consequently, a rather detailed review of those sections pertaining to recommended principles and procedures for use in federal-state educational relationships has been presented in the following pages.

The Committee formulated ten basic principles which they recommended should be "controlling in all Federal legislation providing grants to the States for educational purposes"¹² as follows:

Principle 1.

The major portion of all federal aid for education should be granted as a general fund for the current support of elementary and secondary education.¹³

¹¹
Advisory Committee on Education, Report of the Committee, p. 111.

¹²
Ibid., p. 41.

¹³
Loc. cit.

There are two general approaches to the problem of federal aid for public education: (a) general aid for all phases of the educational program, and (b) special aid to promote the development of a specific phase of education. The early land and money grants for common school purposes are examples of general federal aid. The Morrill Acts, Smith-Lever Act, and the Smith-Hughes Act are examples of special federal aid. Both types of aid have a place in public school finance but the emphasis should be placed upon general aid.¹⁴

The special aid approach forces local school systems to attack educational problems in a piecemeal fashion. Instead of developing a complete, balanced, total program of education, emphasis is placed upon a single aspect. A further disadvantage which may result has been cited by Mort and Lawler who state that special aid may "result in the drawing of a disproportionate amount of funds from a limited source and thus handicap the development of other phases of the program which may be just as seriously in need of improvement."¹⁵ Furthermore, the special aid approach is frequently a device

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Advisory Committee on Education, op. cit., p. 41.

15

Paul Mort, and Eugene Lawler, Principles and Methods of Distributing Federal Aid for Education, Staff Study No. 5, The Advisory Committee on Education (Washington, D.C.: Government Printing Office, 1939), p. 2.

for control of local programs of education rather than a device for correcting financial defects.¹⁶ It may also fail, as it did with reference to the Smith-Hughes Act in certain areas, to bring about increased local support to the specific area of education being promoted.¹⁷ Hence, special aid must be considered in connection with the general aid program--as a supplement to general aid and not as the sole type of aid. Supplementary special aid has been recommended for use in the improvement of school housing and district reorganization, improvement of the administration of state departments of education, and improvement of the preparation of teachers.¹⁸ The point is emphasized, however, that both general and special aid must be provided.¹⁹

The general aid approach seeks to upbuild the total educational program by giving it a sound financial base. According to Mort and Lawler:

The general aid approach . . . seeks to cure a fundamental disease which is contributory to the weaknesses that have been brought forward as fit subjects

16

Mort and Lawler, op. cit., p. 2.

17

Ibid.

18

The Advisory Committee on Education, op. cit., pp. 200-204.

19

Ibid., pp. 40-46.

for special aid. It seeks to appraise the pervading weaknesses in the system of public school finance, weaknesses which account in no small degree for a thousand educational shortcomings A financial foundation is needed that will support a good educational program in every community and allow leeway for experimentation in every well-organized district, urban or rural.²⁰

Furthermore, general aid may be granted without any control, as was revealed in the discussion of the early grants to public education.

Finally, the general aid approach makes it possible for local school jurisdictions to expend funds where they are most needed and thus make maximum adaptation to local variation and need. Because of the widely varying conditions which exist among local school jurisdictions, flexibility in the expenditure of funds is imperative. Thus by granting the major portion of federal aid in a general aid fund, each local school system may strengthen its total educational program, avoid the type of control which accompanies special aid, and secure a more solid financial basis.

To realize all of the aforementioned values of the general aid program, the Committee has recommended that elementary and secondary education must be defined broadly. Activities such as libraries, health and welfare services, pre-primary training, services for handicapped pupils, guidance

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Mort and Lawler, op. cit., pp. 2-3.

activities, vocation education and related club work, placement services, institutes, adult education, and the provision of textbooks, transportation and scholarships should be considered as being within the scope of public elementary and secondary education.²¹ A narrow definition used in federal aid legislation would be tantamount to the provision of a special aid program.

Principle 2.

The major portion of federal aid for education should at all times be granted on a basis that tends to lessen inequalities of opportunity among states and within states.²²

The problem of existing inequalities of educational opportunity has been delineated in several researches. The studies of the Advisory Committee on Education,²³ Mort,²⁴

²¹ The Advisory Committee on Education, op. cit., pp. 51-52.

²² Ibid., p. 42.

²³ Ibid., pp. 19-34.

²⁴ National Survey of School Finance, State Support for Public Education (Washington, D.C.: American Council on Education, 1933).

25
 Norton and Norton, Chism, 26 Ashby, 27 Newcomer, 28 and Ed-
 29 wards have revealed that inequalities exist among the states
 and within states in the ability to support education, abil-
 ity to raise funds by taxation, number of children to be edu-
 cated, current programs of education being offered, and in
 the effort that is being made to provide the financial basis
 30 for an educational program. Edwards and Richey have shown
 that the public school finance plans of different states do
 not provide for equality of educational opportunity. These
 researches have clearly revealed that inequalities of educa-

25
Norton and Norton, op. cit.

26
Chism, op. cit.

27
Ashby, op. cit.

28
Newcomer, op. cit.

29
Newton Edwards, Equal Educational Opportunity for Youth
 (Washington, D.C.: The American Council on Education, 1939).

30
Newton Edwards, and H. G. Richey, The Extent of Equal-
 ization of Educational Opportunity Secured Through State
 School Funds, Staff Study No. 6, The Advisory Committee on
 Education, pp. 5-19.

tional opportunity can be remedied only by means of federal aid.

The basic cause of the existing inequalities of educational opportunity have been summarized by Mort and Lawler as follows:

The basic cause of inadequate educational opportunity is lack of financial resources. Even if the states reorganized their tax systems by using the uniform tax plan developed for the measure of ability here used, the States with the largest deficient areas would be unable to support a defensible foundation program even if they were to devote all of the revenues from such a tax plan to the support of education.³¹

Another important factor has been pointed out by Smith and Wright who state that an "improper distribution of the burden of school support among the three levels of government concerned--the Nation, the State, and the local community" has not been remedied.³² "In spite of rapid expansion of school enrollments and services, the proportion of costs borne by each of the three levels of government differ little from that in 1900."³³

31

Mort and Lawler, op. cit., p. 13.

32

Payson Smith, and Frank Wright, Education in the Forty-eight States. Staff Study No. 1. The Advisory Committee on Education, pp. 4-5.

33

Ibid., p. 5.

Principle 3.

Federal grants for special educational purposes may properly be used to bring attention to educational matters of special national concern and thus to improve the educational programs conducted under State and local auspices, but such grants should be considered with very great care to see that improvement does in fact result.³⁴

As pointed out in Chapter III, national crises create educational needs which cut across the bounds of states and which cannot be met without federal financial assistance. In addition, there are persistent needs such as library inadequacies, school building construction needs, improvement of the training of teachers, improvement of the administration of state departments of education, and improvement of district organizations which could be materially improved by special aid made in connection with a general aid program.³⁵ Overdevelopment in any one of these phases of the educational program at the expense of others should be avoided.

Special aid for the aforementioned aspects of education should be made for the express purpose of improving state and local conditions. "Such grants should be considered with great care to see that improvement does in fact result."³⁶ Careful reviews of special aid for such purposes should be

34

The Advisory Committee on Education, op. cit., p. 42.

35

Ibid., pp. 201-210.

36

Ibid., p. 42.

carefully reviewed after several years' experience. The conduct of the program of improvement may be co-operatively planned by federal and state officials, but should be under the immediate supervision of state authorities. This does not preclude sufficient federal supervision for the purpose of determining whether the purposes of the grants have been realized.

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Several practical conditions and difficulties exist which make it impossible to meet all educational needs by means of granting federal aid through a single general aid fund. The many different types of educational organization which exist in different states present difficulties which make the general aid approach infeasible. According to Cocking and Gilmore,

There is no State in which all of the functions relating to education are placed in a single State board of education. There are as many as 18 such boards in one State, and a total of 348 for the whole country. Some boards control only a limited phase of the educational program, such as vocational education; others have considerable authority over the major part of the entire program.

Boards have been created in 40 States which control the general school system of the State in varying degrees, but an analysis of the duties assigned these boards reveals great differences in their authority. All have some responsibility for developing policies relating to elementary and secondary education, although the amount of control varies. While

37

Robert Hamilton, Selected Legal Problems in Providing Federal Aid. Staff Study No. 7, The Advisory Committee on Education, pp. 42-43.

some have limited authority, others have final authority in such matters as developing policies for the certification of teachers, transportation of pupils, classification of schools, and approval of plans and specifications for school buildings. Only 4 of these general State boards control the university. In a number of States, the control of higher education is separate from that of elementary and secondary education.³⁸

In addition to these difficulties are the many difficulties which result from differences among states with reference to constitutional provisions, court decisions, opinions and decisions of attorneys general, basic legal structure, organization of state departments of education, quality and quantity of state administrative personnel,³⁹ and general relationships between local and state units involved in the administration of educational functions.⁴⁰ Because of these conditions the Advisory Committee on Education has stated that it is undesirable to attempt to provide federal aid exclusively by means of a single fund.⁴¹

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Walter D. Cocking, and C. H. Gilmore, Organization and Administration of Public Education. Staff Study No. 2, The Advisory Committee on Education, p. 98.

39

Katherine A. Frederic, State Personnel Administration. Staff Study No. 3, The Advisory Committee on Education, pp. 188-212.

40

Cocking and Gilmore, op. cit., pp. 13-147.

41

The Advisory Committee on Education, op. cit., p. 44.

Principle 4.

The Federal Government should record its purposes explicitly but broadly, leaving to the States wide discretion and flexibility in the administration of the Federal grants, although those grants should be conditioned upon distribution within the States in conformity with the general purposes for which the grants are made.⁴²

This principle is a compromise between the theory of granting federal funds without any supervision over the expenditure and the theory of granting federal funds with intensive supervision over the expenditure. It recognizes that education is a state function, that adaptation to local need and varying conditions can be made only if flexibility in expenditure is allowed, but that the general purposes of the grants must be kept in mind when the funds are distributed. Accordingly the Committee has stated:

Local school administrators selected by local representatives of the people should be given as much independence as is compatible with an acceptable standard of honesty and activity Suitable procedures [must be] adopted to insure distribution within the States in conformity with the purpose Distribution of funds is not a matter that should be left exclusively to State officials. . . .⁴³

There are also certain legal facts which bear upon this principle. Hamilton, after making an analysis of court de-

42

The Advisory Committee on Education, op. cit., p. 42.

43

Ibid., pp. 40-50.

cisions and rulings of the Attorney General and the Comptroller of the United States, concluded that:

There is a strong tendency to hold strictly to the terms of a Federal grant when there is any attempt to tamper with the funds or to divert them from the purposes set forth in the act of the appropriation.

A Federal grant to the states may be expended only for the purposes set forth in the grant and the Federal Government may retain the right to supervise Federal grants to the extent that is necessary to insure their use in accordance with the terms of the grant.⁴⁴

Principle 5.

The general principle of cooperation between the Federal Government and the States, without coercion by either party, should dominate legislation providing for Federal grants; but wherever the major purpose of the grants is to bring about progress toward equality of educational opportunity, matching of funds by the States or local communities should not be required.⁴⁵

If the purposes of legislation for federal aid are to be realized and adaptation to local need and variability is to be made, joint co-operation between the states and federal officials must prevail. Through co-operative planning it is possible to develop the procedures necessary for realization of the purposes of federal aid legislation. Such planning is "essential for the effective distribution of the grants

44

Hamilton, op. cit., pp. 12-13.

45

The Advisory Committee on Education, op. cit., p. 42.

within the various States," for general improvement of selected areas of public education, and for the lessening of inequalities among states.⁴⁶ Past experience has indicated that an equitable distribution of funds cannot be achieved by leaving full discretionary authority to the state educational authority, or by dealing with the distribution of funds by means of federal statute. Conditions among the states are too diverse.

The matching of funds works against the lessening of inequalities of educational opportunity. "Help is most needed in those areas where matching would be unjust if not impossible."⁴⁷ It also tends to distort local budgets by committing local funds to specific purposes, gives the federal government control over portions of local funds, increases the tax burden,⁴⁸ and creates favored types of education.

Principle 6.

In order that local initiative and responsibility may be maintained, all Federal action should reserve explicitly to State and local auspices the general administration of schools, control over the

⁴⁶
52. The Advisory Committee on Education, op. cit., pp. 49-

⁴⁷
Ibid.

⁴⁸
The National Advisory Committee on Education, Federal Relations to Education, pp. 34-35.

processes of education, and the determination of the best uses of the allotments of Federal funds within the types of expenditure for which Federal funds may be made available.⁴⁹

This principle has been designed to maintain local initiative and responsibility. It is based upon the premise that decentralized control of public education has values which must not be relinquished.

Local controls in government, and especially in education, have values that we should do our utmost to retain. If our school system were rigidly controlled from the State capitols or from Washington, it might become more efficient and its behavior more predictable, but it could no longer serve to give flexibility to the social order as a whole. Suitable adaptation to local needs would be difficult.

There must be a limited amount of control, directed primarily at honesty, legality, and efficiency in the expenditure of funds. It is evident, however, that the American people would rightly object to any attempt to use Federal funds as a means of controlling the content or processes of education in the schools. Although the Federal Government must meet its responsibility to the taxpayers for the proper expenditure of public funds, and some safeguards are therefore necessary, all necessary safeguards of this type can be provided without bringing the Federal Government into the local management of schools.⁵⁰

This principle goes beyond mere legal prohibition of federal control to include the "action" of administrative officials, auditors, and others involved in the administration of federal funds. It seeks to prohibit the use of discretion-

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The Advisory Committee on Education, op. cit., p. 42.

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Loc. cit.

ary authority as a means of securing control. such as that which developed in connection with the various acts discussed in Chapters II and III.

Principle 7.

All Federal grants for educational purposes to States maintaining separate schools and institutions for Negroes should be conditioned upon an equitable distribution of the Federal funds between facilities for the two races.⁵¹

The purpose of this principle is to insure a policy of non-discrimination in the distribution of federal funds. In the 18 states which require the establishment of separate schools for Negroes, it has been revealed that a disproportionately large number of Negro children do not attend school, that short school terms exist for those who do attend, and that relatively meager educational programs are offered.⁵² The teachers in Negro schools are more poorly trained and receive "markedly smaller salaries" than do white teachers.⁵³

51

Advisory Committee, op. cit., p. 43.

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Doxey A. Wilkerson, Special Problems of Negro Education. Staff Study No. 12, The Advisory Committee on Education, pp. 12-58.

53

Ibid., p. 28.

The school plant and equipment are very low grade in comparison with that provided for white children, and in many areas public secondary education is not available.⁵⁴ Such conditions have resulted in part from an inequitable distribution of state and local funds.

The necessity for developing this principle and for requiring joint plans to insure equitable distribution of funds was elaborated as follows by the Advisory Committee on Education:

Experience with a number of Federal funds has demonstrated that when the division of Federal grants between separate white and Negro schools or institutions is left entirely to administrative discretion, it is exceedingly difficult to secure an equitable distribution. Experience with some State distributive funds has also indicated that when such funds are allocated to local jurisdictions for Negro schools, frequently either the funds for Negro schools are diverted in part to white schools or the local support of Negro schools is reduced and the effect of State aid is cancelled in whole or in part.⁵⁵

Principle 8.

Federal grants should be used to build up and strengthen existing educational agencies and institutions in so far as they are able to serve important

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Wilkerson, op. cit., p. 47.

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Advisory Committee on Education, op. cit., p. 51.

needs, and not to establish competing agencies and institutions.⁵⁶

Public education in the United States is recognized as a function of the states. In the development of state systems of education a tremendous educational program has been organized. There are approximately 250,000 elementary and secondary schools in the United States,⁵⁷ with an enrollment of approximately 26 million pupils.⁵⁸ The annual yearly expenditure is around 2 billion dollars,⁵⁹ and the buildings used for educational purposes represent a capital outlay of more than \$7,100,000.⁶⁰ All except a very small portion of these funds are provided by state and local sources.⁶¹

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Advisory Committee on Education, op. cit., p. 43.

57

United States Office of Education, "Statistical Summary of Education," Biennial Survey of Education, 1936-38, Bulletin No. 2, Chapter I (Washington, D.C.: Government Printing Office, 1940), p. 2.

58

Ibid., p. 6.

59

Ibid.

60

United States Office of Education, "Statistics of State School Systems," Biennial Survey of Education, 1936-38, Bulletin No. 2, Chapter II, p. 33.

61

National Education Association, "State School Finance Systems," Research Bulletin, Vol. XX, No. 5, November, 1942, pp. 156-157.

62

There are more than 118,000 local administrative units. These units vary greatly with reference to size, number of children of school age, governmental structure, and administrative organization. Programs of education, with vast differences in the richness of the offering, have been developed in these units. The problem is essentially one of utilizing, strengthening, and reorganizing the agencies and institutions which exist and not one of establishing a competing system.

Principle 9.

Any system of Federal grants as a whole should be consistent with sound fiscal policy and should facilitate progress in tax reform.⁶³

It is frequently argued that federal expenditures for public education would become an economic burden inconsistent with sound fiscal policy if made available on a large scale. That this need not necessarily be so has been pointed out by the Advisory Committee as follows:

62

United States Office of Education, "Statistics of State School Systems," Biennial Survey of Education, 1936-38, Bulletin No. 2, Chapter II, p. 36.

63

Advisory Committee on Education, Report of the Committee, p. 43.

The effect of an enlarged educational expenditure is not to reduce other activities but rather to salvage resources that are being wasted. There is, accordingly, no economic penalty for larger appropriations in the field of education, provided the relations between Federal, State and local taxation can be correctly organized.⁶⁴

In order to reveal the relationships which exist between federal aid for schools and the problem of securing improved tax reform, the Advisory Committee delegated Clarence Heer to investigate the problem. After an intensive analysis of federal aid and the tax problem, Heer presented the following conclusions:

From the point of view of all four major tests of a good tax system--fiscal adequacy, administrative efficiency, equity, and economic results--Federal aid for education offers a better method of raising new money for schools than State and local taxation.

From the point of view of fiscal adequacy, Federal aid is superior because it places responsibility for raising new school funds on the level of government which has the widest range of productive tax sources at its disposal and which is in the best position to exploit those sources effectively.

From the point of view of administrative efficiency, Federal aid for education is to be preferred because it will permit the needed school revenue to be raised by methods which involve less annoyance and expense to the taxpayer, which present fewer opportunities for tax avoidance and evasion, and which entail relatively lower administrative costs.

From the point of view of equity, Federal aid for education represents the more desirable alternative because it will place the responsibility for obtaining additional school revenue on the level of gov-

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Advisory Committee on Education, Report of the Committee, p. 45.

ernment best fitted to distribute its taxes according to the ability to pay. To the extent that public education is a matter of national concern, Federal aid will make it possible more nearly to equalize the burden of maintaining a national minimum of educational opportunity throughout the country. To the extent that education is a State and local function, Federal aid will provide a means of correcting the inequities in the present system of school support which result from the extraterritorial shifting of State and local taxes.

Finally, from the point of view of economic effects, Federal aid for education offers the better mode of procedure because the Federal Government has far greater freedom than have the States and localities to select fiscal measures appropriate to given economic and social objectives.⁶⁵

The Committee was hesitant, however, to recommend that this general principle under discussion be applied stringently. While full recognition was given to the importance of reducing the burden of taxation on general property, and of reforming local tax administration, the Committee believed that the grants for such purpose would be so large that too much federal control might result. A limited amount of tax reform up to the point where there would be no loss of local control appeared to the Committee to be desirable.

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Clarence Heer, Federal Aid and the Tax Problem.
Staff Study No. 4, The Advisory Committee on Education,
p. 86.

Principle 10.

In view of the extent of existing Federal relationships to State and local conduct of education and their probable increase through the years, Federal relations to education should be reviewed under specially constituted and appropriate auspices at intervals of not more than ten years.⁶⁶

Federal relationships to public education are varied and broad in scope. During the past decade such phases of public education as school building construction, student work, student aid, vocational education, and work experience educational programs have been conducted by the federal government. Changing conditions will undoubtedly bring other types of federal aid. Basic principles of federal aid administration will need to be reformulated. In order to improve federal relations to education, a systematic review should be made at intervals of not more than ten years.

With these fundamental principles in mind, along with basic facts discovered in their investigation, the Committee recommended: (a) general aid for elementary and secondary education; and (b) special aid for improvement of teacher training, school building construction to facilitate district reorganization, administration of state departments' educational services for adults, library service in rural areas, and co-operative educational research planning and demonstra-

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The Advisory Committee on Education, op. cit., p. 195.

tion. The total of the proposed grants was \$72,000,000 for 1939 with yearly increments to bring the total to \$202,000,000⁶⁷ in 1944. No action has been taken on these recommendations by the federal government.

Specific Principles of Federal Aid Administration. In the elaboration of their proposals and recommendations the Advisory Committee suggested several specific operational principles which were derived from the ten general principles discussed above. A brief review of these specific principles has been made in the following sections for three reasons: (a) to show specific application of the ten basic principles of federal aid administration reviewed in the foregoing pages; (b) to delineate specific principles which might be used in the appraisal of the Lanham Act; and (c) to give completeness to the present discussion.

With reference to the administration of general aid grants for elementary and secondary education, which was recommended in their report, the Committee proposed the following specific principles:⁶⁸

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The Advisory Committee on Education, op. cit., p. 195.

⁶⁸

Ibid., pp. 191-200.

(a) The proposed grants should be conditioned upon the designation by each State of its department of education, or a board of education controlling that department, to represent the State in the determination of the distribution of the Federal grants within the State, through plans jointly agreed upon by the State educational authority and the United States Office of Education.

(b) Allotments to local school jurisdictions should be determined through the use of formulas based upon objective data.

(c) The grants should be made available for all types of current operating and maintenance expenses of public elementary and secondary schools; elementary and secondary education should be broadly defined.

(d) Funds for reading materials should be allocated separately in the joint plans. They should be distributed to local school jurisdictions on the basis of the number of pupils for whom reading materials should be available.

(e) States desiring to use Federal aid in part for transportation should be required to allocate Federal funds for transportation separately from other Federal funds.

(f) Except as specified in the next paragraph, general aid should be available only to public elementary and secondary schools; for purposes of Federal aid distribution, the States should be responsible for determining what schools are public.

(g) Such portions of the general aid as may be allocated in the joint plans to the purchase of reading materials, transportation, and scholarships should be made available so far as Federal legislation is concerned for the benefit of pupils both in public and in non-public schools.

(h) The grants should be made available only to such States as establish adequate and effective systems to provide prompt and accurate reports concerning the expenditure of Federal funds and the progress of education generally.

(i) Provisions should be included in the joint plans to bring about improved coordination between the schools and other social agencies, especially those that receive Federal aid.

(j) The grants should be conditioned upon inclusion in joint plans of provisions with respect to the maintenance of adequate safeguards against the industrial and commercial exploitation of children and youth in connection with vocational education, and in connection with employment in business or industry as a part of public vocational education.

(k) The United States Office of Education should be required to audit the Federal fund accounts of each cooperating State. The States should be required to make good any Federal funds lost or spent in a manner contrary to the provisions of Federal statutes or joint plans. If they fail to do so, the amounts lost or misapplied should be deducted from subsequent payments after reasonable notice.

(l) The United States Office of Education should be given authority to suspend payments to any State, after notice and hearing, during any period in which the State fails to maintain an adequate administrative agency or fails to make required reports with reasonable promptness. Upon restoration of cooperative relationships, the Federal agency should have authority to transmit the suspended payments in whole or in part if they amount to not more than a single year's allotment.

In their recommendations relating to district reorganization and the improved housing of schools, the Committee proposed the following specific principles,⁶⁹ exclusive of similar principles discussed above:

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The Advisory Committee on Education, op. cit., pp. 202-03.

(a) The special school building fund should be provided primarily and explicitly for building construction in connection with the desirable reorganization of administrative and attendance areas.

(b) The grants should be conditioned upon the preparation of general plans for the orderly development of improved attendance and administrative units and for the improved housing of public schools in each State. These plans should be prepared by the State departments of education in cooperation with other appropriate agencies in the State.

(c) Individual construction projects should be reviewed by the respective State departments of education, and should then be submitted to the United States Office of Education to determine (a) the extent to which they conform to the general plans of the States, (b) the improvement in attendance areas and administrative units, and (c) adequacy with respect to educational design, location, usefulness for community activities, safety, comfort, and convenience.

(d) The special school building fund should be allocated upon the same basis as general aid but funds should be disbursed only upon the basis of approved projects.

(e) The supervision of construction and the auditing of local construction accounts should be left so far as possible to the States. The Federal Agency should have authority to withdraw the approval of projects and allotments whenever in any State the system of making plans, letting contracts, and supervising construction of school buildings involving Federal aid is determined to be inadequate.

The specific principles suggested in connection with the allocation of funds among the states, exclusive of similar principles discussed above, were:

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The Advisory Committee on Education, op. cit., pp. 205-06.

(a) The proposed grants should be allocated among the states entirely in proportion to their relative financial needs.

(b) The statute providing for the proposed grants should avoid the specification in exact detail of any formula for the allocation of funds, but should specify instead the general procedure to be followed and the policies considered to be controlling.

(c) The Bureau of the Census should give estimates of the number of children for whom aid is needed while some other Federal agency, possibly the Treasury Department, should estimate the relative financial ability of the States.

(d) Authority to determine the allocation of grants should be vested in the United States Commissioner of Education [who should be required to (a) allocate on the basis of need and ability of the States, (b) consult with a council of chief State school officers regarding the formula to be used, and (c) secure the approval of allocations by his department head].

No variations of the aforementioned principles, or different principles, were mentioned by the Committee in connection with the recommendations relating to the other programs of federal aid for special purposes.

In connection with the allocation of funds among states and the prevention of federal control, Mort ⁷¹ has suggested that the criteria developed for use in the National Survey of School Finance ⁷² with reference to indices of need and

⁷¹ Paul Mort, Federal Support for Public Education, pp. 32-33.

⁷² National Survey of School Finance, Research Problems in School Finance, American Council on Education, Washington, D.C., 1933, pp. 136-137.

ability should be considered. These criteria are:

(a) All measures must be objective.

