

*Charter School Facilities Incentive Grant: Keys to Quality*

Project Narrative (CFDA Number 84.282 D)

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Indiana is proven ground for some of the most innovative and high-quality charter schools in the nation. We believe we are well positioned within the priorities of the 2019 Charter School Facilities Incentive Grant (CFIG) and address the competitive priorities in ways that will lead to an increased capacity at the local level to navigate the challenges of facilities funding to support high-quality charter schools. The tools that will be provided as part of this grant opportunity will ensure Indiana's charter school leaders and staff have more time and capacity to focus on maintaining strong instructional leadership in their schools to ultimately increase equitable access to high-quality charter schools across the state.

Indiana successfully applied for Charter School Program (CSP) grant funding in 2010 and 2017. Upon concluding both CSP awards, the state will have allocated over \$[REDACTED] in start-up, implementation, and technical assistance funding to provide financial assistance for the planning, program design, and initial implementation of dozens of new charter schools, many of which otherwise would not have been able to open their doors, or to keep their doors open in the initial critical years of operation.

Indiana has a long track record of supporting school choice policy and legislation. As federal regulations shift to evidence based best practices, Indiana's robust longitudinal data set within a school choice landscape makes us uniquely positioned to better understand the impact of school choice on student outcomes. Our small number of diverse charter school authorizers provides the opportunity to perform deep dives into their practices as a way to reduce the number of poor performing charter schools and enhance the quality of authorizing practices statewide. Indiana is home to a flourishing charter school sector that embraced innovation and quality, leaving us with charter schools that often outperform their traditional public school corporation counterparts and have wait lists. Finally, Indiana's educational non-profit organizations are

poised and ready to support charter schools with resources and technical assistance as they navigate incubation, replication, expansion, or improvement.

### **Selection Criterion A: Need for Facility Funding, A(1) Indiana's Need for Per-Pupil**

**Charter School Facility Funding** Legislation establishing charter schools in Indiana was first passed in 2001 (Public Law 100-2001). In 2002, the first year of implementation of the law, twelve (12) schools were chartered that enrolled a total of 1,271 students, approximately .01% of the state's total public school population at that time. By the 2018-2019 school year, these numbers had grown to one hundred three (103) charter schools, enrolling approximately 49,814 students, which represents 4.36% of Indiana's total student population.

In fiscal year 2017-2018, traditional public school corporations reported over 2.832 billion dollars in state facility expenditures derived from the collection of local property taxes.<sup>1</sup> This funding provides for debt service payments and capital projects, and can offset loans borrowed to build, renovate, or purchase school buildings. It also addresses the purchasing need for replacement of school buses and transportation costs. Charter schools, as public schools, require a similar number of resources but do not receive the \$████ on average, of per-pupil facilities funding through local property taxes that traditional public school corporations expend. Currently, only the highest-performing charter schools receive any facility funding at all, a \$████ per pupil figure [increased to \$████ per pupil in 2019-2020]. This represents a fraction of the overall resources provided to traditional public schools, whereas traditional public schools are at a facility funding advantage of 5:1. Although Indiana continues to be ranked #1 in its charter school laws by the National Alliance for Public Charter Schools (NAPCS), the report notes the

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<sup>1</sup> Indiana Department of Education (2019). Form 9 financial reports. Retrieved from IDOE Office of School Finance public records request.

biggest area for improvement is Indiana's efforts to close the inequitable funding gap between charter schools and their counterparts.

Hamilton Community Schools, a traditional public school corporation located in far northeast Indiana with nearly 300 students enrolled, expends over \$[REDACTED] per student in facility funding per year. Their community exhibits a poverty level of 44.3%, which is less than the state average of 47.4%. Similarly, Tri-County schools, a northwest Indiana public school corporation with 700 students enrolled, reports over a [REDACTED]0 per pupil in facilities expenditures per year, with a similar lower-than-average poverty rate of 40%. In contrast, the highest per-pupil facility funding awarded to a charter school was \$[REDACTED] which is 5% of the highest per-pupil facility funding awarded to a traditional public school corporation.

The traditional public school corporations with the highest per-pupil facilities expenditures are typically rather small school corporations. These communities often have a wide geographic area to cover without the benefit of the economy of scale that would lower the cost of goods and services present in much larger school corporations. However, this represents a very similar demographic to charter schools. The need for higher per-pupil facility funding exists when schools are smaller, as the cost of typical school services are substantially higher, such as cafeteria space that can equally host 200 students or 600 students via three shifts. If charter schools were treated equitably with traditional public schools in terms of facility and bus funding provided by the state, the 49,814 students enrolled in charter schools would generate \$[REDACTED] rather than the current \$[REDACTED] provided to charters for facilities. Since the need for buildings, utilities, rent, debt, and more must come from somewhere, charter schools are reducing instructional and support services for their students to provide for costs that traditional public schools would otherwise receive through local property tax dollars.

Couple this with the high rate of at-risk students that enroll in charter schools, which is the impetus for this application. In an analysis of charter schools in Indiana in 2012, the Center for Research on Educational Outcomes (CREDO) at Stanford University found that public charter schools in Indiana enroll students with significantly greater academic needs than the state average.<sup>2</sup> A subsequent analysis of 2016-2017 student enrollment data in Indiana confirms that, compared to comparable traditional public schools, Indiana charter schools serve a greater percentage of students who qualify for free or reduced priced meals and students that identify as a minority. Like-traditional public schools serve a greater percentage of students for whom English is a second language. Both school types serve a similar percentage of students with special needs. As of the 2018-2019 school year, charter schools in Indiana served a student population with an average free/reduced meals rate of 72.04%, whereas traditional public schools served an average free/reduced meal percentage of 47.68%. Similarly, Indiana charter schools serve significantly higher proportions of minority students, with average minority enrollment at 59.81% while traditional public schools serve an average of 31.43% minority enrollment. Schools with high-need populations, especially with proven track records of meeting those needs, require robust services.

This argument is not to state that traditional public schools are overfunded, but rather that Indiana can utilize this federal funding to consider equitable facility funding for charter schools with a demonstrated track record in delivering high-quality services to students. One of the more difficult tasks for Indiana charter schools is finding a permanent facility. Many Indiana charter schools use their community relationships to secure a temporary space in leased school

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<sup>2</sup> Raymond, M. Ph.D., et al. (2013). National Charter School Study. Center for Research on Education Outcomes, Stanford University, Stanford, CA

buildings, shopping malls, churches, and community centers. 73% of new charter schools opening in the 2019 – 2020 school year will be sharing their school building with at least one other organization. For example, this coming academic school year, the new Paramount Engelwood will share a building with Invent Learning Hub until a more permanent facility is available. Then, they plan to co-locate with Purdue Polytechnic High School North in 2020 – 2021.

Furthermore, when Indiana shifted the funding mechanism of education from the local level to the state, local communities were permitted to petition its voters for additional funding. Public Law 146, passed in 2008<sup>3</sup>, established referenda for school construction and general fund levies as a mechanism of school funding for traditional public school corporations. Also, Indiana established a base student tuition support figure with a complexity index for students receiving certain government benefits. When traditional school corporations believe they need additional funds for construction, debt service, or the provision of instructional and related services, they petition their communities for additional funds, especially if beyond established tax caps. Since 2008, school corporations have petitioned 198 times for increased property taxes, with a passage rate of 62%. These referenda generated billions of additional funds. This option does not exist for charters.

A recent bill in the 2019 Indiana General Assembly session proposed to share property tax referenda initiated by traditional public school corporations with the charter schools within their geographical boundaries. The bill, HB 1641, was amended to remove this provision, likely due to the logistical concerns raised by traditional public school advocates. Currently, referenda

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<sup>3</sup> Center for Evaluation and Education Policy. (2019). Retrieved from [http://ceep.indiana.edu/policy/tools\\_resources/DISR.html](http://ceep.indiana.edu/policy/tools_resources/DISR.html)

are the responsibility of the traditional public school corporations to run, campaign, and then manage if successful, as the mechanism is only available to traditional public school corporations. The per-pupil facilities funding from the state is the designated mechanism to close the gap in funding between traditional public schools and charter schools, as charter schools enroll students across multiple geographic areas. A charter school located within one traditional public school corporation but that enrolls students from multiple geographic areas, as many charters do, may not receive adequate financing if solely based upon the geographic area in which the building is located.

