



# Indiana Department of Education

SUPPORTING STUDENT SUCCESS

## MEMORANDUM

**TO:** Adam Horst, State Budget Director  
Office of Management and Budget

**FROM:** Dr. Tony Bennett, Superintendent of Public Instruction  
Indiana Department of Education

**DATE:** September 21, 2012

**SUBJECT:** Agency Overview – Budget Transmittal Letter

### Introduction

The Indiana Department of Education (IDOE) serves a critical role in supporting and growing Indiana's economy by ensuring all Hoosier students receive the education they need to enter college or the workforce positioned to compete with their peers across the nation and around the world.

Specifically, the department has identified three primary goals to create a culture of academic excellence: At least 90 percent of students will pass both English and Math portions of the ISTEP+; 25 percent of high school graduates will achieve high scores on at least one Advanced Placement or International Baccalaureate exam or earn a technical certification or dual credit in high school; and 90 percent of students will graduate from high school with a diploma.

To achieve these goals, IDOE is raising expectations, increasing quality educational options for students and families, eliminating unnecessary regulations, improving instructional quality and school leadership, opening multiple pathways for student success, and increasing accountability for all students and educators. Every reform initiative and function makes students the focus in Indiana's system of schools.

In less than four years, student performance has increased by every measure. Eight percent more students are passing state assessments, with more schools reaching our 90 percent goal for students passing than ever before. More students are gaining an early advantage on college or workforce training, with 50 percent more Indiana students taking Advanced Placement classes and exams (representing a 48 percent increase in performance) and 13 percent more students participating in career and technical education programs. Finally, four year graduation rates have improved by almost 5 percent since 2009.

## **Structure and Organization**

Indiana's elected Superintendent of Public Instruction leads IDOE. IDOE reorganized following the 2011 legislative session to better support the department's work and the implementation of several laws that passed as part of the 2011 "Putting Students First" education reform plan, including the Choice Scholarship Program and educator evaluations. IDOE is now organized into six administrative and operational divisions overseen by five Assistant Superintendents and one General Counsel, who report directly to the Chief of Staff and the Superintendent.

The following members of IDOE's leadership team report directly to the Chief of Staff: the two Deputy Chiefs of Staff, the Director of Communications, the Director of Legislative and Intra-governmental Affairs, the State Board of Education Administrator, the Executive Director of the Indiana Education Roundtable, and the Executive Director of the Indiana Charter School Board. The Director of Human Resources and the Executive Director of the Indiana Education Employment Relations Board each report to one of two Deputy Chiefs of Staff.

The Legal Affairs division is overseen by the General Counsel. This division is responsible for all complaints, investigations, lawsuits and contracts and provides counsel on labor and education issues.

The Assistant Superintendent for Operational Integrity and Efficiency oversees the Finance and Business Operations offices. This division is responsible for reporting and distributing all state and federal funding, communicating funding-related announcements, requirements and changes to Indiana schools, and managing all internal department operations.

The Assistant Superintendent of Educational Technology oversees the Digital Media, Application Development, Network and Infrastructure, and e-Learning offices. This division is responsible for maintaining and improving all IDOE's internal and public web and technology-based functions and reforms, such as the Learning Connection. Additionally, Educational Technology staff work to increase and support the local implementation of quality innovative technology-based instructional materials and programs in schools around the state.

The Assistant Superintendent for Student Achievement and Growth leads the Assessment, College and Career Readiness and Individualized Learning offices. This administrative division is primarily responsible for making sure all students receive the targeted instruction they need and have an array of quality educational pathways to prepare them for college and the workforce. The Office of Special Education is a part of this division and reports to the Director of Individualized Learning.

The Assistant Superintendent of Student and School Support Services heads the Accreditation, Educator Licensing, Student Services, School and Community Nutrition, and Transportation offices, which are responsible for evaluating schools' compliance with Indiana's accreditation requirements, all educator licensing and renewal services, and for overseeing school safety, student health and nutrition programs, and busing.

The Assistant Superintendent for Innovation and Improvement leads IDOE's Turnaround and Improvement, Accountability, Educator Effectiveness and Leadership, School Choice, and Policy and Research offices. This division is responsible for ensuring success in Indiana's turnaround academies and improving the academic environment for students who attend our state's low performing schools. The new Office of Educator Effectiveness and Leadership is working to support successful statewide implementation of Public Law 90, which requires annual teacher and principal evaluations. The Office of School Choice, also new after the 2011 legislative session, works to administer Indiana's successful needs-based Choice Scholarship program. Finally, this division works directly with all offices within the department to build, promote and advance IDOE goals for academic excellence for all students.

