

ESSA Playbook Series

February 2017

Advancing Innovative Policy Solutions

The passage of the Every Student Succeeds Act (ESSA)¹ provides state policymakers a variety of ways to foster innovation at the local and state level.

The ExcelinEd ESSA Playbook Series provides state policymakers clear recommendations, practical advice and resources on four core areas of the Every Student Succeeds Act: A-F School Accountability, School Interventions, Innovation and the Weighted Student Funding Pilot. This Playbook can help states identify innovative approaches to improve K-12 public education.

The Every Student Succeeds Act (ESSA) creates numerous opportunities for innovation. The law not only hands a number of key issues back to the states (see our playbooks on <u>A-F School Accountability</u> and <u>School Interventions</u>), but it also provides state policymakers a variety of ways to foster innovation at the local and state level to improve K-12 public education.



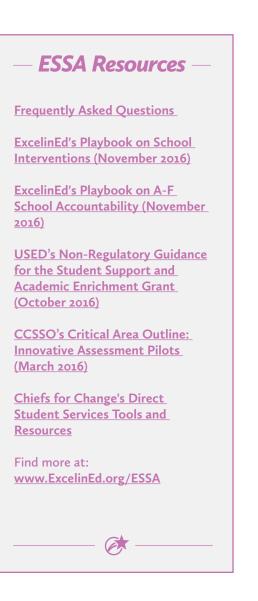
Advancing Innovative Policy Solutions

There are six provisions in ESSA that are particularly important for supporting state-level innovation:

- 1. Direct Student Services
- 2. Charter Schools Program Grant
- 3. Education Innovation Research Grant
- 4. Student Support and Academic Enrichment Grant
- 5. Innovative Assessment & Accountability Demonstration Authority
- 6. Competitive Grants for School Improvement

States can use these opportunities and flexibilities to advance a wide variety of state priorities, including:

- School Choice
- Digital Learning
- Course Access
- Competency-based education





ESSA PROVISIONS SUPPORTING INNOVATION

To begin, there are six provisions in ESSA that are particularly important for supporting state-level innovations designed to improve student outcomes.

PROVISION 1: Direct Student Services

ESSA includes a new provision that allows state education agencies (SEAs) to reserve 3 percent of Title I funding to support Direct Student Services (DSS). Under this provision, SEAs can use the 3 percent to award competitive grants to local education agencies (LEAs) for a variety of purposes, including supporting online courses, credit recovery programs for at-risk students, and personalized learning. SEAs can also target DSS funds for LEAs to transport students enrolled in comprehensive support schools to higher-quality alternatives. However, states must target DSS funds to LEAs with large numbers of schools in comprehensive support.

Use of funds: SEAs that decide to withhold 3 percent of Title I funding for DSS can retain 1 percent of that amount for grant administration and must distribute the remaining 99 percent to LEAs through a competitive grant.

PROVISION 2: Charter Schools Program Grant

ESSA continues the Charter Schools Program (CSP), a competitive grant to support the growth of charter schools. Previously only SEAs could apply, but ESSA expands eligible applicants to include **governors**, **state charter school boards and charter school support organizations**. The entities that win grants must then distribute the grant funds to charter schools in their state to support the costs of new school start-up, expansion and/or replication. Grant applicants will receive preference in the competition for CSP funds if their states have strong charter laws and policies, provide facility support for new charter schools, have strong charter school accountability and move towards per-pupil funding equity for charter schools.

Use of funds: Once an entity (SEA, governor, charter school board or charter support organization) has received a CSP grant, it must distribute 90 percent of grant funds to new or existing charter schools. It can reserve 3 percent of grant funds to administer the program and 7 percent of funds to support state-level activities, such as technical assistance to grant applicants and efforts to improve authorizer practices.

PROVISION 3: Education Innovation and Research Grant

The Education Innovation and Research (EIR) grant program is a competitive grant for LEAs, states, consortia of LEAs or states, or nonprofits to fund innovative, evidence-based programs designed to improve attainment and achievement among high-need students. This is considered a more targeted form of the Obama administration's Investing in Innovation (i3) grant program. The EIR competition will include:

- Early-phase grants to develop, implement and test new and promising programs.
- Second-level grants to support full, rigorous evaluations of programs.
- A third level of grants to scale programs that have shown "sizable, important impacts" in the aforementioned evaluations.

Use of funds: ESSA does not include a list of allowable uses of funds for EIR grant recipients. However, applications to the EIR grant must include a budget describing how the grantee will use the grant funding. Those who receive a grant must expend funds according to the budget in their approved application.



