

# Indiana Charter School Board 2012-2017 Strategic Plan

## Executive Summary

### The ICSB's Vision, Mission, and Guiding Principles

The Indiana Charter School Board's vision is that students throughout Indiana have access to high-performing public schools.

Its mission is to authorize and hold accountable a portfolio of high-performing charter schools in which students achieve high levels of growth and graduate prepared for college and careers.

Its guiding principles are:

- **Students First.** When performing its duties, the Indiana Charter School Board ("ICSB") always assesses whether its actions will further the best interests of students.
- **High Expectations.** The ICSB expects the charter schools it authorizes to set high academic achievement expectations, develop strong plans for family and community engagement, and adhere to high ethical standards for students, staff and board members. Similarly, the ICSB establishes high performance expectations, engagement plans and ethical standards for itself.
- **Excellence in Leadership.** Operating a high-performing charter school requires excellent leadership from school boards and staff. The ICSB authorizes schools that can demonstrate strong leadership at both the school governance and administrative levels.
- **Commitment to Innovation.** The ICSB is particularly interested in operators that show strong potential to accelerate student success through dramatically different school models, instructional strategies, uses of technology, staffing models, governance arrangements, family and community engagement strategies, and other approaches.
- **Rigorous and Transparent Accountability.** The ICSB holds schools accountable for performance through rigorous and transparent accountability mechanisms that uphold schools' autonomy, foster excellence, and protect student and public interests. In turn, the ICSB is held to a high performance bar by the State Board of Education.

### Five-year Goals, Strategies, and Measurable Outcomes

The ICSB has adopted **three five-year goals**, and for each, strategies to meet the goal and measurable outcomes that will permit the ICSB to measure progress toward the goal.

**Goal #1: Increase the supply of high-performing charter schools in Indiana.**

*Strategies:*

- **Let supply and demand drive new charter school openings.** The ICSB is committed to increasing the number of high-performing charter school options for students throughout the state. However, it will not express a preference for schools proposing to open in particular geographies, or to serve particular groups of students or those at certain grade levels.
- **Become a leading authorizer of truly innovative charter school models.** The ICSB will include in its Request for Proposals (RFP) a call for or competitive priority on operators proposing to use dramatically different school models, instructional strategies, uses of technology, staffing models, governance arrangements, family and community engagement strategies, and other high-potential innovations.
- **Actively call for high-quality operators ready and willing to replicate.** The ICSB will annually release RFPs with separate application processes and requirements for new school operators and experienced school operators. It may also issue calls for operators that wish to re-charter (or “take over”) existing low-performing schools.
- **Engage strategic partners throughout the state to build quality and supply.** The ICSB will engage with partner organizations to collaboratively build the supply of new charter applicants; ensure new schools have access to the talent, support, and technical assistance they require to be successful; and foster a supportive policy environment for high-quality charter schools.

*Outcomes:*

- ✓ The ICSB will require applicants to demonstrate how their schools will serve student populations in need of new and better educational options.
- ✓ If presented with a sufficient number of high-quality applicants, the ICSB will issue charters enabling at least 25 new charter schools to open by the fall of 2018.
- ✓ The ICSB will authorize a sufficient number of schools to meet a significant amount of the student need generated by closure and non-renewal.
- ✓ Of the high-quality charter schools authorized by the ICSB by the end of 2017, at least 40% will be in the process of expanding to serve significantly more students or have plans to do so.
- ✓ The ICSB will annually issue RFPs seeking truly innovative charter school models as described above.
- ✓ The ICSB will partner with other organizations to encourage successful charter applicants in underserved areas of the state, and to foster support and resources conducive to their success.

**Goal #2: Hold ICSB-authorized charter schools accountable to high standards of academic, fiscal and operational performance.**

*Strategies:*

- **Establish a clear, rigorous Accountability Plan that defines success based largely on outcomes, rather than process.** The ICSB will score each school’s performance on the three performance dimensions contained in the ICSB Accountability Plan based on written reports, data submissions, and school site visits.
- **Oversee schools in ways that minimize administrative and compliance burdens on schools.** In its staffing structure, budget assumptions, policies and day-to-day work, the ICSB and staff will focus on holding schools accountable for outcomes and finding ways to decrease reporting and other compliance burdens upon schools.
- **Partner with other Indiana authorizers to share best practices and take advantage of efficiencies of scale.** The ICSB will proactively pursue and define partnerships with other Indiana authorizers to share resources, lessons learned, and information about demand and supply. These partnerships will help ensure alignment and consistency where possible, including in authorizers’ approaches to quality.
- **Act decisively when schools fail to meet performance expectations.** The ICSB will maintain high standards for the schools it oversees, and will close or re-charter schools that fail to meet established standards and targets. The ICSB will take several steps to assist schools categorized as “requiring

additional scrutiny,” and it may choose to apply any of several types of interventions in schools that fail to meet or are not demonstrating sufficient progress toward performance expectations.

- **Ensure transparency around school performance, ICSB action and accountability.** The ICSB will make performance information about individual schools and its overall portfolio widely available. School performance will inform dialogue about continuous improvement and form the basis for renewal decisions. Data about schools’ status and performance will be publicly available and reported on annually.

*Outcomes:*

- ✓ Each year, 100% of schools that earn full-term charter renewal from the ICSB will meet rigorous performance standards set by the board.
- ✓ The ICSB will quickly and responsibly act to close or re-charter those schools that do not meet rigorous performance standards, and will adhere to a clear communications plan with affected families and staff regarding closure or non-renewals.
- ✓ In every ICSB non-renewal or closure decision, the ICSB, with appropriate partners, will develop a plan to maximize opportunities for students to attend alternate education options after leaving the charter school.