Due to the lack of school transportation and bus replacement funds, most Indiana charter schools do not offer transportation unless legally required for specific student groups, like students with disabilities or homeless children and youth. As such, school choice can be further limited for students who are highly mobile or in poverty. A study by the Urban Institute shows that the availability of transportation can positively affect students' ability to get to school on time, the number of absences, availability of students to participate in before and after school activities, and students' overall academic performance. Research from the Urban Institute also indicates that providing transportation can provide access to a broader range of high-quality schools, including schools that have bi-lingual education programs, broader diversity, and more wide ranging support for students with disabilities<sup>4</sup>. Although the federal charter school incentives funding cannot be used to purchase buses or provide transportation, the state matching funds can. The use of the federal funds to incentivize the state matching funds will provide equity in access to high-quality education, as children cannot learn at high levels if their attendance is poor.

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<sup>4</sup> Urban Institute Student Transportation Working Group. Urban Institute. (2017). pgs 5, 6.

One current remedy that the Indiana General Assembly has offered to charter schools to address facility needs is Indiana code 20-26-7-1, or better known as the \$1 law for unused facilities. This statute requires traditional public schools to notify IDOE within ten days of passing a resolution to close or no longer use a current building for instructional purposes. IDOE then notifies charter school authorizers of the vacant building, and charter school leaders have 30 days to submit a preliminary request to purchase or lease the building for \$1 from the traditional public school. Although this law, in spirit, allows for the reuse of available buildings at essentially no cost, in practice it is not very effective. In the past three years, only one vacant building has been claimed through this process per IDOE records. Rather than solely for declining enrollment, traditional public schools also make the decision to close a current building because it is in disrepair or expensive to maintain. If declining enrollment is the rationale for closing a building, traditional public schools will often redistrict so newer buildings, or those in better shape, are utilized at higher capacity and the least effective physical building is the one that is closed. Charter students deserve the ability to learn in a high-quality space just as their traditional public school peers do, and the use of vacant buildings typically does not suffice. The facility funding through *Keys to Quality* will allow for more capital to invest in renovation to bring these unused facilities up to a 21st century learning environment, or provide for the purchase of a new or alternate space.

**A(2) Funding Charter School Facilities on a Per-Pupil Basis** The *Keys to Quality* grant proposal will facilitate the development of a funding mechanism that follows the enrollment of the child, in a similar manner to other state-level funding. Indiana will allocate the federal funding on a per-pupil basis to complement and expand the existing state program established under IC 20-24-13 with several key distinctions, described in section (B)(3). As charter schools



become more established, a steadier revenue funding stream is often available, but not guaranteed, to support some facility needs, such as fundraising through the private sector.

IDOE will determine which charter schools meet the established eligibility criteria, and divide the total available funding by the DOE-Pupil Enrollment (PE) count per school to determine a figure to allocate each year, such as \$[REDACTED] in additional facility funds per enrolled student. In order to receive the CFGF funds, a charter school must place in the "Exceeds Expectations" or "Meets Expectations" for the overall accountability determination. These categories are established by the Indiana ESSA plan. Charter schools that receive an "Exceeds Expectations" will receive funding preference, at an expected 1.5 rate of charters which receive meet expectations. Schools that are adult high schools beyond the typical K-12 population, virtual schools, charters that receive a pro rata share of local property taxes (which currently are zero but may exist in the future), or have no accountability history are ineligible.

**Selection Criterion B: Quality of Plan, B(1) New Per-Pupil Facilities Aid Program**

The CFGF opportunity would build on Indiana's current expansion in investments for charter school facility options. Indiana has continued investment in state funding for charter school facility funding with the Charter and Innovation Network School Grant Program, as authorized by IC 20-24-13. In the most recent biennial legislative budget session, this program's funding was increased from \$[REDACTED] to \$[REDACTED] annually. The per-pupil allocation was also increased from [REDACTED]. When first enacted in 2015, the program allocated [REDACTED] for this purpose. Indiana is in a prime position to not only continue, but to expand the funding available to ensure equitable access to facilities funding for Indiana's charter sector, as the Indiana General Assembly has shown an interest in expanding this funding stream. The federal CFGF funding will complement this trend by ensuring the state funding eligibility and allowable activities are maximized with a focus on quality over quantity. The significant investment on

behalf of the state not only demonstrates the existing need, it will also ensure compliance with section 4304(k)(2)(C), requiring a state share of the cost of the program. The total cost of the project would [REDACTED] funds [REDACTED]).

**B(2) Charter School Flexibilities** Indiana is a proven leader in balancing the necessary flexibilities afforded to charter schools with high levels of accountability. Indiana has fiscally and legally autonomous charter schools with independent charter school boards. Furthermore, state law provides automatic exemptions from many state laws and regulations. Some flexibilities afforded in statute to the existing state facilities funding include the ability to receive a grant without additional application if a charter school meets the state-defined eligibility criteria. These flexibilities are vital to ensuring access to facilities funding in a way that minimizes the burden and makes charter school facilities funding as accessible as possible. Similarly, IDOE will make the federal funding available on a formula basis, without the need to compete, for high-quality charter schools with demonstrated success. Minimal applications will be provided by eligible charters to IDOE to ensure only allowable activities are approved with the funding, and that all federal fiscal rules required by EDGAR are followed. Allowable subgrantee activities will include: (1) Rent; (2) Purchase of a building or land; (3) Construction; (4) Renovation of an existing school facility; (5) Leasehold improvements; or (6) Debt service on a school facility. Charter schools may not use these grant funds for purchasing land when they have no immediate plans to construct a building on that land. Administrative expenses are capped at 5% of the award.

**B(3) Applicant Identification and Eligibility** The *Keys to Quality* per-pupil funding will strongly focus upon established charters which present high-quality plans, especially those with

the highest-levels of academic performance. The current state program provides the additional per-pupil funding for a wide-range of charter schools, which not all require demonstrated performance. For example, charter schools that receive an ‘F’ in the state accountability system can still receive state facility funding as long as the nearest traditional public school is also an ‘F’. IDOE’s CFG application targets high-performing charters rather than providing additional funding for very poorly-performing charters to continue to operate.

The *Keys to Quality* proposal will only mirror the state program for one criterion focused upon accountability metrics, but IDOE will utilize the federal accountability metrics. Preferred funding will be provided to charters at the highest level of performance. IDOE favors school choice when it focuses upon quality over quantity at established charters with demonstrated performance. The eligibility being limited to schools that perform at the Exceeds Expectations or Meets Expectations levels, as determined by their federal grades, ensure that schools are rewarded for excellent performance. Targeting the funding is especially important when education funding for public schools as a whole remains insufficient. The state criteria, which allocates funding for new charters without a positive track record or for underperforming charters, do not meet the quality performance metrics set within the *Keys to Quality* proposal and therefore will not be implemented. All schools must be held accountable for their academic performance, including those who specialize in meeting the needs of various student groups.

Several types of charter school will be ineligible for the CFG funding. Virtual schools do not have facility needs. Indiana has many adult high schools beyond the typical K-12 population, but are not incorporated into this application due to the federal definition of a charter school and its focus upon the typical K-12 population. Furthermore, charters that receive a pro rata share of

local property taxes, which currently are zero but may exist in the future, or have no accountability history are ineligible.

All applicants will receive an initial screening by IDOE staff to confirm eligibility based on the accountability criteria of Exceeds or Meets Expectations. Applications that satisfy these criteria will be reviewed by a panel of reviewers to determine the quality of the plan, whether the federal funding will support the project's expected outcomes, and allowability of the proposed expenditures. All peer reviewers will demonstrate experience in charter school operations. Each application will receive at least two (2) peer reviews. A reviewer training process will be established to address what criteria are allowable to judge applications and to ensure inter-rater reliability.

