

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
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**FISCAL IMPACT STATEMENT**

**LS 7134**  
**BILL NUMBER: SB 236**

**DATE PREPARED:** Feb 29, 1999  
**BILL AMENDED:** Feb 25, 1999

**SUBJECT:** Accountability for Academic Performance

**FISCAL ANALYST:** Mark Goodpaster  
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**FUNDS AFFECTED:**  **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

(A) Accreditation Process: It provides that a school may be accredited by meeting the criteria for the Malcolm Baldrige National Quality Award for Education or a national or regional accreditation agency rather than under performance based accreditation. It adds additional benchmarks and indicators of performance to the school corporation annual performance report.

(B) Professional Development Grant Program: It creates a professional development grant program, administered by the Indiana State Board of Education, to provide grants for public schools for professional development activities. It requires a school to develop a professional development plan to be eligible to obtain a grant. It provides criteria for plan development and the evaluation of plans.

(C) School Accountability Program: It establishes a school accountability program for targeted and continuous school improvement. It requires each school and school corporation to develop an annual strategic and continuous school improvement plan. It requires the Department of Education to use ISTEP scores, performance indicators developed by the education roundtable, and a school corporation's annual performance report to assess the improvement of each school in the school corporation. It requires the Indiana State Board of Education to develop categories of school improvement and place each school in a category. It provides a series of interventions for schools that do not show improvement based on the number of years that improvement is not demonstrated. It provides for creation of a system of recognition and financial awards for schools that demonstrate improvement.

(D) Repealer: It repeals a statute under the performance based accreditation law that requires the development of a level of expected performance for each school in light of the school's socioeconomic factors.

**Effective Date:** (Amended) July 1, 1999; July 1, 2001.

**Explanation of State Expenditures:** (Revised) *Professional Development Grant Program:* Under this program, a school improvement team that includes individuals who represent parents, teachers, administrators, other school staff members, business and community representatives and representatives of agencies that serve children and youth. The school improvement team shall evaluate the effect of professional development experiences on student learning and performance and integrate the plan with the performance based accreditation school improvement plan required under current law. The types of activities that this program may fund include partnership programs with other entities, including professional development schools, teacher leadership academies, workshops, seminars and site visits, and cooperative programs with other school corporations. The State Board of Education must approve the program proposal before funding it. No appropriations are included with this provision.

***Accountability for School Performance and Improvement:*** Under this procedure, each school principal will be required to coordinate the development of an initial 3 year strategic and continuous school improvement and achievement plan and coordinate an annual review of the plan. The school board of each school corporation shall review revise and approve the annual plan of each school, develop an annual strategic plan for the school corporation that would, in part, identify state rules that the school board believes are a barrier to school improvement. The local school board may waive any rule adopted by the State Board of Education for which a waiver is granted except for rules regarding health or safety, special education, federal statutes or regulations and curriculum or textbooks. Upon request by the school board to the State Board of Education, the State Board of Education may waive any statute or rule concerning curriculum or textbook selection.

The Department of Education shall assess improvement in schools by comparing each school and school corporation to its own prior performance, compare the actual results in the annual report with the benchmarks and indicators of performance established in the annual plan for the same school and compare each student's results for each grade with the student's prior year results with an adjustment for student mobility rate. (DOE cannot currently compare results on a student by student basis and will need to add an identifying field. The specific cost to do this is currently not available.)

The State Board of Education shall then categorize various level of improvements and applies a series of prescriptive actions for those school corporations that are placed in the lowest category of performance for four consecutive years.

***Student Educational Achievement Grants:*** This bill establishes this grant program effective July 1, 2001. The purpose of the grant would be to provide funds to stimulate and recognize improved student performance in meeting academic standards under the ISTEP program. The maximum amount that would be available is determined by referencing the number of full time certified teaching positions for the school. Beginning with the 2003-2004 school year, a school would be entitled to a grant if at least 90% of the school continue to meet the academic standard under the ISTEP program. The bill establishes the student educational achievement fund would be administered by the Department of Education. Money in the fund at the end of the fiscal year does not revert to the General Fund.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** (Revised) School corporations in which a special management team is assigned to operate all or part of the school may need to pay for additional administrators if current

administrators are dismissed but are still under contract.

**State Agencies Affected:** Department of Education

**Local Agencies Affected:** School corporations

**Information Sources:**