**Goal #3: Improve student learning outcomes among ICSB-authorized charter school students.**

The first two goals relate to the two primary levers the ICSB can move to impact Indiana’s charter sector: thoughtful screening and strong accountability.

Meeting the first two goals will lead to success on the ICSB’s third goal—its ultimate goal—of improved student learning outcomes. The ICSB’s strategic plan includes a single outcome under this goal that embodies the strategies and performance targets related to the first two goals and unites them with the ICSB’s Accountability Plan: Each year, 100% of the schools in the ICSB’s portfolio will meet ICSB Accountability Plan criteria related to academic success, or will be categorized as “requiring additional scrutiny” or designated for closure.

## **Staffing and Budget**

The ICSB will maintain no more staff than necessary to carry out its evaluation activities for new applicants, and monitoring and oversight duties for authorized schools. Staffing decisions will reflect core authorizing principles of maintaining high standards, upholding school autonomy, and protecting student and public interests.

The ICSB plans initially to charge an administrative fee of 3% of per-pupil funds as defined under Indiana statute. Once the ICSB has sufficient funds to support its ongoing operations, the administrative fee charged to schools will be reduced to the lowest level possible so that more funds may be directed by schools into the classroom.

At the end of each fiscal year, the ICSB will review and approve a revised one-year operating budget for the subsequent fiscal year that reflects the number of schools in the ICSB portfolio, anticipated student enrollment, the current fiscal and policy environment, and anticipated expenses for the following year. In this way, the ICSB will ensure ongoing oversight of operating expenses to ensure fiscal prudence and the optimal use of public funds.

**Notes:** This executive summary is based on the strategic plan adopted by the ICSB on June 19, 2012. However, the executive summary was not part of the plan reviewed and adopted by the ICSB. In the event of any discrepancy between this summary and the strategic plan itself, the plan controls.

The ICSB implemented its strategic planning process under a grant from the National Association of Charter School Authorizers’ Fund for Authorizing Excellence.

# Indiana Charter School Board 2012-2017 Strategic Plan

## Background

In May 2011, the Indiana legislature passed and Governor Mitch Daniels signed House Enrolled Act (“HEA”) 1002, establishing the Indiana Charter School Board (“ICSB”). The ICSB was created as a new charter school authorizer in Indiana to sponsor charter schools throughout the state. Under the law, the Board’s broad purposes are to (1) review a proposal to establish a charter school; (2) make a decision on the proposal as required; (3) monitor charter schools sponsored by the charter board; and (4) publish guidelines concerning the review process.

In October 2011, the ICSB received a grant from the National Association of Charter School Authorizers (“NACSA”) to implement a strategic planning process. The purpose of this process was to engage the seven ICSB board members appointed in August 2011 in a meaningful dialogue about the role of a charter authorizer in establishing and maintaining a high-quality sector of charter schools in Indiana. The outcome of the process, this strategic plan, will focus the work and resources of the ICSB on a cohesive set of goals, strategies and outcomes aligned with the Board’s legislative mandate and vision for Indiana public school students through December 2017.

The ICSB contracted with Public Impact, a national education policy organization based in North Carolina, to guide the strategic planning process and draft the resulting strategic plan. Public Impact facilitated a series of meetings that focused the ICSB and staff in an iterative way on the following topics:

- » Mission, vision, guiding principles, goals, and measurable objectives;
- » Analysis of the ICSB’s strengths, weaknesses, opportunities and threats (“SWOT”);
- » Impact of the SWOT analysis on the ICSB’s vision, goals, strategies, and objectives;
- » Creation of a five-year action plan for implementing these goals and objectives; and
- » Review, revision and adoption of the strategic plan.

This strategic planning document represents the culmination of these activities.

## SWOT Analysis

Through the strategic planning process, the ICSB and staff engaged in an analysis of the existing and likely future strengths, weaknesses, opportunities and threats (“SWOT”) of the charter sector in Indiana and of the ICSB itself. The board used this SWOT analysis to guide the creation of its vision, mission, guiding principles, and goals and outcomes for the next five years. Following is a summary of the board’s main conclusions in each area.

### *Strengths*

- » The ICSB benefits from strong leadership at the state level in support of education reform generally and high-performing public school options, including charter schools, in particular.
- » An active 2011 legislative session helped to create a more dynamic education environment in the state that is likely to be more attractive to charter school operators seeking to launch new schools in Indiana. Specific supports for charter schools include access to unused district facilities and creation of a charter school start-up grant.
- » Existing Indiana authorizers have succeeded within the state’s education environment in chartering a crucial subset of schools that are high performing or on promising trajectories.
- » The ICSB is made up of a strong and diverse set of individuals with expertise across a wide range of areas, including charter school authorizing, teaching, community organizing, philanthropy; and leadership in school districts, the private sector, and the state legislature.

- » The ICSB's initial staff members also bring deep experience in charter schooling and good relationships with charter, human capital, philanthropic, and education organizations throughout the state.
- » The ICSB has moved rapidly to adopt best-practice authorizing policies and procedures.

