To: Indiana State Board of Education Members  
Date: May 10, 2017  
RE: Lutheran South Unity School Waiver Request

Recommendation: Approve the Lutheran South Unity School Waiver Request.

Pursuant to IC 20-51-4, certain nonpublic schools may qualify for choice scholarship funds (“eligible schools”). However, eligible schools receiving choice scholarship funds that are placed in the lowest two grade designations for at least two consecutive years will have their ability to receive choice scholarship funds suspended. IC 20-51-4-9(a). However, recently enacted legislation permits eligible schools to request a waiver of the consequences contained in IC 20-51-4-9.1 The recently enacted legislation amends IC 20-51-4-9 as follows:

(b) An eligible school may submit a request to the state board to waive or delay consequences imposed under subsection (a) for a particular school year. The state board may grant a request to an eligible school that requests a waiver or delay under this subsection if the eligible school demonstrates that a majority of students in the eligible school demonstrated academic improvement during the preceding school year. A waiver or delay granted to an eligible school under this subsection is for one (1) school year only. An eligible school must make an additional request under this subsection to the state board to receive further delay or waiver of consequences imposed under subsection (a).

Lutheran South Unity School (“LSUS”) received an “F” for the 2012-13 school year, and a “D” for the 2013-14 and 2014-15 school years. As LSUS received a “D” or “F” for three consecutive years, its ability to receive choice scholarship funds for new students has been suspended until the school receives a “C” or higher grade for two consecutive years. IC 20-51-4-9(a)(2).

During the 2015-16 school year, LSUS received a “B.” In light of the new legislation, LSUS is requesting that the Indiana State Board of Education (“Board”) grant the school a waiver of the consequences imposed by IC 20-51-4-9(a). LSUS asserts that the receipt of an “B” during the 2015-16 school year demonstrates that a majority of the school’s students demonstrated academic improvement compared to the preceding school year.

After reviewing LSUS’s waiver request, including the supporting materials, it is recommended that the Board approve the request for the 2017-18 school year. This waiver shall apply to the 2017-18 school year only.

1 See P.L. 251, signed by the Governor on 4/28/17. As the legislation stated that an emergency was declared for the act, it became effective upon signing.