

For purposes of title I, we place these broad directives in the hands of the State, which gives us an assurance it will operate its approval of projects sent by local school districts in accordance with these regulations and guidelines which have been set up under the act of Congress.

The projects are developed at the local level, sometimes with considerable guidance from the title I coordinator in the State. But they are sent to the State for approval and the State has final approving authority.

We may enter back into this, usually, on an ex post factor basis over such matters as audit. When it becomes necessary, either on a routine or a special basis, to audit the affairs of the school district, we will do it first by going to the State and conducting the audit at the State level. Usually that will take care of the problem.

Sometimes we have to go into a local district for audit purposes. When we do that we will be accompanied by the State officials for that purpose.

There are occasionally policy considerations which just seem to get us involved. One of these tricky policy areas is that which has to do with the service to private school pupils, and interpretations of what is within the intent of the Congress and what is not.

We have tried in every case possible to have these matters flow, when there was a question about them, from the local school district to the State for determination by the State under the broad regulations we have provided.

Because this is a new area, I think you will find the States calling us in for consultation in this area of services to private school pupils in the hope of getting further interpretations than we may have already provided about the details of the enterprise. That is an area where we do tend to get involved from time to time.

Maybe Mr. Estes has a further comment.

Mr. ESTES. During the first 2 years of the operation of title I, we depended largely on regulations and guidelines, in addition to policy memoranda that have been sent out to the States from time to time.

We see a definite need at this point to establish criteria that will be used in approving local projects. These criteria would be used by local districts and State units. We think this will assist us greatly in upgrading the quality and in insuring that local districts develop projects that are clearly within the intent of the act.

Mr. BELL. Except in the broad guideline areas, however, you are more or less in a position of having to succumb to the wishes of the States, as to whether or not they want to upgrade, tighten or make tougher the programs they have. It is pretty well the State's jurisdiction, providing they are within such guidelines as you have issued. Is that correct?

Mr. ESTES. It is a State grant program.

Mr. BELL. On the other hand, doing something about it might make things worse. Well, I see the point of that.

This, of course, leads to the next question, and I am sure you have heard enough of it, Mr. Commissioner, although I don't mean to belabor it.

I just want to point out this cross-busing problem. For example, in our State you have to be very careful, it seems, because I under-