



INDIANA STATE BOARD OF EDUCATION

MEMORANDUM

To: Indiana State Board of Education
From: Dr. Charles Schlegel and Joe Mount, School Transition Liaisons
Re: Update on the Development of Recommendations from the School Transition Task Force
Date: January 30, 2019

Indiana State Board of Education (SBOE) authorized the creation of the *School Transition Task Force* to develop recommendations as to the appropriate path for *Emma Donnan Middle School*, *TC Howe Community High School* and *Emmerich Manual High School* upon each school's exit from turnaround status in June 2020.

Although the appropriate option may vary by school, there are three options to consider:

1. Returning the "turnaround academy" to its school corporation, Indianapolis Public Schools (IPS).
2. Directing the special management team to apply to a charter authorizer for charter school status for the school.
3. Closing or merging the school with a higher-performing school nearby.

Since its first meeting in September 2018, the School Transition Task Force has met monthly to study the options, gather local input, and explore the implications associated with each option.

Throughout this process, the Task Force has worked closely to ensure its work is:

1. **Comprehensive**, reviewing the academic progress of each school, its financial sustainability, operational efficiency and community connections.
2. **Transparent**, employing social media to communicate the progress of the Task Force, share questions from community members and publicize results from constituent surveys.
3. **Balanced**, recognizing the loyalties of various stakeholders, addressing concerns of bias and inviting input from those unable to share their views during public meetings.

As the Task Force continues to gather input and develop its recommendation, three key findings stand out.

1. **Donnan is Different:** Donnan's innovation agreement between IPS and Charter Schools USA (CSUSA) will automatically renew if the elementary meets performance goals outlined in its contract. If it does, Donnan will automatically become a K-8, eliminating the need for a separate middle school. IPS and CSUSA are currently working through the specifics of a future Innovation Agreement for Donnan, K-8.
2. **Charter or Close:** IPS remains committed to its plan, described in its 2017 report *Reinventing IPS High Schools*. In short, the district does not intend to operate Manual and Howe as high schools if either is returned to them. In effect, this leaves minimal immediate difference between options #1 and #3, above.
3. **The Charter Option:** If, upon the SBOE's direction, CSUSA pursues a charter, it will need to...
 - a. **Team up with an "organizer" to apply.** The organizer, a nonprofit registered in Indiana, holds the school's charter and serves as the school's fiscal agent. The organizer, in turn, must identify or create a governing board, "structurally independent" of CSUSA, the *Education Service Provider*.
 - b. **Demonstrate financial sustainability through the authorizing process.** In applying for charters, the schools' organizer will need to include a five-year budget, detailing its revenue and expenses. The schools are likely to receive 10-12% less than they currently do.
 - c. **Lease or buy its facility.** If directed to pursue a charter, *IC 20-26-7-1* requires IPS lease or sell its facility to the school's organizer for \$1. The arrangement minimizes the cost of acquiring the facility; but, it requires the school cover the upkeep/maintenance of its facility.

We highlight these issues, in part, so that we might learn more of your questions or concerns and adequately prepare for a presentation of recommendations next month.