**B(4) Reaching Applicant with Greatest Need** An analysis of charter schools in Indiana by the Center for Research on Educational Outcomes (CREDO) at Stanford University found that public charter schools in Indiana enroll students with significantly greater academic needs than the state average.<sup>5</sup> This trend continued into the 2018-2019 school year; Indiana charter schools continued to enroll educationally-disadvantaged students at significantly higher rates than their traditional public school counterparts. Statewide, charter school enrollment of students receiving free or reduced-price meals was 72.04%, compared to 47.68% in traditional public schools. Minority students also enroll in charter schools at a much higher rate of 59.81% in charter schools and 31.43% in traditional public schools. Almost by default, the facilities aid this grant opportunity will make available will support some of the highest-need schools in the state.

High-performing Indiana charter schools serve high-need student populations and are

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<sup>5</sup> Raymond, M. Ph.D., et al. (2013). National Charter School Study. Center for Research on Education Outcomes, Stanford University, Stanford, CA

pivotal in providing quality choices for students and families across the state. However, we will further ensure the schools with the highest need through targeting funding for schools in a Qualified Opportunity Zones (QOZ), or areas experiencing high rates of economic distress. Currently, the Internal Revenue Service has identified 156 QOZs in Indiana. IDOE will target resources to the highest-need schools, with a proven track record, by providing funding preference to charters that serve any of the 156 QOZs. In an effort to ensure support is also available to schools that do not meet eligibility for *Keys to Quality*, but are still in need of support for improvement, IDOE will prioritize the technical assistance and support activities detailed in this grant. This will include optional participation in audits of physical space to improve instructional, support services, and safety capacity. As such, an additional 11 QOZs, may also be served in this manner. This brings our total of schools that we propose to serve to 40, representing 117 QOZs and 75% of the overall number. The remaining QOZs do not have any nearby charters that serve their geographic areas.

As the NAPCS identified in their 2012 survey on facilities, maintaining adequate facilities is a significant issue facing charter schools, with 56% of schools lacking access to adequate facilities for projected five-year enrollment. Through CFG and state facilities aid, steady access to funding for high-quality charters will allow school leaders to truly focus on their role as instructional leaders for the school, which should lead to improved or maintained levels of positive academic performance.

**B(5) Evaluation** An evaluative approach will be at the core of the facilities grant program implementation. IDOE will reserve [REDACTED] over the project period of 5 years to conduct a thorough and rigorous mixed-methods evaluation of the program, which will include both formative and summative components. In order to measure program implementation, as well as

the extent of grant-funded activities on the outcomes, IDOE will collect data from a variety of sources, including student records, financial audits and school quality rubrics. The project team has experience in grant program evaluation that will translate directly to the CFG program. There will be a comprehensive evaluation plan, both internal actions by IDOE and activities performed by an external evaluation partner, that evaluates both subgrantee and SEA-level actions to ensure best practices and areas of needed refinement can be identified.

An important metric for success will be the quality of implementation activities undertaken at the SEA level. Internal IDOE evaluation will scaffold around the performance measures included at the end of Selection Criterion E: Quality of the Project Evaluation. Achievement and growth toward these performance measures will be tracked and reported via the annual performance report (APR) to the U.S. Department of Education. Gina Romano, our internal Senior Data Coach Specialist, will work with the project team to ensure best practices in data analysis of school performance and assist with making data-informed decisions. The external evaluation partner will also include SEA staff in the evaluation process. Current evaluation efforts that are a part of *Quality Counts*, Indiana's Expanding Opportunities Through Quality Charter Schools Program (CSP) grant for state entities, will serve as a model for this grant. These include interviews with IDOE staff to better determine what worked, what did not work, and what are the lessons to be applied to future grant implementation. Each subgrantee will be responsible for identifying specific goals as part of their application for CFG funding. These goals will be evaluated by the peer reviewers to ensure they are aligned to proposed activities and they are ambitious yet achievable. Each subgrantee will sign assurances to comply with all IDOE data requirements, which will drive reporting and evaluation activities. Additionally, ongoing evaluation and support will be part of the IDOE subgrantee monitoring;

grantees will be required to demonstrate achievement or growth toward achieving their stated CFG application goals. Each subgrantee will receive an on-site monitoring by IDOE CFG staff within twelve months of awarding with subsequent on-site, desktop, or fiscal monitoring to be determined based on a risk assessment.

**B(6) Personnel and Technical Assistance** CFG will be administered by IDOE's Title Grants and Support division, Office of Charter Schools. Funding will be reserved for FTE personnel to carry out the project. This professional team, has direct charter school experience and traditional public school district experience involving a number of competitive and entitlement federal grants. As evidenced by the letters of support in Other Attachments, stakeholder support from numerous agencies including the State Board of Education, authorizers, charter school organizations, and nonprofit organizations is on firm footing with strong existing relationships to accomplish the stated goals. With backgrounds in migrant education, special education, community engagement, and English language development, coupled with successful experience in managing federal grants, this project management team will ensure a student-centered and equitable approach to facilities funding for charter schools.

The Office of Charter Schools currently administers IDOE's \$ [REDACTED] 2017 Charter School Program (CSP) *Quality Counts* grant, with a goal of funding 60 charter school subgrants during the grant award period. Through *Quality Counts*, the capacity-building activities carried out thus far for both charter schools and authorizers will be instrumental in CFG administration. The technical assistance efforts that have been implemented in partnership with schools, charter school authorizers, and charter school support organizations, such as the Mind Trust and the Indiana Charter School Network have forged strong relationships that will be vital to ensuring CFG success. Please see Optional Attachments for the individual resumes of the project team.

Technical assistance will be essential to the program success and will improve the entire charter school ecosystem. Similar to the implementation of *Quality Counts*, there will be a concerted effort to ensure charter schools are supported in all facets, from the SEA, authorizers, charter management organizations, to school leaders and staff. Activities for technical assistance will include a multi-faceted approach including expert partnerships and IDOE support. Professional development activities in the areas of school safety, mental health, and public wraparound services, will be implemented to ensure training in best practices for Indiana charter schools. An external partner with demonstrated charter school facilities expertise will be contracted to complete a comprehensive needs assessment and survey in order to accurately assess the needs of the field. These needs will then inform the technical assistance activities provided to the Indiana charter school community. Contracting with this partner will also provide deliverables to charter schools, authorizer staff, and organizations that support charter schools, such as the Indiana Charter School Network. Some of the recognized needs in the field include social emotional health and learning (SEL), school safety, and social work and wraparound services for the most at-risk students. These resources will be provided through many mediums including digital and in-person trainings, customizable tools, guidebooks, and how-to video tutorials. Every effort will be made to ensure resources are accessible by all and develop skills broadly across school staff, rather than concentrating knowledge only among a few top-tier school staff.

In order to assure that grantees are putting the education of students first, IDOE will be including instructional audits during monitoring. Facilities will need to have the technological infrastructure in place to make sure students have internet access. IDOE will also make sure schools have the highest level of building safety, including surveillance, secure doors in addition



to alarms that alert students and staff during inclement weather and other safety risks. Indiana has already established support for social emotional learning in the field, and will continue to make strides in supporting this area through these grant funds. Grantees will be encouraged to provide a safe environment and space for addressing the social and emotional needs of their students. Educating the “whole student” also involves understanding their access to basic human needs, such as food and clean clothes. These can be provided by in-school food banks and laundry facilities. Student service areas will assure basic needs of students are met at school to further close the opportunity and equity gap for access to a high-quality education. Technical assistance in supporting the development of such wraparound services will be innovative, video tours and interviews with schools like Steel City Academy and Urban Act Academy that already provide such resources, hosting organizations that provide support in establishing such programs in monthly “Charter Chat” webinars, and supporting schools’ projects to implement these programs through funding as allowable. The IDOE Office of Title Grants & Support provides technical assistance in these areas during the statewide TitleCon Conference. Additionally, the nationally recognized Office of School Building Safety hosts two statewide conferences to share school safety best practices. The Office of School Nutrition also provides professional development that include summer, afterschool, and healthy food distribution.