### **Indiana Department of Education's Priority Focus**

This administration entered office with a plan to raise the academic expectations and benchmarks for all Indiana students, and IDOE is carrying out this plan.

1. To meet the 90-25-90 goals stated earlier, IDOE is focusing efforts on supporting classroom instruction across curriculum, but particularly in mathematics and English/Language Arts, and the department is creating greater and more relevant college and career pathways to help all students realize success.
2. IDOE is freeing Indiana schools from unnecessary regulations and eliminating barriers to developing new, innovative learning initiatives. This includes providing families an array of high quality educational opportunities from which to choose.
3. IDOE is improving instructional quality and enhancing school governance and leadership. In particular, the department is focusing on helping all schools implement locally developed, fair, and rigorous evaluations for teachers and principals. Successful implementation of these tools will help all educators grow as professionals and ensure all staffing decisions are primarily guided by what's best for students.
4. IDOE is emphasizing the development of support systems that facilitate academic achievement and career preparation, including innovative technologies, effective school guidance, and student transportation systems.
5. IDOE is establishing high and clear standards for success, keeping score, and ensuring school accountability is transparent to the public.
6. Finally, IDOE is providing exceptional customer service, while operating with optimal efficiency, and aligning all available resources to support student learning.

### **Priority Focus Accomplishments**

In under four years, the IDOE has successfully implemented a number of important reforms that are already leading to increased student achievement and general public interest in improving Indiana's schools.

Indiana students have made real gains toward reaching the 90-25-90 goals.

- Overall, 71 percent of Hoosier students passed both the English Language Arts (E/LA) and Math portions of the test during the 2011-2012 school year—a 1 percent gain on the previous school year and an 8 percent gain since the 2008-2009 school year.
- The number of students graduating from high school in four years increased by almost 5 percent since 2009—reaching 85.7 percent.
- More students are taking and passing challenging Advanced Placement exams, with the second highest two-year increase in the nation. In four years, the number of Indiana students taking these advanced classes and exams has increased by almost 50 percent, and their success rate has jumped by 48 percent.

IDOE has eliminated burdensome regulations and barriers to innovative school programs and models.

- In 2009, the Indiana General Assembly passed legislation to make schools safer and to empower educators to establish discipline in the classroom. The law expanded criminal history checks to keep dangerous adults out of schools, required parents to attend meetings on poor student behavior, and pledged state protection from frivolous lawsuits against teachers who act reasonably to establish order in their classrooms.
- The department successfully implemented the Rules for Educator Preparation and Accountability (REPA), which removed costly college-coursework requirements for teachers who renew their licenses. REPA also improved the beginning teacher residency requirements and made it easier for knowledgeable adults from other fields to enter the teaching profession.
- IDOE worked with the Indiana General Assembly to ensure there are no limits or caps on the number of charter schools operating statewide.
- IDOE increased flexibility for local schools to choose the best materials for their students by changing the definition of a textbook. This new definition allows schools to use laptops, iPads, and other innovative instructional materials.
- IDOE gained a federal waiver from certain portions of No Child Left Behind, specifically the Adequate Yearly Progress (AYP) and Highly Qualified Teacher provisions. This waiver allows IDOE to use the state's more comprehensive and fair school accountability metrics and to focus on teachers' effectiveness over their qualifications.

IDOE has taken steps to improve educator quality.

- In 2011, the Indiana General Assembly passed Senate Bill 1 (now P.L. 90), which requires all teachers and principals to be evaluated annually using locally developed, fair, and transparent evaluation tools that consider student performance as one part of a comprehensive analysis of educator performance.
- The Excellence in Performance Grant for Teachers, a new grant created in 2011, provides 15 million dollars over two years for districts to reward their best teachers.
- The REPA licensing rules require all new teachers to be content experts in the subjects they teach. Moreover, the revised rules make professional development more focused on meeting the unique needs of students in each school building and community.