PROVISION 4: Student Support and Academic Enrichment Grant

The Student Support and Academic Enrichment (SSAE) grant is a formula grant that combines several programs from the No Child Left Behind Act (NCLB). SEAs apply to the U.S. Department of Education to receive the grant, and then LEAs apply to the SEAs to receive a subgrant. SEAs and LEAs can use funds to support a wide range of activities, such as providing a well-rounded education, improving school conditions for student learning and using technology to improve students' academic achievement and digital literacy.

Use of funds: SEAs must distribute 95 percent of grant funds to LEAs by formula. They may reserve 1 percent of funds for administration of the grant and use the remainder for state-level work. State-level work may include technical assistance, capacity building or other support for LEAs in implementing aligned activities. State-level work may also include identifying and eliminating state barriers to implementing program activities.

PROVISION 5: Innovative Assessment and Accountability Demonstration Authority

ESSA's Innovative Assessment and Accountability Demonstration Authority (Innovative Assessment Pilot) gives SEAs and consortia of SEAs an <u>opportunity</u> to test-drive the next generation of assessments for use in meeting federal accountability requirements in lieu of the statewide assessment required under Title I. The U.S. Department of Education can give up to seven states, including those in consortia, five years to develop innovative assessment systems and show that the tests are comparable to state assessments. **States are required to expand the system statewide by the end of the five-year demonstration period**. However, a two-year extension can be granted to SEAs that continue to meet the requirements of the program but may need more time to expand statewide, and SEAs can request an additional one-year waiver following that extension. Examples of the types of assessments that states may use include competency-based assessments, interim assessments, cumulative year-end assessments or performance-based assessments that combine into an annual summative determination for a student.

Use of funds: There is no funding attached specifically to this pilot program. SEAs must apply for the flexibility provided in the pilot and may decide to use other funds to support the effort (for instance, federal funding for assessments or for state-level school improvement activities).

PROVISION 6: Competitive Grants for School Improvement

Under ESSA, schools that perform in the bottom 5 percent statewide or have graduation rates below 67 percent are identified for comprehensive support. ESSA allows states to **withhold 7 percent of Title I funding for a competitive grant to LEAs with a large number of these schools.** SEAs can encourage innovative school interventions by including relevant criteria in the competitive grant application. For instance, SEAs can limit eligibility to LEAs that are willing to pursue school choice as a school improvement strategy (for example, by closing a low-performing school and reopening it as a charter, or converting a school to a charter). SEAs could also use the competitive grant program to encourage the adoption of competency-based or personalized learning, Course Access or digital learning programs.

Use of funds: SEAs can withhold 7 percent of Title I funding to support a competitive grant for school interventions. States can use 5 percent of these funds to support the administration of the competitive grant and must distribute the remaining 95 percent to LEAs.



New Flexibilities in Use of Federal Funds

In addition to these six provisions that support state innovation directly, several other provisions within ESSA increase the flexibility with which SEAs and LEAs can use federal funds and/or encourage states to adopt more flexible funding models. SEAs and LEAs can use this more flexible funding to pursue a variety of innovation goals.

Funding Flexibility in Title I

Typically, at least 40 percent of an LEA's students must be low-income in order for the LEA to use Title I aid for school-wide purposes. ESSA gives SEAs the authority to waive this requirement. These waivers could reduce the administrative burden of federal reporting requirements and increase state and district flexibility in using federal funds to serve low-income students.

Weighted Student Funding Pilot

Weighted student funding refers to formulas in which funding is allocated according to the number and types of students a school serves, rather than according to programs or staff. ESSA includes a pilot program to support 50 LEAs in the implementation of weighted student funding formulas, including federal money. The pilot would allow LEAs to combine federal, state, and local funding streams with the purpose of better directing that money to low-income students, English language learners and others with particular needs.

Maintenance of Effort

To receive at least the same amount of Title I money each year, the maintenance of effort (MOE) provision requires LEAs to spend in their current fiscal year at least 90 percent of what they spent in the previous fiscal year. Prior to ESSA, SEAs were required to reduce an LEA's Title I allocations each time it failed to meet this standard. Under ESSA, SEAs must reduce an LEA's allocation if it fails to meet its MOE standard twice in six years.

Supplement, not Supplant

The supplement, not supplant provision in ESSA stipulates that federal Title I, Part A funds cannot be used to replace state and local funds. Prior to ESSA, LEAs had to itemize expenditures on services and programs for Title I students to demonstrate that funds supplemented the resources dedicated to low-income students. Under ESSA, LEAs only have to show that their methodology for allocating funds ensures that all schools receive all the funds they should.²



USING ESSA TO ADVANCE STATE PRIORITIES

States can use the opportunities and flexibilities described above—alone or in combination—to advance a wide variety of state priorities, including school choice, digital learning, Course Access and competency-based education.