This is to avoid friction between the states and the central agency arising from ambiguity of measures; to avoid local manipulation of data to increase the amount of aid received; and to avoid the tendency to bureaucratic control that tends to arise from any plan which is not sufficiently objective to avoid the need on the part of the central agency for exercising judgment.

(b) Measures used should be based to the greatest degree possible upon dependable data systematically obtained by federal agencies at determined periods and by tried and established methods.

This is to avoid the setting up of cumbersome additional machinery; to avoid local manipulation of data; to free the federal government from delay due to inefficient record systems in the state; and to insure uniformity in the collection of information.

(c) Measures must be as equitable as they can be made without the introduction of complexity.

(d) Federal aid must be nonfluctuating in nature.

The federal aid should be sufficiently stable to enable careful planning by states. It should be possible for any state to predict the amount of aid it shall receive sufficiently far ahead to make state legislative action possible. For example, this requires that the amount of aid which a given state gets shall be determined by data arising from that state alone. It should not depend upon the developments in all of the other states.

(e) The plan must be such as to have commonsense appeal both in the measures applied and in the scheme of distribution.

Experience has shown that measures obtained by refined methods are not necessarily lacking in their appeal as commonsense measures.

(f) The plan must not in any way interfere with the rights of states to shape their own educational destinies.

The importance of using objective measures of need and ability has been summarized by Kort as follows:

An analysis of the relationship of support and control indicates that much of the undesirable control that sometimes comes with support is traceable to failure to use objective measures in determining the amount of central aid. If undesirable controls are to be avoided . . . the measures of need and ability must be defined so specifically that any two competent persons applying them will get the same results. Furthermore, the measures employed must have a high degree of equity and take into consideration all important factors to guard against the need for granting to a central agency the power to make adjustments.⁷³

Summary of Recommended Principles of Federal Aid Administration. Basic principles of federal aid administration which have been proposed by students of federal relations to education are:

1. The major portion of all federal aid for education should be granted as a general fund for the current support of elementary and secondary education.
2. The major portion of federal aid for education should at all times be granted on a basis that tends to lessen inequalities of opportunity among states and within states.
3. Federal grants for special educational purposes may properly be used to bring attention to educational matters of special national concern and thus to improve the educational programs conducted under state and local auspices, but

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Kort, op. cit., pp. 31-32.

such grants should be considered with very great care to see that improvement does in fact result.

4. The federal government should record its purposes explicitly and broadly, leaving to the states wide discretion and flexibility in the administration of the federal grants, although those grants should be conditioned upon distribution within the states in conformity with the general purposes for which the grants are made.

5. The general principle of co-operation between the federal government and the states, without coercion by either party, should dominate legislation providing for federal grants; but wherever the major purpose of the grants is to bring about progress toward equality of educational opportunity, matching of funds by the states or local communities should not be required.

6. In order that local initiative and responsibility may be maintained, all federal action should reserve explicitly to state and local auspices the general administration of schools, control over the processes of education, and the determination of the best uses of the allotments of federal funds within the types of expenditure for which federal funds may be made available.

7. All federal grants for educational purposes to states maintaining separate schools and institutions for Negroes should be conditioned upon an equitable distribution of the

federal funds between facilities for the two races.

8. Federal grants should be used to build up and strengthen existing educational agencies and institutions in so far as they are able to serve important needs, and not to establish competing agencies and institutions.

9. Any system of federal grants as a whole should be consistent with sound fiscal policy and should facilitate progress in tax reform.

10. In view of the extent of existing federal relationships to state and local conduct of education and their probable increase through the years, federal relations to education should be reviewed under specially constituted and appropriate auspices at intervals of not more than ten years.

11. Allotments to local school jurisdictions should be determined through the use of formulas based upon objective data.

12. The grants should be made available for all types of current operating and maintenance expenses of public elementary and secondary schools; elementary and secondary education should be broadly defined.

13. Funds for reading materials should be allocated separately in the joint plans. They should be distributed to local school jurisdictions on the basis of the number of pupils for whom reading materials should be available.

14. The Grants should be made available only to such states as establish adequate and effective systems to provide prompt and accurate reports concerning the expenditure of federal funds and the progress of education generally.

15. Provisions should be included in the joint plans to bring about improved co-ordination between the schools and other social agencies, especially those that receive federal aid.

16. The auditing of local accounts involving federal aid should be conducted by the state departments of education.

17. The United States Office of Education should be given authority to suspend payments to any state, after notice and hearing, during any period in which the state fails to maintain an adequate administrative agency or fails to make required reports with reasonable promptness. Upon restoration of co-operative relationships, the federal agency should have authority to transmit the suspended payments in whole or in part if they amount to not more than a single year's allotment.

18. The United States Office of Education should be required to audit the federal fund accounts of each co-operating state. The states should be required to make good any federal funds lost or spent in a manner contrary to the provisions of federal statutes or joint plans. If they fail to do so, the amounts lost or misapplied should be deducted from

subsequent payments after reasonable notice.

19. The statute providing for the proposed grants should avoid the specification in exact detail of any formula for the allocation of the funds to states, but should specify instead the general procedure to be followed and the policies to be considered controlling.

20. Authority to determine the allocation of the proposed grants to the states should be vested in the United States Commissioner of Education [with the provisions that he will: (a) allocate the funds in accordance with the financial needs of the states; (b) utilize an objective formula based upon need and ability; (c) consult with a council of chief state school officers before adoption or modification of the formula; and (d) secure the approval of the basis of allocation by his department head].

21. Individual construction projects should be planned by local school jurisdictions, reviewed by the respective state departments of education, and submitted to the Office of Education for final approval. The Office of Education should have authority to review plans to determine the adequacy of the proposed buildings with respect to educational design, location, safety, comfort, and convenience.

22. The supervision of construction and the auditing of local construction accounts should be left so far as possible to the states. The federal agency should have authority

to withdraw the approval of projects and allotments whenever in any state the system of making plans, letting contracts, and supervising construction of school buildings involving federal aid is determined to be inadequate.

23. Criteria used in the National Survey of School Finance which Mort has recommended for consideration in federal aid planning included: All measures used should be objective; all measures used should be based upon data systematically collected by federal agencies at determined periods by tried and established methods; all measures used should be equitable without introduction of complexity; aid must be nonfluctuating; the plan must have commonsense appeal in the measures applied and in the scheme of distribution; the plan must not in any way interfere with the right of the states to shape their own educational destinies.

V

THE EDUCATIONAL PROVISIONS OF THE LANHAM ACT

CHAPTER V

THE EDUCATIONAL PROVISIONS OF THE LANHAM ACT

Like several other federal enactments pertaining to public education, the Lanham (Housing) Act was passed to meet the needs brought about by a national crisis. The nation's defense effort in 1941 created needs which cut across the bounds of states. State and local facilities were inadequate to meet the newly created demands. Financial assistance from the federal government was imperative.

An amendment to the Lanham Act was passed on June 28, 1941, after an investigation into the need for additional community facilities in so-called "defense areas" which received a population influx as a direct result of the defense effort.¹ Under the provisions of the act funds have been made available for various types of public school and other facilities in those areas.

In this chapter, the discussion has been centered around the following topics: purpose, need, and specifications of

¹
U.S. 77th Congress, Chapter 260, 1st Session. Public Law 137 (H.R. 4545). An amendment to Public Law 849 (Washington, D.C.: Government Printing Office, 1941).

the act amendment, administration of the act, amount of aid granted, descriptions of three different projects, and appraisal in terms of recommended principles of federal aid administration.

Purpose, Need, and Specifications of the Lanham Act Amendment. The Lanham Act, as amended, was passed by Congress for the express purpose of providing community facilities, including schools, in defense areas.² The development and construction of new military and industrial centers during 1940 and 1941 placed a tremendous burden on existing community facilities in many localities. Many towns had more than doubled in population. In other areas, completely new communities were developed.³ In several localities where defense activities were abnormally large, essential community services had not been provided.⁴ Because state and local

² The original Lanham Act was passed for the purpose of providing housing facilities in defense. A copy of the original act will be found in Appendix F.

³ H. F. Alves, "Defense Program and School Plants," Review of Educational Research, XII, No. 7, April, 1942, p. 162.

⁴ Ibid.

governments were unable to provide these services, the federal government saw fit to lend assistance.

Preliminary to the enactment of this law, Senate Resolution 324, dated October 9, 1940, called upon the Secretary of War "to make a full and complete study and investigation of all school facilities at or near naval yards, army and naval reservations, and bases at which housing programs for defense workers are being carried out or are contemplated."⁵ The Secretary of War requested the Federal Security Agency to make this investigation, which in turn directed the United States Office of Education to undertake the study. With the assistance of state departments of education and interested federal agencies, the Office of Education sought answers to the following problems relative to defense areas:

(a) Whether such housing programs would necessitate additional school facilities; (b) whether the communities adjacent to or near such reservations and bases are financially able to provide such additional facilities if needed; (c) whether the federal government should provide such additional facilities, irrespective of the financial ability of the community.⁶

In a report published January 21, 1941, the U.S. Commissioner of Education pointed out:

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Alves, op. cit., p. 162.

⁶
Ibid.

. . . . an imperative need in many localities for school facilities to accommodate children of personnel connected with activities essential to the National Defense Program and that many local school administrative units faced with the problem of providing immediately school plant facilities and teachers for a large number of additional children of school age are without authority to obtain through regular channels additional funds for these needs.⁷

This inability of local governmental agencies to finance such an immense program was due to legal limitations on tax rates and maximum amounts of bonded indebtedness, tax limitations on debt service and current operating expenses, and the lag in tax returns on newly constructed housing.

In the official report in response to Senate Resolution 324 the Commissioner of Education made the following recommendations for financing the increased cost of education in defense areas:

(1) For children residing on public property the Federal Government should bear the required capital outlay and current expense except that when such property is liquidated, a pro rata part of the cost should be assumed by the local school administrative unit or units involved.

(2) For children residing on private property not subject to immediate taxation, the Federal Government should lend to the local school administrative unit the required funds for capital outlay and current expense that cannot be derived locally until the property in question appears on the tax rolls, except that during the non-tax producing period the Federal Government should pay, in lieu of taxes its pro rata part of the

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Alves, op. cit., p. 162.

current expense.⁸

These recommendations took into account estimated needs which indicated that defense activities would bring an influx of 300,000 school children into areas where adequate school facilities did not exist.

After relatively brief hearings, a bill (H.R. 4545) with amendments, was passed by both houses. It authorized an appropriation of \$150,000,000 for schools and other public works and became Public Law 137, 77th Congress, amending Public Law 849, 76th Congress which provided housing facilities. A copy of Public Law 137 has been reproduced in the following pages.

⁸ U.S. 77th Congress, 1st Session (1941). Senate Document No. 20. School facilities at Navy Yards and Army and Navy reservations. Letter from the Secretary of War and the Acting Secretary of the Navy transmitting in response to Senate Resolution 324 (76th Congress) (Washington, D.C.: Government Printing Office, 1941).

(PUBLIC LAW 137 - 77th CONGRESS)

(CHAPTER 260 - 1st SESSION)

H.R. 4545)

AN ACT

To provide for the acquisition and equipment of public works made necessary by the defense program.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to expedite the provision of housing in connection with national defense, and for other purposes," approved October 14, 1940, as amended, is amended by inserting before section 1 of the following title heading:

TITLE I
DEFENSE HOUSING

Sec. 2 Section 1 (b) and section 3 of such Act are amended by striking out "this Act" wherever occurring therein and inserting in lieu thereof "this title."

Sec. 3 Such Act is amended by inserting after section 3 the following:

TITLE II
DEFENSE PUBLIC WORKS

Sec. 201. It is hereby declared to be the policy of this title to provide means by which public works may be acquired, maintained, and operated in the areas described in section 202. As used in this title, the term "public work" means any facility necessary for carrying on community life substantially expanded by the national-defense program, but the activities authorized under this title shall be devoted primarily to schools, waterworks, sewers, sewage, garbage, and refuse disposal facilities, public sanitary facilities, works for the treatment and purification of water, hospitals and other places for the care of the sick, recreational facilities, and streets and access roads.

Sec. 202. Whenever the President finds that in any area or locality an acute shortage of public works or equipment for public works necessary to the health, safety, or welfare of persons engaged in national-defense activities exists or im-

pende which would impede national-defense activities, and that such public works or equipment cannot otherwise be provided when needed, or could not be provided without the imposition of an increased excessive tax burden or an unusual or excessive increase in the debt limit of the taxing or borrowing authority in which such shortage exists, the Federal Works Administrator is authorized, with the approval of the President, in order to relieve such shortage--

(a) To acquire, prior to the approval of title by the Attorney General if necessary (without regard to sections 1136, as amended, and 3709 of the Revised Statutes), improved or unimproved lands or interests in lands by purchase, donation, exchange, lease (without regard to section 322 of the Act of June 30, 1932 (47 Stat. 412), as amended, the Act of March 3, 1877 (19 Stat. 370), or any time limit on the availability of funds for the payment of rent), or condemnation (including proceedings under the Acts of August 1, 1888 (25 Stat. 357), March 1, 1929 (45 Stat. 1415), and February 26, 1931 (46 Stat. 1421), for such public works.

(b) By contract or otherwise (without regard to sections 1136, as amended, and 3709 of the Revised Statutes, section 322 of the Act laws, ordinances, rules, or regulations relating to plans and specifications or forms of contract, the approval thereof or the submission of estimates therefor), prior to the approval of title by the Attorney General if necessary, to plan, design, construct, remodel, extend, repair, or lease public works, and to demolish structures, buildings, and improvements, on lands or interests in lands acquired under the provisions of subsection (a) hereof or on other lands of the United States which may be available (transfers of which for this purpose by the Federal agency having jurisdiction thereof are hereby authorized notwithstanding any other provisions of law), provide proper approaches thereto, utilities, and transportation facilities, and procure necessary materials, supplies, articles, equipment, and machinery, and do all things in connection therewith to carry out the purposes of this title.

(c) To make loans or grants, or both, to public and private agencies for public works and equipment therefor, and to make contributions to public or private agencies for the maintenance and operation of public works, upon such terms and in such amount as the Administrator may consider to be in the public interest. As used in this paragraph, the term "private agency" means any private agency no part of the net earnings of which inures to the benefit of any private shareholder or individual.

Sec. 203. (a) In carrying out this title--

(1) No contract on a cost plus a percentage of cost basis shall be made, but contracts may be made on a cost plus a fixed fee basis: provided, That the fixed fee does not exceed 6 per centum of the estimated cost;

(2) wherever practicable, utilization shall be made of existing private and public facilities or such facilities shall be extended, enlarged, or equipped in lieu of constructing new facilities:

(3) Public works shall be maintained and operated by officers and employees of the United States only if and to the extent that local public and private agencies are, in the opinion of the Administrator, unable or unwilling to maintain or operate such public works adequately with their own personnel and under loans or grants authorized by this title;

(4) public works shall be provided on the basis of need and in determining need no discrimination shall be made on account of race, creed, or color.

(b) No department or agency of the United States shall exercise any supervision or control over any school with respect to which any funds have been or may be expended pursuant to this title, nor shall any term or condition of any agreement under this title relating to, or any lease, grant, loan, or contribution made under this title to or on behalf of, any such school, prescribe or affect its administration, personnel, curriculum, instruction, methods of instruction, or materials for instruction.

(c) No department or agency of the United States shall exercise any supervision or control over any hospital or other place for the care of the sick (which is not owned and operated by the United States) with respect to which any funds have been or may be expended under this title, nor shall any term or condition of any agreement under this title relating to, or any lease, grant, loan, or contribution made under this title to, or on behalf of, any such hospital or place, prescribe or affect its administration, personnel, or operation.

Sec. 204. The sum of \$150,000,000, to remain available until expended, is hereby authorized to be appropriated to carry out the purposes of this title and for administrative expenses in connection therewith, including personal services and rent in the District of Columbia, and elsewhere, printing and binding, and purchase, repair, operation, and maintenance of motor-propelled passenger-carrying vehicles.

TITLE III

GENERAL PROVISIONS

Sec. 4 (a) Section 4 of such Act is amended to read as follows:

Sec. 301. When the President shall have declared that the emergency declared by him on September 8, 1939, has ceased to exist (a) the authority contained in sections 1 and 202 hereof shall terminate except with respect to contracts on projects previously entered into or undertaken and court proceedings then pending, and (b) property acquired or constructed under this Act (including schools and hospitals) shall be disposed of as promptly as may be advantageous under the circumstances and in the public interest.

(b) Sections 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 of such Act are renumbered respectively as follows: "302," "303," "304," "305," "306," "307," "308," "309," "310," and "311," and as used in such sections the term "State" includes any Territory or possession of the United States.

Sec. 5. The departments, agencies, or instrumentalities administering property acquired or constructed under section 201 of the Second Supplemental National Defense Appropriation Act, 1941, shall have the same powers and duties with respect to such property and with respect to the management, maintenance, operation, and administration thereof as are granted to the Federal Works Administrator with respect to property acquired or constructed under title I of such Act of October 14, 1940, and with respect to the management, maintenance, operation, and administration of such property so acquired or constructed under such title.9

Approved, June 28, 1941.

9

A copy of the original Lanham Act of October 14, 1940, Public No. 849, 76th Congress, has been included in Appendix F.

Administration of the Lanham Act. The Federal Works Agency through the regional offices of its Defense Public Works Division was given full responsibility for the administration of this act. ¹⁰ Applications for federal funds were submitted to the regional offices by local authorities. Final review of each application was conducted in the Washington offices of the Defense Public Works Division of the Federal Works Agency. The President (actually the Bureau of the Budget, acting for the President) made the final approval or disapproval of each application.

Approval of applications for funds to be used for school purposes was dependent upon a "Certificate of Necessity" issued by the United States Office of Education after a study of local school needs. Senior Specialists on School Facilities undertook these investigations with the assistance of local school officials and representatives of the various state departments of education. In general, the following conditions had to be satisfied before a certificate of necessity was issued:

(a) There must exist or impend an acute shortage of school services which would impede national defense activities.

10

See Section 202 of the Act; also, Henry F. Alves, "School Facilities in Defense Areas," School Life, 27:115-16, January, 1942.

(b) The services required to relieve such shortage cannot be provided, when needed, otherwise than by Federal assistance, or cannot be provided without the imposition of an increased excessive tax burden or an unusual or excessive increase in the debt limit of the agency.

(c) The services must be necessary for the carrying on of community life substantially expanded by the national defense program.¹¹

Specific factors and conditions considered in determining needs for additional school facilities in defense areas were:¹²

1. The number of additional pupils, by age groups, determined in terms of additional families to be housed in family dwelling units being provided by public and private capital.

2. An inventory of existing school plant facilities--classrooms and other school facilities--to determine:

(a) Percentage of the influx in "1" above that can be accommodated;

(b) Additional facilities for the remaining pupils in "1" above in agreement with satisfactory local school unit organization.

3. The number of pupils in (a) above for whom transportation facilities will be needed in order to utilize existing plant facilities not within walking distance--defined by State law.

11

W. M. Carey, Information Relative to School Maintenance and Operation Projects. Federal Works Agency, Bulletin 10899, March 25, 1942.

12

See Appendix D for sample forms used to secure information relative to these factors.

4. A statement revealing pupil, teachers, current expense, and debt service status of the local school system during the last school year preceding influx.

5. A statement showing:

- (a) Assessed valuation of property for school purposes;
- (b) Local tax rates levied for current expense and bonded debt;
- (c) Procedures to be followed in agreement with legal prescriptions to increase these levies; and
- (d) Current and delinquent tax collections, with percentages of annual collections for each of last 3 years.

6. In terms of acceptable State standards consistent with satisfactory school organization and administration, a statement of school needs in terms of:

- (a) Teaching and other necessary personnel;
- (b) Classrooms and other physical plant facilities including sites and equipment, and
- (c) Transportation equipment required to accommodate pupils in "1" above.

7. Estimated budget--current expense--for next year so prepared as to show amounts needed, by recognized classifications of expenditure, in excess of current year's budget.

8. Estimated amounts of funds for needed transportation equipment, sites, buildings, and equipment.

9. Basis of distribution of school moneys, with a statement showing how additional State funds may be provided for school needs in defense areas.

10. Permanence or temporality of family dwelling units--public and private--to be determining factor for permanence or temporality of school housing.

11. A statement of proportionate amounts of capital outlay and current expense needs to be borne by the locality, the State, and the Federal Government in terms of the following plan for paying the cost of school needs.

(a) For children residing on public property, the Federal Government should bear the cost of required capital outlay and current expense except that when such property is liquidated, a pro rata part of the cost should be assumed by the local school administrative unit or units involved.

(b) For children residing on private property not subject to immediate taxation the Federal Government should lend to the local school administrative unit the required funds for capital outlay and current expense that cannot be derived locally until the property in question appears on the tax roll, except that during the non-tax-producing period the Federal Government should pay, in lieu of taxes, its pro rata part of the current expenses.¹³

If, after investigation of the above factors, it was found to be impossible to secure funds for needed facilities or current expense from existing state and local sources, aid was given under the provisions of Public Law 137 "on the basis of actual need chargeable to the defense impact."¹⁴ Aid was granted for construction of buildings, maintenance and operation of schools, and transportation of school children.

13

U.S. 76th Congress, 1st Session, Senate Committee on Public Buildings and Grounds. Hearings on H.R. 4545 and S. 1375, May 19 and 20, 1941. Acquisition and equipment of public works made necessary by the defense program. (Washington, D.C.: Government Printing Office, 1941), pp. 83-84.

14

Alves, op. cit., p. 164.

In cases where aid was granted, an attempt was made "to project additional physical plant facilities in accordance with current practices in the locality and in the state and in accordance with long-range plans."¹⁵ Furthermore, according to H. F. Alves in a statement to the Committee on Public Buildings and Grounds,

School facilities provided by Federal funds shall become an integral part of the existing public school structure. This means . . . that these regularly constituted public school authorities in selecting teaching and other personnel to be paid from Federal funds and in operating the school facilities provided by such funds would be expected to adhere to the recognized minimum standards of the state departments of education. This is merely another way of stating that education is a function of the state.¹⁶

Amount of Aid Granted. The need for federal assistance in areas which received population influxes as a result of the war effort was clearly revealed by the number of grants made for school building construction purposes. As shown in Table I, 541 different projects had been approved as of August 1, 1942. The number of projects per state varied from none in Idaho, Montana, North Dakota, and South Dakota to 38 in Michigan, 53 in Texas, and 84 in California. This variation resulted from the difference in war time activities in the various states.

15

Alves, op. cit., p. 164.

16

Ibid., p. 84.

TABLE I

LANHAM ACT CONSTRUCTION PROJECTS FOR EDUCATIONAL
FACILITIES, APPROVED BY THE PRESIDENT,
BY STATE*

(Through August 1, 1942)

State	No. of Proj- ects	Estimated Total Cost	Source of Funds		
			Sponsor Con- tributions	Grant	Federal Funds Loan
Total	541	\$58,633,620	\$10,087,061	\$48,452,559	\$94,000
Alabama	30	2,100,305	111,765	1,988,540	--
Arizona	3	137,516	--	137,516	--
Arkansas	6	341,260	15,500	325,760	--
California	84	10,491,585	406,152	10,085,433	--
Colorado	8	390,570	182,450	208,120	--
Connecticut	17	1,851,903	611,580	1,240,323	--
Delaware	1	78,000	39,000	39,000	--
Dist. Columbia	1	198,150	--	139,150	59,000
Florida	21	1,927,499	440,008	1,482,491	35,000
Georgia	12	1,331,100	76,500	1,254,600	--
Idaho	--	--	--	--	--
Illinois	21	1,079,544	145,568	933,976	--
Indiana	17	2,235,758	323,680	1,912,078	--
Iowa	4	159,100	--	159,100	--
Kansas	4	351,936	18,750	333,186	--
Kentucky	7	550,444	4,304	546,140	--
Louisiana	8	471,573	40,000	431,573	--
Maine	8	1,107,440	--	1,107,440	--
Maryland	9	2,780,300	523,000	2,257,300	--
Massachusetts	3	165,360	--	165,360	--

* Secured from Federal Works Agency.

[Continued]

TABLE I (Cont'd)

State	No. of Proj- ects	Estimated Total Cost	Source of Funds		
			Sponsor Con- tributions	Grant	Federal Funds Loan
Michigan	38	4,781,398	1,686,476	3,094,916	--
Minnesota	2	56,000	3,000	53,000	--
Mississippi	9	1,368,218	499,666	868,552	--
Missouri	12	698,762	136,750	562,012	--
Montana	--	--	--	--	--
Nebraska	1	59,000	10,000	49,000	--
Nevada	6	279,304	28,500	250,804	--
New Hampshire	2	288,298	--	288,298	--
New Jersey	7	509,067	--	509,067	--
New Mexico	1	44,325	--	44,325	--
New York	6	294,945	60,987	233,958	--
North Carolina	7	1,286,640	253,931	1,032,709	--
North Dakota	-	--	--	--	--
Ohio	9	590,700	99,800	490,900	--
Oklahoma	5	243,700	1,500	242,200	--
Oregon	9	316,752	113,007	203,745	--
Pennsylvania	18	1,914,555	366,146	1,548,409	--
Rhode Island	2	484,000	--	484,000	--
South Carolina	7	1,132,722	96,206	1,036,516	--
South Dakota	-	--	--	--	--
Tennessee	27	1,690,686	253,769	1,436,917	--
Texas	53	6,184,607	1,132,776	5,051,831	--
Utah	3	303,845	126,926	176,919	--
Vermont	1	14,883	6,000	8,883	--
Virginia	17	2,891,437	518,225	2,373,212	--
Washington	27	4,844,329	1,597,639	3,246,690	--
West Virginia	2	147,625	--	147,625	--
Wisconsin	3	185,400	90,000	95,400	--
Wyoming	1	25,000	18,000	7,000	--
Territories and bases	2	248,085	49,500	198,585	--

The total estimated cost of proposed construction for school buildings in all states from June 28, 1941 to August 1, 1942 was \$58,633,620. The estimated cost varied from \$14,883 in Vermont, \$25,000 in Wyoming, and \$44,325 in New Mexico to \$4,781,392 in Michigan, \$4,844,329 in Washington, \$6,184,607 in Texas, and \$10,491,585 in California.