#### *Weaknesses*

- » While Indiana charter schools have grown in number over the past ten years, their performance has been mixed.
- » While Indiana has recently worked to improve the policy and environmental conditions to support high-quality charter schools, it still suffers from many of the same shortcomings as other states – such as inequitable funding, local opposition to charter schools, and a shortage of facilities – which may make the state less attractive to national charter groups and make it more difficult for existing high-performing operators to expand.
- » The general dearth of philanthropic funding outside Indiana's major urban centers will likely present challenges for charter schools to open and operate in these communities, though they often have the highest concentrations of underperforming district schools and high-need students.
- » Outside of Indianapolis, there is continued confusion regarding charter schools, especially in relation to the state's turnaround work. This potentially creates a more challenging environment for operators seeking to launch schools in other parts of the state.
- » While there is demand for public school alternatives throughout the state, lower per-pupil funding in suburban and rural communities may serve as a disincentive for operators seeking to serve these communities.

#### *Opportunities*

- » The mixed performance among Indiana's current charter schools presents an opportunity to create more high-quality options for public school students, and to lead the charge on accountability to make the sector more of a bastion of quality in Indiana.
- » The ICSB's status as a statewide authorizer presents an opportunity to reach rural areas and others that are currently underserved by existing schools and authorizers.
- » State leadership in Indiana has recently demonstrated a commitment to serve the needs of students in a substantially better way, and to hold all schools accountable to high performance expectations. For example, the state's new A-F accountability system enables greater alignment in expectations across traditional and charter public schools and provides a strong foundation for the ICSB's Accountability Plan.
- » The state has also recently exercised its authority to intervene in the state's chronically failing schools, which may involve Turnaround School Operators that run part or all of identified schools. Turnaround School Operators may include charter operators or charter management organizations, opening the possibility for the ICSB to identify new charter operators and/or partners to assist with turnarounds of low-performing charter schools where necessary.
- » The Mind Trust, an education reform non-profit based in Indianapolis, recently launched a new Charter School Incubator that will award up to \$1 million each to leadership teams to establish "best-in-class" charter management organizations in Indiana. The Incubator promises to create additional supply of charter operators that may apply to the ICSB to open and replicate new charter schools, particularly in Indianapolis.
- » Teach For America-Indianapolis is poised to expand in select parts of the state, presenting the opportunity for more robust talent pipelines from which new charter schools may draw. Teach For America-Chicago is also supportive of high-quality charter schools and has recently expanded its corps base to include schools in Lake County, IN. The New Teacher Project ("TNTP") is also active in Indiana as an additional source of effective teachers.
- » Charter-support organizations (both existing and in design) may present the opportunity for the ICSB to rely upon independent partners to provide much of the technical assistance that its schools are likely to need, without overstepping the appropriate role of an authorizing entity.

### *Threats*

- » The overall mixed performance among Indiana charter schools provides the ammunition charter opponents need to resist additional charter growth throughout the state.
- » Facilities remain a steep challenge to charter school operators in Indiana, as elsewhere. Policies designed to free existing public school buildings for charter schools are worthwhile, but have not been very effective in other parts of the country. Without improved policies, dedicated facilities funding, or other solutions, charter schools will continue to devote far too much funding and leadership attention to facilities.
- » State leadership and local non-profits such as The Mind Trust have recently and significantly improved the state's reputation as a charter- and reform-friendly state. Still, Indiana suffers as many states do from a shortage of existing high-quality charter operators, which may limit the number of schools the ICSB can authorize, despite its commitment to increasing the supply of quality educational options to Indiana students. Too many high-performing charter school networks are limiting their expansions to their existing geographies.
- » Without a strategic focus upon quality control for authorizers, the addition of more authorizers may complicate efforts to improve the quality of Indiana's charter schools sector. For example, authorizer shopping may now become more prevalent.

As a result of this SWOT analysis and resulting conversation, the ICSB modified its existing mission, vision, and guiding principles; and identified key goals, strategies, and outcomes to respond to and take advantage of each of these conditions.

### **Vision**

The ICSB's vision statement is the result of input from board and staff members, and is meant to forecast the board's intended impact on Indiana public school students.

**The ICSB's vision is that students throughout Indiana have access to high-performing public schools.**

### **Mission**

The ICSB's mission statement is designed to express the organization's purpose and to define what it does at a fundamental level. It is the result of input from ICSB board and staff members, and based on consideration of the Board's best role in the Indiana public education landscape and the needs of students throughout the state.

**The ICSB's mission is to authorize and hold accountable a portfolio of high-performing charter schools in which students achieve high levels of growth and graduate prepared for college and careers.**

### **Guiding Principles**

The ICSB's guiding principles articulate the values on which the organization is built, and guide its planning, operations, and programs in alignment with its vision and mission. The ICSB's guiding principles are:

- » **Students First.** When performing its duties, the ICSB always assesses whether its actions will further the best interests of students.
- » **High Expectations.** The ICSB expects the charter schools it authorizes to set high academic achievement expectations, develop strong plans for family and community engagement, and adhere to high ethical standards for students, staff and board members. Similarly, the ICSB establishes high performance expectations, engagement plans and ethical standards for itself.
- » **Excellence in Leadership.** Operating a high-performing charter school requires excellent leadership from school boards and staff. The ICSB authorizes schools that can demonstrate strong leadership at both the school governance and administrative levels.

- » **Commitment to Innovation.** The ICSB is particularly interested in operators that show strong potential to accelerate student success through dramatically different school models, instructional strategies, uses of technology, staffing models, governance arrangements, family and community engagement strategies, and other approaches.
- » **Rigorous and Transparent Accountability.** The ICSB holds schools accountable for performance through rigorous and transparent accountability mechanisms that uphold schools' autonomy, foster excellence, and protect student and public interests. In turn, the ICSB is held to a high performance bar by the State Board of Education.