**B(7) Demonstrates a Rationale** The purpose of CFG is to supplement those who received the *Quality Counts* grant that Indiana was awarded. Funds from *Quality Counts* are directed at increasing the number of high quality charter schools throughout the state, as well as goals of serving diverse populations, such as students eligible for free or reduced priced meals, and targeting resources to those charter schools with the greatest need. The main goal of CS FIG funds is to improve facilities, which will encourage improved learning environments and student

outcomes. The following three objectives will meet the overarching goal: (1) Increase the number of high quality charter school facilities statewide; (2) Support charter school grantees to be academically successful, and (3) Prepare and support charter schools to serve diverse populations and close the achievement gap between subgroups. As such, we will measure the extent that high-quality facilities improve educational outcomes. Further description of this process are located in section E2:

The objectives of Indiana's *Keys to Quality* grant are: (a) to improve consistency of high quality authorizing statewide to reduce the number of poor quality charter schools, (b) increase the number of high quality charter schools statewide via incubation, replication, expansion, or improvement, (c) provide support specific to building the capacity necessary for the Indiana charter school sector to access a variety of facilities funding, and (d) evaluate the impact of increased access to charter school facility funding on Indiana student outcomes.

**Selection Criterion C: The Grant Project Team C(1) Qualifications and Relevant Training of Grant Project Team** As exhibited by the numerous letters of support provided in the Optional Attachments, the grant project team is well-respected and collaborates at a high-level with other key charter organizations in the state. Indiana's State Superintendent, Dr. McCormick, prioritizes hiring excellent practitioners with experience in the fields they serve, which you see below in the staff descriptions. The current state facility funding is managed by the State Board of Education (SBOE) Executive Director Brian Murphy, whose letter of support states SBOE is fully supportive of IDOE's application, and looks forward to working with Dr. McCormick and IDOE team to implement the funding. Several authorizers also lend their letters of support in authenticating IDOE's ability and expertise to carry out this project, including the Indiana Charter School Board (ISCB) and the Mayor of Indianapolis, which has been cited by Stanford

University for its outstanding performance by a municipality. The Mind Trust, which is an Indianapolis non-profit known nationally for its role in charter school philanthropy, is excited to stand in the support of quality charter schools alongside IDOE. Lastly, two high-performing ‘A’ local charter schools also provide their support, and praise for the quality charter school support that exists at IDOE.

For resumes of all project team members, please see Optional Attachments. **Project Director: Nathan Williamson (.05 FTE of CFGI)** Nathan serves as the Director of Title Grants and Support and has been in his current position since January 2017. He oversees Titles I, I-C, I-D, II, III, IV-A, 21<sup>st</sup> Century Community Learning Centers, McKinney-Vento, and Rural, Low Income School grants, in addition to serving as Project Director for Indiana’s 2017 CSP *Quality Counts* grant. The position of Director of Title Grants and Support requires a high degree of expertise with direct administration of a wide range of federal and state grants while maintaining the ability to communicate about the specific grant requirements to ensure the field has the capacity at the local level to ensure effective subgrantee implementation. These skills will transfer easily to implementation of the CFGI and his experience will be a major factor for success. In addition to being a Certified School Improvement Specialist, Nathan also holds a current Indiana Principal license and received his Master’s in Language Education, and has served on several Indiana and national boards focused upon education.

**Assistant Project Director: Austin Cole Dietrich (.10 FTE of CFGI)** Cole serves as the Assistant Director of Charter Schools and Special Programs, overseeing Title IV-A, 21<sup>st</sup> Century Community Learning Centers, Rural-Low Income School grants, in addition to Indiana’s 2017 Charter School Program: *Quality Counts* grant. He and his team also assist with Title I, II, and III grant approvals for newly opened charter schools. Prior to his work at IDOE,

Cole served as the K-8 Spanish and English Language Learning Coordinator at Paramount School of Excellence, a high-performing charter school in Indianapolis. He then transitioned to the IDOE to help oversee the English Learning and Migrant Education programs before establishing the Office of Charter Schools and Special Programs. Cole is a Certified School Improvement specialist and has a Master's of Arts in teaching and is currently enrolled in a Master's of Business Administration program with a specialization in educational leadership. He will serve as the immediate supervisor of the grant specialist team administering the day-to-day operations of the CFG. He will coordinate all grant activities in conjunction with the project director and senior IDOE management.

**Senior Data Coach Specialist: Gina Romano (Non-CFIG funding)** Gina serves as the Senior Data Coach Specialist at IDOE. She is a current doctoral candidate in Inquiry Methodology at the Indiana University School of Education. Gina joined IDOE with nearly ten years of experience in research and analytics. In her current role, Gina works collaboratively across teams at IDOE in order to create an effective data analysis framework in addition to providing support to LEAs and grantees to implement evaluative frameworks, improve data collection processes, and improve their data analysis processes and procedures. Gina brings a background of data analysis in a variety of contexts with a focus on using data collection and analysis to improve existing processes and procedures. As a lead internal evaluator, Gina has a wealth of experiences with charter school data. She has led a number of research and evaluation projects of charter school performance across Indiana. She brings a knowledge base of best practice implementation in charter school contexts.

**Chief of Staff: Dr. Kelly Wittman (Non-federal funding).** Dr. Wittman serves as the IDOE Chief of Staff and brings a diverse set of educational leadership skills to the project

management team. She previously served as the Chief Academic Officer for the Department. She contributes over 20 years of experience in education administration and leadership to the project management team. Kelly plays an integral role connecting the team to many external support partners in addition to serving as the main political liaison for the Department's interests. Much of the success of grant implementation at the state level depends on alignment in priorities and systems building efforts; Kelly will be vital to this collaboration. **Chief Academic Officer:**

**Dr. Ken Folks (Non-federal funding).** Dr. Folks contributes over 30 years of education leadership experience to the project team. As current Chief Academic Officer, he oversees the IDOE divisions of Title Grants and Support, Special Education, School Safety, and School Improvement. As a former superintendent, Ken has experience spanning a wide range of federal grants in addition to his organizational management and school safety expertise. **Chief**

**Financial Officer: Tracy Brown (Non-federal funding).** As CFO, Tracy brings over thirty years' worth of financial and accounting experience to the project management team. As CFO, Tracy will help coordinate the fiscal oversight and management of the CFGI grant. During her tenure with IDOE, Tracy has worked with a number of federal grants and has a great deal of familiarity with the administrative procedures including reporting of data to the federal award agency (CSPR) and ensuring grant processes and procedures are in compliance with federal fiscal requirements, which will undoubtedly contribute to the successful implementation of the CFGI.

**C(2) Staffing Plan for the Grant Project Charter School Specialist: TBD (.75 CS FIG FTE)**

Upon final award notification, IDOE will post a request to hire a Charter School Facilities Specialist. At a minimum, candidates must have a bachelor's degree, experience in education, and direct experience working in a charter school, charter school authorizer, or charter

management organization to ensure the staff member administering the day-to-day activities of the grant will have adequate knowledge of and experience working within the charter school context. The project director will be funded at .05 FTE, and assistant project director at .1 FTE. Finance controllers will oversee the purchasing, invoice, and fiscal processes at .1 FTE. Considering the size of this award, IDOE believes that 1.0 FTE is sufficient to carry out the project, as other IDOE team members manage awards of a greater amount at 1.0 FTE, including the grant administration, monitoring, and provision of technical assistance.

**Selection Criterion D: Budget, D(1) The Extent to which the requested grant amount and the project costs are reasonable in relation to the objectives and design of grant project.**

The total CFG request is [REDACTED] over 5 years, whereas state funding in that same period will be [REDACTED]. This is a ratio of over 5:1 of state funding compared to federal funding. At least 95% of the total project cost will provide per-pupil facility funding to eligible charters. The project will serve an expected minimum of 32 charter schools directly, which will be prioritized by existing, high-performing charters, especially those that serve qualified opportunity zones. With the CFG funding, the facility funding may increase by [REDACTED] per pupil in Year 1, and \$[REDACTED] in Year 2 of the grant. This gradual reduction will occur, although the Indiana General Assembly may utilize the results of this grant, including the published evaluation, to increase the state share even further. The total per-pupil rate with the CFG funding and the state share for eligible schools at \$1,100 per student is reasonable considering the average per-pupil rate of \$[REDACTED] that traditional public schools receive from local property taxes. This project address the objective of ensuring charters can maintain enrollment and high-performance by redirecting more funds for instructional purposes while offering a 21st century learning environment.