The major source of the proposed school building construction funds, \$48,452,559, was federal aid. Sponsor contributions amounted to \$10,087,062, and federal loans amounted to \$94,000. California received the largest federal grant, a total of \$10,085,435. Washington and Michigan were next with grants of \$3,246,690 and \$3,094,916 respectively. Idaho, Montana, North Dakota, and South Dakota received no federal aid whatsoever for the construction of school facilities. Wyoming, Vermont, and New Mexico received small amounts with grants of \$7,000, \$8,883, and \$44,325 respectively. Sponsor contributions varied from nothing in several states, \$1,500 in Oklahoma, \$3,000 in Minnesota, and \$4,304 in Kentucky to \$1,132,776 in Texas, \$1,597,639 in Washington, and \$1,686,476 in Michigan. Federal loans were made only to the District of Columbia and Florida.

The number and amount of grants made for maintenance and operation expenditures as of August 1, 1942, has been included in Table II. A total of 380 grants was made. These grants varied as follows: none in Delaware, Idaho, Montana,

North Dakota, South Dakota; one in New Hampshire, Wisconsin, Wyoming; two in Massachusetts, Michigan, Nebraska, New Jersey, West Virginia, the District of Columbia; six in Connecticut; nineteen in Alabama and Pennsylvania; forty in Texas; seventy in California. In amounts the grants varied also: nothing in several states; \$7,602 in Minnesota; \$9,000 in Michigan; \$9,235 in Nebraska; \$360,147 in Washington; \$674,045 in Texas; and \$1,928,742 in California.

TABLE II
LANHAM ACT MAINTENANCE AND OPERATION GRANTS
(As of August 1, 1942)*

STATE	No.	Amount	STATE	No.	Amount
Continental					
United States	377	\$6,486,490	Nevada	5	\$ 42,955
Alabama	19	288,694	New Hampshire	1	59,500
Arizona	5	22,200	New Jersey	2	11,868
Arkansas	14	68,573	New Mexico	3	55,276
California	70	1,928,742	New York	7	126,787
Colorado	2	90,993	North Carolina	3	133,690
Connecticut	6	139,722	North Dakota	-	--
Delaware	-	--	Ohio	5	57,035
Florida	8	119,300	Oklahoma	6	25,259
Georgia	12	192,054	Oregon	11	80,083
Idaho	-	--	Pennsylvania	19	148,953
Illinois	18	88,545	Rhode Island	3	158,680
Indiana	13	72,164	South Carolina	6	44,919
Iowa	10	48,658	South Dakota	-	--
Kansas	3	14,500	Tennessee	7	149,092
Kentucky	4	10,700	Texas	40	674,045
Louisiana	8	203,879	Utah	3	18,523
Maine	5	102,429	Vermont	-	--
Maryland	6	172,696	Virginia	9	325,743
Massachusetts	2	13,400	Washington	10	380,147
Michigan	2	9,000	West Virginia	2	63,550
Minnesota	3	7,602	Wisconsin	1	12,000
Mississippi	9	123,946	Wyoming	1	18,244
Missouri	10	158,546	Dist. Columbia	2	14,555
Montana	-	--	Territories and		
Nebraska	2	9,235	Bases	3	138,196

* Secured from Federal Works Agency.

III

EMERGENCY GRANTS TO EDUCATION AS THEY
RELATE TO FEDERAL CONTROL

Descriptions of Three Lanham Act Projects. In order to give a delineation of the operational phases of the Lanham Act, three specific examples of school systems which received grants have been reviewed in the pages immediately following. Examples from different sections of the country, of varying amounts, and from different types of administrative districts have been chosen for description. The need for federal assistance, recommendations of the United States Office of Education, and the amount of the grant have been given in each instance. All data presented were secured from the files of the United States Office of Education. In the order of their discussion the school systems are: (1) Pulaski Special School District in Arkansas; (2) Prince George's County in Maryland; (3) San Diego, California.

1. Pulaski County Special School District encompasses all of Pulaski County with the exception of the city schools of Little Rock and North Little Rock, Arkansas.¹⁷ The expansion of Camp Robinson, the construction of ordnance plants at Jacksonville and Maumelle, the increased activity of the picric acid plant at Marche, and the development of Adams Air Field, stimulated population increases in this area. This school district was among the first in Arkansas to feel the

Impact of the national defense program.

In September, 1941 the capacity of the schools in the section of Pulaski District south of the Arkansas River was 5,000, there being 125 classrooms available for instructional purposes. Enrollment in this area increased from 5,306 in June, 1940 to 5,590 in June, 1941. This increase was caused largely by the influx of construction workers who were employed at Camp Robinson and the ordnance plants. The schools in the defense area north of the Arkansas River had a capacity of 1,960 and an enrollment of 2,029 in June, 1941. In addition to these increases, further gains in enrollment were anticipated from 500 demountable family units programmed under Docket No. Arkansas 3021, and 200 temporary structures under Docket No. 2022. A net increase of around 540 students was anticipated. Local officials stated that this increase could be adequately housed by the addition of thirteen classrooms and the alteration of two existing classrooms.

On November 22, 1941 the Oak Grove Elementary School burned down, forcing the local school authorities to house students in churches and dwellings. Although this was only a two room school, local officials asked for funds from the Lanham Act to replace this structure with a ten room building, agreeing to give \$18,000 collected from fire insurance to the cost of construction. The legal question of replacing a burned building with funds made available under the provis-

ion of the Lanham Act was given favorable approval by the legal division of the Federal Works Agency.

Statutory limitations on bonded indebtedness, and the fact that the maximum legal local school levy was in effect, prevented local officials from securing additional funds for school construction and maintenance and operation purposes. The total assessed valuation of the district was \$6,755,576, and the bonded indebtedness was \$598,850. The local school tax rate was \$1.80 per \$100.00 of assessed valuation.

The flexibility of the administrative procedures used in certifying need and the desire to make adaptations to local need were clearly revealed in the recommendations and the follow-up change of action of the Senior Specialist who worked on this case. The original recommendations were as follows:

The Jacksonville, Sylvan Hills, Bayou Meto, and Oak Grove schools for white children and Pulaski Training School for Negroes, located north of Arkansas River and included in Pulaski County Special School District, face an increase in enrollment due to construction and operation of Camp Robinson, the Arkansas Ordnance Depot at Jacksonville and Picric Acid Plant at Marche. Approximately 200 family dwelling units, of which 50 are for Negroes, have been constructed recently or are under construction in this area and forty additional units for white families are planned for completion this fall. The Joe T. Robinson, Fuller, Brody, Lawson, David O'Dodd, and Wabelvale schools, south of the river, are not in this immediate area and are more inaccessible on account of distance and of the fact that Little Rock, North Little Rock and Arkansas River lie between them and the defense plants.

The capacity of the schools of Pulaski County Special School District in which there are 125 rooms, is 5,000 children. The enrollment increased from

5,306 in '39-'40 to 5,590 in '40-'41. This increase was caused largely by the influx of construction workers on Camp Robinson, many of whom are now gone. Some increases were caused by resettlement of farmers residing on the reservation area. The enrollment for '40-'41 in schools in defense area north of river was 2,029 and the capacity of their 49 rooms was 1960. None of these schools has additional capacity.

This office recommends: (1) the construction of a four room addition to the elementary school and a two room addition to the high school Jacksonville, a two room addition for elementary children at Oak Grove School, the alteration of two rooms for elementary children at Sylvan Hills School and a two room addition for elementary children at Bayou Meto School, to accommodate an anticipated increase of 237 white elementary children and 48 white high school children, and a two room addition for elementary pupils and a one room addition for high school pupils at Pulaski Training School for Negroes, to accommodate an expected increase of 55 elementary and 20 high school pupils. Inasmuch as these additions are for small increases at each school, no substantially increased accessory facilities are necessary. 18

After the burning of the Oak Grove School and because of the request of local officials that an existing cafeteria be converted into classrooms and a new cafeteria be constructed, the following change in previous action was requested by the local school officials, recommended by the Office of Education, and approved by the Federal Works Agency:

1. Construction of a cafeteria addition at Jacksonville Elementary School, remodeling of the present cafeteria to provide four additional classrooms and purchase of necessary equipment for six classrooms; construction of a home economics cottage at Jacksonville High School to release two classrooms in present

high school building now occupied by the home economics department and provision of additional sanitary facilities.

2. Construction of an elementary school building of ten classrooms and an auditorium to replace Oak Grove Elementary building recently burned. Applicant should participate in cost to extent of insurance received for burned building.
3. Construction of one additional classroom, one boys' toilet and one girls' toilet at Bayou Meto School.
4. Alteration of two classrooms and purchase of necessary equipment for Sylvan Hills School.
5. Extension of present auditorium equivalent to one classroom for high school pupils, construction of partition in auditorium to provide classrooms and construction of two additional classrooms for elementary pupils, purchase of equipment for these three classrooms, and construction of a water system and sanitary facilities for Fulaski County Training School for Negroes. 19

For maintenance and operation expenses, local school officials requested a net amount of \$59,045. This was to be expended for the education of 459 "defense connected" pupils, 326 of whom were being transported. The Senior Specialist, after a thorough study, recommended that \$17,225 be granted

19

Docket Number Arkansas 3-M-2.

20

Defense-connected pupils were considered to be those who moved into the school district since July 1, 1940, because of the defense activities in a given region. Much disagreement over the classification of these students has arisen between local officials and the U.S. Office of Education on the one hand and auditors of the Federal Works Agency on the other.

for maintenance and operation expenses. His recommendation was later approved by the Federal Works Agency. Table III indicates the funds requested by the local authorities and the funds granted for maintenance and operation expenditures.

TABLE III

FUNDS REQUESTED BY POLASKI SCHOOL DISTRICT
AND AMOUNT GRANTED FOR MAINTENANCE
AND OPERATION EXPENDITURES

Classification	Requested by Local Officials	Granted by Federal Government
Administration	\$17,540.00*	\$ 1,377.17
Instruction	29,700.00	5,748.56
Auxiliary Services	4,950.00	4,950.00
Operation of Plant	3,805.00	1,640.52
Maintenance of Plant	00.00	1,596.30
Fixed Charges	.00	.00
Capital Outlay		1,912.45
Total	\$59,045.00	\$17,225.00

*On the original request this amount was lumped as follows: "Salaries for clerk, insurance, and school lunch rooms."

The reduction from \$59,045 to \$17,225 as shown in this table, was made by the Senior Specialist for the following reasons: (1) The number of teachers needed for defense students had been overestimated by the local authorities; (2) salaries for lunchroom employees and other preferred lunchroom expenditures were not in accord with accepted local practice; and (3) the number of busses needed for transport-

tation purposes was overestimated and rulings of the Office of Defense Transportation made it impossible to secure new bus equipment.

The funds classified under administration were expended for clerical assistants, office supplies, and expenses of the State Department of Education in connection with the certification of need. Expenses under instruction were for teachers' salaries and teaching supplies. The funds under auxiliary services were utilized for bus service, and those under operation and maintenance of plant were used for salaries, fuel and heat, water, light, power, and miscellaneous supplies. Capital outlay expenditures were made for school-room furniture.

2. Prince George's County, adjacent to Washington, D.C. and immediately east of the District line, was among the first of many Maryland areas to feel the impact of the armament program. Because of its location, Prince George's County received a large population influx as a direct result of defense activities in Washington.

Many workers in the Anacostia Navy Yard, Bolling Field, Army and Navy Departments, Office of Price Administration, and other governmental agencies moved into this county. The construction of a huge federal office building at Suitland,

Maryland, with a capacity of 5,000 office workers, stimulated housing developments in that section of the county. Additional population increases resulted from the expansion of three locally operated defense industries: Washington Institute of Technology, Engineering Research Corporation, and the Air Trak Corporation. The construction of many low cost housing developments during 1940, 1941, and 1942 gave an added impetus to growth in this county. It was estimated by the Supervisor of Assessments of Prince George's County that about 10,000 dwelling units were either under construction or programmed for construction during the period from July 1, 1940²¹ to July 1, 1942.

Population increased from 89,000 in 1940 to 101,000 in 1942 in Prince George's County.²² There was an increase of 1,688 in enrollment during the same period. Normal enrollment increases had been approximately 400 per year during the past decade. Because of this abnormal growth, and due to the fact that no new school buildings had been constructed since 1937, existing school facilities were filled to capacity.

21

From the files of the County Superintendent of Schools, Prince George's County, Upper Marlboro, Md.

22

From estimates based upon sugar rationing information in the County Superintendent's office.

Bonded indebtedness in June, 1942 was \$4,506,000. The assessed valuation of property in the county was approximately \$95,000,000. The tax rate for all purposes was \$1.38 per \$100; \$.90 per \$100 was for school purposes. Although no legal limitations existed on bonded indebtedness and local tax levies, it was impossible under state law for the county commissioners to issue bonds for school building purposes without authorization by the state legislature, which would not convene again until January, 1943.

In January, 1941, the state legislature had authorized the issuance of \$1,300,000 worth of bonds, \$500,000 of which were dedicated to school building purposes. Only \$298,000 of this amount could be used for school building construction in the metropolitan area, however, as \$202,000 had been pledged by the authorizing legislation for schools in the outlying sections of the county. Since it was estimated by local officials that school facilities for 2,000²³ students would be needed, an application for federal assistance was filed.

The first recommendation of the Senior Specialist was as follows:

23

From file materials in the Office of the County Superintendent of Schools, Upper Marlboro, Md.

Recommendation for the Defense Area

1. Utilization

- a. Since all school buildings were utilized to near their capacity last year, no material relief may be expected through transportation or reassignment of pupils or modification of schedules.

2. Increased Housing Facilities

- a. No mere alteration of any one building will suffice.

- (1) Forestville: The addition of 4 rooms with a total capacity of 160 pupils should suffice for the 160 pupils from Forestville and Suitland.
- (2) Takoma Park: The increased number of pupils can be accommodated by the addition of two rooms seating 40 pupils each.
- (3) Ager Road, Lanham, and Wildercroft will need to be provided with a total of one or more buildings having a total seating capacity of 480 pupils. (Ager Road should probably have a separate building).
Transportation will be required if less than 3 buildings are erected.
- (4) Bradbury Heights: A two room addition will accommodate the additional 80 pupils.
- (5) Greenbelt High School and Elementary School should be built by Federal funds since these buildings will be erected on Federal property and the State school laws of Maryland do not permit the school authorities to build on property to which it does not hold title in fee simple. For the Greenbelt schools it is possible that the State of Maryland and Prince George's County will require a specified amount per pupil to pay the cost of the school, less the amount paid by the project "in lieu of taxes" for the support of schools. (Max. 5.6% of property rental). All of the foregoing buildings should be of permanent construction.

3. Federal funds required

- a. Operation and maintenance of School Plants. The Superintendent of Schools believes no funds for current expenses required.
- b. No additional transportation facilities seem to be needed unless schools in B-2-b.c.--(3) are combined.
- c. At present the Superintendent states he can provide for all current costs.²⁴

On the basis of housing data submitted later by local school officials and because of the beginning of construction of the federal office building at Suitland, the United States Office of Education changed its recommendation as follows:

This office recommends the construction of a permanent elementary school building at Forestville of seven classrooms and library; an addition of seven elementary classrooms and library to the school building at Takoma Park; the construction of a permanent elementary school building of seven classrooms and library at Lanham; the construction of a permanent elementary school building of five classrooms and library at Wildecroft; the permanent addition of five elementary classrooms to the Bradbury Heights school building; and the construction of a permanent elementary school building of seven classrooms and library at Ager Road.²⁵

This recommendation conformed with the request of the local school district and was predicated upon the use of local funds to the amount of \$298,000, and a grant of \$222,000 from

²⁴

Docket Number Maryland 18-102.

²⁵

Docket Number Maryland 18-102.

the federal government.

The maintenance and operation recommendation was later changed because of a request by the State Department of Education and additional data submitted by the County Superintendent. The State Superintendent stated:

The disturbing point to the State Department of Education is that no aid has been requested from the Federal Government for operation expenses. Since Prince George's County is an equalization Fund County, additional instructional service is ordinarily taken care of by the State. Our budget, which is made up in advance for two years, does not provide for any sudden increase in enrollment. The statement to this effect was made at the time our budget was presented, and the justification for our not including any additional State aid for abnormal increases due to defense or other causes was that we had no way of anticipating the extent of the increases. It seems to me, therefore, that certain equalization Fund counties will have to ask for operating expenses from the Federal Government.²⁶

The County Superintendent subsequently changed his position of "no aid is needed for current expense" and requested \$46,329 to be expended during the 1941-43 biennium. After investigation, the United States Office of Education recommended \$13,575, stating that maintenance and operation grants could be made for only one fiscal year. The request of the local officials and the recommendation of the Senior Specialist were the same as to amounts after the need for funds was recomputed on the basis of only one year and deductions for

²⁶

Docket Number Maryland 18-M-6.

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Greenbelt Schools were made. Table IV contains a breakdown of the proposed maintenance and operation expenditures.

TABLE IV
CLASSIFICATION OF PROPOSED EXPENDITURES
OF THE MAINTENANCE AND OPERATION
GRANT OF PRINCE GEORGE'S COUNTY

Classification	Proposed Expenditures
Administration	\$ 30.00
Instruction	4,010.78
Auxiliary Service	600.00
Fixed Charges	78.42
Capital Outlay	8,853.27
Total	\$13,572.47

The eagerness of the United States Office of Education to make adaptation to local need was clearly shown in this case by a reallocation of funds made in the original proposed expenditures of funds. It was originally planned by local officials to expend only \$1,922.45 for transportation equipment. Because of increases in the number of students trans-

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The Greenbelt Schools were on federally owned land, and consequently provision for additional costs was made by the federal government through other sources.

ported; a request for the use of \$8,853.27 for the purchase of school busses was filed with the United States of Education and was immediately approved. The Federal Works Agency, however, failed to approve the request. In fact, only one-third of the total grant was paid to Prince George's County. The Federal Works Agency would not state why the remaining two-thirds were not paid. According to the Superintendent of Schools of Prince George's County, Maryland, the amount was not paid because the Federal Works Agency believed all needs could be met from local funds.

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3. San Diego was one of the first cities in the United States to feel the impact of defense industries and military expansion. Among the many defense activities in San Diego were: a navy yard, army camp, destroyer base, naval training station, airplane factories, air bases, airplane factories, air training schools, ordnance depots, and ordnance plants. These defense enterprises along with the growth resultant from the expansion of community services and the development of federally and privately financed housing projects placed a tremendous burden on community facil-

28

Conference with Superintendent of Schools, Upper Marlboro, Maryland, August 19, 1942.

29

ities in San Diego.

The population in San Diego increased from 147,000 in 1930 to 203,000 in 1940. The accompanying school enrollment increase had taxed existing facilities to the limit of capacity and had forced the Board of Education to include a large building fund in each annual budget, \$1,242,000, ~~000~~ having been appropriated for this purpose since 1936. By June, 1941, population had increased to 250,000. Average daily attendance in the public schools had increased from 14,327 in 1940 to 19,906 in June, 1942 in the elementary schools, and from 15,765 in the junior and senior high schools to 16,015. Thus, additional school facilities were needed for 6,429 pupils.

Because of statutory limitations on local taxes, and existing bonded indebtedness, San Diego school officials stated that the district was unable to make adequate provision for the needed school facilities. The existing tax levy was \$1.70 per \$100 with a statutory maximum set at \$1.85. Raising the local taxes to the statutory limit would have produced only a fraction of the needed funds. Bonded indebtedness as of June, 1941 was \$3,012,000 with an assessed valu-

29

All data in this section have been taken from the files in the United States Office of Education, Division of State School Administration, Dockets No. California 4-110a, 4-395, 4-902.

ation of \$150,675,690. Approval of two proposed school bond issues had not been voted during the past few years, therefore local officials argued that it would be impossible to secure the passage of a bond issue dedicated to a school building program on non-taxable areas.

In order to meet the school building needs resultant from the huge influx of defense workers, San Diego submitted the following estimate of funds needed for school building purposes:

Schools for Defense Housing Areas.....	\$1,168,000
Building Additions on Federal Reservation.....	42,000
New School Center to be Developed.....	975,000
Additions to Existing Buildings.....	780,000
Addition to Vocational School.....	350,000
Replacement of Obsolete Buildings.....	<u>335,000</u>
Total.....	\$3,650,000

In addition to the above, a net sum of \$500,000 was requested for maintenance and operation expenditures, making a grand total of \$4,150,000.

The United States Office of Education, however, recommended that a grant of \$3,150,822 be made for school building purposes and a grant of \$500,000 for maintenance and operation expenditures, making a total of \$3,650,822. A net amount of \$905,288 was granted directly to the school system for

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Docket Number California 4-110a.

31

Ibid.

school building construction along with a grant of \$28,770³² for school equipment. A net amount of \$75,952 was contributed to this building fund by the applicant. Many of the new buildings were planned for federal housing areas, hence a grant of \$2,140,812³³ was made to Public Buildings Administration for the construction of school housing facilities.

The final specific recommendations of the United States Office of Education were as follows:

A. Temporary School Buildings

1. One temporary school on the Chollar Elementary School site to house children from 500 temporary housing units being built at 47th and Market Street. This school will consist of fourteen temporary classrooms, two toilet units, and an administrative suite.

The second school for children from 1,000 demountable houses is being built by Division of Defense Housing with Defense Housing Funds from Public Law 849[34]. It is recommended that the cost of equipping both of the above temporary schools be defrayed with funds from Public Law 137.³⁵

2. Eliminate the above temporary school. The Division of Defense Housing has permitted the temporary use of 120 houses for school purposes to take care of the situation pending the construction of the permanent school buildings at Linda Vista.

32

Docket Number California 4-395.

33

Docket Number California 4-902.

34

Public Law 849 was passed by the 76th Congress, Chapter 862, 30th Session, October 14, 1940 in order to construct housing facilities in defense areas. See Appendix F.

35

Public Law 137 is the Lanham Act.

B. New School Buildings Within Federal Housing Projects

1. Carson Elementary School on the Kearny Mesa housing site will accommodate approximately 900 students. This school will consist of 30 classrooms, an administrative suite, an auditorium, cafeteria, two kindergarten rooms, storage and custodian's rooms, toilets, and rooms for heating plant and service systems required to operate this building.
2. Linda Vista Elementary School on Linda Vista housing site will accommodate approximately 900 students. This building will consist of 30 classrooms, administrative suite, two kindergartens, auditorium, cafeteria, storage, custodian's rooms, toilets, and rooms for heating plant and service systems required to operate this building.
3. Kearny Junior Senior High. This building should be planned to eventually accommodate 1,500 students and should consist of 38 classrooms developed for necessary special subjects of such a school, a home economics suite of four laboratories, home nursing room, a shop building including five shop rooms (for vocational training of boys enrolled in this school), a physical education building including gymnasium, shower rooms, locker rooms, exercise rooms, and R.O.T.C. facilities; and an auditorium, a cafeteria, an administrative suite, storage and custodian's rooms, toilets, rooms for heating plant and service systems required to operate this building.

The first unit of this building to be constructed should be planned to accommodate 600 students in 19 classrooms, 5 science laboratories, cafeteria, library, administrative suite, shop building, shower and locker rooms, storage and custodian's rooms, toilets, and rooms for heating plant and service systems required to operate this building or as much thereof as can be provided from funds allocated.

4. The Destroyer Base New Elementary School will accommodate children coming from 1,200 family units constructed by the Navy with funds from Public Law 781. This school will include 18 rooms, combination auditorium and cafeteria, administrative suite, storage and custodian's rooms, toilets, and

rooms for heating plant and service systems required to operate this building. This building will accommodate approximately 600 students.

5. Naval Training Station Elementary School will include 18 classrooms, auditorium, cafeteria, administrative suite, storage and custodian's rooms, toilets, and rooms for heating plant and service systems required to operate this building.
6. Eliminate the Chone School. The construction of 8 classrooms instead of 4 in C2 below will care for this situation.

C. Addition to Existing School Buildings

1. Dana Junior High School. This plant should ultimately be completed as a Junior High School for 1,500 students. The completed addition would consist of 23 classrooms, four home economics rooms, four shop rooms, an auditorium, boys' physical education unit consisting of shower and locker rooms, a library, storage and custodian's room, toilets, and rooms for heating plant and service system required to operate the building.

Facilities to accommodate a minimum of 350 students should be completed immediately. This unit should be planned to include 19 classrooms (adapted to such subjects as needed), the boys' and girls' physical education units, library, cafeteria, home economics rooms, shop rooms, storage and custodian's rooms, toilets, and rooms for heating plant and service systems required to operate this building or as much thereof as can be provided from funds allocated.

2. Addition to Memorial Junior High: This addition should consist of eight classrooms to care for the increase in students from the Destroyer Base and from Southeastern San Diego.
3. La Jolla Junior Senior High School: An addition of two classrooms, one music room and storage space to increase capacity 100 students.
4. Addition to La Jolla Elementary School. Two classrooms and kindergarten to increase capacity 100.

5. Addition to Pacific Beach Junior High School. Three classrooms to increase capacity 75 students.
6. Addition to Pacific Beach Elementary. Two classrooms to increase capacity 70 students.
7. Addition to the Cabrillo Elementary due to increase of the permanent personnel of Mt. Rosecrans. This addition of four classrooms will increase capacity of the building by approximately 125 students.
8. Addition to Balboa Elementary School: This addition of five classrooms and kindergarten will increase the capacity of this building approximately 250 students.
9. Addition to Encanto Elementary: This addition of an administration suite, four classrooms, health education unit, teachers' room, toilets, will increase the capacity of this building by approximately 200 students.
10. Addition to the Mission Beach Elementary School: This addition of two classrooms will increase the capacity of the building by approximately 70 students.
11. Addition to Ocean Beach Elementary School: This addition of two classrooms will increase the capacity of this building by approximately 70 students.
12. Addition to the Ocean View Elementary School: This addition of two classrooms will increase the capacity of the building by approximately 70 students.
13. Addition to Jackson Elementary School: This addition of six classrooms and a kindergarten will increase the capacity of the building by approximately 250 students.
14. Addition to Bay Park Elementary School: This addition of one classroom and one kindergarten will increase the capacity of this building by approximately 70 students.
15. Addition to Euclid Elementary School: This addition of two classrooms will increase the capacity

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of the building by approximately 70 students.