## **Five-year Goals, Strategies and Measurable Outcomes**

The ICSB has identified the following goals, strategies and outcomes to help it meet its mission and vision in accordance with its guiding principles over the next five years. These goals are aspirational in nature, and the outcomes are quantifiable wherever possible. They are intended to guide the ICSB in developing clear policies that will bind the board and its staff at least through the next five years. These policies will set the board on course to meet the goals and outcomes outlined below. The board's policies and tactics under each strategy will guide the day-to-day authorizing practices of the ICSB and staff.

### **Goal #1: Increase the supply of high-performing charter schools in Indiana.**

#### **Strategies to meet Goal #1:**

- » *Let supply and demand drive new charter school openings.* While the ICSB is committed to increasing the number of high-performing charter school options for students throughout the state, it will not express a preference for schools proposing to open in particular geographies, or to serve particular groups of students or those at certain grade levels.

The ICSB will carefully consider every charter applicant that responds to its Request for Proposals to operate a charter school in Indiana according to the RFP requirements. Its staff may also choose to conduct informal outreach to potential operators and charter supporters in areas of the state where the need for high performing school options is high, and to provide information about student needs and other factors to potential charter applicants upon request. The ICSB will not, however, explicitly prefer one type of school model or location over another.

- » *Become a leading authorizer of truly innovative charter school models.* The ICSB is particularly interested in increasing the number of operators that show strong potential to accelerate student success through dramatically different school models, instructional strategies, uses of technology, staffing models, governance arrangements, family and community engagement strategies, and other approaches.

To accommodate this priority, the ICSB will publicly declare its receptiveness to innovation. It will also include in its Request for Proposals (RFP) a specific call for or competitive priority on school operators proposing to use dramatically different school models, instructional strategies, uses of technology, staffing models, governance arrangements, family and community engagement strategies, and other high-potential innovations. The review criteria and approval processes for applications under this portion of the RFP will be tailored to the factors most relevant to new types of innovative models, such as the strength of the leadership team and team members' track records of success.

ICSB staff may also conduct outreach and work with partner organizations such as those mentioned below to encourage applications from school operators proposing to use innovative school models.

The ICSB recognizes the potential for increased risk when authorizing charter models that take bold and new approaches to meeting student needs. It understands that its receptiveness to innovation may result in a portion of its overall school portfolio that fails to meet performance expectations in any given year. The board has balanced this risk by integrating rigorous standards, evaluation and transparency in its Accountability Plan and committing to taking necessary action in any ICSB-authorized school that is not offering students a high-quality public schooling option (described below).

- » *Actively call for high-quality operators ready and willing to replicate.* The ICSB is committed to increasing the number of high-quality charter school options for students, and therefore is interested in applicants that propose to replicate and expand existing successful school models. The ICSB may issue calls for charter operators with demonstrated capacity and interest in re-chartering (or “taking over”) existing charter schools that fail to meet performance expectations to protect the number of high-quality schooling options available. The ICSB will work with legal counsel to determine the optimal structure of re-chartering arrangements.

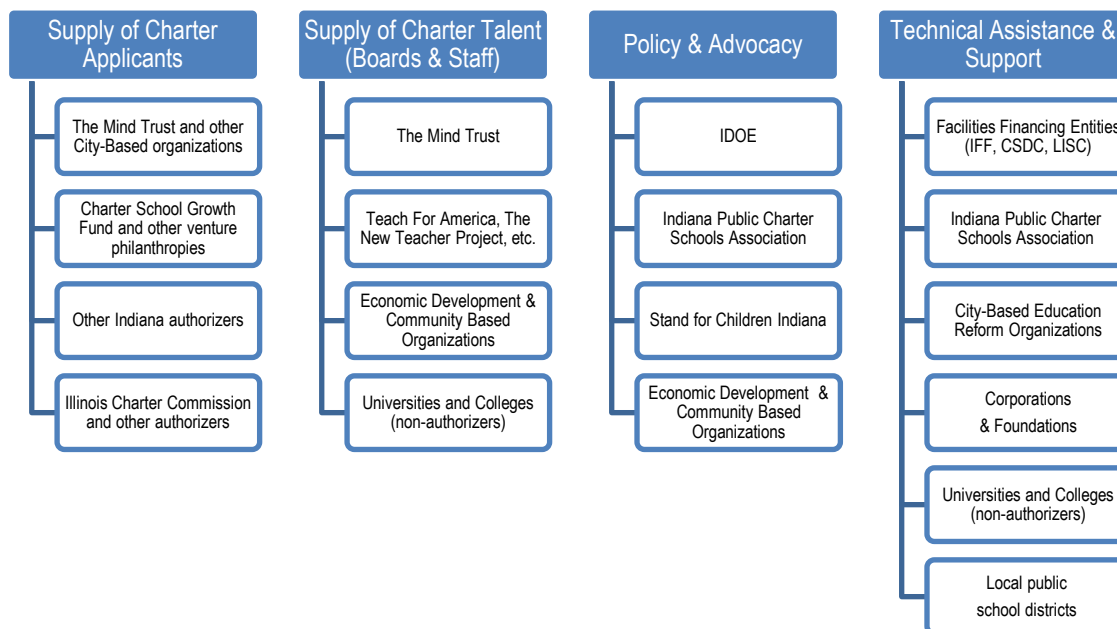
To accommodate this priority, the ICSB will annually release Requests for Proposals (RFPs) with separate application processes and requirements for new school operators and experienced school operators. It will also issue, as necessary, RFPs for applicants that wish to re-charter existing low-performing charter schools. The review criteria and approval processes for applications under each of these RFPs will be tailored to the factors most relevant to the operators’ experience and proposed expansion.