The design of the project is based upon adequate personnel to implement the grant and carry out the technical assistance. Projected administration costs at the current rate of 2.31% over the life of the grant will not exceed the 5% statutory cap. These costs will fund a 1.0 total specialist(s) and Project Director to manage the project, .1 fiscal specialist to process reimbursements and invoices, and associated fringe, travel, equipment, and supplies for these individuals. The technical assistance funds will be strategically used to conduct a program evaluation and audit facilities to ensure the effectiveness of the proposed activities. The audits will focus upon three indicators of 1) effective instructional environments for teaching and learning, such as adequate space for well-rounded and core academic areas. Trained instructional specialists will analyze current facilities to look for effective and improvement areas, such as whether a positive ratio of STEM labs exist within the school or enough sinks for students to integrate the arts. 2) Support audits, which will be conducted by counselor, social worker, and special education specialists to identify potential problem facility areas that will prevent a charter school from delivering high-quality support services such as calming rooms for deescalation of emotional or behavioral concerns, or occupational and physical therapy for students per IEPs.

Lastly, Indiana has developed a robust safety audit process to ensure that a robust safety plan is implemented. Charter schools depend upon their authorizers for an audit of the safety plan, and may request through these technical assistance activities for the same expert assistance onsite offered to traditional public schools. The activities will occur with 2.5% of the overall budget, well within the 5% cap, so that more funds can be decided to the per-pupil facility subgrants.

**D(2) The extent to which the costs are reasonable in relation to the number of students served and to the anticipated results and benefits.** 17,102 total students are in the expected

minimum of 32 charters that meet the eligibility criteria, including those which serve students in the Qualified Opportunity Zones (QOZs). This represents an added per-pupil benefit in Year 1 of \$[REDACTED] if utilizing prior year accountability data. The performance measures that Indiana has set for this grant will track whether facilities improved through a school facility rubric and audits of instructional, support, and safety measures. The anticipated results will demonstrate an improvement of specific facility indicators, as defined by the rubric. Furthermore, with more facility funding, then current funding dedicated for these costs can be repurposed to increase instructional supports. The evaluation proposed through this project will track whether performance of the schools that receive the CFGF funds will improve overall academic performance, as compared to the control group that is not eligible.

**D(3)The extent to which the non-Federal share exceeds the minimum percentages (based on section 4304(k)(2)(C) of ESEA).** Indiana will far exceed the expectation of ensuring a minimum 10% state share in year one of implementation, as the maximum federal burden is 21.05%. Please see Table 3 for a breakdown of the state and federal share for Indiana's proposal. As identified in the submitted budget, the Keys to Quality will augment the [REDACTED] increase of existing state funding for charter facilities to ensure that high-performing charters have the capital to offer a high-quality learning space to their students. The total CFGF request is \$20 million over 5 years, whereas state funding in that same period will be \$[REDACTED]. Previously, the annual state charter facility allocation was [REDACTED], but increased to [REDACTED] million in the 2019-2020 fiscal year. This \$[REDACTED], which will be complemented by the



increase of funding through the CFGI grant, is used as the state to federal comparison to ensure the ratios required by 4304(k)(2)(c) are sufficient.

### **Selection Criterion E: Quality of the Project Evaluation**

Additionally, the State Board of Education completes a formal evaluation of the overall state of charter school outcomes in Indiana every five years, and the State is able to ensure

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Budget Categories	Project year 1*	Project year 2	Project year 3	Project year 4	Project year 5	Total
A. Line C, Grand total, from Table 2 – Budget Form	6,000,000	5,000,000	4,000,000	2,999,999.99	2,000,000.01	20,000,000
B. Line 1 <sup>1</sup> , State per-pupil funding for charter school facilities, from Table 1 -- Charter School Aid Paid by State						
C. Total						
D. Federal grant request (Line A., Table 3) as a percentage of the cost of per-pupil facilities aid (Line C., Table 3)	21.05%	18.18%	15.09%	11.76%	8.16%	\$15.09%

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chartering agencies are fulfilling their duties through annual reports from authorizers.

Authorizers are required to submit these annual reports to IDOE on the following measures: standardized test results; end of course assessment results; attendance rates; graduation rates, (if applicable); suspension and expulsion rates; closed charter schools, (if applicable); and the reason for non-renewal of a charter. Ultimately, authorizers are tasked with supporting schools and overseeing a charter school's compliance with applicable laws in addition to the approved charter and hold the authority to revoke a charter if issues are identified and not resolved in a satisfactory manner.

The importance of constructive and critical reflection, most especially during a charter school's first five years, cannot be overemphasized. Indiana charter school authorizers understand this, and from the earliest stages of development, require their start-up charter schools to develop multi-year implementation plans. Specifically tied to strategic planning efforts, curriculum development and delivery, staff evaluations and student achievement goals,

these plans provide an initial framework for the charter and authorizer staff to routinely monitor implementation and evaluation efforts. During this initial phase, and certainly across time, authorizers encourage their charter schools to network with other regional schools to foster partnerships and collaborative efforts for improving practices.

In exchange for the autonomy granted by the Indiana Charter Law, each public charter school is held to a high level of accountability—including their participation in state testing programs, like traditional public schools. Indiana Code 20-24-9-9 requires each authorizer to submit an Annual Performance Report to the IDOE detailing each charter school's: (a) student population demographics; (b) disaggregated results on all state assessments and end of course assessments (published on the IDOE's Compass website), and any other formative assessments used for each sponsored school; (c) a description of the educational and teaching methods employed; (d) student enrollment and attendance data, including the number of students expelled; graduation rates, diploma types, and dropout data; (e) and the assigned letter grade (A-F), designed under Indiana's State Accountability System to improve transparency in school performance. Please note that Compass will be phased out as part of the LINK modernization initiative and will transition to INview.

Authorizers also report schools that closed or for which the charter was not renewed, including the reasons for the closure or nonrenewal. Under Indiana law, authorizers must notify schools of problems that lead to revocation and provide schools with opportunities to remedy such problems. Annual authorizer reports are posted on SBOE's website.<sup>6</sup>

Under this statutory framework, Indiana authorizers are monitoring and evaluating their schools annually. While methods may differ, this often includes weekly, quarterly,

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<sup>6</sup> <https://www.in.gov/sboe/2532.htm>

monthly, and annual reporting of both financial and academic data; attendance at charter school board meetings; and regular communication and site visits. IDOE is currently working with authorizers to streamline the exchange of data by creating a process for authorizers to access data from IDOE directly, which will both minimize the administrative burden on the schools and authorizers, while ensuring that authorizers have access to the most accurate and up to date data.

Finally, IC 20-24-2.2-8 requires SBOE to conduct a formal evaluation of the overall state of charter school outcomes in Indiana every five (5) years and post the results on SBOE's website. The initial report from the 2016-2017 school year has been posted on SBOE's website<sup>7</sup> and includes an in-depth analysis of charter school performance. IC 11-1-7 requires charters to meet generally-accepted government accounting principles with an annual review by an external examiner to conduct a financial, compliance, and (if applicable), federal OMB Circular A-133 audit, complying with expectations of the Indiana State Board of Accounts.

Authorizers hold the ultimate power to significantly impact the quality of charter schools within their portfolio. Their review of annual report data, combined with ongoing onsite monitoring and observations, determine whether the charter school is adhering to the terms of the school's charter and meeting or exceeding the academic achievement and goals established under the school's charter and by State law. Annual reviews required in state statute provide opportunities for individual authorizers to take appropriate action or impose meaningful consequences, ranging from requiring corrective action plans, additional technical assistance or professional development, to revocation of the charter if progress is not met.

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<https://www.in.gov/sboe/files/SBOE%20Evaluation%20of%20Charter%20Schools%20in%20Indiana.Updated%2010.31.18.pdf>

Pursuant to section 4304(k)(3)(B), IDOE intends to utilize a portion of the 5% cap on evaluation and technical assistance. IDOE will budget \$ [REDACTED] for each of the five (5) years of the grant period, a total of \$ [REDACTED] for evaluation services. Upon award notification IDOE will initiate procurement procedures through a Request for Services (RFS) in coordination with the Indiana Department of Administration (IDOA) to identify an external program evaluator. The external evaluator will be chosen on their ability to holistically and accurately measure implementation and outcomes of the CFGI at multiple levels through both qualitative and quantitative methods. The evaluation will include both formative and summative phases.