At a later time the Division of Defense Housing took over construction of the Pacific Beach School. This reduced the grant under Docket No. 4-902 a net amount of \$117,012.

The grant of \$500,000 for maintenance and operation expenditures was expended as outlined in Table V below.

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The grant was certified by the United States Office of Education and approved by the Federal Works Agency exactly as requested by the applicant.

TABLE V

CLASSIFICATION OF MAINTENANCE AND OPERATION FUNDS
GRANTED TO THE SAN DIEGO CITY SCHOOLS

Classification	:	Proposed expenditures
Administration	:	\$ 14,475.00
Instruction		406,990.77
Auxiliary Agencies		10,725.00
Operation of Plant		31,577.20
Maintenance		1,200.00
Fixed Charges		35,032.00
Capital Outlay		0.00
Total		\$500,000.00

36
Docket Number California 4-110.

37
Docket Number California 4-M-1.

Of the funds allotted under administration, \$4,500 was expended for state administrative assistants, \$2,500 for local administrative assistants, \$5,675 for local clerical assistance, and \$1,800 for supplies and other expenses.

To care for the 6,006 "defense-connected" pupils for whom the maintenance and operation funds were secured, it was necessary to expend \$356,666.17 of the funds allotted under "instruction" for the employment of 104 teachers. No funds were requested for supervision as funds for this item were secured from state sources. The remainder of the \$406,990.77 allotted under instruction was expended for four clerks, textbooks, and teaching supplies.

Under auxiliary services a net amount of \$7,525.00 was expended for health services, \$2,600 for other school services, and \$600.00 for public utility transportation fares.

The expenditures under operation of plant were made as follows: for janitors and engineers' salaries, \$13,804; fuel and heat, \$1,800; water, light, and power, \$8,500; supplies and other expenses, \$7,473.20.

Under maintenance of plant a net amount of \$799.00 was utilized for salaries and \$401.00 for supplies.

The expenditures under fixed charges were made as follows: rent, \$200.00; insurance, \$1,646.00; retirement fund, \$33,185.92.

The three projects described in the foregoing pages are typical of the variation in grants made in local school jurisdictions, the adaptation to local need, and the flexibility in administrative procedure which characterized the Lanham Act program. Each project was carefully studied and all grants were made on the basis of local needs. The entire program, in general, was conducted in a similar manner.

Appraisal of the Educational Provisions of the Lanham Act. A systematic analysis of the Lanham Act with references to selected principles of federal aid administration as recommended by the Advisory Committee on Education ³⁸ has been made in the following pages. The procedure has been as follows: (a) A brief statement of each selected principle has been given; ³⁹ (b) each statement has been followed by a discussion of its operation in the administration of the Lanham Act; and (c) any deviations from the stated principle have been pointed out. In this manner it has been possible to determine which principles were incorporated in the Act, which

³⁸ Advisory Committee on Education, Report of the Committee, pp. 40-44; 197-205.

³⁹ See above, Chapter IV, for a complete discussion of each principle.

principles were used in whole or in part by the Federal Works Agency in the administration of the Lanham Act, and to reveal, in terms of a basic frame of reference, the specific manner in which the Federal Works Agency administered the Act.

Only those recommended principles of federal aid administration which were applicable to the Lanham Act have been utilized. To determine the principles which were applicable, the following criterion has been used:

The principle must be consistent with the purpose of the Lanham Act, namely, to provide community facilities, including schools, in areas receiving a population influx as a result of the war effort.

All principles which met the foregoing criterion were selected for use in appraising the Lanham Act. In order to reveal precisely how the principles were selected, three examples have been presented below.

- (a) Principle: Co-operation between state departments of education and the Office of Education should be maintained in distributing grants.

This principle was consistent with the purpose of the Lanham Act. The method of distributing funds was left to the discretion of the Federal Works Agency Administrator. Funds could have been distributed through co-operative action as noted above without any jeopardy to the realization of the purpose of the Act; hence, this principle was used for appraisal.

- (b) Principle: The grants should be made available for all types of current operating and maintenance expenditures of public elementary and secondary schools.

This principle was selected because it was consistent with the purpose of the act. There were no restrictions relative to the types of school expenditures which could be made. Furthermore, no narrow definition of education was made in the enactment.

- (c) Principle: The special school-building fund should be provided primarily and explicitly for building construction in connection with the desirable reorganization of administrative and attendance areas.

This principle was not consistent with the purpose of the Lanham Act. Expenditures were limited to the provision of facilities in areas affected by the war effort.⁴⁰ The "desirable reorganization of administrative and attendance areas" was not considered in this investigation as a need brought about solely by the war effort. Furthermore, the Lanham Act did not provide for a special school-building fund; hence this principle was not utilized for appraisal.

All principles of federal aid administration discussed above in Chapter IV were evaluated in a similar manner. Those which were consistent with the purpose of the Lanham Act have been used for appraisal purposes in the following pages.

40

Section 202 of the Lanham Act.

Principle 1.

The major portion of all Federal aid for education should be granted as a general fund for the current support of elementary and secondary education.

Two types of grants were made available to public schools under the provisions of the Lanham Act: funds for maintenance and operation expenditures, and funds for building construction. As revealed in the first part of this chapter, more than six million dollars was granted for maintenance and operation expenditures and more than 48 million dollars was granted for the construction of school buildings. All funds were granted on the basis of current emergency needs in local school jurisdictions regardless of whether they were capital outlay or maintenance and operation needs. No consideration whatsoever was given to the promotion of any special phase of education, nor was the matching principle utilized. Thus, general aid to meet the needs of school systems affected by the war effort was the keynote of the Lanham Act program.

Maintenance and operation funds were granted as a general fund for all customary expenditures to those school districts which qualified for aid. No new types of expenditures or increases over customary expenditures were allowed, however. 41

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W. M. Carey, "Information Relative to School Maintenance and Operation Projects," Bulletin of Federal Works Agency (Washington, D.C.: Federal Works Agency, March 28, 1942) (mimeographed), p. 9.

For example, in the expenditure of funds for teachers' salaries, the regular scale of wages as outlined in the salary schedule of the local school jurisdiction had to be observed.⁴² This basic principle of permitting school systems to expend funds only in accordance with customary practice⁴³ was observed in connection with all dockets.

School systems were not permitted, however, to make requests for funds in a single lump sum. A breakdown of proposed expenditures was required in accordance with the commonly accepted public school budget categories of expenditures.⁴⁴ Copies of the forms used for this purpose, The Control Budget and the Certificate of Purposes, have been included in Appendix E.⁴⁵ Flexibility was permitted school systems in meeting their various needs by the simple expedient⁴⁶ of granting funds to meet all approved needs. The varia-

⁴² Carey, "Information Relative to School Maintenance and Operation Projects," Bulletin of Federal Works Agency, p. 7.

⁴³ Ibid.

⁴⁴ E. M. Foster, Financial Accounting. Circular 204 (Washington, D.C.: United States Office of Education, 1941).

⁴⁵ See Appendix C, which contains a manual of instructions.

⁴⁶ Carey, "Information Relative to School Maintenance and Operation Projects," Bulletin of Federal Works Agency, pp. 6-9.

tion in grants made to the three school systems cited in the first part of this chapter are cases in point. No violations of this principle were revealed in the analysis of the file materials in the Office of Education.

Principle 2.

The general principle of cooperation between the Federal Government and the States, without coercion by either party, should dominate legislation providing for Federal grants.

This principle was utilized in the administration of the Lanham Act. In the determination of need for maintenance and operation projects, the state departments of education were instructed as follows:

The State Department of Education should make a complete investigation of an application to satisfy itself of the educational needs in the light of the requirements of the Act . . . and to ascertain whether the amount requested is in its opinion reasonable. It is contemplated that the State Department of Education will attach to each application a letter which will include a detailed substantiation of each item and amount of the application. This letter will constitute the recommendation of the State Department of Education.⁴⁷

The United States Office of Education was instructed to check and verify this recommendation as follows:

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Carey, "Information Relative to School Maintenance and Operation Projects," Bulletin of Federal Works Agency, p. 4.

The U. S. Office of Education checks and verifies the findings of the State Department of Education and prepares a Certificate of necessity for submission to the Federal Works Administrator. This Certificate of necessity constitutes the recommendation of the United States Commissioner of Education. When it is possible to do so, the representative of the State Department of Education and the representative of the U. S. Office of Education will work together with the applicant in the preparation of the application, and the representative of the U. S. Office of Education will, when possible, work with the representative of the State Department of Education in the preparation of the letter of substantiation of each item for which an amount is included in the application.⁴⁸

Thus the state educational authority and the Office of Education shared in the making of plans. Final approval, however, rested with the Federal Works Agency, subject only to the perfunctory approval of the Bureau of Budget, acting for the President.

State departments of education were reimbursed for necessary expenditures incurred in connection with work performed on the projects in accordance with the following instructions:

In order to carry out the functions to be performed by the State Departments of Education in connection with maintenance and operation projects, the State Departments of Education may require additional personnel or may require regular personnel to perform work in excess of the regular hours for which they have been employed by the State. Also, it may be necessary to relieve an officer of certain regular duties in order that he may perform functions in connection with these funds and replace such official by securing additional personnel to perform his regular duties. Furthermore, expenses for travel, clerical help and

other purposes may be incurred in the performance of specific functions in connection with these projects. Costs of such nature are considered proper expenses and are reimbursable from the Contribution account, provided that the State Department of Education is unable to meet such costs from its current operating budget, that the costs are reasonable, and that the same rules and regulations governing travel and expenses which apply to State educational officials carrying on regular State business also govern expenses in connection with maintenance and operation projects. In no event shall funds belonging in the Contribution Account be paid as a salary to a State official for the same hours of work for which the State official's regular salary is paid, nor shall the regular rate of pay be exceeded.⁴⁹

Thus, state departments of education were actually encouraged by the Federal Works Agency to co-operate in the plans for distribution of funds by being permitted to secure reimbursements for all expenses incurred therewith. None of the stipulations in the above instructions gave any control over the state departments of education to the Federal Works Agency.⁵⁰

The final control over approval of expenditures made by the state departments of education rested with the Federal Works Agency. This approval was based on the recommendation of the United States Office of Education.⁵¹ No controls over

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Carey, op. cit., pp. 10-11.

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Conference with State Superintendent of Schools in Maryland and Senior Specialists on School Facilities.

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Carey, op. cit., p. 11.

the state departments of education resulted from this procedure.⁵²

The joint co-operation of state departments of education and the Office of Education was also secured in the actual distribution of funds. Assistance was given by the two aforementioned agencies to local school systems in making requisitions for funds and in filing the Certificate of Purpose⁵³ which accompanied each requisition. The Federal Works Agency required the signatures of representatives of the local school system, state department, and the Office of Education on the Certificate of Purposes.⁵⁴ Here again, co-operation in plans for the distribution of funds was encouraged by the Federal Works Agency.

The certification of need and review of individual requisitions and certificates of purpose constituted the major control over the Lanham Act funds held by the Office of Education. In the Manual of Instruction⁵⁵ issued by the Office of Education the following limitations were prescribed:

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From conferences with the State Superintendent of Schools, Maryland, and the Senior Specialists on School Facilities.

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See Appendix E.

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Carey, "Information Relative to School Maintenance and Operation Projects," Bulletin of Federal Works Agency, pp. 6-8.

55

See Appendix C.

In general, the Applicant shall record those expenditures which are justified by increased enrollment of defense-connected pupils who cannot be absorbed in existing classes, or served by existing facilities. In no case will approval be granted if the number of additional persons employed (supervisors, principals, teachers, other instructional staff, clerical assistance, etc.) is in excess of local and State standards or out of proportion to past practice.

The applicant shall produce evidence showing that the number of additional defense-connected pupils is equal to or greater than the number of pupils for whom a principal has been employed in the past, provided that at least 20 new teachers be required to justify the employment of a full-time non-teaching principal.

The Applicant shall, except in unusual cases, register at least 20 pupils for approval of the salary of the first additional teacher, and for each additional teacher the number of defense pupils on the register must be equal to the average class size (on each school level for the school system, provided that if a teacher is added for less than 30 pupils, special substantiation shall be required.

The Applicant may include librarians, study-hall keepers and other classifications of the instructional staff, provided that such personnel has actually been employed in the school system prior to the present emergency.⁵⁶

These limitations were not co-operatively developed by state educational authorities and the Office of Education. They resulted in a measure of federal control because of the variation in practice among school systems. As Joyal has pointed out, however, the Office of Education could not have avoided some control over local school jurisdictions in carrying out its assigned function of determining need for fed-

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See Appendix C.

eral aid.

As a matter of fact, the Office of Education cannot avoid exerting control. No matter how hard it tries to shun control its hand will be forced. Consider the simple problem of assignment of funds for principals' salaries, for example. The facts are clearly apparent. Under the Lanham Act many complete new schools are being built and staffed in numerous school systems. Most schools have principals, but there is no uniformity of practice with respect to the number of teachers a school must have before a full-time principal's salary is justified.

The Office of Education will have to set up and enforce a uniform procedure in handling the problem. It will be forced to follow some such rule as allowing the salary of a non-teaching principal for every 20 or more teachers, for example.

Some school system's superintendent will then come to an Office of Education specialist and explain that his system assigns a nonteaching principal for each school that has 15 or more teachers. But the response of the senior specialist, representing the Office of Education, will have to be about like this: "I'm sorry but the federal government has to have uniform regulations and treat all districts alike. Of course, if you want a principal you can hire and pay for one yourself, but the federal government cannot provide the funds." The superintendent will report this fact to the board. Then the typical board will say: "Well, if the federal government used 20 as the figure we had better adopt the same figure." Is that not federal control?

Another example of control resultant from the authority granted the Office of Education to certify need for funds was revealed in the case of Colona, Illinois. ⁵⁸ The Senior

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Arnold E. Joyal, "Another Step Toward Federal Control," The Nation's Schools, May, 1942, p. 53.

58

Docket Number Illinois 11-143.

Specialist recommended that no grant be given because of the fact that the district was operating an unsatisfactory ninth and tenth grade, with approximately twenty-five children occupying the second story of a four room building. The pupils were crowded into two first story rooms and one basement room. The Senior Specialist stated that it was indefensible to try to operate this high school. After a delay of approximately two months, Colonel Gilmore of the Federal Works Agency overruled this recommendation, stating that local school administration must not be controlled by the federal Government.

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The potency of this control was also revealed in the case of Prince George's County. An appeal to the Senior Specialist for assistance in securing the remainder of the maintenance and operation grant was not recognized. Consequently, without the support of the United States Office of Education, the local officials were unable to make any headway with the Federal Works Agency. This was in direct contrast to the situation in Oklahoma⁶⁰ mentioned in the preceding pages. In the Colons case the Senior Specialist urgently requested that

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Docket Number Illinois 11-143.

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Docket Number Oklahoma 34-K-2.

funds be released immediately. This assistance was instrumental in securing the release of funds.⁶¹

On the whole, however, the control placed in the hands of the United States Office of Education was used very judiciously so far as the writer was able to determine. In all cases studied, it was evident that a most sincere and exacting effort was made to estimate local need.

Principle 3.

Authority to determine the allocation of the proposed grants to the States should be vested in the United States Commissioner of Education [with the provisions that he will: (a) allocate the funds in accordance with the financial needs of States; (b) utilize an objective formula based upon need and ability; (c) consult with a council of chief State school officers before adoption or modification of the formula; and (d) secure the approval of the basis of allocation by his department head.]

As pointed out in the preceding section, full authority for the allocation of funds was granted to the Federal Works Agency. The Office of Education served in a staff capacity in the certification of need for federal aid. Final approval, however, rested with the Federal Works Agency.

The reasons for this arrangement were revealed in the Hearings⁶² on the Lanham Act. In the interrogation of the

⁶¹

Conference with Senior Specialist on school facilities.

⁶²

U.S. 76th Congress, 1st Session. Senate Committee on Public Buildings and Grounds. Hearings on 4545 and S.1375, pp. 22-23.

Administrator of the Federal Works Agency, Senator Taft stated:

As I read the administration of this act, Mr. Carmody, it is the Federal Works Administrator who will determine whether he builds schools or hospitals or anything else or whether he puts a school in one place . . . the entire discretion--and of course we have to give a large amount of discretion, necessarily, in a job like this--will rest with the Federal Works Administrator, except that the President first has to determine whether the area is a defense area . . . the question of schools, for instance, is an educational question to some extent. I see why the Federal Works Administrator might build the building, but I don't quite see what the Federal Works Administrator knows about the necessity for schools.

Shouldn't there be some call in the act for the Commissioner of Education to pass on that question to some extent?⁶³

The Federal Works Agency administrator replied as follows:

I think, if there is, perhaps it would be well, too, to have some arrangement whereby the State and the local school authorities might have something to say about it.

It is a well-known fact that there is not complete agreement between the Office of Education and the State Departments of Education and the local school authorities, with respect either to the kind of school they desire or certain other factors in education.

I am not a specialist in education and I would expect, if I had the administration of this bill, to be guided by those who are experts in it, and I would expect to require, from those who recommended a project, an affidavit setting forth precisely why it was recom-

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U.S. 76th Congress, 1st Session. Senate Committee on Public Buildings and Grounds. Hearings on H.R. 4545 and S.1375, pp. 22-23.

mended, but I think we ought to be a little careful about forcing upon an administrator, who has to bear the responsibility in the end, not recommendations, but absolute requirements.⁶⁴

Principle 4.

The statute providing for the proposed grants should avoid the specification in exact detail of any formula for the allocation of the funds to States, but should specify instead the general procedure to be followed and the policies to be considered controlling.

This principle was not incorporated in the Lanham Act. Full authority to give financial assistance to local school jurisdictions was given the Federal Works Administrator. As stipulated in the Lanham Act, the Federal Works Administrator was authorized:

To make loans or grants, or both, to public or private agencies for the maintenance and operation of public works, upon such terms and in such amounts as the administrator may consider to be in the public interest. Thus, complete authority for allocation of funds was given to the Federal Works Administrator.⁶⁵

The manner in which the Federal Works Administrator exercised this authority has been reviewed in the preceding sections. Attention should be called to the fact, however, that no detailed specifications, terms, and conditions such as those

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U.S. 76th Congress, 1st Session. Senate Committee on Public Buildings and Grounds. Hearings on H.R. 4545 and S.1375, pp. 23-24.

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Section 202, sub-section (c) of the Lanham Act.

made in the Smith-Hughes Act were made in the Lanham Act.

Principle 5.

Funds for reading materials should be allocated separately in the joint plans. They should be distributed to local school jurisdictions on the basis of the number of pupils for whom reading materials should be available.

This principle was made operational through the use of
 66
 a Certificate of Purposes which contained a breakdown of proposed maintenance and operation expenditures in line with customary public school accounting practice. This certificate was accompanied by a statement in which the applicant was requested to give an explanation of the various items con-
 67
 tained within the certificate. Thus each applicant was required to explain the expenditures for books, teaching supplies, and other materials. Current practice was used as the criterion for such expenditures. For example, the current practice in Prince George's County was the expenditure of \$5.00 per student for an initial outlay of textbooks. Hence, in this school system the expenditures per pupil for textbooks was computed on the basis of \$5.00 per defense-connected

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A copy of this form has been placed in Appendix B.

67

Carey. "Information Relative to School Maintenance and Operation Projects," Bulletin of Federal Works Agency, p. 7.

pupil.

Examples of violations of this principle are those cited in the discussion of the auditing function (in the following pages), wherein the auditors computed the basis of allocation of books on a pro rata or percentage basis. Had this procedure been utilized, it would have been impossible to provide reading materials to all pupils who needed them at a given time. Since these cases were later remedied, the position taken in this study has been that this principle was utilized.

Principle 6.

Individual construction projects should be planned by local school jurisdictions, reviewed by the respective State departments of education, and submitted to the Office of Education for final approval. The Office of Education should have authority to review plans to determine the adequacy of the proposed buildings with respect to educational design, location, safety, comfort, and convenience.

The general procedure in the preparation and approval of plans for construction projects was as follows: (a) The local school jurisdictions with the assistance of local school architects were responsible for the preparation of plans, specifications, and contract documents; (b) in all states where approval by the state department of education was required by law, the local school jurisdiction was required to

submit a certificate of approval; ⁶⁹ and (c) final approval was given to all plans, specifications, and contract documents by the Federal Works Agency. ⁷⁰ Here again, the Federal Works Agency utilized state and local procedure as they existed and sought to make no changes in them.

The major limitations imposed upon local school jurisdictions with reference to school construction were those issued by the War Production Board. The use of selected critical materials, over-embellishment, two-story construction, expensive design, and any features of construction that required abnormal use of labor were prohibited. All plans and specifications were subject to the approval of the War Production Board. Since these were war measures, however, they have not been considered as a type of control which should be considered in this study.

The major function of the Federal Works Agency in the approval of plans pertained to checking all engineering and legal aspects of plans, specifications, and contract documents. In the case of Prince George's County a great deal of benefit resulted from the analysis of project plans. Many improvements in the structural, mechanical, and electrical

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See Appendix A.

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See Appendix A.

phases of the proposed buildings were suggested by the engineering division of the Federal Works Agency. In a similar manner, the legal division suggested changes in contracts, advertisements, bid forms, and insurance requirements which greatly improved administrative procedure. No changes were suggested which were not in line with sound principles of school business administration. ⁷¹ Thus, while the Federal Works Agency officials did not seek directly to change local administration, they did materially improve it through the suggestions which were made by their staff of engineers and legal specialists. In general, the same procedures used in the construction program of the Public Works Administration were used in the Lanham Act program.

Principle 7.

The auditing of local accounts involving Federal aid should be conducted by the State departments of education.

All auditing undertaken in connection with the administration of the Lanham Act was under the immediate supervision of the Federal Works Agency. State departments of education were permitted to audit local accounts if they so desired. According to instructions issued by the Federal Works Agency:

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Conference with the County Superintendent of Schools, Prince George's County, Maryland.

Regular audits of the Contribution Account will be made by the Office of the Chief Accountant of the Federal Works Agency prior to the last quarter of the school year and again after the close of the school year. The Regional Engineer may also require special audits by the Office of the Chief Accountant, F W A, of the Contribution Account at such times as the Regional Engineer deems advisable. Audits of the Contribution Account may also be made by the State Department of Education.⁷²

The auditing function was utilized extensively by the Federal Works Agency, which conducted systematic audits of applications, statements of need, construction accounts, maintenance and operation accounts, and accounting ledgers. These audits consisted of interrogation of the applicant's staff, and perusal of the applicant's ledgers, correspondence pertaining to the project, contracts, plans, specifications, bids, and attendance reports. Thoroughness, dispatch, and efficiency were marked characteristics of the audits.

In several cases, however, control over the expenditure of funds was exerted which was not within the purview of the auditing function, nor implied in the principle cited above. The net results of this injudicious use of the auditing function were: (a) undue delay in the purchase of instructional materials, (b) needless substitutions of instructional materials, (c) failure to supply certain pupils with instructional

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Carey, "Information Relative to School Maintenance and Operation Projects." Bulletin of Federal Works Agency, p. 10.

materials, and (d) confusion in local school administration. These unfavorable situations developed as a result of audits which led the Federal Works Agency to withhold funds which had been duly certified by the United States Office of Education.

An outstanding example of this type of control was illustrated by the withholding of funds in Prince George's County, Maryland. A grant of \$13,575 had been made to this county for maintenance and operation purposes. The need for this grant had been carefully studied and duly certified by the State Department of Education and the United States Office of Education. In spite of this, however, the Regional Director of the Federal Works Agency withheld the initial payment until an audit could be made of the application and the reports of the State Department of Education and the United States Office of Education. The initial payment was thus delayed for two months. The local school officials consequently delayed the purchase of instructional materials as all local and state funds for such purchases had either been expended or allotted for expenditure. This delay worked undue hardship on the pupils in those schools which needed the instructional materials. Salary payments had to be made from other accounts and reimbursed when the initial grant payment finally arrived.

After receiving this initial payment the school officials proceeded to make expenditures in line with the approved Certificate of Purposes. In the meantime a second audit was conducted. No further payments were made on the grant after this audit. Letters to the Regional Director requesting immediate payments were ignored. Letters from the local officials requesting an explanation of the delay were ignored. The school officials were forced to cancel orders, draw funds from other accounts in order to pay bills which had already been incurred, shift materials from schools in non-defense areas to schools which had increased in enrollment, and deny the customary amount of materials and supplies to children in schools which had shown large increases in enrollment. The instructional program, local administrative procedure, and the customary use of instructional materials were thus indirectly affected by the withholding of funds.

Other examples of this type of control were reported in connection with grants made in Iowa to Burlington, Denmark,⁷⁴ Danville,⁷⁵ Ankeny,⁷⁶ and Rockingham.⁷⁷ In these

73 Docket Number Iowa 13-M-1.

74 Docket Number Iowa 13-M-6.

75 Docket Number Iowa 13-M-10.

76 Docket Number Iowa 13-M-11.

77 Docket Number Iowa 13-M-13.

cases the auditors overlooked their assigned function of determining whether or not funds had been expended, accounted for, and disbursed in accordance with the approved control budget. They proceeded to revise the estimate of need by determining the amount of need on a pro rata or percentage basis of cost. By this method the auditors figured that if a child entered school at mid-term, only one-half of the required basal textbooks should be provided. Funds were withheld by the Federal Works Agency even though need had been duly certified by the United States Office of Education. The issue was finally resolved by granting the funds in accordance with the Office of Education certification. The delay, however, worked undue hardship upon the children of war workers who should have received educational materials at the time of their arrival.

Two other examples of control resultant from auditors' reports were reported in Kansas⁷⁸ and in Oklahoma.⁷⁹ In the first case funds were withheld from the local school district because (a) the Kansas State Department of Education had not filed a claim for No. 120, and (b) the auditor did not approve a small amount of preliminary expense which had been

78

Docket Number 14-M-1, Mureka School District 13, Kansas.