- » *Engage strategic partners throughout the state to build quality and supply.* The ICSB has identified several organizations with which it might partner to build the supply of high-quality charter applicants and create a “softer landing” for new charter schools throughout the state. These partners fall generally into the following categories (see Figure 1): supply of charter applicants; supply of talent; policy and advocacy; and technical assistance and support.

The ICSB will engage with these partners over the next five years to collaboratively build the supply of new charter applicants; ensure new schools have access to the talent, support, and technical assistance they require to be successful; and foster a supportive policy environment for high-quality charter schools. These partnerships will help the ICSB fulfill its mission and realize its vision without overstepping the boundaries it has set for its own work through its guiding principles, goals and strategies. The ICSB will continue to expand its list of strategic partners as it implements this strategic plan.



Figure 1.



**Outcomes related to Goal #1:**

- » Every successful applicant to the ICSB will demonstrate how its school(s) will serve student populations in Indiana who are in need of new and better educational options.
- » If presented with a sufficient number of high-potential applications, by December 31, 2017 the ICSB will issue charters enabling at least 25 new charter schools to open by the Fall of 2018 in Indiana. The ICSB will not sacrifice quality to meet this numeric target – it will issue fewer than 25 charters if it does not receive a sufficient number of high-potential applications.
- » The ICSB will close or non-renew failing schools, but it will also attempt to provide strong alternatives for students displaced by closed or non-renewed schools. To that end, each year, the ICSB will authorize a sufficient number of schools to meet a significant amount of the student need generated by closure and non-renewal.
- » The ICSB will encourage growth and replication of successful charter schools. Of the high-quality charter schools authorized by the ICSB by December 31, 2017, at least 40% will be in the process of expanding to serve significantly more students or have plans to do so. The ICSB will not sacrifice quality to meet this numeric target.
- » To encourage true innovations designed to accelerate student success, by December 31, 2017 the ICSB will annually issue Requests for Proposals seeking operators that propose dramatically different school models, instructional strategies, uses of technology, staffing models, governance arrangements, family and community engagement strategies, and other high-potential innovations.
- » The ICSB will form and define the parameters of partnerships with key organizations, such as the Indiana Department of Education, the Indiana Public Charter Schools Association, The Mind Trust, Ball State University’s charter school office, the Indianapolis Mayor’s charter school office, colleges and universities, economic development organizations, community-based organizations, and others to encourage successful charter applicants in underserved areas of the state and foster support and resources conducive to their success.

**Goal #2: Hold ICSB-authorized charter schools accountable to high standards of academic, fiscal and operational performance.**

**Strategies to meet Goal #2:**

- » *Establish a clear, rigorous Accountability Plan that defines success based largely on outcomes, rather than process.* The Accountability Plan incorporated into each ICSB-authorized charter consists of a set of standard goals and outcomes across three performance dimensions: academic success, financial health, and organizational compliance. The academic success indicators are derived from the Indiana Department of Education's A-F School Accountability Model. The ICSB will score each school's performance in each dimension as (1) exceeds standard; (2) meets standard; or (3) does not meet standard based on written reports, data submissions and school site visits.
- » *Oversee schools in ways that minimize administrative and compliance burdens on schools.* The ICSB honors and preserves core school autonomies while holding schools accountable for their performance. In its staffing structure, budget assumptions, policies and day-to-day work, the ICSB and staff will focus on holding schools accountable for outcomes and finding ways to decrease reporting and other compliance burdens upon schools.
- » *Partner with other Indiana authorizers to share best practices and take advantage of efficiencies of scale.* The ICSB will proactively pursue and define partnerships with other Indiana authorizers, including the Indianapolis Mayor's Office, Ball State University, Grace College, and Trine University, to share resources (such as accountability platforms, software systems, policy documents and other information); lessons learned (regarding site visits, school interventions, and relationships with management organizations, for example); and information about demand and supply (for example by sharing data about areas of student need and interest by potential operators). These partnerships will enable all authorizers to learn from one another's experience and help ensure alignment and consistency where possible across Indiana's charter sector. These partnerships will also encourage conversations about quality in the Indiana authorizing community and help to produce a consistent or aligned approach to quality throughout the sector.
- » *Act decisively when schools fail to meet performance expectations.* The ICSB will maintain high standards for the schools it oversees, and will close or re-charter schools that fail to meet standards and targets set forth in law and under each school's charter agreement with the ICSB.

Under the ICSB's Accountability Plan, if a school fails to meet the standard on any indicator for two years in a row, it will be categorized as "requiring additional scrutiny." For schools requiring additional scrutiny, the ICSB will develop and/or carry out the following:

- A communications plan with the school that explains the reasons for and details the steps that the ICSB and the school's governing body will carry out during a specified period of time;
- A close examination of the factor(s) contributing to the school's lack of progress toward meeting the performance goals and measures set forth in the Accountability Plan, and any previous steps taken by the school to respond to its lack of progress. For example, if a school has experienced a significant change in school leadership or selected a new education service provider (ESP) partner to manage the school, the ICSB would take this information into consideration when assessing progress toward goals;
- An in-person meeting with the school's governing body and leadership to enable school officials to present evidence in support of charter continuation;
- Guidelines about the number of years that the ICSB may permit a school to fall short of performance standards, if it is making significant progress toward each goal, before revoking or non-renewing the charter.

