First, a minor point on the title V amendment that changes the distribution formula. I might say that the advisory council would agree in the recommendations with the change in formula provided it does not penalize any States, and the agreement on the part of all the States to the changed formula was based on the full appropriation of the authorization.

In the current proposed authorization, some of the larger States would receive considerably lesser sums. It would seem while they wouldn't object to a change, they ought not to be penalized for the change and have to step backward in the application of these matters.

Chairman Perkins. I must observe that I agree with you on that

point of view.

Mr. Gordon. The other point, generally, on the question of planning is that I think rather than put this in the context of an argument between Federal control and local control, which seems to be the burden of some of the testimony this morning, what the real problem is, is whether laymen can actually control education, whether they are sitting at the Federal, the State or the local level.

The only way that laymen can control education is to have the thing presented to them in an understandable framework. The goals of education have to be spelled out, specified, they can't just be general

goals.

This whole concept of planning implies that goals have to be tied to performance standards. We have to look at the performance and we have to get school administrators to look at performance standards as

a framework within which to judge their programs.

For example, we have a system now, speaking very generally, in the country that rejects 30 percent of the students who enter it, that is, 30 percent of the kids who enter school do not graduate from high school. I personally feel that that is a rejection rate far beyond permissible limitation and if you are talking about the performance standards of school systems one of the things you ought to consider as a goal is cutting that rejection rate down to the 2.3, or 5 percent that would seem more reasonable, and that we ought to understand our educational system in those terms.

If we think that literacy is necessary, and I am sure we do, then we ought to set some standards, it seems to me, and base our judgment of performance upon the reading achievement, for example, of kids in

elementary school.

Why can't we say, as we tried to in one way or another, in a school system, that you want second graders to read above second grade level.

so that we raise the national norms in reading?

Why can't we use that as a method of judgment? My personal feeling is that the opposition to the idea of stated programs that are goal-oriented and budgeting on the basis of those programs are simply ways of stating opposition to letting laymen get at the real questions and make the real policy decisions.

To put it another way, in our school system, we are proceeding to implement a program budget. We have already installed a research

and development unit in our instructional services.

We are applying both under title IV and title III for different aspects of additional funds to implement a program budget and a plan-