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Dockets Number 34-M-2, and Number 34-M-3, Pryor, Oklahoma.

duly approved by the Senior Specialist from the United States Office of Education. Since this was not the final audit there was no valid reason for withholding funds. In the Oklahoma case the auditor recommended that "in his opinion" all funds should be withheld until the final audit. His report was based on a "short contact visit" and was in disagreement with the certified estimate of need made by the United States Office of Education. The following excerpts taken from the report of the Senior Specialist revealed the issues clearly:

Contact report only, yet he (the auditor) recommends that further payments be discontinued until a final audit can be made. Basis of withholding funds made upon the difference between needs computed by the auditor and the grant.

Should the auditor determine needs?

Are funds to be withheld from a district because the auditor merely submits an unsubstantiated estimate that they won't be needed?

What is the basis of the auditor's estimate? If it is his opinion only, we will have as many types of estimates as there are auditors.

Must a school district refrain from spending a portion of the contribution account through fear of being compelled, at the end of the year, to make a refund equal to the collection of local taxes in excess of the amount approved at the beginning of the year?

Are funds to be withheld on basis of a hasty "contact" report?80

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Dockets Number 34-M-2, and Number 34-M-3, Pryor, Oklahoma.

After several conferences between officials from the United States Office of Education and the Federal Works Agency, the decisions of the Senior Specialist on School Facilities were upheld and funds were released.⁸¹ Here again, however, the delay worked undue hardship on the school children.

Another example of control resultant from the reports of auditors was revealed in an audit of the list of defense-connected pupils in Prince George's County, Maryland. The list was composed of all students who had moved into the school district during the 1941-42 school year as a result of the war effort. This list was used by the local school officials, the Maryland State Department of Education, and the Office of Education to determine need for maintenance and operation funds. Instructions given to the school officials by the Federal Works Agency stated that:

A defense-connected pupil as used herein refers to any pupil whose attendance at a particular school is due to the national defense program. The parents of such a pupil need not be directly employed or associated with defense activities.⁸²

81

Conference with Senior Specialists on School Facilities in the United States Office of Education.

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W. M. Carey, Information Relative to School Maintenance and Operation Projects, Federal Works Agency, Bulletin 10899, March 25, 1942, p. 12.

In accordance with this definition and instructions issued by the Federal Works Agency the local school officials undertook a questionnaire study to determine the precise reasons why the various pupils had moved into Prince George's County, and by whom their parents were employed. The questionnaire developed for this purpose by the United States Office of Education was used.⁸³ The auditors, however, refused to tabulate approximately 250 children of workers who had moved into the county during the 1941-42 school year.⁸⁴ They argued that children of truckers, carpenters, mechanics in garages, restauranters, cobblers, and other service groups were not within the purview of the Lanham Act grants, even though they were needed to serve those brought to Prince George's County for military reasons. This was contrary not only to Federal Works Agency instructions, but to advice given by the United States Office of Education. By the time that this issue was resolved, school in Prince George's County had been dismissed for the summer vacation in June, 1942. According to the Senior Specialists in the United States Office of Education, this was a common problem on maintenance and operation grants.⁸⁵

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See Appendix C.

84

These data have been taken from correspondence on file in the Office of the Board of Education, Prince George's County Schools, Upper Marlboro, Maryland.

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Advice given in conference with the Senior Specialists on School Facilities.

Another example of indirect control over the instructional process resultant from overemphasis on the "honesty, legality, and efficiency" principle in the auditing function pertained to an equipment contract in Prince George's County. The Regional Director refused to concur in the award of an equipment contract for pupils' desks. Specifications had been duly prepared by the local school officials and approved by the Federal Works Agency. Although the lowest bid submitted did not meet the specifications, the Regional Director proposed that it be accepted. The Board of Education rejected this proposal, stating that "bids based upon approved specifications had been legally advertised, received, and opened in accordance with Maryland school law. To accept a product not meeting the specifications would be tantamount to ignoring sound business and school purchasing procedures and would jeopardize future bids."⁸⁶ After 63 days of delay the Regional Director approved the award. By this time, however, the bid bond period had expired. After expiration of the bond period, the supplier had sold some of the pupils' desks and consequently was unable to fill the order. This made it necessary for the Board of Education to substitute tables

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Taken from correspondence on file in the Office of the Board of Education, Prince George's County, Upper Marlboro, Maryland.

and chairs for pupils' desks. As in the preceding cases, changes were indirectly brought about in the instructional program by the action of administrative personnel in the Federal Works Agency.

Principle 8.

The United States Office of Education should be required to audit the Federal fund accounts of each cooperating State. The States should be required to make good any Federal funds lost or spent in a manner contrary to the provisions of Federal statutes or joint plans. If they fail to do so, the amounts lost or misapplied should be deducted from subsequent payments after reasonable notice.

As pointed out in the preceding section, all auditing was done under the auspices of the Federal Works Agency. The United States Office of Education had no supervision over the auditing function.

Any local school jurisdictions which spent funds contrary to the plans approved by the Federal Works Agency were requested to reimburse the contribution account to the amount misspent. The reports of the auditors were used as the bases for such requests. Funds were withheld by the Federal Works Agency until all requested reimbursements were made. The final payment, 10 per cent of the grant, was not made to the

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Data taken from information on file in the Office of the Board of Education, Prince George's County, Maryland.

local school jurisdiction until all expenditures had been approved.⁸⁸ Thus, local school jurisdictions either spent the money as planned or did not receive subsequent payments.

In setting up the plan for control of the budget, the local school jurisdiction was requested to note the manner in which the expenditures were to be made. A form co-operatively developed by the Federal Works Agency and the Division of School Finance of the United States Office of Education was utilized for this purpose. A copy of this form has been included in Appendix E. This form was prepared in conformance with customary public school budgetary procedure. The local school jurisdiction was given the following instructions for use of this form:

School maintenance and operation projects will be controlled by means of a Control Budget (Form No. FWA 211-CE) and disbursements made from the Contribution Account by an applicant and approval by the Regional Engineer must be in accordance with the budget. Hereafter the initial Control Budget will accompany the Offer and will indicate the purposes for which the allotment was approved. As to each of the projects on which offers have heretofore been accepted the initial Control Budget will be prepared and distributed immediately. Whenever a change in the allocation to particular purposes is desired by an applicant, a request for the change together with an adequate justification

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Data taken from information on file in the Office of the Board of Education, Prince George's County, Maryland.

should be forwarded to the Regional Engineer. If the change is approved, a revised Control Budget will be issued.⁸⁹

A similar procedure was utilized in the administration of construction project accounts.

The Federal Works Agency held the final decision with respect to whether or not any changes would be made in the control budget. In Prince George's County, several changes were made in the control budget used in connection with the construction project. A request for a change in the maintenance and operation project was denied, as pointed out in the preceding discussion. Any deviations from the control budget which were made without the approval of the Federal Works Agency were ordered reimbursed before subsequent payments would be made on the grants. For example, in Prince George's County, payments for preliminary expense incurred in connection with making applications for the grant had been made from the contribution account. Because they were not included in the control budget, they were ordered reimbursed by the Federal Works Agency. Thus it was impossible for a local school jurisdiction to misapply funds and receive subsequent payments.

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Carsy, op. cit., p. 9.

Principle 9.

The supervision of construction and the auditing of local construction accounts should be left so far as possible to the States. The Federal agency should have authority to withdraw the approval of projects and allotments whenever in any State the system of making plans, letting contracts, and supervising construction of school buildings involving Federal aid is determined to be inadequate.

The supervision of construction was required of all local school jurisdictions by the Federal Works Agency.⁹⁰ All sponsors of projects were required to retain an engineer or architect to supervise building construction. Failure to provide adequate supervision made the local sponsor subject to loss of federal aid.⁹¹ Here again, local school systems were required to participate in the operation of the Lanham Act.

As in the emergency building program conducted during the past decade, the right to inspect local projects and to audit local accounts was reserved by the federal government. An engineer from the staff of the Federal Works Agency was assigned to several projects, depending upon size, for inspection purposes. The functions of this engineer were: (a) to check all work and materials to insure strict adherence to the plans and specifications; (b) to check detailed estimates of construction costs; (c) to approve partial payments on con-

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See General Terms and Conditions, Appendix A.

91

Ibid.

struction contracts; (d) to issue forms and reports to the local school system; and (e) to assist the sponsor and contractors in the filing of required forms and certificates.⁹² No federal control arose from this source for the simple reason that the plans, specifications, and contract documents were the controlling factors.

The auditing of all construction accounts was conducted by the Federal Works Agency. No misapplications of the auditing function, such as those noted in connection with the maintenance and operation accounts, were reported in connection with the construction projects.⁹³ This resulted from the fact that definite contracts, plans, and specifications accompanied the construction projects. No discretionary authority existed to change them. Furthermore, the auditors of the Federal Works Agency were accustomed to auditing construction accounts. These factors operated to prevent federal control from arising in this area.⁹⁴

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Taken from correspondence in the files of the Board of Education, Prince George's County, Maryland.

93

Opinion of the Senior Specialists on School Facilities.

94

Statement of Senior Specialists on School Facilities.

Principle 10.

The United States Office of Education should be given authority to suspend payments to any State, after notice and hearing, during any period in which the State fails to maintain an adequate administrative agency or fails to make required reports with reasonable promptness.

The authority for suspension of payments was held by the Federal Works Agency and not by the United States Office of Education. As pointed out in the preceding pages, this authority was used by the Federal Works Agency. In fact, the legal authority of the Federal Works Administrator went much further than this. As stated in Section 203:

(3) Public works shall be maintained and operated by officers and employees of the United States only if and to the extent that local public and private agencies are, in the opinion of the Administrator, unable or unwilling to maintain or operate such public works adequately with their own personnel and under loans or grants authorized by this title.

Although it was not necessary for the Federal Works Administrator to invoke the power granted in this section of the Lanham Act, its use was threatened in Prince George's County. A wire from the Regional Director at Richmond, Virginia, ordered the Superintendent of Schools to "provide plans and specifications immediately" or the Federal Works Agency would be forced to take over the project in the interests of the national emergency. ⁹⁵ The alacrity with which the local superintendent

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Taken from files in the Office of the Board of Education, Prince George's County, Upper Marlboro, Maryland.

complied with the request forestalled the necessity of invoking the power cited above.

The authority to suspend payments was used largely by the Federal Works Agency to insure prompt attention to reports, strict adherence to the control budget, and to prevent any deviation from the general terms and conditions which accompanied each offer. Funds were not released to local school districts until all required reports were submitted. As revealed in the preceding sections, funds were withheld if the audits revealed any indication of deviation from the control budget or misapplication of funds.

The general terms and conditions which accompanied grants specifically stated that any or all obligations could be terminated for the following reasons: (a) submission of false or incorrect or incomplete representations; (b) unfavorable financial conditions of the applicant; (c) failure of the applicant to meet any agreed fiscal obligations; (d) failure of the applicant to commence or proceed with construction or operation or otherwise fulfill obligations in the prosecution of the project; (e) failure to submit required documents and reports; (f) failure to maintain adequate architectural and engineering services; and (g) payment or agreement to pay a bonus or commission by the applicant to another party in order to procure approval of an application.

Principle 11.

All Federal grants for educational purposes to States maintaining separate schools and institutions for Negroes should be conditioned upon an equitable distribution of the Federal funds between facilities for the two races.

This principle was incorporated in Section 203, subsection 4, of the Lanham Act as follows:

Public works shall be provided on the basis of need and in determining need no discrimination shall be made on account of race, creed, or color.

Enforcement of this section was implemented by means of audits conducted by the Federal Works Agency, and the determination of need for assistance as investigated by the Office of Education. Funds were granted entirely on the basis of need, irrespective of race, creed, or color.

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Principle 12.

Federal grants should be used to build up and strengthen existing educational agencies and institutions in so far as they are able to serve important needs, and not to establish competing agencies and institutions.

All school facilities constructed under the Lanham Act program were operated by local school jurisdictions. This policy was followed in all areas including those where the facilities were constructed and title was retained. No ex-

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Statement of Senior Specialists on School Facilities.

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Greenbelt, Maryland and San Diego, California are examples.

ceptions to this principle were made.⁹⁹

Full legal authority was given in Section 203 of the Lanham Act to the Federal Works Administrator, however, to operate a separate system of education if "local public and private agencies are, in the opinion of the Administrator, unable or unwilling to maintain or operate such public works adequately with their personnel and under loans or grants authorized by this title."¹⁰⁰ This authority was not used by¹⁰¹ the Administrator.

Principle 13.

Provisions should be included in the joint plans to bring about improved coordination between the schools and other social agencies, especially those that receive Federal aid.

Although this principle was not directly applicable to the administration of the Lanham Act, mention should be made of related federal action which is pertinent to the present study.

During the past year and a half, an attempt has been made by the federal government to secure improved co-ordination between various federal, state, and local agencies through

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Senior Specialists on School Facilities.

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Section 203, sub-section (3) of the Lanham Act.

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Statement of Senior Specialists on School Facilities.

federally controlled regional offices. These offices, established by executive order September 3, 1941, were occupied by representatives of more than twenty federal agencies who comprised a regional advisory council. ¹⁰² The following have been among the federal agencies represented:

Social Security Board (Bureau of Public Assistance)
 National Youth Administration
 U. S. Public Health Service
 Farm Security Administration
 U. S. Department of Agriculture (Extension service,
 Agricultural Marketing Administration and Bureau of
 Home Economics)
 U. S. Department of Labor (Children's Bureau)
 National Park Service
 Veterans' Administration
 Office of Civilian Defense
 National Housing Agency
 Labor Production Division of the War Production Board
 Office of Price Administration
 Office of Education

The Office of Education has been represented on a part time basis by both Senior Specialists on School Facilities and "vocational education agents."

These regional councils have been placed under the direction of a regional director. According to Grieder,

Their function is declared to be advisory, not administrative. . . . In the words of one of the regional directors, the purpose is to provide an agency "through which the functions of federal, state and local agencies cooperating in these fields (health and welfare) may be coordinated and expanded necessary to meet war needs [italics supplied] and the public responsibility." 102a

102

Calvin Grieder, "Federal Control Creeps On," The Nation's Schools, 31, No. 2, February, 1943, pp. 20-21.

102a

Ibid.

Thus, while co-ordination was not directly effected through the operation of the Lanham Act, an attempt was made to secure co-ordination through these regional councils.

Grieder has contended, however, that this represents another step toward federal control.¹⁰³ This has been the first participation of the Office of Education in a regional federal organization. The Office of Education has stated that:

Problems related to schools are increasing so greatly that the regional directors do not feel that education is adequately represented with only this service rather than full-time service.¹⁰⁴

Funds have been requested for the appointment of full time Office of Education representatives. According to Grieder, if these funds are granted,

There will be a full-blown system of educational satrapies and the American tradition of state and local educational administration will sustain another body blow As soon as full-time regional representatives are appointed, there will have come into being a full-fledged provincial organization of the U. S. Office of Education. Ostensibly this will be an emergency enterprise. But emergencies have a way of perpetuating themselves. It is a safe wager that regional offices will be a permanent feature.¹⁰⁵

103
Grieder, op. cit.

104
Ibid., p. 21.

105
Ibid., pp. 20-21.

Principle 14.

In order that local initiative and responsibility may be maintained, all Federal action should reserve explicitly to State and local auspices the general administration of schools, control over the processes of education, and the determination of the best uses of the allotments of Federal funds within the types of expenditure for which Federal funds may be made available.

That federal authorities were concerned about federal control over public education and did recognize education to be a state function was revealed in both the Hearings on the Lanham Act¹⁰⁶ and the specifications of the Act. Governor McNutt asserted in connection with federal control that:

The general purpose of preventing Federal domination should be expressed in the Act We would make certain that the provisions of State law are followed. In other words, that the State control its education system.¹⁰⁷

In reply, Senator Walsh stated that "it is a concession to the sentiment of this country that there should not be federal control of education."¹⁰⁸

In order to prevent federal control over local and state school jurisdictions, the following section was made a part of the Act:

106

U.S. 76th Congress, 1st Session. Senate Committee on Public Buildings and Grounds. Hearings on H.R. 4545 and S. 1375, p. 17.

107

Ibid.

108

Ibid.

Section 203. (b) No department or agency of the United States shall exercise any supervision or control over any school with respect to which any funds have been or may be expended pursuant to this title, nor shall any term or condition of any agreement under this title relating to or any lease, grant, loan or contribution made under this title to or on behalf of, any such school, prescribe or affect its administration, personnel, curriculum, instruction, methods of instruction, or materials for instruction.

This specification was adhered to very strictly by both the Office of Education and the Federal Works Agency. No direct attempts whatsoever were made to alter local administrative or instructional procedure.

As pointed out in the preceding sections, however, the Office of Education in the determination of need, and the Federal Works Agency through the auditing function did indirectly exert minor control over certain local school jurisdictions. No data could be found, however, which indicated that the controls exercised by the aforementioned agencies were designed to change local procedure or to control local school jurisdictions. Rather, they resulted from an overzealous application of the "honesty, legality, and efficiency" principle, and the failure of the federal government to incorporate more objective features in the act. In this con-

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No data could be found in the file materials of the Office of Education to indicate that any direct attempts to control local education were made. This was also the opinion of the Senior Specialists on School Facilities.

nection, the criteria suggested by Mort for use in determining control have been applied. Mort has proposed that in connection with "control," two questions should be asked:

Does it interfere with the local power to mold the internal nature of education?

Does it set up a national machine which could be used to disseminate propaganda and thereby determine public opinion on issues external to the schools?110

The answer to both of these questions is no. While minor interference resulted from administrative orders made on the basis of auditors' reports, neither of the above conditions resulted. No data which indicated otherwise could be found in the file materials of the Office of Education.

Summary. (a) with reference to the operation of the Lanham Act the following statements are pertinent:

1. The Amendment to the Lanham Act, with which this study is principally concerned, was passed by Congress to provide community facilities, including schools, in areas which received an influx of population as a direct result of the war effort.

2. The enactment of this act was predicated upon an investigation made by the United States Office of Education at the instance of the War Department.

3. Full authority for the administration of the Act was given to the Federal Works Administrator under provisions of the Act.

4. The United States Office of Education, serving in an advisory capacity at the discretion of the Federal Works Agency, investigated and certified need for federal assistance and made recommendations for grants which were subject to the approval of the Federal Works Agency. Final approval of all projects rested with the Bureau of the Budget acting for the President of the United States.

5. State departments of education co-operated with the Office of Education in the certification of need at the request of the Federal Works Agency. This co-operation existed at the discretion of federal authorities.

6. The total amount of grants approved as of August 1, 1942, was \$48,452,559 for school building construction and \$6,624,686 for maintenance and operation expenditures. Approval had been given to 541 construction projects and 380 maintenance and operation projects as of that date.

(b) With reference to the appraisal of the Lanham Act, it may be stated that:

1. Adaptation to local need, variability in terms of grants made, and flexibility in the administration of the act were characteristics of the program. Strict adherence

to local practice and customary procedure was judiciously observed in all school jurisdictions which received aid.

2. All grants were made directly to local school jurisdictions. State educational authorities participated only in the certification of need for federal funds.

3. The funds for maintenance and operation of public schools were granted for all customary expenditures of a given school system, providing the expenditures were chargeable to the defense impact. No special aid for selected areas of education was granted.

4. The Office of Education and the State Departments of Education were required to certify each requisition for funds in connection with all maintenance and operation grants.

5. The allocation of funds was based upon the recommendations of the United States Office of Education.

6. Funds were not distributed by means of objective formulae; distribution was based upon recommendations determined after investigations conducted by the Office of Education in co-operation with state and local school authorities.

7. Provision was made indirectly in the reporting of expenditures for separate allocation of funds for reading materials and transportation.

8. Plans for construction projects were prepared by local school jurisdictions, reviewed by state departments of

education in those states which required it by law, and approved by the Federal Works Agency, subject to final approval by the President.

9. Local school jurisdictions were required to provide adequate supervision of all construction projects; the right to inspect all projects was reserved by the Federal Works Agency.

10. All auditing was done by the Federal Works Agency although the states were permitted to audit local federal aid accounts. The Office of Education did not participate in the auditing.

11. Suspension of payments was the prerogative of the Federal Works Agency and was legally exercisable in all cases of violation of the terms and conditions of the grants. The terms and conditions did not contain unreasonable stipulations.

12. Adequate systems of reporting expenditures were maintained by means of requirements of the Federal Works Agency. The responsibility for submission of reports was placed upon the local school jurisdictions. No statewide reporting systems were established.

13. Discrimination between races, color, or creed in the distribution of grants was prohibited by specifications of the act.

14. No attempt was made to establish a competing system

of educational agencies or institutions. Existing agencies and institutions were utilized.

15. An attempt to secure co-ordination between federal, state, and local agencies involved in emergency problems has been made by the federal Government through the regional councils of the Office of Defense Health and Welfare Services. The Office of Education has attempted to secure federal funds in order that permanent representatives may be placed in the regional offices. A new federal control might conceivably develop from this action.

16. The Lanham Act specifically stated that the federal Government should refrain from exerting any control over the administration, content, processes, curriculum, personnel, and methods of state and local school jurisdictions. This specification was operative in practice.

17. Minor control over local administrative procedure resulted from: (a) administrative action of Federal Works Agency officials which was based upon the reports of auditors; and (b) stipulations and procedures used by the Office of Education in the investigation and certification of need for aid.

18. No controls were exerted over the instructional programs of local school jurisdictions with the exception of temporary changes which had to be made in certain school systems because of delays in the approval of funds for instruc-

tional materials.

19. Recommended principles of federal aid administration which were made operative through specific provisions of the Lanham Act, within the limitations set by the purpose of the act, were:

- (a) In order that local initiative and responsibility may be maintained, all federal action should reserve explicitly to state and local auspices the general administration of schools, control over the processes of education, and the determination of the best uses of the allotments of federal funds within the types of expenditure for which federal funds may be made available.
- (b) All federal grants for educational purposes to states maintaining separate schools and institutions for Negroes should be conditioned upon an equitable distribution of the federal funds between facilities for the two races.
- (c) The grants should be made available for all types of current operating and maintenance expenses of public elementary and secondary schools; elementary and secondary education should be broadly defined.

20. Applicable recommended principles of federal aid administration which were not made operative through specifications of the Lanham Act, but which were used in whole or in part by the Federal Works Agency in the administration of the act, within the limitations set by the purpose of the act, were:

- (a) The major portion of all federal aid for education should be granted as a general fund for the current support of elementary and secondary education.

- (b) The general principle of co-operation between the federal government and the states, without coercion by either party, should dominate legislation providing for federal grants.
- (c) Federal grants should be used to build up and strengthen existing educational agencies and institutions in so far as they are able to serve important needs, and not to establish competing agencies and institutions.
- (d) Funds for reading materials should be allocated separately in the joint plans. They should be distributed to local school jurisdictions on the basis of the number of pupils for whom reading materials should be available.
- (e) Authority to determine the allocation of the proposed grants should be vested in the United States Commissioner of Education.
- (f) Individual construction projects should be planned by local school jurisdictions and reviewed by the respective state departments of education.
- (g) The states should be required to make good any federal funds lost or spent in a manner contrary to the provisions of federal statutes or joint plans.

21. Applicable principles of federal aid administration which were not made operative through specifications of the Lanham Act and/or which were not utilized by the Federal Works Agency in the administration of the act:

- (a) The United States Office of Education should be required to audit the federal fund accounts of each co-operating state.
- (b) The United States Office of Education should be given authority to suspend payments to any state, after notice and hearing, during any period in which the state fails to maintain an adequate administrative agency or fails to make required reports with reasonable promptness.

- (e) The auditing of local accounts involving federal aid should be conducted by the state departments of education.
- (d) Individual construction projects should be submitted to the Office of Education for final approval. The Office of Education should have authority to review plans to determine the adequacy of the proposed buildings with respect to educational design, location, safety, comfort, and convenience.

SUMMARY AND CONCLUSIONS

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CHAPTER VI

SUMMARY AND CONCLUSIONS

Summary

A marked characteristic of education in the United States is decentralized administrative control. Each of the forty-eight states has full legal authority to develop and operate its own public school system. Some states, however, do not have adequate financial resources for the development of a well-balanced program of education. Because of this fact, coupled with the fact that an expansion of state programs of education has been made imperative by various national crises, the federal government has given aid to the states in the form of land and money grants for public schools. In the administration of the grants made to public schools since 1917 the federal government has secured various controls over state educational systems which are contrary to the commonly accepted tradition of decentralized control.

The purpose of this investigation has been to determine precisely what changes, if any, have been made in the control of public education through the administration of an

amendment to the Lanham Act of 1941. This particular law was passed for the express purpose of providing community facilities, including schools, in areas which received a population influx as a direct result of the war effort. The hypothesis that the type of controls utilized by the federal government in the administration of emergency grants made to public schools during the past decade would be used in the administration of the Lanham Act funds was assumed in this study.

This study has been delimited to a consideration of the principles of control utilized in the administration of grants made to public schools under the provisions of the Lanham Act from June 28, 1941 to August 1, 1942.

The major steps in the procedure were as follows: (a) a review of related literature was made; (b) the growth of federal control over public education was reviewed; (c) basic recommended principles of federal aid administration were reviewed; (d) data pertaining to the administration and operation of the Lanham Act were collected and summarized; and (e) an appraisal was made of the Lanham Act in terms of selected principles of federal aid administration with emphasis upon the problem of control.

The generalizations secured from the review of related research and the findings based on the reported data have been summarized below under the following headings:

- (a) The Growth of Federal Control over Education
- (b) Recommended Principles of Federal Aid Administration
- (c) The Educational Provisions of the Lanham Act
- (d) Conclusions
- (e) Recommendations

The Growth of Federal Control Over Education. It has been shown in this study that:

1. The federal government from its inception has displayed an interest in public education and has given both land and money to the states for the support of public schools.
2. The land grants for the establishment of public schools were unconditional grants and gave the federal government no control over education.
3. Restricted land grants were made under the provisions of the Morrill Act (1862) for the establishment of agriculture and mechanics arts colleges in such manner as the states may prescribe. Military tactics were required in the curriculum. An accounting and annual report was also required.
4. In the second Morrill Act (1890) the Secretary of the Interior was given power to withhold grants for cause.
5. The Hatch Act (1887) which established agricultural experiment stations gave the Secretary of Agriculture the power to withhold funds until expenditures had been made and

approved, required special reports at regular intervals, and specified that specialists paid from these funds cannot teach on experiment station time.