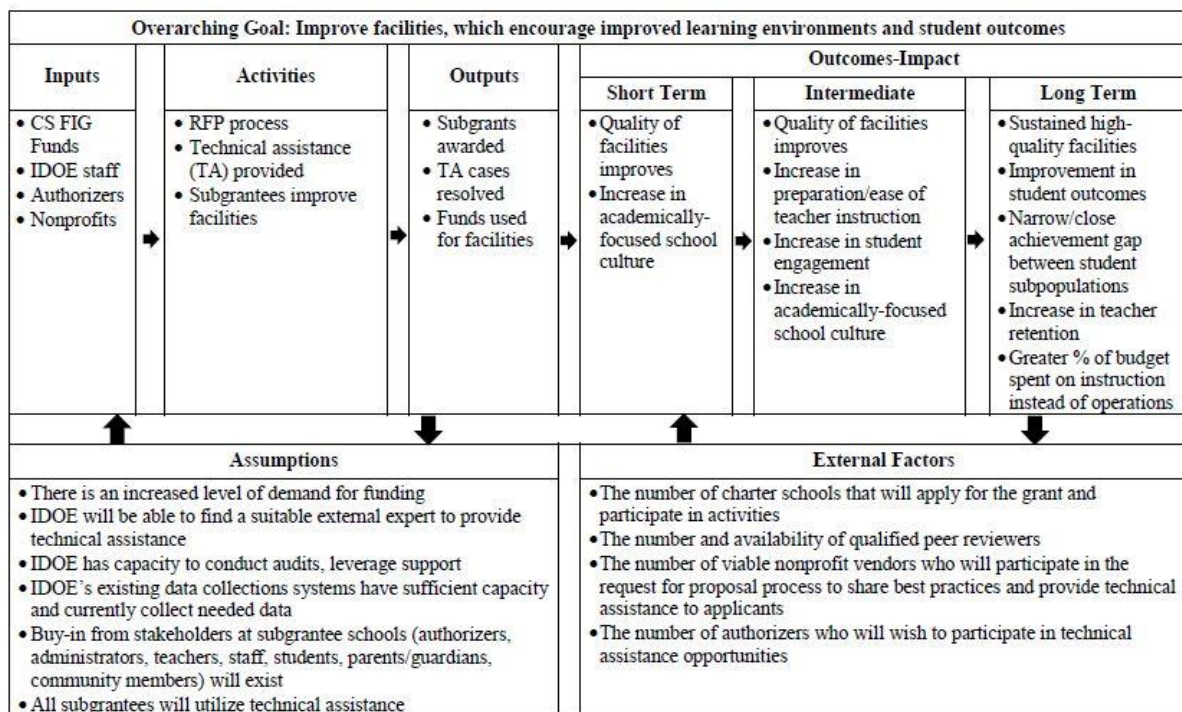
**E(1) Project Evaluation Quality** The evaluation plan utilized in measuring implementation of Quality Counts, IDOE's CSP grant, will serve as a model for this grant. Example activities that may be incorporated into the scope of work include analysis of student-level data to measure the extent of grant activities on student outcomes, especially by subgroup, and the relationships among activities and student outcomes. Additional evaluation activities could be included at the judgement of the third-party evaluator, which can include surveys, interviews and focus groups of subgrantees to understand how the grant has changed school capacity and climate, as well as interviews with IDOE staff to determine lessons learned and identify best practices in implementation of the CFGI at the state level. The data and final evaluation report will be made available to the U.S. Department of Education and posted on IDOE's public Charter School Program website. Since IDOE, in cooperation with third-party evaluators, has conducted evaluations of this scale before with Quality Counts, we are well-equipped and knowledgeable in the types of evaluation methodology that would best suit this project.

All sub grantees will receive an on-site technical assistance and monitoring visit within the first 12 months of funding to ensure activities occur as approved within the grant and for SEA staff to gather information regarding future technical assistance and programming. Additionally, prior to each subsequent fiscal year, the sub grantee will submit an annual progress report to the IDOE delineating its progress against stated outcomes and to adjust action steps to ensure goals are met.

## E(2) The extent of Project Evaluation Feasibility and Periodic Assessment including Theory of Change and Reliability and Validity of Performance Measurement

The following logic model outlines the theory of change for this grant:

*Indiana Charter School Facilities Incentive Grant Logic Model*



(i) *Extent to which the methods of evaluation will provide performance feedback and period assessment of progress.* As mentioned above in Section B(7), the main goal for this program is to improve facilities, which will encourage improved learning environments and student outcomes.

As such, we will measure the extent that high-quality facilities improve educational outcomes. We predict that with increased quality of facilities, subgrantees will be enabled to spend more on instructional budgets. Furthermore, the improved facilities will encourage better learning environments. The high-quality facilities and increased instructional budgets are presumed to improve the engagement of students, improve attendance rates, decrease likelihood of disciplinary actions, improve teacher retention, and eventually improve pass rates on statewide assessments, as well as promotion and graduation rates of students, among other academic outcomes. To meet this overarching goal, we have developed the objectives shown in subsection (iii), along with performance measures, targets and data collection procedures. *(ii) Extent to which the methods of evaluation will provide performance feedback and period assessment of progress.* Since the evaluation includes both formative and summative components, this will give IDOE capacity to determine the extent of progress, gain feedback and determine if any changes will be made to programming. *(iii) Extent to which methods of evaluation will provide valid and reliable data on relevant outcomes.* The majority of this data is already collected, and previous work has demonstrated the reliability, validity and meaningfulness of the data and conclusions drawn from it. If it is not, there will be stipulations for subgrantees to share data if they are awarded funds. The following table summarizes the project performance measures, targets and data collection and reporting procedures.

Project Performance Measure	Target	Data Collection & Reporting
<b>OBJECTIVE ONE: INCREASE THE NUMBER OF HIGH QUALITY CHARTER SCHOOL FACILITIES STATEWIDE</b>		
1.1. Percent of subgrantee's per-pupil tuition support spent on operations *Note: Does not include the funding from this grant	<15%	Finance audits
1.2. Quality of facilities	$\Delta \geq 0.25$	School facility rubric

		Finance audits Safety audits
<b>OBJECTIVE TWO: SUPPORT CHARTER SCHOOL GRANTEES TO BE ACADEMICALLY SUCCESSFUL</b>		
2.1. Student attendance	$\Delta \geq 0.25$	Attendance rates submitted to IDOE
2.2. Academic achievement	$\Delta \geq 0.25$	Pass rates on statewide assessments submitted to IDOE Number/percent of students in high growth categories calculated by IDOE
2.3. Improvement in accountability grades	$\Delta \geq 0.25$	Federal accountability grades
2.4. Teacher/staff retention	$\Delta \geq 0.25$	Teacher and staff records
<b>OBJECTIVE THREE: PREPARE AND SUPPORT CHARTER SCHOOLS TO SERVE DIVERSE POPULATIONS AND CLOSE THE ACHIEVEMENT GAP BETWEEN MINORITY/NON-MINORITY AND PAID LUNCH/FREE AND REDUCED LUNCH GROUPS</b>		
3.1. Accessibility of facilities for all student groups	$\Delta \geq 0.25$	School facility rubric
3.2. Disparity between student subpopulations: attendance	$\Delta \geq 0.25$	Attendance rates submitted by charter schools to IDOE
3.3. Disparity between student subpopulations: academic achievement	$\Delta \geq 0.25$	Pass rates on statewide assessments submitted by charter schools to IDOE

*Note.*  $\Delta$  indicates change

The proposed measures listed above will accurately capture the performance of the project since they provide a multidimensional way to examine different aspects of high-quality facilities (e.g., safety) and the predicted changes that occur (e.g., academic achievement). Since the goal is to improve the quality of facilities and decrease of charter school budget spent on operations, it is consistent with the federal program performance measure.