The ICSB may choose to apply the following types of interventions in schools that fail to meet or are not demonstrating sufficient progress toward performance expectations:

- A presumption of non-renewal that the school can overcome only by meeting specific performance expectations by a certain date before the end of the charter term, developed by and agreed to by the ICSB, and the school leader and governing body;
- A short-term renewal of 1 or 2 years, at which point the school will be subject to a full renewal review and expected to meet the performance standards set forth in the charter agreement. The ICSB will grant no more than one short-term renewal to any individual school. A short-term renewal must take effect immediately following the end of the first charter term;
- Denying any future charter applicants that propose to engage a charter management company that is managing an ICSB-authorized charter school requiring additional scrutiny;
- Closing the school and attempting to help displaced families identify superior educational options nearby; and
- If the ICSB determines that school closure will result in students being forced to enroll in other low-performing public school alternatives, re-chartering the school to a new charter applicant under the governance of a new board of directors and management company, if applicable. Under this option, the ICSB would issue a special RFP inviting applicants to submit proposals to operate a new charter school in the existing facility and continue serving existing students, should they wish to enroll in the new school. The ICSB will work with legal counsel to determine the optimal structure of re-chartering arrangements.

The following factors will inform the board's decision regarding which type of intervention from the above list to apply in a given school:

- The school's growth trajectory toward the ICSB's performance standards on each indicator, as described above;
  - The availability of other superior educational options for students displaced by the closure or intervention, as determined by an analysis of the current and past performance of each school to which students would be assigned in the event of closure; and
  - The availability of high-quality charter applicants, management companies or current operators with capacity and interest in re-chartering (or "taking over") the school.
- » *Ensure transparency around school performance, ICSB action and accountability.* The ICSB will make performance information about individual schools and the board's overall portfolio widely available to parents, citizens, and policymakers. Schools' progress on each performance dimension will be assessed over the charter term through written reports, data submission, and school site visits. Performance assessments will be reported annually to the school's leader and Board of Directors to inform dialogue about continuous improvement and form the basis for charter renewals. Data about schools' status and performance will be available to the public and updated annually on the ICSB's website; in addition, the ICSB will produce an annual report analyzing the performance of each of the schools it authorizes.

**Outcomes related to Goal #2:**

- » Each year, 100% of schools that earn full-term charter renewal from the ICSB will meet rigorous performance standards set by the board.

- » The ICSB will quickly and responsibly act to close or re-charter those charter schools that do not meet rigorous performance standards, and will adhere to a clear communications plan with affected families and staff regarding closure or non-renewals.
- » In every ICSB non-renewal or closure decision, the ICSB, with appropriate partners, will develop a plan to maximize opportunities for students to attend alternate education options after leaving the charter school.

### **Goal #3: Improve student learning outcomes among ICSB-authorized charter school students.**

The first two goals identified above relate to the two primary levers the ICSB can move to impact the charter sector in Indiana: thoughtful screening to boost the odds that newly-chartered operators will succeed, and strong accountability to close those that do not meet the board's high standards.

Meeting the first two goals will lead to success on the third goal—the ultimate goal identified by the board—of improved student learning outcomes. The outcome related to this goal rolls up from the individual strategies and charter school performance targets outlined above to emphasize the continuous improvement the ICSB seeks to foster across its full portfolio of schools. The specific outcome below will indicate the degree to which the ICSB meets the third goal.

#### **Outcome related to Goal #3:**

- » Each year, 100% of the schools in ICSB's portfolio will meet ICSB Accountability Plan criteria related to academic success (i.e., will not have scored a Does Not Meet Standard across any indicator for two years in a row), or will be categorized as "requiring additional scrutiny" or designated for closure.

## **Conclusion**

The strategic planning process enabled the ICSB and its current staff to establish vision and mission statements and guiding principles that will guide the work of the ICSB and its authorizing activities in the state of Indiana. The ICSB also identified goals, strategies, and measureable objectives to assess its overall progress towards achieving the mission and vision in accordance with its guiding principles.

The ICSB will create a staffing structure going forward and determine the financial resources needed to meet the mission, vision, and goals set forth in this plan by adopting and continually updating, as necessary, the organizational chart and budget that appear in Appendices I and II.

The strategic planning process also enabled the ICSB and its staff to identify several areas of policy and practice that require further exploration and detail, and to surface the beliefs, ambitions and promising practices that should guide the board's action on those fronts. It will develop and adopt guidance related specifically to its chartering priorities, Accountability Plan, and renewal and closure policies in alignment with this plan by the end of 2012. The ICSB will also design an implementation plan to operationalize the goals, strategies, and objectives contained herein.

## Appendix I. Draft Organizational Chart

The ICSB will discourage “bureaucratic creep” by maintaining no more staff than necessary to carry out its evaluation activities for new charter school applicants, and monitoring and oversight duties for authorized schools. At all times, staffing decisions will reflect NACSA’s core charter authorizing principles of maintaining high standards for schools, upholding school autonomy, and protecting student and public interests. The ICSB will not add staff if to do so would require it to authorize additional schools to meet increased costs.