6. The matching principle originated in the Weeks Act (1911) and was made a part of the Smith-Lever Act (1914) which provided extension education in agriculture and home economics. The Smith-Lever Act funds, like the funds made available by the Second Morrill Act, were disbursed after expenditures had been made by the land-grant colleges and approved by federal officials.

7. The Smith-Hughes Act (1917) established a Federal Board for Vocational Education with full control of the administration of the act. This Board was empowered to stimulate vocational education, interpret the act, approve state plans, supervise state programs, conduct research, allot funds, audit accounts, withhold funds, require reports, and compile material for an annual report to Congress. The matching principle was also incorporated in this act.

8. In 1933 the Federal Board for Vocational Education was transferred to the United States Office of Education. Supplementary vocational education acts have been made, but no basic changes have been made in the pattern of control.

9. During 1934 and 1935, about \$22,000,000 was granted to states for public education by the Federal Emergency

Relief Administration. No controls were secured by the federal government through the granting of these funds.

10. The Works Progress Administration conducted educational programs in the fields of general adult education, workers' education, family education, and miscellaneous educational activities. Complete control of the program was centralized in the federal offices, although some local and state co-operation was secured.

11. In the school building program of the Works Progress Administration and the Public Works Administration during the period 1933 to 1939 the right to approve plans and specifications, inspect construction, and audit accounts was reserved by the federal agencies. This action was designed to insure honesty, efficiency, and legality in the expenditure of funds.

12. The control of the Civilian Conservation Corps educational program (1933 to 1942) was centered in the federal government. Instructional materials were prepared by the United States Office of Education. Much co-operation was secured from local and state agencies in the conduct of the educational program. This co-operation existed at the discretion of federal authorities and could have been withdrawn at any time. Adaptation to local need and experimentation characterized the program in some areas.

13. Control of the educational program of the National Youth Administration was also centered in federal offices. Co-operation with local agencies and adaptation to local need were marked characteristics of the program.

14. In general, the programs of education sponsored by federal relief agencies during the period from 1933 to 1941 were federally controlled. Co-operation with local educational agencies existed at the discretion of federal authorities.

Recommended Principles of Federal Aid Administration.

Based on a review of studies in the field of federal relations to education, these basic principles have been established:

1. The major portion of all federal aid for education should be granted as a general fund for the current support of elementary and secondary education.
2. The major portion of federal aid for education should at all times be granted on a basis that tends to lessen inequalities of opportunity among states and within states.
3. Federal grants for special educational purposes may properly be used to bring attention to educational matters of special national concern and thus to improve the educational programs conducted under state and local auspices, but such grants should be considered with very great care to see that improvement does in fact result.
4. The federal government should record its purposes explicitly and broadly, leaving to the states wide discretion and flexibility in the administration of the federal grants, although these grants should be conditioned upon distribution within the states in conformity with the general purposes for which the grants are made.

5. The general principle of co-operation between the federal government and the states, without coercion by either party, should dominate legislation providing for federal grants; but wherever the major purpose of the grants is to bring about progress toward equality of educational opportunity, matching of funds by the states or local communities should not be required.
6. In order that local initiative and responsibility may be maintained, all federal action should reserve explicitly to state and local auspices the general administration of schools, control over the processes of education, and the determination of the best uses of the allotments of federal funds within the types of expenditure for which federal funds may be made available.
7. All federal grants for educational purposes to states maintaining separate schools and institutions for Negroes should be conditioned upon an equitable distribution of the federal funds between facilities for the two races.
8. Federal grants should be used to build up and strengthen existing educational agencies and institutions in so far as they are able to serve important needs, and not to establish competing agencies and institutions.
9. Any system of federal grants as a whole should be consistent with sound fiscal policy and should facilitate progress in tax reform.
10. In view of the extent of existing federal relationships to state and local conduct of education and their probable increase through the years, federal relations to education should be reviewed under specially constituted and appropriate auspices at intervals of not more than ten years.
11. Allotments to local school jurisdictions should be determined through the use of formulas based upon objective data.
12. The grants should be made available for all types of current operating and maintenance expenses of public elementary and secondary schools; elementary and secondary education should be broadly defined.

13. Funds for reading materials should be allocated separately in the joint plans. They should be distributed to local school jurisdictions on the basis of the number of pupils for whom reading materials should be available.
14. The grants should be made available only to such states as establish adequate and effective systems to provide prompt and accurate reports concerning the expenditure of federal funds and the progress of education generally.
15. Provisions should be included in the joint plans to bring about improved co-ordination between the schools and other social agencies, especially those that receive federal aid.
16. The auditing of local accounts involving federal aid should be conducted by the state departments of education.
17. The United States Office of Education should be given authority to suspend payments to any state, after notice and hearing, during any period in which the state fails to maintain an adequate administrative agency or fails to make required reports with reasonable promptness. Upon restoration of co-operative relationships, the federal agency should have authority to transmit the suspended payments in whole or in part if they amount to not more than a single year's allotment.
18. The United States Office of Education should be required to audit the federal fund accounts of each co-operating state. The states should be required to make good any federal funds lost or spent in a manner contrary to the provisions of federal statutes or joint plans. If they fail to do so, the amounts lost or misapplied should be deducted from subsequent payments after reasonable notice.
19. The statute providing for the proposed grants should avoid the specification in exact detail of any formula for the allocation of the funds to states, but should specify instead the general procedure to be followed and the policies to be considered controlling.

20. Authority to determine the allocation of the proposed grants to the states should be vested in the United States Commissioner of Education [with the provisions that he will: (a) allocate the funds in accordance with the financial needs of the states; (b) utilize an objective formula based upon need and ability; (c) consult with a council of chief state school officers before adoption or modification of the formula; and (d) secure the approval of the basis of allocation by his department head.]
21. Individual construction projects should be planned by local school jurisdictions, reviewed by the respective state departments of education, and submitted to the Office of Education for final approval. The Office of Education should have authority to review plans to determine the adequacy of the proposed buildings with respect to educational design, location, safety, comfort, and convenience.
22. The supervision of construction and the auditing of local construction accounts should be left so far as possible to the states. The federal agency should have authority to withdraw the approval of projects and allotments whenever in any state the system of making plans, letting contracts, and supervising construction of school buildings involving federal aid is determined to be inadequate.

Educational Provisions of the Lanham Act. The essential characteristics of the Lanham Act educational program may be summarized as follows:

1. The Lanham Act Amendment (1941) was passed by Congress for the express purpose of providing community facilities, including schools, in areas which received an influx of population as a direct result of the war effort.

2. Full authority for the administration of the Lanham Act was given to the Federal Works Agency Administrator, sub-

ject to the approval of the President.

3. The Federal Works Agency utilized the services of the United States Office of Education in the investigation and certification of the need of local school systems for federal assistance under this act.

4. Grants were made directly to local school jurisdictions for maintenance and operation expenditures and school building construction expenditures. Local school systems were permitted to expend funds for all established categories of expenditures. No funds were granted for the promotion of selected phases of education.

5. State departments of education were expected to certify the need of local school jurisdictions for federal aid and were permitted to audit local federal aid accounts if they so desired.

6. Auditing of accounts, suspension of payments, requirements relating to reporting, the formulation of general terms and conditions of the grants, and the inspection of projects were under the immediate supervision of the Federal Works Agency.

7. The Lanham Act specifically stated that the federal Government should refrain from exerting any control over the administration, content, processes, materials, personnel, and methods of state and local school systems.

8. No known direct attempts have been made by federal officials to exercise control over state and local school systems.

9. Minor, temporary controls over certain local school systems resulted from (a) administrative action of Federal Works Agency officials which was based upon the reports of auditors; and (b) from stipulations and procedures used by the Office of Education in the certification of need for federal aid.

10. The same controls which were used in the building program conducted by the Public Works Administration, namely, auditing of construction accounts, approval of plans and specifications, and inspection of projects were carried forward into the Lanham Act program.

11. No detailed requirements, statement of policies, matching of funds, withholding of funds until all expenditures were approved, or other detailed specifications such as were developed in connection with the Smith-Hughes Act, have thus far been developed in connection with the Lanham Act.

12. As with the National Youth Administration, the Civilian Conservation Corps, and the adult education program of the Works Progress Administration, full authority for the administration of the Lanham Act was centralized in a federal agency. Co-operation with other agencies, federal,

state, and local, existed and still exists at the discretion of federal officials.

13. The Lanham Act differed from the aforementioned programs in that: (a) federal authorities were specifically prohibited by specifications of the act from exerting any control over state and local school systems; (b) no federal educational agencies, institutions, or programs were established--local agencies and institutions were utilized; and (c) the Office of Education was used in an advisory capacity in the determination of need for federal aid.

14. The criteria used in the National Survey of School Finance (1931) and recommended by Mort for use in federal aid planning (1936) were not used in the Lanham Act program.

15. Principles of federal aid administration which were incorporated in the Lanham Act related to:

- (a) prohibition of discrimination between races;
- (b) prevention of federal control over local school systems; and
- (c) provision of funds for all types of current expenditures.

16. Principles of federal aid administration which were used by the Federal Works Agency, although they were not incorporated in the Lanham Act, related to:

- (a) provision of aid for current support without emphasis or stimulation of a specific area;
- (b) co-operation between state departments of education and the United States Office of Education;

- (c) utilization of established agencies and institutions;
- (d) determination of need for federal assistance by the Commissioner of Education;
- (e) provision for separate allocation of funds for reading materials and transportation;
- (f) local supervision and planning of the construction of school buildings;
- (g) suspension of payments for misapplications of funds;
- (h) non-use of the matching principle;
- (i) withdrawal of funds for failure to report expenditures or to comply with the provisions of the act.

17. Applicable principles of federal aid administration which were not incorporated in the Lanham Act and/or which were not used by the Federal Works Agency in the Administration of the act related to:

- (a) specification in the statute of controlling policies for distribution of funds;
- (b) final approval of construction plans by the Office of Education;
- (c) auditing of local accounts by state educational authorities;
- (d) auditing of state accounts by the Office of Education; and
- (e) suspension of payments for specific reasons by the Office of Education after notice and hearing.

Conclusions

The findings of the study warrant the following general conclusions:

1. Historically, federal control over public education has developed in large part through accretion. In several instances new controls, found necessary and utilized in one statute, have been carried forward and made a part of subsequent enactments.
2. The granting of broad discretionary powers to federal authorities has been a marked characteristic of educational programs supported by the federal government since 1917.
3. The Lanham Act Amendment (June 28, 1941) was a continuation of recent trends in federal relations to public education in that broad discretionary powers were granted to the Federal Works Agency.
4. The same general pattern of control which was utilized in the administration of so-called "emergency grants" made during the past decade (centralization of complete authority for the administration of funds in a federal agency) was a basic feature of the educational provisions of the Lanham Act.
5. Although numerous basic principles of federal aid administration have been developed and agreed upon by students of federal relations to public education, few such

principles were incorporated in the Lanham Act.

6. The Federal Works Agency, in charge of the administration of the Lanham Act program, did, however, utilize in practice several of these basic principles of federal aid administration.

7. Although several recommended principles of federal aid administration were utilized in the administration of the Lanham Act educational program, it was not administered in complete conformity with all principles.

8. One new policy was developed in the administration of the Lanham Act. Need of local school jurisdictions for federal aid was determined by means of investigations conducted by the United States Office of Education.

9. Some minor, temporary controls over certain local school jurisdictions indirectly resulted from various administrative actions taken by federal authorities.

10. No new, significant controls over public education developed in the actual administration of the educational provisions of the Lanham Act, as of August, 1942.

11. A very considerable amount of adaptation to local need, flexibility in administration, and prevention of federal control over public education was accomplished in the administration of the Lanham Act even though full control of the program was given to a federal agency.

Recommendations

In the course of the present study several problems have been encountered, which, in the opinion of the writer, need further investigation:

1. The commonly cited shortcomings and merits of centralized and decentralized control should be studied with reference to federal relations to public education during the last decade. The operation of the Lanham Act to date has indicated that considerable amounts of adaptation to local need, variability in procedures, and flexibility in administration can be had even though control of education be centralized in a federal agency. Intensive investigation might reveal that other commonly cited shortcomings of centralization are likewise not applicable in toto to centralized administration as it has actually operated during the past decade.

2. In investigations of federal control, more consideration should be given to the operational aspects of federal aid administration rather than to superficial considerations of where the control has been placed. The test of the effectiveness of any system of control is more a matter of its actual operation than it is of its situs.

3. Basic principles of federal aid administration as recommended by students of federal relations to public edu-

cation should be reinvestigated with full consideration of the possibilities of regional organization. It appears doubtful that state boundaries are the ultima thule with reference to organization for state and local relationships with the federal government. It appears further that presently accepted principles of federal aid administration may be predicated upon time-honored traditions which may not fit existing conditions and needs.

4. The actual and potential rôle of the United States Office of Education should be investigated in the light of educational needs of national importance which cut across the boundaries of states. It appears doubtful that the currently advocated conception of the rôle of the United States Office of Education in federal relations to public education is adequate.

5. An investigation of the development of federal control over public education as related to the development of federal control over other areas of government should be undertaken. During the past decade, various controls over education developed in connection with emergency programs conducted to meet problems of unemployment. An intensive analysis of this problem might reveal other significant relationships.

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APPENDIX A

**GENERAL TERMS AND CONDITIONS
ISSUED BY THE FEDERAL WORKS AGENCY
FOR SCHOOL BUILDING CONSTRUCTION PROJECTS**

TERMS AND CONDITIONS

(D F * Form No. 100)

1. CONDITIONS OF GOVERNMENT'S OBLIGATION. - The United States of America (hereinafter referred to as the "Government") may elect to terminate all or any of its obligations under these TERMS AND CONDITIONS and the Government's Offer (hereinafter collectively referred to as the "Offer") to which they appertain:

(a) Representations. - If any representation of the applicant to which the Offer is made (hereinafter referred to as the "Applicant") in its application for Federal assistance, as amended or supplemented (hereinafter referred to as the "Application"), or in any document submitted to the Government by the Applicant, shall be incorrect or incomplete in any material respect;

(b) Financial Condition. - If, in case the Government has offered to purchase bonds or other securities of the Applicant (hereinafter referred to as "Bonds"), the financial condition of the Applicant shall have changed unfavorably in a material degree from its condition as theretofore represented to the Government;

(c) Financing of the Project. - If the Applicant will not be able, in the opinion of the Government, to provide funds

sufficient, with the funds made available by the Government under the Offer, to pay the cost of the public works described in the Offer (such public works being hereinafter referred to as the "Project"), or if, in case the Government has offered to purchase Bonds, the Applicant shall not furnish a bond transcript satisfactory to the Government showing that the Bonds are valid and binding obligations;

(d) Prosecution of the Project. - If the Applicant shall fail to commence or proceed with the construction of the Project with all practicable dispatch, in a sound, economical and efficient manner, in accordance with plans and specifications theretofore submitted to and approved by the Government, and in compliance with applicable Federal statutes and the Offer, or if the Applicant shall fail otherwise in the performance or fulfillment of any of its obligations to be performed or fulfilled under the Offer;

(e) Documents to be Submitted. - If the Applicant shall fail to submit or cause to be submitted to the Government such records, statements, reports, data, plans, drawings, specifications, contracts, work orders, assignments, bid tabulations, contract awards, estimates, certificates or other documents affecting the Project as may be requested by the Government, or if the Applicant shall proceed with the construction of the Project or take other action on the basis of the documents submitted to the Government before the Government

has advised the Applicant that, in its opinion, such documents comply with applicable Federal statutes and the Offer;

(f) Architectural or Engineering Supervision and Inspection. - If the Applicant shall fail to provide and maintain competent and adequate architectural or engineering supervision and inspection of the construction of the Project;

(g) Bonus or Commission. - If it shall be determined by the Government at any time that the Applicant has paid or agreed to pay, whether directly or indirectly, a bonus, commission or fee to any person, firm or corporation for attempting to procure an approval of the Application, or for alleged services in procuring or in attempting to procure such approval, or for activities of the nature commonly known as lobbying performed or agreed to be performed in connection

2. GOVERNMENT NOT OBLIGATED TO THIRD PARTIES. - The Government shall not be obligated or liable hereunder to any party other than the Applicant.

3. INTEREST OF MEMBER OF OR DELEGATE TO CONGRESS. - No member of or delegate to the Congress of the United States of America shall be admitted to any share or part of the agreement or contract resulting from the Applicant's acceptance of the Offer or in any benefit arising therefrom.

4. OTHER PROHIBITED INTERESTS. - No official of the Applicant who is authorized in such capacity and on behalf of the Applicant to negotiate, make, accept or approve, or to

take part in negotiating, making, accepting, or approving any architectural, engineering, inspection, construction or material supply contract or any subcontract in connection with the construction of the Project, shall become directly or indirectly interested personally in any such contract. No official, employee, architect, attorney, engineer or inspector of or for the Applicant who is authorized in such capacity and on behalf of the Applicant to exercise any executive, supervisory or other functions in connection with the construction of the Project, shall become directly or indirectly interested personally in any construction or material supply contract or subcontract pertaining to the Project. The Applicant shall be responsible for enforcement of the foregoing provisions of this paragraph.

5. EXPENSES PRIOR TO DATE OF OFFER. - In determining the amount of Federal assistance to be paid to the Applicant under the Offer, the Government will exclude from consideration all Project costs incurred by the Applicant prior to the date of the Offer unless, in the opinion of the Government, such costs were incurred by the Applicant in anticipation of Federal assistance for defense public works.

6. GRANT ADVANCES AND PAYMENTS. - The Applicant may requisition advances or payments on account of the grant provided in the Offer at any time after receipt of the Offer but not later than six months following completion of the

Project. Such requisitions shall be accompanied by such supporting data as the Government may require. After the Applicant's acceptance of the Offer and subject to the provisions of the Offer, the Government will honor such requisitions in amounts and at times deemed by it to be proper to insure the expeditious prosecution and payment of the costs of the Project. Payment on account of the grant may be made in case or by cancellation of Bonds or other obligations owing by the Applicant to the Government, or partially in cash and partially by cancellation, at the option of the Government. No request for review of a determination of the Government affecting the grant payable under the Offer will be considered unless such request is received by the Government not later than three months following notice to the Applicant of such determination.

7. LOAN ADVANCES AND PAYMENTS. - The Applicant may requisition on account of the loan, if any, provided in the Offer, advances in anticipation of the issuance of the Bonds, or payments, at any time after receipt of the Offer. Such requisitions shall be accompanied by such supporting data as the Government may require. After the Applicant's acceptance of the Offer, and subject to the provisions of the Offer, the Government will honor such requisitions in amounts and at times deemed by it to be proper. If, after advances have been made on account of the loan in anticipation of the issuance

of the Bonds, the Applicant is unable, in the opinion of the Government, to issue the Bonds because of circumstances beyond the control of the Applicant's governing body, the Government may, at its election, treat such advances as a grant.

8. CONSTRUCTION ACCOUNT. - All funds, however provided, for the payment of the cost of the Project shall be deposited, promptly upon the receipt thereof, in a separate account or accounts (hereinafter collectively referred to as the "Construction Account"). Unless otherwise required by law, the Construction Account shall be set up in a bank or banks which are members of the Federal Deposit Insurance Corporation. Moneys in the Construction Account shall be expended only for costs of the Project and in accordance with such purposes as shall have been previously specified in a signed certificate of purposes filed with and as approved by the Government: Provided, That if any Bonds are held by the Government after all costs incurred in connection with the Project have been paid, all moneys then remaining in the Construction Account shall be used to re-purchase Bonds or shall be transferred to a bond fund for the payment of interest on and principal of the Bonds.

9. ABANDONMENT OF PROJECT. - If the Applicant shall abandon the Project prior to its completion:

(a) The Government shall thereupon be relieved of all of its obligations under the Offer with respect to payment of

grant, except that if such abandonment is consented to or concurred in by the Government, the Government's obligations shall continue as to an amount of grant bearing the same ratio to expenditures theretofore made and costs incurred by the Applicant in accordance with the provisions of the Offer that the maximum Grant provided by the Offer to be paid to the Applicant bears to the estimated cost of the Project upon which the Offer has been based;

(b) The Government shall thereupon be relieved of all of its obligations under the Offer with respect to the purchase of Bonds thereunder, except that the Government shall have the right at its election to purchase such Bonds under the Offer as it shall deem necessary to assure payment of incurred Project costs, and to cause the Applicant to deliver Bonds on account of which the Government has theretofore made advances;

(c) The Applicant shall forthwith cause to be returned to the Government the portion of all advances or payments made under the Offer not theretofore expended on the Project in accordance with the Offer, except that an amount thereof equal to the principal of the Bonds purchased by the Government and then outstanding, together with accrued interest thereon, may be transferred by the Applicant to a bond fund for the payment of such principal and accrued interest: Provided, That only so much of the expenditures on the Project

shall be considered as having been made from advances or payments made under the Offer as shall be determined by applying the ratio which such advances or payments at the time bore to the total funds then available for the making of such expenditures;

(d) If the Government shall determine to take over and complete the Project so abandoned, there shall be applied on the acquisition cost of the completed portion thereof so much of the advances or payments made by the Government under the Offer as shall not have been returned by the Applicant to the Government, less the amount, if any, transferred by the Applicant to the bond fund pursuant to the provisions of subparagraph (c) hereof.

Nothing herein shall be construed to waive any right which the Government may have to the return of the whole or any part of the advances or payments made under the Offer in addition to the advances or payments above provided to be repaid, or any other right which the Government may have, if the Applicant shall have abandoned the Project prior to its completion without the consent of the Government or shall have acted in bad faith or made any misrepresentations concerning the completion of the Project or the use of such advances or payments.

10. SALE OF BONDS TO OTHERS. - If the Offer provides for a loan, the Applicant may, with the prior consent of the

Government, sell all or any part of the bonds to purchasers other than the Government.

11. CONSTRUCTION OF THIS PROJECT. - (a) Unless the Government shall consent to the use of a different method in the construction and equipment of the Project, and to the award of contracts on a basis other than that herein provided, the contract method shall be used in the construction and equipment of the Project, and all construction, material and equipment contracts shall be awarded to the lowest responsible bidder and, except as to contracts estimated to cost not more than \$1,000, upon free, open and competitive bidding after advertisement for bids sufficient to insure adequate competition: Provided, That no contract on a cost plus a percentage of cost basis shall be made: Provided further, That no contract on a cost plus a fixed fee basis shall provide for a fixed fee in excess of 6 per centum of the estimated cost.

(b) The Applicant shall require that, where a general contract is let for the work, specialty subcontractors shall be utilized for the performance of such parts of the work as, under normal contract practices, are performed by specialty subcontractors, unless (1) the general contractor has theretofore customarily performed such specialty work with his own organization and is then equipped to do so, or (2) in the opinion of the Applicant, concurred in by the Government, the performance of specialty work by specialty subcontractors

will result in materially increased costs or inordinate delays.

12. CONTRACT SECURITY. - The Applicant shall require that each construction contractor shall furnish a bond or bonds of such type and in an amount or amounts adequate to secure the faithful performance of his contract.

13. CONTRACTORS' AND SUBCONTRACTORS' INSURANCE. - The Applicant shall require that there be maintained:

(a) adequate compensation insurance for all contractors' and subcontractors' employees engaged in work on the Project;

(b) adequate public liability and property damage insurance to protect each contractor and subcontractor on the Project from claims for damages for personal injury, accidental death, and to property, which may arise from operations under his contract, whether such operations be by himself or by anyone directly or indirectly employed by him.

14. QUALIFICATIONS FOR EMPLOYMENT. - The Applicant shall require that no person under the age of sixteen (16) years shall be employed on the Project. The Applicant shall require that no person whose age or physical condition is such as to make his employment dangerous to his health or safety or to the health or safety of others shall be employed on the Project: Provided, That this shall not operate against the employment of physically handicapped persons, otherwise employable, where such persons may be safely assigned to work

which they can ably perform. The Applicant shall require that no person currently serving sentence in a penal or correctional institution and no inmate of an institution for mental defectives shall be employed on the Project.

15. NON-DISCRIMINATION. - The Applicant shall require that there shall be no discrimination by reason of race, creed, color, national origin or political affiliations in the employment of persons qualified by training and experience for work on the Project.

16. COLLECTIVE BARGAINING. - The Applicant shall require that the legal rights of all workers on the Project to organize and to bargain collectively, to be protected from the requirement to join a company union, and to enjoy freedom of expression and action with respect to wages, hours and conditions of labor shall not be infringed.

17. LABOR REGISTRATION. - The Applicant shall require that, at the election of the Government, workers on the Project must register at such times and places and in such manner as the Government shall direct.

18. WAGE RATES. - The Applicant shall cause minimum wage rates for the various classes of laborers and mechanics engaged in work on the Project to be determined in accordance with applicable law. In the absence of such law, the Applicant shall determine, and submit to the Government for its concurrence, such minimum wage rates, and in so doing shall

give consideration to the rates prevailing for the corresponding classes of laborers and mechanics employed upon projects of a character similar to the Project work in the area from which labor for the Project must be drawn, and to new wage rates, negotiated and concluded through bona fide collective bargaining processes, to become effective at a later date. The Applicant shall require that a complete schedule of all such minimum wage rates (whether determined by the Applicant with the concurrence of the Government, or as required by law) shall be set forth in each construction contract prior to inviting bids for such contract, and that the wages paid to such laborers and mechanics be not less than the minimum rates so determined therefor. The Applicant shall also require that all determined minimum wage rates and all authorized deductions, if any, from unpaid wages actually earned shall be posted at appropriate conspicuous points at the site of the Project. Unless otherwise required by law, wage rates need not be established for non-manual workers, including executive, supervisory, administrative and clerical employees.

19. COMPUTATION OF WAGES ON 8-HOUR DAY. - The Applicant shall require (a) that the wages of every laborer and mechanic engaged in work on the Project shall be computed on a basic day rate of eight hours per day, eight hours of continuous employment, except for lunch periods, constituting a day's work when a single shift is employed, and seven and

one-half hours of continuous employment, except for lunch periods, constituting a day's work when two or more shifts are employed; and (b) that work in excess of eight hours per day shall be permitted upon compensation, when a single shift is employed, at one and one-half times the basic rate of pay for all hours worked in excess of eight hours on any one day, or at any time during the interval from 5 P.M. Friday to 7 A.M. Monday, or on holidays, and, when two or more shifts are employed, at one and one-half times the basic rate of pay for all hours worked in excess of seven and one-half hours on any one day or at any time during the interval from Friday midnight to Sunday midnight.