For the first target, where less than 15% of the subgrantee's per-pupil tuition support will be spent on operations, we used this statewide goal for public schools to inform our target, so that the percent of charter school expenses could correspond with that of traditional public schools. According to current guidance from Indiana lawmakers, LEA's should aim to spend less than 15% of their budget on operations and administrative costs, with the remainder spent on instruction. Though we theorize that the percent of subgrantees' budget spent on operations may

be larger for the baseline year, we project that this percent will decrease, with more funds spent on instruction. This target is achievable compared to baseline, as it is still grounded in the current targets for public schools (15%). It is ambitious, since currently, LEA's statewide spend about a quarter of their budget on operations and administrative costs.<sup>8</sup>

For the remainder of the performance measures, we will utilize the proposed target change ( $\Delta$ ) of an effect size greater than or equal to 0.25, which is recommended by *The What Works Clearinghouse*<sup>9</sup> to provide a way to measure change across different measurements from baseline year in grant implementation to future years in grant implementation. The WWC considers a criterion of 0.25 or greater to be substantively important for a variety of comparison techniques. They use this benchmark for examining changes from baseline, comparing outcomes in treatment and control groups, and other modes of comparison. As such, we use this rigorous standard for education research and evaluation in our proposal to measure changes. Though this criterion is commonly used in the context of large impact evaluations (e.g., randomized control trials, quasi-experimental designs), we contend that this cut-off criteria will give an acceptable level of rigor to project our targets. We assume that for all these targets, the subgrantee will meet them by the end of the grant period.

### **Competitive Preference Priority 1-- Spurring Investment in Opportunity Zones**

Per the Internal Revenue Service, Indiana has 156 qualified opportunity zones, which have high rates of economic distress. Charter schools serve a valuable purpose in providing educational choice, especially in communities with high poverty. **1(a)(1) Provide the census tract number of the Qualified Opportunity Zone(s) in which it proposes to provide services**

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<sup>8</sup> Berman, E. (2019). *GOP sets goal for how much of schools' budgets should go to teachers*. Retrieved from <https://www.wibc.com/news/local-news/gop-sets-goal-how-much-schools-budgets-should-go-teachers>

<sup>9</sup> What Works Clearinghouse. (2017). *Standards handbook* (Version 4.0). Retrieved from <https://ies.ed.gov/ncee/wwc/Handbooks>



Of the 156 total Qualified Opportunity Zones (QOZs), Indiana projects to provide direct per-pupil facilities funding to 106 of the census tracts, a rate of 68%. This is based upon the number of charters, 32 in total, that serve the below QOZs and meet the eligibility requirements for performance metrics.

180030005 00	180190509 03	180890103 04	180910408 00	180973401 08	180973542 00	180973906 00	181410027 00
180030006 00	180259521 00	180890105 00	180910421 00	180973404 00	180973544 00	180973907 00	181410029 00
180030007 01	180390001 00	180890110 00	180910430 00	180973416 00	180973545 00	180973908 00	181410102 00
180030011 00	180390003 02	180890115 00	180939509 00	180973421 01	180973549 00	180973909 00	181410111 00
180030012 00	180390016 01	180890123 00	180950005 00	180973424 00	180973550 00	180973910 00	181439670 00
180030013 00	180390023 00	180890202 00	180950010 00	180973512 00	180973556 00	181050001 00	181630012 00
180030020 00	180390029 00	180890204 00	180950017 00	180973517 00	180973557 00	181050004 01	181630015 00
180030021 00	180430704 00	180890206 00	180950119 00	180973526 00	180973562 00	181050005 01	181630018 00
180030040 00	180430705 00	180890303 00	180973103 06	180973527 00	180973564 00	181095107 01	181630019 00
180039800 01	180530001 00	180890304 00	180973220 00	180973528 00	180973612 00	181270509 00	181630020 00
180099751 00	180659761 00	180890306 00	180973226 00	180973533 00	180973613 00	181399744 00	181670003 00
180190501 00	180890102 03	180890307 00	180973308 05	180973535 00	180973802 00	181410009 00	181670106 00
180190504	180890102	180910403	180973401	180973536	180973803	181410010	181670111

01                    05                    00                    02                    00                    00                    00                    00

181410017    181691026  
00                    00

Beyond the 106 cited above, eleven (11) additional QOZs have charters that serve these areas, but the charters do not meet the eligibility criteria set within Indiana’s *Keys to Quality* grant. IDOE is reserving the direct, per-pupil funding for new and high-performing charters, but will provide technical assistance to improve lower-performing charters. The technical assistance activities and outcomes described in this grant, including audits of physical space for instructional, support, or safety purposes, have the potential to improve the academic performance of schools. Therefore, the following 11 census tracts may apply for the technical assistance activities to improve the physical spaces in which students learn.

180279547	180330206	180699616	180799603	180890102	180990205	181259540	181559657
00	02	00	02	01	00	00	00
180330205	180379538	180719679					
00	00	01					

Through direct, per-pupil facility funding to 32 expected charters, and the provision of technical assistance to 8 more, the IDOE will serve approximately 40 charters in total, across 117 census tracts that represent QOZs.

**1(a)(2) Describe how the applicant will provide services in the Qualified Opportunity**

**Zones(s)** Per Indiana’s *Keys to Quality* grant, per-pupil facilities funding will be allocated to the charters that meet the Exceeds or Meets Expectations eligibility criteria. If the most recent performance data from 2017-2018 were used to determine eligibility, 32 charters in QOZs would be eligible. The eligible charters will submit a high-quality plan to the IDOE to detail their project objectives and expected costs to acquire or improve their facilities.

Aside from the direct subgrants, IDOE will reserve no more than five percent for administration and technical assistance activities in the *Keys to Quality* grant. The technical assistance funds will allow for charter schools to receive additional assistance in conducting audits of their instructional space, like science labs, or support service areas, such as those needed to provide occupational therapy for students with Individual Education Plans (IEPs). A qualified vendor will be sought out to support these audits so charters can target their local, state, and federal funding, including funding through this grant, to improve the learning and service environment in their schools. The audits will provide specific information related to physical improvements in order for space to be maximized and to offer a 21st century learning environment.

Furthermore, the safety of Indiana students is paramount when providing any kind of school environment. A recent state statute update, IC 20-34-3-23, required charter schools to adopt a local safety and emergency plan, and IC 20-49-10 required all charter authorizers to conduct a safety audit of the individually developed plans. Traditional public schools had the opportunity to utilize an expert vendor to conduct these audits, whereas the burden for charters was placed upon authorizers. Technical assistance funds will be used to replicate these audits, for interested charters, to analyze the implementation and best practices of the safety plans, such as emergency preparedness drills and prevention of bullying, child abuse, and violent crimes. A summary of the findings will be utilized to share best practices with other charter, traditional public schools, and private schools in order to improve their own school spaces.

#### **Competitive Preference Priority 2-- State Support for Charter Schools, 2(a) High-Quality Charter School Authorizing**

As part of the implementation of Indiana's Quality Counts grant, a portion of the 7% technical assistance funding is reserved for improving high-quality charter school authorizing

practices. IDOE has implemented efforts to ensure high-quality charter school authorizing through various efforts: direct “innovation grants” to charter school authorizers to address individual needs as identified through a comprehensive needs assessment; providing an external technical assistance partner to provide a comprehensive needs assessment to identify areas of needed support such as financial oversight of charter schools, best practices in supporting all students, and how to hold schools accountable; creation of a new authorizer “boot camp” for new authorizing agencies and their staff; and ongoing coordination between IDOE and Indiana authorizers. The technical assistance activities proposed in CFG will expand on these supports to ensure increased capacity for facility funding.

**2(a)(1) Assessing Annual Performance Data** Robust performance data analysis is vital to the effective authorizing of charter schools. SBOE is able to ensure chartering agencies are fulfilling their duties through required annual authorizer reports to the State on the following measures: standardized test results; end-of-course assessment results; attendance rates; graduation rates, (if applicable); suspension and expulsion rates; closed charter schools, (if applicable); and the reason for non-renewal of a charter.