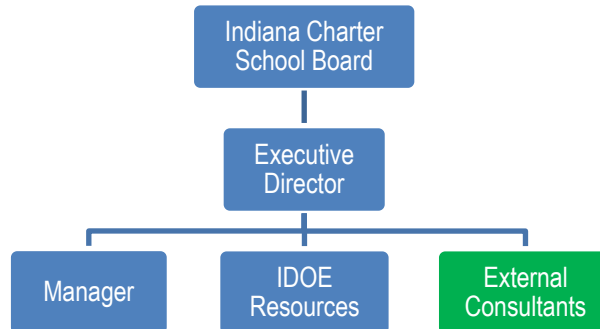
To ensure that the ICSB’s personnel is aligned to its mission, vision, and guiding principles, the ICSB will utilize a combination of ICSB staff members, IDOE staff, and external consultants with expertise in the following areas:

- » Charter facilities
- » Charter school finance
- » Application review
- » Legal
- » Operational and administrative support

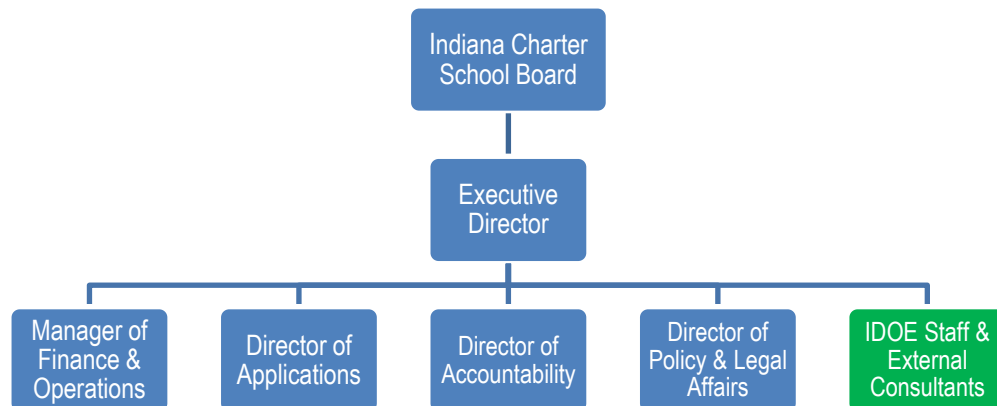
As the number of ICSB-authorized charter schools grows, the ICSB will add core staff members with responsibility for managing the new school application process and providing necessary oversight for ICSB authorized charter schools. Additional expertise and capacity will be added on an as-needed basis by contracting for external consulting support, and arranging for limited contributions by IN Department of Education staff members with needed expertise.

The following table presents the current and proposed structure of the ICSB staffing model at the end of the five-year strategic planning period.

**FY 2012**



**FY 2017**



## Appendix II. Pro-Forma Five-Year Budget: 2012-2017

### Revenues

Per IC § 20-24-7-4(e), the ICSB may collect from the organizer of a charter school sponsored by the charter board an administrative fee equal to not more than three percent (3%) of the total amount the organizer receives during the calendar year for basic tuition support.

The ICSB plans initially to charge an administrative fee of 3% of per-pupil funds as defined under Indiana statute. Once the ICSB has sufficient funds to support its ongoing operations, the administrative fee charged to schools will be reduced to the lowest level possible so that more funds may be directed by schools into the classroom.

During its start-up period, ICSB operating expenses will be funded by the IDOE and private, competitive grants until such time that the ICSB can collect sufficient funds to fund its operations independently.

### Expenses

The ICSB has approved the following long-range planning operating expense budget to guide its work through 2017.

For purposes of long-range planning, it is assumed that revenues will equal projected expenses. In practice, at the end of each fiscal year, the Board will review and approve a revised one-year operating budget for the subsequent fiscal year that reflects the number of charter schools in the ICSB portfolio, anticipated student enrollment, the current fiscal and policy environment, and anticipated expenses for the following year. In this way, the Board will ensure ongoing oversight of ICSB operating expenses to ensure fiscal prudence and the optimal use of public funds.

Indiana Charter School Board Pro Forma Budget: FY 13 - FY 17						
Fiscal Year: July 1- June 30	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	
<b>BUDGET ITEM</b>						<b>ASSUMPTIONS/ COMMENTS</b>
<b>Staff</b>						
Fully Loaded FTE Costs	\$ 216,000	\$ 333,280	\$ 559,942	\$ 604,738	\$ 653,117	Conservative annual increases associated with staff additions and benefits cost increases.
<b>Sub-Total Staff</b>	<b>\$ 216,000</b>	<b>\$ 333,280</b>	<b>\$ 559,942</b>	<b>\$ 604,738</b>	<b>\$ 653,117</b>	
<b>Board of Directors</b>						
Per Diems for Board members	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$ 1,225	\$35 per diem for 7 Board members; assumes 5 Board meetings per year.
Board Meeting and Public Hearing travel expenses for Board Members	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	\$ 6,300	
<b>Sub-Total Board of Directors</b>	<b>\$ 7,525</b>	<b>\$ 7,525</b>	<b>\$ 7,525</b>	<b>\$ 7,525</b>	<b>\$ 7,525</b>	

