



# INDIANA STATE BOARD OF EDUCATION

**TO:** State Board of Education  
**FROM:** Board Staff  
**DATE:** March 5, 2015  
**RE:** Ball State Authorized Charter Schools – Hoosier Academies and Options Charter School in Noblesville

**Short answer:** The State Board of Education (“SBOE”) has a legal duty to determine the proper action, if any, to take with respect to an authorizer that has one or more charter schools that received an “F” grade four consecutive years (unless the authorizer does not renew the charter or closes the school). The SBOE may hold a hearing, and if so, has a range of statutory actions it could take. After a hearing on the matter, if the SBOE deems that there is sufficient justification for the charter school’s performance, the SBOE may choose not to take action.

Staff recommends the SBOE not take action at this point, based on the fact that Hoosier Academies (“Hoosier”) and Options Charter School in Noblesville (“Options”): 1) both have a substantial enrollment of students with special challenges, and 2) both serve a high mobility student population resulting from the specific purpose of each school.

## I. Applicable Laws

The Indiana Code was recently amended within the past few years to create SBOE oversight over charter authorizers in Indiana. A general overview is useful here. First, IC 20-24-2.2-2 sets the minimum school performance standards that must be included in a charter agreement for renewal and to avoid revocation: that a school must not receive an F for four consecutive years.

Second, IC 20-24-2.2-3 gives the SBOE discretion to require an authorizer to appear at a hearing if the authorizer has renewed the charter of or failed to close a charter school that has been designated an F in its 4th straight year. After the hearing, unless the SBOE finds sufficient justification for the charter school’s performance, the SBOE may implement one or more of the following:

- transfer the school to a different authorizer
- order the school to close at the end of the school year
- order the reduction of administrative fees

Finally, in deciding whether a sufficient justification exists, requiring no action to be taken by the SBOE, IC 20-24-2.2-3 states the SBOE must consider the following:

- the enrollment of students with special challenges, such as alcohol addiction; prior withdrawal from school; prior incarceration; or other special circumstances
- high mobility of the student population resulting from the specific purpose of the charter school
- annual improvement in the performance of the students enrolled in the charter school compared to the performance in the preceding year

## II. Applicable Facts

Ball State is the authorizer for Hoosier, serving grades K-12, and Options, serving grades 9-12, and both have four consecutive “F” grades. Consequently, a hearing was conducted on January 7, 2015, wherein Ball State presented orally to the SBOE and provided paperwork containing pertinent information about Hoosier and Options. Also, on February 4, 2015 Hoosier presented to the SBOE in a second hearing.

In a letter dated January 27, 2015, Ball State requested that it be permitted to continue reviewing and monitoring both schools under its academic, financial, and organizational frameworks.

In the aforementioned letter, Ball State also said the renewal of Hoosier’s charter is for the 2015-2016 school year, after which a review will be conducted to determine if improvement has been made. Concerning Options Charter School, Ball State is requesting to continue its oversight given the special population it serves.

### A. Hoosier

Ball State and Hoosier’s presentations provided useful insight into how Hoosier operates, and the population of students it serves. During the January 7 meeting, Dr. Robert Marra, Executive Director of the Office of Charter Schools at Ball State, presented to the SBOE, and also provided written materials. Dr. Byron Ernest, from Hoosier, also presented orally and with written materials at the February 4 meeting. Hoosier is a hybrid school in which some students are attending physically and some are attending virtually. The evidence presented showed that:

- Turnover
  - In 2013-14, 66% of students were enrolled for less than a year

- Of the students enrolled less than a year, 21% of students were enrolled two months or less and 56% were enrolled for five months or less
  - In 2013-14, 29% of students were enrolled for a year
  - 5% of students were enrolled for two years or more as of the 2013-14 school year
- Students with Special Challenges and Circumstances
  - Hoosier aims to be a short term solution for many students who face unique and challenging circumstances, like bullying, health concerns, students that have fallen behind, or a student pursuing an unusual endeavor requiring more flexibility
  - Individualized improvement plans, as well as the alternative programs provided by Hoosier attempt to address academic deficiencies, particularly as they relate to a diverse and complex student body
- Performance
  - The ISTEP data provided shows that the Hoosier student passing rate in 2013-14 was 45.80% (55.20% in ELA and 55.50% in math); the passing rate in 2012-13 was 44.80% (55.70% in ELA and 55.10% in math)
  - Ball State had Hoosier submit a plan that they believe will help students and improve metrics
  - Ball State is doing its due diligence in monitoring Hoosier, and if the performance metrics do not improve within the next year (the final year of its current charter agreement), Ball State will ensure there are consequences
  - Ball State is conforming to national standards on monitoring and oversight
  - Hoosier utilizes a turnaround approach and data driven instruction