ESSA Enables Innovation in School Choice

School choice gives parents the ability to choose the educational environment they feel is the best for their children, whether that be traditional public schools, public charter schools, magnet schools, private schools, online learning or homeschooling. School choice also creates competition and encourages schools to increase their performance and create the best-fit environments for student learning.

Exemplar: Indiana

Indianapolis continues to be a leading school district for offering families a multitude of options for school choice including traditional public schools, magnet schools and <u>innovation schools</u>.

Indianapolis has a robust charter school sector as well. In fact, Indiana's <u>charter school law and standards</u> make the state one of the best in the nation for ensuring quality charter schools. The state's law does not cap charter public school growth, includes multiple authorizers and provides autonomy and accountability. In 2015, <u>Indiana</u> <u>made strides</u> to provide more equitable funding to charter schools and close the inequitable funding gap between charter school students and their counterparts in traditional public schools. Moreover, The Mind Trust, a nonprofit organization, helps incubate and launch new charter schools.

Indiana also has the fastest-growing private-school choice program in the country.

PUBLIC SCHOOL CHOICE

ESSA provides numerous opportunities for states to advance public school choice. The following are strategies for consideration.

Policy Options	ESSA Policy Mechanism	
Option 1: Various state entities can provide start-up funding to support the opening, expansion or replication of charter schools. These entities should establish rigorous standards for a school to receive funding, including a review of student outcomes of applicants that already operate charter schools.	Various state entities are eligible to apply to the CSP grant competition. Recipients can add relevant criteria to the subgrant application, such as a review of student outcomes, to ensure quality.	
Option 2 : Various state entities can work to improve the quality of charter authorizers. These entities should help authorizers develop rigorous practices for evaluating charter applications, monitoring charter performance and closing charter schools that fall short of expectations.	Various state entities are eligible to apply for the CSP grant competition, and recipients can use 7 percent of grant funds to support state-level activities to improve authorizing practices.	



PUBLIC SCHOOL CHOICE

ESSA provides numerous opportunities for states to advance public school choice. The following are strategies for consideration.

Policy Options	ESSA Policy Mechanism
Option 3: SEAs can encourage school LEAs to adopt intra- district choice, enabling students to enroll in district schools other than their assigned neighborhood school. LEAs often give enrollment preferences to students residing within a given school's residential zone, which limits the number of seats available to students in other parts of the city. SEAs can encourage meaningful choice by limiting these residential preferences.	SEAs can withhold 3 percent of Title I funds to support DSS and use those funds for competitive subgrants. SEAs can add criteria to the subgrant application to encourage—or discourage—particular policies or practices, such as limiting residential preferences.

Louisiana recently passed <u>legislation</u> regarding residential preferences in NEW ORLEANS, requiring that schools reserve

50% of THEIR SEATS

for students who live outside the school's zone.³

Option 4: SEAs can encourage LEAs to provide	SEAs can withhold 3 percent of Title I funds to support
transportation to students to schools of choice. Access to	DSS and use those funds for competitive subgrants.
higher-quality school options often depends on the ability	SEAs can add criteria to the subgrant application that
of a child to attend a school outside their neighborhood,	encourage LEAs to use DSS funds for transportation.
and transportation can be a significant barrier.	

In DENVER, the district has created THE SUCCESS EXPRESS,

which circulates the city's Near Northeast & Far Northeast neighborhoods every 15 minutes to transport students to schools in other regions.

Option 5 : SEAs can encourage LEAs to employ school	SEAs can withhold 7 percent of Title I funds for a com-
choice as a mechanism for school improvement. For	petitive grant to LEAs to intervene in schools in compre-
instance, LEAs could close and consolidate schools in	hensive support. SEAs can add criteria to the subgrant
comprehensive support and replace them with charter	application that encourage applicants to employ school
schools. They could also convert comprehensive support	choice as a school improvement strategy.
schools into charters. For more information, see our	
playbook on School Interventions.	



ESSA Enables Innovations in Digital Learning

Digital learning is facilitated by technology and empowers students with more control over their learning experiences. Digital learning enables teachers to tailor instruction for students' individual learning needs, allowing them to master knowledge and skills at their own pace.

Exemplar: Utah

Utah has been a <u>national leader in digital learning</u> for several years, and the state took significant strides in 2013 when it adopted the <u>student achievement backpack</u> policy. The policy requires student academic information to be housed in a common electronic record that provides a holistic view of a student's progress and achievement. Data including—but not limited to—demographic information, state testing data, supplementary student supports and standards-based performance follow a student from grade to grade and school to school. This portable electronic record equips teachers and parents to track students' progress within a single course, or among multiple courses and grades, and immediately diagnose students' needs and abilities. In addition, it helps parents, teachers and counselors facilitate postsecondary planning.