- The Indiana Growth Model is helping IDOE and members of the general public identify schools, educators and leaders that show the greatest gains in student learning. This new way of measuring student learning is also a factor schools can use for educator evaluations and one IDOE uses to determine elementary and middle schools' A through F accountability grades.
- IDOE worked with the General Assembly to close loopholes that allowed teachers to remain in the classroom even after being charged with potentially dangerous crimes. This legislation included increased reporting requirements and criminal background checks.

#### IDOE actively supports creative innovation in schools.

- Indiana is the national leader in New Tech schools (19), making us a model for technology innovation in the classroom.
- Indiana's schools are also leaders in online testing, with 329,000 students taking an online test for the spring 2012 ISTEP+ administration.
- One hundred eight Indiana schools have implemented a one-to-one laptop or iPad initiative.
- With the new Innovation Fund Grant created in the 2011 budget, ten Indiana schools, districts, and organizations each received a portion of five million dollars to support groundbreaking new programs.
- IDOE's eLearning division actively supports local efforts to implement technology-based instructional initiatives and helps expand those that are most successful.

#### IDOE is increasing accountability and transparency.

- Eleven years after P.L. 221 became law, IDOE is implementing the accountability portion to help turn around Indiana's lowest-achieving schools. In 2012, outside managers called turnaround school operators began operating five schools which the State Board of Education (SBOE) took action to improve beginning in 2011. IDOE has also increased the support it provides underperforming schools to drive improvements locally before state intervention is required.
- In 2011, the SBOE voted to change the P.L. 221 labels to A through F letter grades, thereby simplifying and clarifying the way the state communicates school evaluation and performance. In 2012, the SBOE voted to adopt new metrics for determining these grades. The new metrics, which were vetted with education stakeholders for two years before being adopted, are far more comprehensive, and therefore transparent, than previous metrics. They consider not only student performance on state assessments, but also student growth, graduation rates, progress closing achievement gaps, and access to Advanced Placement, dual credit, technical certifications, and other opportunities that give students an early advantage toward success in college or the workforce.
- The Growth Model allows parents and communities to see clearly and fairly how well schools are educating children each year.

#### IDOE has increased customer service and aligned its resources to support student learning.

- IDOE has streamlined internal organization and functions to be more user-friendly, efficient, and better aligned to support IDOE goals and new education laws. One example is the new Office of Educator Effectiveness and Leadership which was created specifically to support schools as they implement and use educator evaluations as required under P.L. 90.
- IDOE has dramatically increased efforts to communicate directly with Indiana teachers and share important department changes, initiatives, news, services and opportunities. IDOE reaches out to Indiana's educators weekly with a variety of tools, including teacher email newsletters, social media, educator advisory groups, teacher recognition events and competitions, virtual training sessions and meetings with WebEx technology, and in-person meetings and presentations. The Office of Communications dedicates staff to the Office of Educator Effectiveness Communications and Outreach, which focuses its efforts on communicating with educators and the public about evaluations and also coordinates all direct communication to teachers on all IDOE initiatives.
- IDOE expanded the Office of School Improvement and Turnaround to ensure the success of Indiana's five turnaround academies and to increase efforts to turn around all of Indiana's underperforming schools for the students who attend them. Since 2009, Indiana has directed more than \$128 million to low performing schools to help support their efforts to improve student performance at the local level before state intervention becomes necessary.
- The Indiana Charter School Board and Choice Scholarship program have increased access to high quality educational opportunities for all Hoosier families.

IDOE is increasing and improving the avenues and career pathways for a stronger workforce.

- IDOE revamped Indiana's Career and Technical Education (CTE) system to better reflect the needs and opportunities provided in our modern workforce.
- During the 2011-2012 school year, more than 190,000 students participated in CTE programs. This is a 13 percent increase over 2010-2011.
- Nearly 6,000 Indiana high school students graduated with dual credits last year by completing CTE college and career courses, and that number is expected to dramatically increase as a result of new career pathways developed by IDOE. Dual credit arrangements with Ivy Tech Community College, Vincennes University, and several four-year universities allow students to earn as many as 22 college credits before graduating from high school.
- Indiana adopted nationally and internationally benchmarked academic standards (Indiana's Common Core standards) that are clear, deep, and represent the skills students will need for college and workforce training.

IDOE is providing instructional support and tools to improve classroom instruction and student academic growth.