Ultimately, authorizers are tasked with supporting schools, which starts with the effective use of data. The submission of these reports allows for alignment in how data is collected, what measures are incorporated to measure success, and allows for a common language for school evaluation and improvement efforts. This leads to a streamlined approach to support authorizers in the identification of areas where schools need additional support and improvement. The first effort undertaken as part of our implementation of *Quality Counts*, IDOE opted to provide a portion of funding earmarked for improving authorizer quality via individual no-bid innovation grants. Authorizers were provided with a base amount, plus a per-pupil allocation, based on the

student population of their individual portfolios. Authorizers then provided IDOE with a grant application that included a comprehensive needs assessment and aligned proposed activities with indicated areas of need. Some examples of innovation grant activities approved by IDOE include: attendance at the NACSA national conference for authorizer staff; charter school governing board training activities; data analysis refinement; refinement of internal processes and procedures; special education training; and fiscal oversight of charter schools.

**2(a)(2) Annual Audits and Financial Statement Review** Per state statute IC 5-11-1-9, all charter schools are required to be examined annually to meet federal and state grant guidelines, which includes the use of a private examiner. IDOE ensures that a single audit requirements comply with §200.501 of EDGAR, and are annually published via <https://secure.in.gov/apps/sboa/audit-reports/#/>. IDOE coordinates with State Board of Accounts (SBOA) to issue management decisions regarding the audit findings, per §200.521, to implement corrective actions. The independent examiners must utilize the state examiner directives and manuals to conduct the audits, which are posted at <https://www.in.gov/sboa/4485.htm>, to ensure that they are prepared in accordance with generally accepted accounting principles.

**2(a)(3) Ensuring Academic, Financial, and Operational Controls** IC 20-24-4-1 requires charters granted by a public chartering agency to provide for a review by the authorizer of the school's progress in achieving the academic, operational, and financial goals set forth in the charter at least one time in each five year period the charter is in effect. At each renewal point, or if a charter school is in violation of the minimum standards to operate a school, the public chartering agency can revoke or select not to renew the charter or require alternative interventions. Charter schools that remain in the lowest category of school improvement (e.g., an "F" on the State's accountability system) for four years may not be renewed unless the authorizer

petitions the Indiana State Board of Education (SBOE) and SBOE determines if sufficient justification exists to allow the school to continue operating (IC 20-24-2.2-2 & 3). Charters that are not renewed or revoked by one authorizer may not select another authorizer and operate until receiving approval from SBOE. This prevents poorly-performing charters to “authorizer shop” and rather direct their focus upon improving quality with the existing authorizer.

The bulk of our *Quality Counts* technical assistance comes through a contracted third-party, SchoolWorks LLC. SchoolWorks’ scope of work is a collaborative process that started with a convening of an authorizer focus group to establish a set of authorizing quality criteria based on the National Association of Charter School Authorizers’ (NACSA) *Principles and Standards* while reflecting Indiana’s unique context. The comprehensive needs assessment involved five main areas: agency commitment and capacity, application process and decision making, performance contracting, ongoing oversight and evaluation, and revocation and renewal decision making. The second phase included the creation of a comprehensive needs assessment (CNA) framework and process for all participating authorizers to identify areas of strength and opportunities for growth. Evaluations carried out in partnership with each authorizer are utilized to create an evidence-based report to drive technical assistance and training for authorizers and their staff. For example, the process identified a need for additional tools to support students with disabilities. Based on this finding, SchoolWorks will now work with IDOE to create a tool kit for ensuring best practices in supporting students with disabilities in their portfolio schools. Given the wide range of authorizing organizations in Indiana and their varying needs, SchoolWorks was chosen in part for its ability to demonstrate a high level of individualization for each authorizer.

IDOE has also contracted NACSA to develop a “bootcamp” for new Indiana authorizers or new authorizer staff members. The New Authorizer Bootcamp will be based on NACSA’s *Principles & Standards for Quality Charter School Authorizing* while incorporating Indiana-specific statutory requirements. The program will be rolled out in a mixed format of virtual trainings and materials that can be posted on IDOE’s website and made available to all new authorizers and new authorizer staff members.

**2(b) Educational Choices through Charter Schools** Since 2002, Indiana has been a leader in increasing educational choices available to students through expanding the number of high-quality charter schools. In addition to the 293 traditional public school districts, Indiana is home to 103 charter school options to students. Many of these schools are located in areas with substantial populations of educationally-disadvantaged students. Statewide, charter schools serve significantly higher proportions of students receiving free or reduced-price meals as well as enrolling a higher percentage of minority students. These students are often those who are most in need of additional educational choices to better meet their needs; charter schools offer alternatives to families to ensure equitable access to high-quality instruction that will meet their individual needs. Implementation of the *Quality Counts* grant is integral to the continuing effort to increase educational choices for Hoosiers, as Indiana is on track to fund the opening, expansion, and replication of 60 high-quality subgrants across the state. In order to qualify for this funding, opening schools must meet a minimum peer review score in order to meet the definition of a high-quality charter school while expanding or replicating schools must have a federal accountability grade of A or B .

**2(c) Multiple Authorized Public Chartering Agencies or an Appeals Process** In addition to Local Educational Agencies, IC 20-24-1-2.5 allows the following entities to apply for chartering

authority: a state educational institution offering a four-year baccalaureate degree; the executive of a consolidated city (e.g., the Indianapolis Mayor’s Office); the state charter board; and a governing board of a nonprofit college or university that provides a four-year baccalaureate or advanced degree.

When applying for chartering authority, LEAs, colleges, and universities must provide the following information to the State Board of Education: a written notification; a strategic vision for chartering; a description of the entity’s budget and capacity to authorize; a description of the charter application process; a performance framework for charter school accountability; a draft of renewal, revocation, and nonrenewal processes; and a statement of assurance in accordance with IC 20-24-2.2-1.2.

Currently, Indiana is home to nine authorizers. These entities include four (4) Higher Education Institutions, three (3) Local Education Agencies (LEA), one (1) Independent Charter Board, and one (1) Non-Educational Government Entity. Organizers who have a proposal rejected by an authorizer are explicitly permitted to amend and resubmit their proposal to that authorizer, or to submit a proposal to another authorizer. There is no limit on the number of times an organizer may submit a charter proposal. IC 20-24-3-11.

**2(d) High Degree of Autonomy and Flexibility** In a ranking of state charter laws, the Center for Education Reform recently rated Indiana’s charter law an “A,” one of only three (3) states to earn the top mark. Overall, Indiana receives high marks for the absence of charter growth caps, having multiple authorizers, and fair autonomy and accountability for schools as major factors contributing to our strong standing.

With 103 public charter schools as of the 2018-2019 school year serving roughly 49,814 students, flexibility remains an important core value in advancing educational choice options for



students and families. Policies that demonstrate these flexibilities include a variety of authorizers beyond just LEAs, legally autonomous schools with independent boards, and exempt from bargaining units yet retain access to relevant state employee retirement systems. Charter schools are permitted the flexibility of having 90% of their full time staff certified with any valid Indiana license authorized under IC 20-28-8-5 and provides for a specific charter school teaching license when certain criteria are met. Charter schools may use their charter agreement as their school improvement plan pursuant to IC 20-31-5-2. Charters receive a blanket waiver from most rules and regulations governing traditional public schools. As demonstrated within the State's original Charter School Law, and evidenced through its continuing legislative actions and administrative practices, Indiana strives to continuously maximize flexibility for innovative and high-quality charter schools.

**Competitive Preference Priority 3-- Novice Applicant** As an applicant for this competition under the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act of 2015 (ESSA) (20 U.S.C. 7221c), Indiana is a novice applicant. Indiana only received funding for this program under a prior federal law, and therefore should be considered a novice applicant due to the updated legislation. Indiana's prior award under No Child Left Behind was awarded in 2009 with the expectation the state provided matching funds throughout the life of the grant. IDOE notified U.S. Department of Education in July 2013 that it was not able to fulfill this obligation, and the state forfeited the charter school facilities incentive funds. Indiana was not able to meaningfully participate in the prior competition, and stands to benefit equally as all other novice applicants under ESSA. IDOE respectfully requests full competitive points for this section due to the aforementioned reasons.