20. PAYMENT OF EMPLOYEES. - The Applicant shall require that each construction contractor and subcontractor shall pay each of his employees engaged in work on the Project in full (less deductions made mandatory by law) in cash and not less often than once each week: Provided, That when circumstances render payment in cash infeasible or impracticable payment by check may be effected upon consideration that funds are made available in a local bank and checks may be cashed without charge, trade requirements or inconvenience to the worker.

21. WAGE UNDERPAYMENT AND ADJUSTMENTS. - The Applicant shall require that, in cases of underpayment of wages by any contractor, it shall withhold from such contractor out of

payments due, an amount sufficient to pay workers employed on the work covered by his contract the difference between the wages required to be paid under the contract and the wages actually paid such workers for the total number of hours worked and may disburse such amounts so withheld by it for and on account of the contractor to the respective employees to whom they are due.

22. APPRENTICES. - Unless otherwise required by law the Applicant shall require that the number of apprentices, in each trade or occupation, employed by each construction contractor or subcontractor, shall not exceed the number permitted by the applicable standards of the United States Department of Labor, or, in the absence of such standards, the number permitted under the usual practice prevailing between the unions and the employers' associations of the respective trades or occupations.

23. ACCIDENT PREVENTION. - The Applicant shall require that precaution shall be exercised at all times for the protection of persons (including employees) and property, and that hazardous conditions be guarded against or eliminated.

24. INSPECTION. - The Applicant shall require that the Federal Works Administrator and his authorized representatives and agents be permitted, and it will itself permit them, to inspect all work, materials, pay rolls, records of personnel, invoices of materials and other relevant data and records.

The Applicant shall cause to be provided and maintained during the construction of the Project adequate facilities at the site thereof for the use of the Administrator's representatives or agents assigned to the Project.

25. SIGNS. - The Applicant shall cause to be erected at the site of the Project such signs, identifying the Project, as the Government may prescribe.

26. REPORTS, RECORDS AND DATA. - The Applicant shall submit, and shall require each contractor and subcontractor on the Project to submit, to the Government such schedules of quantities and costs, progress schedules, pay rolls, reports, estimates, records and miscellaneous data as may be required under applicable Federal statutes or rules and regulations promulgated thereunder.

27. PAYMENTS TO CONTRACTORS. - Not later than the fifteenth day of each calendar month the Applicant shall make a partial payment to each construction contractor on the basis of a duly certified and approved estimate of the work performed during the preceding calendar month by the particular contractor, but shall retain until final completion and acceptance of all work covered by the particular contract a reasonable amount, specified in the contract, sufficient to insure the proper performance of the contract.

28. CONVICT MADE AND FOREIGN MATERIALS. - The Applicant shall require that (a) no materials manufactured or produced

in a penal or correctional institution be incorporated into the Project, and (b) only such unmanufactured articles, materials or supplies as have been mined or produced in the United States of America, and only such manufactured articles, materials, or supplies as have been manufactured in the United States of America substantially all from articles, materials or supplies mined, produced, or manufactured, as the case may be, in the United States of America, shall be employed in the construction of the Project. Exceptions to the foregoing shall be made only with the Government's consent.

29. NAMING PROJECT. - The Applicant shall not name the Project for any living person.

30. COMMEMORATIVE TABLETS AND CORNERSTONES. - Commemorative tablets and cornerstones for the Project must be satisfactory to the Government.

31. STATE OR TERRITORIAL LAW. - Anything in the Offer to the contrary notwithstanding, nothing in the Offer shall require the Applicant to observe or enforce compliance with any provision thereof, perform any other act or do any other thing in contravention of any applicable State or Territorial law; provided, That if any of the provisions of the Offer violates any applicable State or Territorial law, or if compliance with the provisions of the Offer would require the Applicant to violate any applicable State or Territorial law, or if because of any other reason the Applicant cannot

comply with any of such provisions, the Applicant will at once notify the Federal Works Administrator in writing in order that appropriate changes and modifications may be made by the Federal Works Administrator and the Applicant to the end that the Applicant may proceed as soon as possible with the construction of the Project.

APPENDIX B

**GENERAL TERMS AND CONDITIONS
ISSUED BY THE FEDERAL WORKS AGENCY
FOR MAINTENANCE AND OPERATION GRANTS**

MAINTENANCE AND OPERATION TERMS AND CONDITIONS

(D P W Form No. 101)

1. CONDITIONS OF GOVERNMENT'S OBLIGATION. - The United States of America (hereinafter referred to as the "Government") may elect to terminate all or any of its obligations under these MAINTENANCE AND OPERATION TERMS AND CONDITIONS and the Government's Offer for Maintenance and Operation (hereinafter collectively referred to as the "Offer") to which they appertain:

(a) Representations. If any representation of the Applicant to which the Offer is made (hereinafter referred to as the "Applicant") in its application for an allotment of funds for maintenance and operation, as amended or supplemented (hereinafter referred to as the "Application"), or in any document submitted to the Government by the Applicant, shall be incorrect or incomplete in any material respect;

(b) Maintenance and Operation of Facilities. - If the Applicant shall fail to maintain and operate the facilities described in the Offer, for the carrying on of community life substantially expanded by the national-defense program, or if the Applicant shall apply or utilize the funds made available by the Offer, or any part thereof, to or for purposes other than the maintenance and operation of the facilities described in the Offer or otherwise than in compliance with the Offer, or if the Applicant shall fail otherwise in the performance or fulfillment of any of its obligations to be performed or fulfilled under the Offer;

(c) Documents to be Submitted.- If the Applicant shall fail to submit or cause to be submitted promptly to the Government such records, statements, reports, data, approvals, or other documents affecting the maintenance or operation of the facilities described in the Offer or the Government's contribution therefor as may be requested by the Government, or if the Applicant shall use the Government's contribution contrary to the Certificate of Purposes (hereinafter referred to) filed with the Government.

(d) Bonus or Commission. - If it shall be determined by the Government at any time that the Applicant has paid or agreed to pay, whether directly or indirectly, a bonus,

commission or fee to any person, firm or corporation for attempting to procure an approval of the Application, or for alleged services in procuring or in attempting to procure such approval, or for activities of a nature commonly known as lobbying performed or agreed to be performed in connection with the Application.

2. GOVERNMENT NOT OBLIGATED TO THIRD PARTIES.- The Government shall not be obligated or liable hereunder to any party other than the Applicant.

3. INTEREST OF MEMBER OF OR DELEGATE TO CONGRESS. - No member of or delegate to the Congress of the United States, or Resident Commissioner, shall be admitted to any share or part of the agreement or contract resulting from the Applicant's acceptance of the Offer or in any benefit arising therefrom.

4. CONTRIBUTION ACCOUNT. - All payments made hereunder by the Government to the Applicant shall be deposited, promptly upon the receipt thereof, in a separate account or accounts (hereinafter collectively referred to as the "Contribution Account"). Unless otherwise required by law, the Contribution Account shall be set up in a bank or banks which are members of the Federal Deposit Insurance Corporation. Moneys in the Contribution Account shall be expended only for the maintenance and operation, during the period specified in the Offer, of Applicant's facilities described in the Offer, and in accordance with such purposes as shall be specified in a signed Certificate of Purposes filed with and subject to the approval of the Government. No moneys in the Contribution Account shall be expended in payment or reimbursement of costs incurred prior to the date of the Offer except upon specific approval of the Government; Provided, that from the first payment made hereunder disbursements may be made by the Applicant to meet current needs hereunder, subject to subsequent approval by the Government. All moneys remaining in the Contribution Account at the termination of the period specified in the Offer and not required for the payment or reimbursement of proper costs of maintenance and operation as provided herein, shall be repaid to the Government.

5. CONTRIBUTION PAYMENTS. - Upon the Applicant's acceptance of the Offer and subject to the provisions of the Offer, the Government will pay one-third of the contribution provided for in the Offer, and thereafter will make payments on account of the contribution in amounts and at times deemed by it to be proper to insure the continuous maintenance and operation of the facilities of the Applicant described in the Offer.

APPENDIX C

**A MANUAL OF INSTRUCTIONS
FOR MAINTENANCE AND OPERATION CONTRIBUTION ACCOUNTS
ISSUED BY THE UNITED STATES OFFICE OF EDUCATION**

THE CONTRIBUTION ACCOUNT

- - -

A MANUAL OF INSTRUCTIONS SUPPLEMENTING CIRCULAR 204**INTRODUCTION**

This manual of instructions is intended as a guide to be followed in recording expenditures of Federal funds received through the Defense Public Works Division of the Federal Works Agency for carrying on the educational functions of community life in communities substantially expanded by the National Defense Program.

The U. S. Office of Education has recently issued a report on financial accounting, Circular 204, entitled "Financial Accounting For Public Schools." Circular 204 will serve as a guide in the selection and distribution of items to be included under the following general classifications:

1. Administration (General Control)
2. Instruction
3. Auxiliary Services
4. Operation of Plant
5. Maintenance of Plant
6. Fixed Charges
7. Capital Outlay

This manual will supplement Circular 204 by pointing out certain general and specific limitations governing expenditures from the Contribution Account. Each limitation is intended to confine expenditures to the purposes set forth in Public Act 137, 77th Congress. In setting up local accounting procedures the Applicant will be guided by Circular 204. In recording expenditures from the Contribution Account, the Applicant will be guided by instructions in this manual. These instructions and the items as classified in column 1 of the Certificate of Purposes, OPW Form No. 160 (to be used for requisitioning and accounting for Federal funds), are arranged in an order corresponding to the classifications of Circular 204.

In the final analysis, the Applicant must justify each expenditure from the Contribution Account by relating it to a specific educational need which has been substantially expanded by the National Defense Program. All expenditures should be limited to those for which State and local funds are not available this year; they should be made for salaries of recognized personnel classifications, and they should defray the costs of services to pupils whose parents have moved into the community for purposes of national defense. In general, expenditures from the Contribution Account will be limited to those services which heretofore have been recognized as a regular part of the school system.

Since all of the needs must be traced back to defense-connected pupils, the Applicant will need to keep a separate file of such pupils. Educational needs for these pupils will serve as the justification for expenditures from the Contribution Account. It is suggested that a separate PUPIL REGISTRATION CARD be filed for each such pupil. A suggested form for this card is included in this manual.

In general, the Applicant shall record those expenditures which are justified by increased enrollment of defense-connected pupils who cannot be absorbed in existing classes, or served by existing facilities. In no case will approval be granted if the number of additional persons employed (supervisors, principals, teachers, other instructional staff, clerical assistants, etc.) is in excess of local and State standards or out of proportion to past practice.

I. LIMITATIONS ON ADMINISTRATION ACCOUNT^{1/}

1. Local Administration

Only a few Applicants will have experienced a sufficient increase in enrollment to justify additional administrative or clerical assistance. The exceptions will be those school districts which have been created because of defense activities, and a few others in which the number of defense-connected pupils is large enough to double or treble the number of teachers required.

2. State Administration

It is expected that the cooperation of the several State departments of education will be enlisted in the determination of the need of each Applicant for funds for maintenance and operation of its school facilities necessary for carrying

on community life substantially expanded by the national defense program for the period stated in the Offer, within the limit of the funds provided by the Offer. In certain States this may entail additional expense on the part of the State department of education which it is unable to meet from its current operating budget. The service provided by the State department of education in checking and verifying the needs of the Applicant with relation to the Government's contribution is deemed to be a proper item of expense of the Applicant in the maintenance and operation of its school facilities above described, and such expense should be provided for when appropriate in such amount as the Regional Director shall approve.

Payments for services performed by a State may be made by the Applicant either to the State department of education or to the official who performs the service, depending upon the plan approved by the chief State school officer and the DPW Regional Director. Such payments should be a very small part of the Contribution Account. In some cases there may be no charge to the local school district for the small amount of services required in checking very small Contribution Accounts.

The aggregate amounts paid to any State department of education or paid direct to any State official or officials may not exceed the salaries of such officials, their necessary travel, and clerical and other necessary expenses incurred in the discharge of the specific duties required in assisting local school officials with problems arising from defense activities and in advising them regarding proper entries in the Contribution Account.

II. LIMITATIONS ON THE INSTRUCTION ACCOUNT^{2/}

1. Supervisors

The Applicant shall justify salaries of supervisors by showing an increase in need of supervision corresponding to the increase in the number of teachers paid from the Contribution Account. This increase must be at least equal to the number of teachers for whom a supervisor (on the same level)

2. See also Circular 204, "2. Instruction:" pp. 26-29.

was employed prior to this current school year.

2. Principals

The Applicant shall produce evidence showing that the number of additional defense-connected pupils is equal to or greater than the number of pupils for whom a principal has been employed in the past, provided that at least 20 new teachers be required to justify the employment of a full-time non-teaching principal.

In case funds from the Contribution Account are paid to principals as salary increases, the Applicant shall show an actual change in status of the recipients; i.e., from teaching principal to supervising principal.

3. Teachers

The Applicant shall, except in unusual cases, register at least 20 pupils for approval of the salary of the first additional teacher, and for each additional teacher the number of defense pupils on the register must be equal to the average class size (on each school level) for the school system, provided that if a teacher is added for less than 30 pupils, special substantiation shall be required.

4. Other Instructional Staff

The Applicant may include librarians, study-hall keepers and other classifications of the instructional staff, provided that such personnel has actually been employed in the school system prior to the present emergency. Officials responsible for approving expenditures will question new classifications of employees, especially if there has been relatively little expansion in the school system.

5. Clerical Assistants

The Applicant shall show that the number of teachers per additional clerk shall not be less than that which was followed prior to the emergency.

Amounts entered as salaries should be limited to payments made direct to employees, including the employee's contribution to retirement funds. Payments by the Applicant direct to retirement or insurance funds, if they are in addition to contributions by the employee, should be entered under "fixed charges." (VI - 3).

III. LIMITATIONS ON AUXILIARY SERVICES^{3/}

A. School Services

1. Health Services

The Applicant will include only those expenditures (for additional medical, dental, and nurse service in the nature of inspection, treatment, weighing, etc.) which are due to increased enrollment, provided that the Applicant has been furnishing such services free of charge in the past.

2. Other School Services

Expenditures for "other school services" will be found only in those communities in which the local public library and recreation facilities are financed out of public school funds. In such communities the Applicant should justify each expenditure included.

B. Transportation Services

1. Operation and Maintenance

The Applicant will enter costs of operating and maintaining transportation equipment charged to "Capital Outlay" and entered under VII - 2. Entries for additional costs of operating and maintaining equipment already owned by the Applicant should be justified by new routes or by additional trips on established routes required to transport defense-connected pupils.

The Applicant should keep a separate file of the names and addresses of defense-connected pupils who are transported. Insofar as it is feasible, the Applicant should separate costs of transporting defense-connected pupils from costs of transporting pupils not so classified. When such a separation is not possible, the Applicant will set forth a statement of the basis of any other procedure which is followed. If such a procedure includes proration of costs, the defense-connection of the amounts prorated to the Contribution Account should be identified by the approving State official.

3. See also Circular 204, "3. Auxiliary Services," pp. 29-32.

2. Public Utilities Fares

Enter total of fares furnished pupils for public utilities buses and street cars. This entry should be based on a record of the amount furnished to each pupil and receipted by him or his parents.

3. Transportation by Contract

The Applicant should enter expenditures for transportation by contract in vehicles entirely privately owned, or in vehicles of which the chassis are privately owned and the bodies are owned by the Applicant.

4. Other Transportation Costs

Enter payments to parents or guardians to furnish transportation to their children or wards. Enter payments to maintain children near school--partial payments on board and room in lieu of transportation.

Insurance on equipment and employees and garage rental should be entered under VI. "Fixed Charges."

IV. LIMITATIONS ON OPERATION OF PLANT^{4/}

1. Salaries

The Applicant shall enter salaries, wages, and other labor costs of keeping open new buildings and additions to existing buildings constructed for defense-connected pupils, as well as rented or donated buildings required for defense-connected pupils.

The Applicant may also enter costs of operating existing buildings, which had been closed but which have been reopened to accommodate children of defense workers.

2. Fuel and Heat, Water, Light and Power

The Applicant will limit entries to schools described above. Prorated costs (where the amount prorated to the Contribution Account is proportionate to the increase in

4. See also Circular 204, "4. Operation of Plant," pp. 33-34.

enrollment) may not be approved unless the defense-connected pupils occupy an addition, wing, or annex which is served by separate meters.

V. LIMITATIONS ON MAINTENANCE OF PLANT^{5/}

1. Maintenance by Employees of School System

There should be relatively little, if any, need for repair or replacement of buildings or mechanical-equipment used this year for defense-connected pupils. If the Applicant has installed old furniture equipment (due to inability to obtain new equipment), some repairs and replacements of educational equipment and furniture may be justified.

2. Maintenance by Contractual Service

The Applicant will enter expenditures if all maintenance work is done by contractual service, in which the contractor supplies both labor and materials.

VI. LIMITATIONS ON FIXED CHARGES^{6/}

1. Rent

The Applicant will enter payments for use of private property rented for the specific purpose of housing defense-connected pupils. Also enter rental payments for storage of transportation equipment provided with funds from Public Law 137.

2. Insurance

The Applicant will enter expenditures for insurance premiums on buildings and equipment used exclusively by defense-connected pupils, and insurance on employees whose employment is due entirely to defense, provided this practice has been followed previous to the current school year.

5. See also Circular 204, "5. Repairs and Replacements (Maintenance) of School Plant" pp. 34-37.

6. See also Circular 204, "6. Fixed Charges," pp. 37-40.

3. Other

The Applicant will treat transfers from current funds into teacher retirement funds as expenditures provided such charges to the Contribution Account are limited to persons whose salaries or wages are also paid from the Contribution Account.

Applicants who do not maintain high schools may enter transfers of funds to other administrative units for the tuition, transportation, etc., of defense-connected pupils who are being educated in these other districts.

VII. LIMITATIONS ON CAPITAL OUTLAY^{7/}

1. Equipment

The Applicant will limit entries to the cost of equipment, provided such equipment is in accordance with the purposes for which the allocation of Federal funds was made. Final payment will depend upon an itemized list of equipment actually purchased.

7. See also Circular 204, "7. Capital Outlay," pp. 40-46.

PUPIL REGISTRATION CARD ^{1/}
(P. A. 137)

Name of school administrative unit, (District, Town, County, etc.) State _____ ^{2/}

1. Name of pupil _____ Age _____ Grade _____
2. Address _____ Telephone No. _____
3. Type of residence (check one). privately owned
 publicly owned
4. Occupation of parent or guardian _____
5. Name of employer _____
6. Date on which family moved into school district _____
7. Signature of parent or guardian _____
Date _____
8. Signature of teacher _____ Date _____
9. Name of school _____
10. Is this pupil provided free transportation to and from school? _____

-
1. Information required on this card is for use in administering Federal aid under the provision of Public Act 137, 77th Congress.
 2. Print the name of the administrative unit and the State on the printed or mimeographed card.

APPENDIX D

**FORMS USED BY THE UNITED STATES OFFICE OF EDUCATION
FOR COLLECTING INFORMATION TO DETERMINE NEED OF
LOCAL SCHOOL SYSTEMS FOR SCHOOL FACILITIES
AND MAINTENANCE AND OPERATION FUNDS**

SUGGESTED OUTLINE OF REPORT OF NEED FOR ADDITIONAL SCHOOL FACILITIES IN AREAS
AFFECTED BY ACTIVITIES OF THE NATIONAL DEFENSE PROGRAM (REPORT TO BE MADE ON
SCHOOL FACILITIES FORMS 1, 2, and 3)

A. General Summary for Defense Area.

1. Type of project: Expansion of existing or creation of new Army, Naval, or industrial establishment.
2. Permanence of project.
3. Officials interviewed.
4. Adequacy of existing school facilities to serve increased needs on account of defense activities.
5. Ability and effort of local units in this area to meet this need.
6. Legal limitations and obstacles.
7. Possible State emergency aid other than regular school distribution.
8. Number of pupils for whom school facilities must be provided.

(A statement accounting, by additional families expected by October 1941, for the estimated number of additional children of school age. Identify, if at all possible, this influx by types of family housing units - permanent and temporary - to be provided by public and private funds. In School Facilities Form 1 give a distribution by school administrative units of family housing (dwelling) units constructed or being constructed, by October 1, 1941.)

1. On utilization by administrative units of existing facilities by -
 - a. Transportation of pupils.
 - b. Reassignment of pupils and schedule within or without the local unit.

2. Provisions by administrative unit for increased school housing facilities through:-
 - a. Alterations of existing buildings.
 - b. Additions to present plants.
 - c. Construction of new buildings (Identify by location on map.)
 - (1) Temporary
 - (2) Permanent

3. For Federal funds required by administrative units for -
 - a. The operation and maintenance of school plants.

(Distinguish such cost of existing plant facilities until budget and tax paying provisions can be made and of additional plant facilities that are to be provided.)
 - b. The operation and maintenance of additional transportation facilities.
 - c. The salaries of teachers and other instructional costs required for additional children reported item A-8 of this outline.

Note: It is essential that there be submitted to this Office a map showing locations of existing buildings and proposed new buildings.

State _____ Defense Area _____ Local Administrative Unit _____

SCHOOL FACILITIES FORM 3.--INDIVIDUAL LOCAL SCHOOL ADMINISTRATIVE UNIT
SUMMARY SHOWING SCHOOL NEEDS BECAUSE OF DEFENSE ACTIVITIES

1. Existing plant facilities and enrollment

Kind of School	Number of rooms ^{1/} School year ending June		Seating capacity ^{2/} School year ending June		Enrollment School year ending June	
	1940	1941	1940	1941	1940	1941
Elementary						
Junior High						
Senior High						
Total						

1/ "Number of rooms" includes all rooms in the buildings used for instructional purposes exclusive of auditoriums, gymnasiums, auditorium-gymnasiums, libraries, cafeterias, and study halls. It does not include offices, clinics, toilets, showers, janitors' quarters and service rooms.

2/ This represents the number of pupils that can be properly housed in the building in rooms adequately equipped.

2. Existing plant facilities and enrollment for Negroes in States maintaining separate schools (exclude data for Negroes from Item 1 when such data are reported in Item 2).

Kind of School	Number of rooms ^{1/} School year ending June		Seating capacity ^{2/} School year ending June		Enrollment School year ending June	
	1940	1941	1940	1941	1940	1941
Elementary						
Junior High						
Senior High						
Total						

3. Transportation:

a. Number of additional pupils:

(1) Who can be transported in present equipment...White _____ Negro _____

(2) For whom transportation is proposed.....White _____ Negro _____

b. Number busses needed for pupils in 3a (2) above...White _____ Negro _____

4. Assessed valuation for school purposes preceding acquisition (since July 1, 1940) of property by Federal Government for defense purposes.....\$ _____

5. Assessed valuation for school purposes of property acquired since July 1, 1940, by Federal Government for defense purposes..... _____

6. Percent of tax collection for 1938 _____ 1939 _____ 1940 _____

7. Local school tax rate per \$100 assessed valuation levied for fiscal year ending _____ (month and day)
1940 _____ 1941 _____

a. For current expense..... _____

b. For debt service..... _____

c. For other purposes..... _____

8. Maximum legal local school tax rate per \$100 assessed valuation for:

a. Current expense _____ b. Debt service _____ c. Other _____

School facilities form (cont'd)

9. Amount and Sources of revenue for school year 1940-41 and 1941-42

Source	1940-41	1941-42 (Estimate if necessary)
a. Federal funds.....	\$	\$
b. State funds.....		
c. Local ad valorem tax...		
d. Other local funds.....		
e. Public Act 849.....	XXXXXX	1/
Total.....	\$	\$

1/ Estimated amount of "annual sums of money in lieu of taxes" (as provided for in section 9 of Public Act 849)

10. Estimated amount of Federal funds for current expense for 1941-42

a. For plant operation and maintenance: White _____ Negro _____ Total \$ _____

b. For transportation, operation and maintenance: White _____ Negro _____ Total \$ _____

c. Teachers' salaries and other instructional costs:

	Elemen-	Junior	Senior	
(1) White:	tary _____	High _____	High _____	Total _____
(2) Negro:	tary _____	High _____	High _____	Total _____

Total of lines a, b, c(1), and c(2).....\$ _____

11. Total outstanding bonds of local administrative unit at close of fiscal year ending _____ 1940 \$ _____; 1941 \$ _____
(Date)

12. Net bonded debt (total outstanding bonds less the sinking funds available for their payment) at close of fiscal year ending in 1940 \$ _____; 1941 \$ _____

13. Total amount of additional bonds this local administrative unit can legally issue now.....\$ _____

Remarks:

Date _____ (Signed) _____
Senior Specialist on School Facilities

SCHOOL FACILITIES FORM 4.--INDIVIDUAL LOCAL SCHOOL ADMINISTRATIVE
UNIT SUMMARY OF NEEDS FOR FEDERAL FUNDS FOR MAINTENANCE AND OPERATION

This statement is for the period beginning _____ and ending _____
(date) (date)

It should be accompanied by a narrative report of justification regarding an appli-
cation or M. and O. Docket No. _____

State _____ Defense Area _____ Local Adminis-
trative Unit _____

I. Estimate of Federal funds required for administration: for salaries of persons employed
to fill administrative positions, professional and clerical, created as a result of war
activities, and for necessary additional supplies and other expenses.

1. Number of defense-connected pupils.. _____
2. Additional positions required:
Professional _____, Clerical _____
3. Salaries: Prof. \$ _____, Clerical \$ _____, Total \$ _____
4. Supplies and other expenses 1/ \$ _____
Total administration..... \$ _____

II. Estimate of Federal funds required for instruction: for salaries of persons employed
to fill instructional positions, professional and clerical, created as a result of
war activities, and for necessary textbooks, teaching supplies, and other supplies
and expenses.