<b>School Related Costs</b>						
1. Consulting to advise on ICSB strategy, policy and implementation	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	\$ 35,000	
2. Application Review: Third-party expert evaluators	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	\$ 54,000	Conservative inputs. This line item will vary depending upon application volume.
3. Background Check Costs	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	Cost for expanded background checks for Board Members of charter recipients.
3. Site Visits: Third-party expert evaluators	\$ -	\$ -	\$ -	\$ -	\$ 22,500	Fall site visits in Year 5 augmented with external evaluation teams. <b>NOTE:</b> Estimate only. An RFP will be issued to identify the most qualified, competitively-priced evaluator teams.
5. School closure counsel	\$ -	\$ -	\$ -	\$ 25,000	\$ 25,000	Legal/consulting fees related to school closure. <b>NOTE:</b> This is a placeholder to ensure the ICSB is planning for this activity.
<b>Sub-Total School-Related Costs</b>	<b>\$ 92,000</b>	<b>\$ 92,000</b>	<b>\$ 92,000</b>	<b>\$ 117,000</b>	<b>\$ 139,500</b>	
<b>Membership and Conferences</b>						
National Association of Charter School Authorizers (NACSA)	\$ 1,000	\$ 1,500	\$ 2,000	\$ 2,500	\$ 3,000	Membership dues increase according to the number of schools authorized by the ICSB. This is an

						estimate.
Conference Registration Fees	\$ 3,000	\$ 5,250	\$ 8,250	\$ 8,250	\$ 8,250	Professional Development and best practices benchmarking
<b>Sub-Total Membership and Conferences</b>	<b>\$ 4,000</b>	<b>\$ 6,750</b>	<b>\$ 10,250</b>	<b>\$ 10,750</b>	<b>\$ 11,250</b>	

<b>Travel</b>						
<u>Conference Travel</u>						
Flights	\$ 3,000	\$ 4,200	\$ 6,600	\$ 6,600	\$ 6,600	Flight @ \$600 (incl. tax) per trip per person
Hotels	\$ 3,900	\$ 6,300	\$ 9,900	\$ 9,900	\$ 9,900	Hotel @ \$300 (incl. tax) per night for 3 nights per conference
Parking, Taxis, Shuttle	\$ 750	\$ 1,050	\$ 1,650	\$ 1,650	\$ 1,650	Parking, taxis at \$150 per person per trip
Meals	\$ 640	\$ 896	\$ 1,408	\$ 1,408	\$ 1,408	Indiana State Per Diem @ \$32 per person per day for 4 days
<u>Benchmarking/CMO Assessment Travel</u>						
Flights	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	\$ 5,400	Flight @ \$600 (incl. tax) per trip
Hotels	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	\$ 2,700	Hotel @ \$300 (incl. tax) per night for 1 night per trip
Parking, Taxis, Shuttle	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	\$ 1,350	Parking, taxis at \$150 per person per trip
Meals	\$ 576	\$ 576	\$ 576	\$ 576	\$ 576	Indiana State Per Diem @ \$32 per person per day for 2 days
<u>Charter School Application and Public Hearing</u>						



<u>Statewide Travel</u>						
Rental Car	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	\$ 4,000	Rental Cars @ \$200 per day (incl. insurance, gas) for 1 day.
Meals	\$ 2,560	\$ 2,560	\$ 2,560	\$ 2,560	\$ 2,560	Indiana State Per Diem @ \$32 per person for 4 people per trip for 1 day trip
<u>Charter School Accountability Travel</u>						
Rental Car	\$ 1,200	\$ 3,200	\$ 4,000	\$ 4,000	\$ 4,000	Rental Cars @ \$200 per day (incl. insurance, gas) for 1 day.
Meals	\$ 384	\$ 1,024	\$ 1,280	\$ 1,280	\$ 1,280	Per Diem @ \$32 per person for 2 people per trip for 1 day trip
<b>Sub-Total Travel</b>	<b>\$ 26,460</b>	<b>\$ 33,256</b>	<b>\$ 41,424</b>	<b>\$ 41,424</b>	<b>\$ 41,424</b>	
<b>Technology &amp; Telephones</b>						
Staff Computers	\$ -	\$ 2,000	\$ 4,000	\$ 4,000	\$ 2,000	\$2,000 per staff person. Assumes replacements after 4 years.
Cell Phones	\$ 1,200	\$ 1,950	\$ 3,450	\$ 3,450	\$ 3,450	
Review Room for web-based application processing/review/scoring and evaluation	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	Ongoing license fee
Website Maintenance & Upgrades	\$ 1,500	\$ 1,500	\$ 1,500	\$ 26,500	\$ 1,500	Cost to maintain ICSB website and conduct one upgrade
<b>Sub-Total Technology</b>	<b>\$ 7,700</b>	<b>\$ 10,450</b>	<b>\$ 13,950</b>	<b>\$ 38,950</b>	<b>\$ 11,950</b>	
<b>Supplies, Printing, Research</b>						
Supplies and Research Resources	\$ 500	\$ 500	\$ 500	\$ 500	\$ 500	
Mailing/Delivery Costs for Charter Agreements, Board Meetings	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	
Accountability Report Preparation	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000	PDF will be available on the

						ICSB website for free download. Costs are associated with report design and data analysis costs.
<b>Sub-Total Supplies, Printing, Research</b>	<b>\$ 16,500</b>	<b>\$ 16,500</b>	<b>\$ 16,500</b>	<b>\$ 16,500</b>	<b>\$ 16,500</b>	
<b>Back-Office Support</b>						
Office space rent, parking, payroll, accounting, HR, IT support, etc.	\$ 0	\$ 25,000	\$ 40,000	\$ 50,000	\$ 50,000	Estimated 5-year expenses using conservative cost inputs.
<b>Sub-Total Back-Office Support</b>	<b>\$ 0</b>	<b>\$ 25,000</b>	<b>\$ 40,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	
<b>TOTAL OPERATING BUDGET</b>	<b>\$ 370,185</b>	<b>\$ 524,761</b>	<b>\$ 781,591</b>	<b>\$ 886,887</b>	<b>\$ 931,266</b>	