- In 2009, the Indiana General Assembly passed the anti-social promotion third grade reading law with bipartisan support. The law requires all third graders to gain the foundational reading skills they need before moving on to more challenging work which requires students to be able to read to learn.
- The IREAD-3 assessment was administered for the first time in 2012. This test helps teachers identify which students need intensive reading support before moving on to fourth grade reading instruction. (84 percent of students passed the first administration of the IREAD-3.)
- Along with this new legislation, IDOE developed statewide literacy frameworks that utilize scientifically-based research and are having a positive effect on students in schools around the state.
- IDOE has developed extensive resources and is targeting support to schools around the state as they implement educator evaluations for the first time in 2012-2013.
- IDOE has developed comprehensive tool kits aligned to Indiana's Common Core standards to help educators transition to these new standards and plan their instruction more effectively.

### **Upcoming Challenges**

Efforts since 2009, and particularly the 2011 legislative reforms, have transformed our education system into one that is student focused and embraces high expectations, competition, freedom, and accountability. Our schools and educators have never been in a better position to drive student learning. In less than four years, the results have been remarkable by every measure.

Furthermore, while Indiana is in better shape economically than its neighbors, we must continue to find ways to better align our fiscal policy with our education policy. We should reward successful schools with increased funding flexibility, and we should direct more of our money to support and grow the most effective local programs and initiatives.

Nearly one-third of Indiana's students who enter public colleges and universities require remediation before moving on to credit bearing coursework. These students are far less likely to complete college or technical training, and remediation costs Indiana families and taxpayers as much as \$40 million annually. Students should get the targeted instructional support they need before graduating high school.

Finally, while we've taken dramatic steps to turn around our state's chronically low performing schools, it has become clear that many of the problems in these schools are systemic and rooted at the district level. To improve the educational environment available to more students in our underperforming schools, Indiana should take steps to hold school districts accountable for demonstrating student learning and growth.

While our students and educators have made commendable progress toward realizing and achieving our 90-25-90 goals for Indiana students, there is more work to do. To meet our goals, the state must maintain the current momentum for education reform and public interest and engagement in improving our schools.

## **How We Will Meet These Challenges**

IDOE will continue to do what it has done for the past 45 months—set high expectations, promote innovation, increase accountability and transparency, and provide the support educators need to help students succeed.

Communication and collaboration will continue to be critical to implementing our short- and long-term priorities. Ongoing work with and feedback from educators, community, legislative and business leaders, and parents and families will help us tailor the best solutions to problems in Indiana schools.

Fiscally, we must lead by example. We are committed to streamlining our services to ensure every dollar spent within IDOE is spent to support student learning and improve Indiana schools statewide.

## **Priority Requests**

1. State Tuition Support: Establishment of a school funding formula based on the state fiscal year. The formula should utilize the spring count date that has been established as a second count date. We would recommend the spring count date be used for the first six months of the fiscal year formula and the fall count date be used for the second six months of the fiscal year formula.
2. Innovation Fund(\$10 million in FY 2014 and \$10 million in FY 2015): Success with the first year of the Innovation Fund competitive grant process should be continued and expanded. The Innovation Fund aims to support path-breaking initiatives to dramatically improve and sustain student achievement and growth. Proposed initiatives can vary but must focus on educator effectiveness, college and career readiness, and/or school improvement. Priority is given to programs that will create significant short- and long-term effects on a crucial area of student need. In fiscal year 2012 the IDOE awarded 10 grants for a total of \$2.5 million; the office received more than 230 applications requesting over \$120 million.
3. Excellence in Performance Awards for Teachers Fund (\$15 million in FY 2014 and \$15 million in FY 2015): Success from the first year of implementation should be expanded to allow for more opportunities to reward excellent performance by our Indiana educators. The fund allows the IDOE to make awards to effective and highly effective teachers as identified through the local performance evaluation system that meets the requirements established by Indiana Code 20-28-11.5. Grant winners (school corporations) are selected based on legal standards as well as the quality of a corporation's evaluation system in terms of ability to accurately differentiate teacher effectiveness; support, develop and retain excellent educators; and ultimately drive student performance. Grant funding may not be used for any purpose other than allocating cash awards to effective and highly effective teachers. In 2012 the IDOE awarded \$6 million to 28 school corporations out of 70 applications.



4. Charter Facilities Fund: The Charter School Facilities Incentive Grants Program provides grants to eligible charter schools for per pupil facilities aid. The funding increase for 2014 reflects an additional \$1 million to match a federally funded grant.