- | | |
|--|---------------------------|
| 1. Positions: | Remarks: |
| a. Supervisors: | |
| No. El. Sch. pupils 2/ _____ | No. supv's _____ \$ _____ |
| No. Jr. H.S. pupils _____ | No. supv's _____ \$ _____ |
| No. Sr. H.S. pupils _____ | No. supv's _____ \$ _____ |
| b. Principals | |
| No. El. Sch. pupils _____ | No. prin's _____ \$ _____ |
| No. Jr. H.S. pupils _____ | No. prin's _____ \$ _____ |
| No. Sr. H.S. pupils _____ | No. prin's _____ \$ _____ |
| c. Teachers: | |
| No. El. Sch. pupils _____ | No. T'chrs _____ \$ _____ |
| No. Jr. H.S. pupils _____ | No. T'chrs _____ \$ _____ |
| No. Sr. H.S. pupils _____ | No. T'chrs _____ \$ _____ |
| d. Other instructional staff: 3/ | |
| No. El. Sch. pupils _____ | No. staff _____ \$ _____ |
| No. Jr. H.S. pupils _____ | No. staff _____ \$ _____ |
| No. Sr. H.S. pupils _____ | No. staff _____ \$ _____ |
| e. Clerical assistants: | |
| No. El. Sch. pupils _____ | No. clerks _____ \$ _____ |
| No. Jr. H.S. pupils _____ | No. clerks _____ \$ _____ |
| No. Sr. H.S. pupils _____ | No. clerks _____ \$ _____ |
| Total salaries..... \$ _____ | |
| 2. Textbooks furnished free to _____ pupils..... | \$ _____ |
| 3. Teaching supplies for _____ pupils..... | \$ _____ |
| 4. Other supplies and expenses..... | \$ _____ |
| Total instruction..... \$ _____ | |

- 1/ If this item includes an amount required for State services, segregate such amount and enter here..... \$ _____
- 2/ If this item includes children of kindergarten or nursery school age, report them and enter the number of children, kindergarten _____, nursery _____,Cost \$ _____
- 3/ Other instructional positions may include librarians, study hall keepers, supervisors of the activities of children outside of regular school hours (due to the occupation of both parents in war-time activities), etc. If this item includes expenses for the care of children outside of regular school hours, segregate and enter the number of children..... Cost \$ _____

III. Estimate of Federal funds required for auxiliary activities: for salaries, supplies, and other expenses of the school health services, transportation services, and other school services added as a result of war activities.

1. School services:
 - a. Health services:
 - (1) Salaries. \$ _____
 - (2) Supplies and expenses. \$ _____
 - b. Other school services:
 - (1) Salaries. \$ _____
 - (2) Supplies and expenses. \$ _____
- Total school services. \$ _____

2. **Transportation services:** Enter costs of operating and maintaining equipment purchased with funds from the Contribution Account and operated and maintained by the applicant. Also include expenditures for actual additional services required to transport defense-connected children in equipment already owned by the applicant.

- a. Number of defense pupils to be transported:
 - (1) To elementary schools.. _____
 - (2) To jr. high schools.... _____
 - (3) To sr. high schools.... _____
 - (4) Total no. of pupils.... _____
 - b. Number of buses..... _____
 - c. Number of operators..... _____
 - d. Salaries and wages of operators..... \$ _____
 - e. Supplies and expenses of operation..... \$ _____
 - f. Maintenance of buses..... \$ _____
 - g. Transportation by contract:
 - (1) Number of pupils..... _____
 - (2) Number of contracts.... _____
 - (3) Total amount of contracts..... \$ _____
 - h. Car & bus fares, No. pupils.. _____
 - (1) Cost of car and bus fares..... \$ _____
 - i. Other transportation costs..... \$ _____
- Total transportation services..... \$ _____

Total auxiliary services \$ _____

IV. Estimate of Federal funds required for school plant operation:

- a. No. defense-connected pupils _____
 - b. Salaries of janitors, engineers, etc. \$ _____
 - c. Fuel and heat \$ _____
 - d. Water, light, and power..... \$ _____
 - e. Supplies and other expenses..... \$ _____
- Total operation..... \$ _____

V. Estimate of Federal funds required for school plant maintenance:

1. No. of defense-connected pupils _____
 2. Maintenance by employees of school system:
 - a. Salaries and wages..... \$ _____
 - b. Supplies and expenses..... \$ _____
 3. Maintenance by contractual service..... \$ _____
- Total maintenance..... \$ _____

VI. Estimate of Federal funds required for fixed charges:

1. Rent..... \$ _____
 2. Insurance..... \$ _____
 3. Tuition paid to other districts..... \$ _____
 4. Other 4/ \$ _____
- Total fixed charges..... \$ _____

Total current expense (I,II,III,IV,V, and VI)..... \$ _____

4/ Include payments to retirement funds and other deductions paid by the applicant for persons whose salaries are paid from the Contribution Account.

(Total Current Expense) \$ _____

VII. Estimate of Federal funds required for capital outlay:

1. Equipment (not replacements):

a. Library books:

No. El. Sch. pupils	_____	No. books	_____	\$	_____
No. Jr. H. S. pupils	_____	No. books	_____	\$	_____
No. Sr. H. S. pupils	_____	No. books	_____	\$	_____
Total cost of library books.....					\$ _____

b. Furniture, laboratory and other:

No. El. Sch. pupils	_____	\$	_____	
No. Jr. H. S. pupils	_____	\$	_____	
No. Sr. H. S. pupils	_____	\$	_____	
Total cost of furniture, laboratory and other.....					\$ _____

2. Transportation equipment (not replacements):

No. El. Sch. pupils	_____	No. busses	_____	\$	_____
No. Jr. H. S. pupils	_____	No. busses	_____	\$	_____
No. Sr. H. S. pupils	_____	No. busses	_____	\$	_____
Total cost of transportation equipment....					\$ _____

Total capital outlay..... \$ _____

GRAND TOTAL, (Total for current expense plus total for capital outlay)..... \$ _____

DEDUCTIONS: Estimate of State, county, and local monies deductible from the above total. Explain the basis of each deduction in narrative report of recommendations. Statement of deductions should be limited to anticipated revenues for salaries of teachers, for tuition, for transportation or for other costs of educating defense-connected pupils.

1. Amount of State monies deductible.....	\$	_____
2. Amount of county monies deductible.....	\$	_____
3. Amount of local monies deductible.....	\$	_____
4. Amount of Federal housing payments in lieu of taxes..	\$	_____

Total deductions..... \$ _____

NET AMOUNT OF FEDERAL FUNDS ESTIMATED (Grand total less total deductions)..... \$ _____

Senior Specialist on School Facilities

(Date)

Representative, State Dept. of Education

(Date)

Name: _____
(For the applicant)

(Title)

(Date)

APPENDIX B

FORMS USED BY THE FEDERAL WORKS AGENCY IN THE
ADMINISTRATION OF THE MAINTENANCE
AND OPERATION GRANTS

FEDERAL WORKS AGENCY
DEFENSE PUBLIC WORKS DIVISION

Oct. 28, 1941 CERTIFICATE OF PURPOSES FOR SCHOOL MAINTENANCE AND OPERATION

Requisition No. _____
 Name of applicant _____ Docket No. _____
 Address _____ (Applicant do not use)
 Date of certificate _____ Contract No. _____
 O.P. No. _____

The following statement is submitted to accompany a requisition for payment on account of the Government's contribution for maintenance and operation of the school facilities described in the Offer. The funds received on account of such contribution will be expended for the purposes shown in Column 5 subject to changes approved by the Government.

Classification	Total budget for year 1/ :	Unpaid obligations incurred to date :	Dis- bursements to date 2/ :	Proposed distribution for attached requisition 3/ :
1	2	3	4	5
I ADMINISTRATION				
1. Salaries:				
a. Administrative assistants:				
(1) State ^{4/}	\$	\$	\$	\$
(2) Local.....				
b. Clerical assistants:				
(1) State ^{4/}				
(2) Local.....				
c. Supplies and other expenses:				
(1) State ^{4/}				
(2) Local.....				

CERTIFICATE OF PURPOSES FOR MAINTENANCE AND OPERATION (Continued)

CLASSIFICATION	: Total : budget : for : year ^{1/}	: Unpaid : obligations : incurred : to date	: Dis- : bursements : to : date ^{2/}	: Proposed : distribution : for attached : requisition ^{2/}
1	2	3	4	:
III AUXILIARY SERVICES				
A. School Services:				
1. Health services:				
a. Salaries.....	\$	\$	\$	\$
b. Supplies and expenses.....				
2. Other school services:				
a. Salaries.....				
b. Supplies and expenses.....				
Total school services.....				
B. Transportation Services:				
1. Operation and maintenance ^{1/}				
a. Operation:				
(1) Salaries and wages of drivers.....				
(2) Supplies and expenses.....				
(3) Contractual services.....				
b. Maintenance:				
(1) Salaries and labor costs.....				
(2) Supplies and expenses.....				
(3) Contractual services.....				
2. Public Utilities fares:				
a. No. pupils _____ Cost.....				
3. Transportation by contract:				
a. No. pupils _____ Cost.....				
4. Other transportation costs.....				
Total transportation services.....				
Total auxiliary services.....				

STATEMENT OF CONTRIBUTION PAYMENTS RECEIVED

Amounts	\$ _____	\$ _____	\$ _____	\$ _____
Date received	_____	_____	_____	_____
Date deposited	_____	_____	_____	_____

STATEMENT OF BALANCE IN CONTRIBUTION ACCOUNT

	Date
Balance in Contribution Account - Applicant's Books - - - - -	\$ _____
Total outstanding checks - - - - -	\$ _____
Balance in Contribution Account - Depository's Books - - - - -	\$ _____

STATEMENT OF OTHER ANTICIPATED RECEIPTS
FOR THE CURRENT SCHOOL YEAR 10/

	Amount	Date of Expected Payment
Defense housing payments in lieu of taxes -	\$ _____	_____
State funds - - - - -	\$ _____	_____
Local funds - - - - -	\$ _____	_____

CERTIFICATE OF APPLICANT

The applicant certifies that the purpose or purposes stated herein are included within the purposes set forth in the approved application and the Government's Offer, except as the same shall have been revised, amended, modified, or otherwise changed and approved. The applicant further certifies that the funds now requested, when advanced, will be used for the purpose or purposes stated in column 5, and that all information contained herein is true, correct, and complete.

Subscribed and sworn to before me this _____ day of _____, 19__ ,

at _____
(Name of applicant) (Place) (County) (State)

By _____
(Signature of authorized officer) (Title of authorized officer)

(SEAL) _____ My commission expires _____, 19__
(Notary Public)

PENALTY FOR FALSE CERTIFICATION. -Section 35 of the Criminal Code, as amended, provides a penalty of not more than \$10,000 or imprisonment of not more than 10 years, or both, for knowingly and willfully making or causing to be made "any false or fraudulent statements *** or use or cause to be made or used any false *** account, claim certificate, affidavit, or deposition, knowing the same to contain any fraudulent or fictitious statement ***"relating to any matter within the jurisdiction of any governmental department or agency."

a. Supervisors:				
El. Sch. :No. pupils ^{5/}	_____	No. supv's	_____	
Jr. H. S. :No. pupils	_____	No. supv's	_____	
Sr. H. S. :No. pupils	_____	No. supv's	_____	
b. Principals:				
El. Sch. :No. pupils	_____	No. prin's	_____	
Jr. H. S. :No. pupils	_____	No. prin's	_____	
Sr. H. S. :No. pupils	_____	No. prin's	_____	
c. Teachers:				
El. Sch. :No. pupils	_____	No. t'chrs	_____	
Jr. H. S. :No. pupils	_____	No. t'chrs	_____	
Sr. H. S. :No. pupils	_____	No. t'chrs	_____	
d. Other instructional staff: ^{6/}				
El. Sch. :No. pupils	_____	No. staff	_____	
Jr. H. S. :No. pupils	_____	No. staff	_____	
Sr. H. S. :No. pupils	_____	No. staff	_____	
e. Clerical assistants:				
El. Sch. :No. pupils	_____	No. clerks	_____	
Jr. H. S. :No. pupils	_____	No. clerks	_____	
Sr. H. S. :No. pupils	_____	No. clerks	_____	
2. Textbooks furnished free to all pupils.....				
3. Teaching supplies.....				
4. Other supplies and expenses.....				
Total instruction.....				

(See page 3 for explanation of column headings and other explanatory notes)

- Water, light and power.....
- 4. Supplies and other expenses.....
- Total operation of plant.....

1. No of defense committed & pupils
V MAINTENANCE OF PLANT

- 21. Maintenance by employees of school system:
 - a. Salaries and wages.....
 - b. Supplies and expenses.....
- 32. Maintenance by contractual service.....
- Total maintenance of plant.....

VI FIXED CHARGES

- 1. Rent.....
- 2. Insurance.....
- 3. Other.....
- Total fixed charges.....

TOTAL CURRENT EXPENSE (I, II, III, IV, V, and VI)

VII CAPITAL OUTLAY^{9/}

- 1. Equipment (Not replacements)
 - a. Library books:
 - El. Sch.: No. pupils _____ No. books _____
 - Jr. H. S.: No. pupils _____ No. books _____
 - Sr. H. S.: No. pupils _____ No. books _____
 - b. Furniture, laboratory and other:
 - El. Sch.: No. pupils _____
 - Jr. H. S.: No. pupils _____
 - Sr. H. S.: No. pupils _____
- 2. Transportation equipment (not replacements)
 - El. Sch.: No. pupils _____ No. buses _____
 - Jr. H. S.: No. pupils _____ No. buses _____
 - Sr. H. S.: No. pupils _____ No. buses _____
 - Total capital outlay.....

GRAND TOTAL.....

(See page 3 for explanation of column headings and other explanatory notes)

- to exceed the maximum amount
- by 10.
- 2/ Entries in column 4 should reflect disbursements from the Contribution Account to date as evidenced by checks drawn.
 - 3/ Entries in column 5 should supply the amount currently requisitioned on Form No. DFW 159 , "Requisition and Public Voucher for Maintenance and Operation Contribution".
 - 4/ Include payments to persons assigned by the State for services in connection with the Docket, and supplies and expenses necessitated by this work.
 - 5/ Include only the number of defense-connected pupils for whom registration cards are on file. The number of pupils must be sufficient to justify the number of added personnel, and not in excess of local standards (on each level and for each position).
 - 6/ Other instructional staff may include librarians, study hall keepers, etc.
 - 7/ Enter costs of operating and maintaining equipment purchased with funds from the Contribution Account and operated and maintained by the Applicant. Also include expenditures for actual additional services required to transport defense-connected children in equipment already owned by the Applicant.
 - 8/ Include payments to retirement funds and other deductions paid by the Applicant for persons whose salaries or wages are paid from the Contribution Account.
 - 9/ Applications for Federal funds for capital outlay for construction of new buildings and additions, and for remodeling existing buildings, should use Form No. DFW 500. Capital outlay on this docket should be limited to the outlined classifications.
 - 10/ This statement should be limited to those defense-connected pupils for whom expenditures are also made from the Contribution Account.

We certify that the Contribution Account of the above-named applicant has been credited with deposits totaling \$ _____, and had a credit balance of \$ _____ at the close of business _____, 19

(Place)

(Name of Depository)

Date _____, 19 . By _____

(Title)

(BANK SEAL)

APPROVALS

Approved:

(Name and title of State Department of Education official)

Date _____, 19

(Name and title of U. S. Office of Education official)

Date _____, 19

(Regional Director)

Date _____, 19



FEDERAL WORKS AGENCY

CONTROL BUDGET FOR SCHOOL MAINTENANCE AND OPERATION

Name of Applicant _____

Docket No. _____

Address _____

Budget No. _____

Classification (1)	Approved budget for period stated in offer (Date) From To		
	Present Budget (2)	Net Change (3)	Revised Budget (4)
I ADMINISTRATION			
1. Salaries:			
a. Administrative personnel			
(1) State	\$		
(2) Local			
2. Supplies and other expenses			
II INSTRUCTION			
1. Salaries:			
a. Supervisors and principals			
b. Teachers			
c. Other instructional staff			
d. Clerical assistants			
2. Textbooks furnished free to all pupils			
3. Teaching supplies and expenses			
III AUXILIARY SERVICES			
A. School Services:			
1. Health services (salaries and supplies)			
2. Other school services (salaries and supplies)			
B. Transportation Services:			
1. Operation and maintenance of school owned equipment			
2. Public Utilities fares			
IV OPERATION OF PLANT			
1. Salaries of janitors, engineers, etc.			
2. Fuel and heat			
3. Water, light and power			
4. Supplies and other expenses			
V MAINTENANCE OF PLANT			
1. Maintenance by employees of school system:			
a. Salaries and wages			
b. Supplies and expenses			
2. Maintenance by contractual service			
VI FIXED CHARGES			
1. Rent			
2. Insurance			
3. Other			
VII CAPITAL OUTLAY			
1. Equipment (Not replacements)			
a. Library books			
b. Furniture, laboratory and other			
2. Transportation equipment (Not replacements)			
GRAND TOTAL			

This Control Budget indicates the purposes for which funds in the Contribution Account may be expended. All expenditures must be made in accordance with the Offer, must be justified and are subject to audit.

Federal Works Administrator

Date _____

By _____

(Use reverse side, when needed, for explanation of change)

Oct. 28, 1941

Report No. _____

Docket No. _____

FEDERAL WORKS AGENCY

DEFENSE PUBLIC WORKS DIVISION

QUARTERLY REPORT PERTAINING TO OPERATION AND MAINTENANCE
CONTRIBUTIONS FOR SCHOOLS

(Corporate Name of Applicant as it Appears in Offer)

(P. O. Address)

APPLICANT'S POPULATION

1940

July 1, 1941 (estimated) _____

November 1, 1941 (estimated) _____

February 1, 1942 (estimated) _____

May 1, 1942 (estimated) _____

SCHOOL ENROLLMENT

Dates	Elementary	Junior High	Senior High	*Vocational
Average Daily Attendance, 1939-40	:	:	:	:
Average Daily Attendance 1940-41	:	:	:	:
1941**	:	:	:	:
November 1, 1941	:	:	:	:
February 2, 1942	:	:	:	:
May 1, 1942	:	:	:	:
Total	:	:	:	:

*Not otherwise included in preceding columns.

**Show date of school opening.

TABULATION OF SCHOOL OPERATION AND MAINTENANCE PERSONNEL

Number Em- ployed 1940-41	Number Em- ployed Date School	Number Em- ployed Nov. 1	Number Em- ployed February 2	Number Em- ployed May 1

a) Superintendent	:	:	:	:
b) Clerks & other office help	:	:	:	:
2. Instruction:	:	:	:	:
a) Principals	:	:	:	:
b) Supervisors	:	:	:	:
c) Teachers	:	:	:	:
3. Operation & Maintenance:	:	:	:	:
a) Janitor	:	:	:	:
b) Bus Drivers	:	:	:	:
c) Others	:	:	:	:

I hereby certify that the foregoing data, to the best of my information and belief, is true and correct.

Dated this _____ day of _____, 194____, at the _____
(Place)

(Signature of Applicant's Authorized Representative)

10-79

Title

APPENDIX F

THE ORIGINAL LANHAM ACT WHICH WAS
AMENDED BY PUBLIC 137

[Public--No. 849--76th Congress]
[Chapter 862--3d Session]
[H. R. 10412]

AN ACT

To expedite the provision of housing in connection with national defense, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. In order to provide housing for persons engaged in national-defense activities, and their families, in those areas or localities in which the President shall find that an acute shortage of housing exists or impends which would impede national-defense activities and that such housing would not be provided by private capital when needed, the Federal Works Administrator (hereinafter referred to as the "Administrator") is authorized:

(a) To acquire prior to the approval of title by the Attorney General (without regard to sections 1136, as amended, and 3709 of the Revised Statutes) improved or unimproved lands or interests in lands by purchase, donation, exchange, lease (without regard to section 322 of the Act of June 30, 1932 (47 Stat.412), as amended, the Act of March 3, 1877 (19 Stat.370), or any time limit on the availability of funds for the payment of rent), or condemnation (including proceedings under the Acts of August 1, 1888 (25 Stat.357), March 1, 1929 (45 Stat.1415), and February 26, 1931 (46 Stat.1421)).

(b) By contract or otherwise (without regard to sections 1136, as amended, and 3709 of the Revised Statutes, section 322 of the Act of June 30, 1932 (47 Stat.412), or any Federal, State, or municipal laws, ordinances, rules, or regulations relating to plans and specifications or forms of contract, the approval thereof or the submission of estimates therefor) prior to the approval of title by the Attorney General to make surveys and investigations, plan, design, construct, remodel, extend, repair, or demolish structures, buildings, improvements, and community facilities, on lands or interests in lands acquired under the provisions of subsection (a) hereof or on other lands of the United States which may be available (transfers of which for this purpose by the Federal agency having jurisdiction thereof are hereby authorized notwithstanding any other provisions of law), provide proper

approaches thereto, utilities, and transportation facilities, and procure necessary materials, supplies, articles, equipment, machinery, and do all things necessary in connection therewith to carry out the purposes of this Act: Provided, That the cost-plus-a-percentage-of-cost system of contracting shall not be used, but this proviso shall not be construed to prevent the use of the cost-plus-a-fixed-fee form of contract: Provided, That the cost per family dwelling unit shall not exceed an average of \$3,000 for those units located within the continental United States nor an average of \$4,000 for those located elsewhere, and the cost of no family dwelling unit shall exceed \$3,950 within the continental United States or \$4,750 elsewhere, exclusive of expenses of administration, land acquisition, public utilities, and community facilities, and the aggregate cost of community facilities shall not exceed 3 per centum of the total cost of all projects.

Sec. 2. As used in this Act (a) the term "persons engaged in national-defense activities" shall include (1) enlisted men in the naval or military services of the United States; (2) employees of the United States in the Navy and War Departments assigned to duty at naval or military reservations, posts, or bases; (3) workers engaged or to be engaged in industries connected with and essential to the national defense; (b) the term "Federal agency" means any executive department or office (including the President), independent establishment, commission, board, bureau, division, or office in the executive branch of the United States Government, or other agency of the United States, including corporations in which the United States owns all or a majority of the stock directly or indirectly.

Sec. 3. The sum of \$150,000,000, to remain available until expended, is hereby authorized to be appropriated to carry out the purposes of this Act in accordance with the authority therein contained and for administrative expenses in connection therewith: Provided, however, That the Administrator is authorized to reimburse, from funds which may be appropriated pursuant to the authority of this Act, the sum of \$3,300,000 to the emergency funds made available to the President under the Act of June 11, 1940, entitled "An Act making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1941, and for other purposes" (Public, Numbered 588), and the sum of \$6,700,000 to the emergency funds made available to the President under the Military Appropriation Act, 1941, approved June 13, 1940 (Public, Numbered 611).

Sec. 4. When the President shall have declared that the emergency declared by him on September 8, 1939, to exist, has ceased to exist (a) the authority contained in section 1 hereof shall terminate except with respect to contracts on projects previously entered into or undertaken and court proceedings then pending, and (b) property acquired or constructed under this Act shall be disposed of as promptly as may be advantageous under the circumstances and in the public interest.

Sec. 5. Where any Federal agency has funds for the provision of housing in connection with national-defense activities it may, in its discretion, make transfers of those funds, in whole or in part, to the Administrator, and the funds so transferred shall be available for, but only for, any or all of the objects and purposes of and in accordance with all the authority and limitations contained in this Act, and for administrative expenses in connection therewith.

Sec. 6. Moneys derived from rental or operation of property acquired or constructed under the provisions of this Act shall be returned to the appropriation authorized by this Act and shall be available for expenses of operation and maintenance including administrative expenses in connection therewith, and the unobligated balance of the moneys so deposited shall be covered into the Treasury at the end of each fiscal year as miscellaneous receipts.

Sec. 7. Notwithstanding any other provisions of law, whether relating to the acquisition, handling, or disposal of real or other property by the United States or to other matters, the Administrator, with respect to any property acquired or constructed under the provisions of this Act, is authorized by means of Government personnel, selected qualified private agencies, or public agencies (a) to deal with, maintain, operate, administer, and insure; (b) to pursue to final collection by way of compromise or otherwise, all claims arising therefrom; (c) to rent, lease, exchange, sell for cash or credit, and convey the whole or any part of such property and to convey without cost portions thereof to local municipalities for street or other public use: Provided, That any such transaction shall be upon such terms, including the period of any lease, as may be deemed by the Administrator to be in the public interest: Provided further, That the Administrator shall fix fair rentals, on projects developed pursuant to this Act, which shall be within the financial reach of persons engaged in national defense: Provided further, That any lease authorized hereunder shall not be subject to the provisions of section 321 of the Act of June 30, 1932

(47 Stat.412).

Sec. 8. In carrying out the provisions of this Act the Administrator is authorized to utilize and act through the Federal Works Agency and other Federal agencies and any local public agency, with the consent of such agency, and any funds appropriated pursuant to this Act shall be available for transfer to any such agency in reimbursement therefor. Nothing in this Act shall be construed to prevent the Administrator from employing or utilizing the professional services of private persons, firms, or corporations.

Sec. 9. The Administrator may enter into any agreements to pay annual sums in lieu of taxes to any State or political subdivision thereof, with respect to any real property acquired and held by him under this Act, including improvements thereon. The amount so paid for any year upon any such property shall not exceed the taxes that would be paid to the State or subdivision, as the case may be, upon such property if it were not exempt from taxation.

Sec. 10. Notwithstanding any other provision of law, the acquisition by the Administrator of any real property pursuant to this Act shall not deprive any State or political subdivision thereof of its civil and criminal jurisdiction in and over such property, or impair the civil rights under the State or local law of the inhabitants on such property.

Sec. 11. The Administrator is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act, and shall establish reasonable standards of safety, convenience, and health.

Sec. 12. Notwithstanding any other provision of law, the wages of every laborer and mechanic employed on any construction, repair or demolition work authorized by this Act shall be computed on a basic day rate of eight hours per day and work in excess of eight hours per day shall be permitted upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. Not less than the prevailing wages shall be paid in the construction of defense housing authorized herein.

Sec. 13. If any provision of this Act, or the application thereof to any persons or circumstances, is held invalid, the remainder of this Act, or application of such provision to other persons or circumstances shall not be affected thereby.

Sec. 14. At the beginning of each session of Congress, the Administrator shall make to Congress a full and detailed report covering all of the transactions authorized hereunder.

Approved, October 14, 1940.