## **B. Options**

Options is an alternative school with a mission and core beliefs that align with attracting students who qualify for an alternative education. The following evidence was provided by Ball State regarding Options:

- Turnover
  - In the 2013-14 school year, over 50% of students who withdrew had been at the school less than a year
    - Of the students enrolled less than a year, 44% were enrolled for two months or less

- In the 2012-13 school year, 66% of students who withdrew had been at the school less than a year.
  - Of the students enrolled less than a year, 51% were enrolled for two or less months
- In the 2011-12 school year, 60% of students who withdrew had been at the school less than a year.
  - Of the students enrolled less than a year, 52% were enrolled for two months or less
- Students with Special Challenges and Circumstances Options' mission is to provide a caring community to students seeking an alternative to the traditional high school program, enrolling students with special needs and challenges.
  - Special needs and challenges include drug or alcohol addiction, prior withdraws, or intent to withdraw from school (approximately 18% of students), prior incarceration, academic struggles (approximately 63%), students who are parents or expecting parents (approximately 10%), students who must work, and other special circumstances
  - In 2013-14, 31% of Options' students were special education students, which is similar to previous years
  - Options has programs designed to help students who are dealing with special circumstances
    - Some examples include:
      - An initial Assessment to determine the best-fit program.
      - A personal Advisor.
      - Targeted programing for specific student needs.
- Performance
  - The following NWEA growth information was provided by Ball State:
    - In 2012-13, 10th grade students were in the bottom 1 percentile in performance, but grew more than 99% of students nationwide in 10th grade.
    - In 2010-11 and 2011-12, 10th graders were low performing in proficiency, but achieved average growth in comparison to 10th graders nationwide.
  - Ball State provided the following additional data:
    - 2014-2015 Projected Best Case - If 100% of the 10th grade cohort passes
      - Combined English 10/ISTAR pass rate is at 77%
      - Combined Algebra I/ISTAR pass rate is at 62%
      - Four year graduation rate is at 28.4%

- The percentage of graduates that receive CCR credit is at 10.5%
- 2013-2014 Best Case - If 100% of the 10th grade cohort had passed
  - Combined English 10/ISTAR pass rate is 52%
  - Combined Algebra I/ISTAR pass rate is 48%
  - Four year graduation rate is 28.4%
  - The percentage of graduates that earned CCR credit is 10.5%
- In 2015, there were 11 students in the cohort; 1 passed math and 4 passed ELA
- In 2014, there were 24 students in the cohort; 8 passed math and 7 passed ELA

### III. Conclusion

IC 20-24-2.2-3 states that the SBOE must consider 1) the enrollment of students with special challenges, such as alcohol addiction; prior withdrawal from school; prior incarceration; or other special circumstances, 2) high mobility of the student population resulting from the specific purpose of the charter school, and 3) annual improvement in the performance of the students enrolled in the charter school compared to the performance in the preceding year, as factors to consider when determining whether there is a sufficient justification for not taking punitive action against the authorizer.

Both Hoosier and Options have received four straight “F” grades, and both schools must strive to improve performance going forward. However, these schools serve populations of students with very high mobility, and students facing difficult and even daunting circumstances.

These schools perform important functions by giving students a chance to continue their education when they otherwise may not have been able to, and they allow students to take advantage of programs tailored to the special circumstances they are faced with.

### IV. Recommendation

Staff recommends the following: 1) that the SBOE finds there is sufficient justification so that no SBOE punitive action against Ball State is required at this time, 2) that the SBOE determines that this decision, and others like this, are fact-sensitive and therefore do not set precedent, and 3)

to the extent that these schools remain in the “F” category in the future, the SBOE retains authority to take up this matter in a year to review improvement and other factors.