DIGITAL LEARNING

ESSA provides numerous opportunities for states to advance digital learning. The following are strategies for consideration.

Policy Options	ESSA Policy Mechanism
Option 1: SEAs can encourage LEAs to adopt new models of digital learning and support their implementation. For instance, SEAs can support LEAs' efforts to build the requisite infrastructure, purchase devices and provide teachers with the professional development necessary to guide students through digital learning experiences.	SEAs can add criteria to the DSS or SSAE subgrant applications to encourage LEAs to implement particular policies or practices. For example, SEAs could give preference to LEAs committed to using funds to build the requisite infrastructure. States could also offer to provide matching funds to LEAs willing to use their SSAE funds to support certain policies or practices.
Option 2 : SEAs and other state policymakers can support the expansion of existing digital learning programs by encouraging applications to the EIR grant competition. In particular, SEAs and other state policymakers can help provide promising programs with grant-writing support, facilitate partnerships with high-quality evaluators, or help applicants secure the required 10 percent in matching funds.	LEAs, charter schools, nonprofit organizations and consortia are eligible to apply for the EIR grant.
Option 3: SEAs can advance digital learning at the state level by developing a process to assess the quality of digital content, building data systems that allow rich student-level data to inform instruction, and monitoring the quality and accountability of digital learning programs.	SEAs can use 5 percent of a SSAE grant award for state- level activities related to using technology to improve students' academic achievement and digital literacy. For instance, SEAs could use SSAE funds to develop a state- level process for the review of digital learning programs.
Option 4: SEAs can remove state-level barriers to digital learning, such as restrictions on class size or student-teacher ratios, requirements for instructional time or constraints on when students can enroll in digital options.	SEAs can use 5 percent of a SSAE grant award for state- level activities related to using technology to improve students' academic achievement and digital literacy. For instance, SEAs could use funds to support a state- level assessment of policy barriers to digital learning and inform legislative efforts to address them.



ESSA Enables Innovations in Course Access

<u>Course Access</u> is a state-level program that provides public school students with expanded course offerings (such as foreign language, Advanced Placement, dual enrollment or industry certification courses) across learning environments from diverse, accountable providers (such as higher education institutions, other in-state LEAs or online providers). Course Access puts decision-making power into the hands of families—empowering them to customize education to meets their students' needs. Course Access strategies allow LEAs to maximize the use of resources, better serve students and evolve with the needs of 21st-century students. Importantly, Course Access can free LEAs and schools to focus on teaching and learning, while the state takes on the important responsibilities of vetting the providers' quality over time. The LEA pays the cost on a per-course basis, often with a portion of the payment when the student enrolls and the rest when a student successfully completes the course.



Minnesota is a <u>pioneer in Course Access</u>. In 1985, the state passed a public school funding program that allowed students to earn double credit at the high school and college levels, either through being taught by faculty at the college or through a dual-enrollment program where the student stayed at the high school and was taught by a teacher certified to teach college curriculum. Today, Course Access in Minnesota has expanded to include: online and blended learning, alternative learning options (i.e., credit recovery) and charter schools, and a dedicated line item of funding for Course Access. To ensure quality control, Minnesota has amended its governing statute to require ongoing state reviews of providers on a three-year cycle and annual reporting by providers. These annual reports include program data, confirm that assurances remain valid and provide other program updates.

COURSE ACCESS ESSA provides numerous opportunities for states to advance Course Access. The following are strategies for consideration.	
Policy Option (For States New to Course Access)	ESSA Policy Mechanism
State policymakers can create a Course Access program to expand students' access to high-quality content and instruction. In particular, Course Access legislation should clearly define student eligibility and opportunity to select courses and providers, design the program to provide access to a wide variety of delivery models and course types, establish a flexible and sustainable funding model, and require careful monitoring of course quality.	SEAs can use 5 percent of a SSAE grant award for state- level activities related to using technology to improve students' academic achievement and digital literacy. For instance, SEAs could use funding to identify and provide technical assistance to eligible providers or to create course catalogs to help students understand the variety of available courses.



COURSE ACCESS		
ESSA provides numerous opportunities for states to advance Course Access. The following are strategies for consideration.		
Policy Options (For States with Existing Course Access Programs)	ESSA Policy Mechanism	
 Option 1: SEAs can advance Course Access by setting up systems and policies that can help LEAs and schools focus on teaching and learning, rather than managing complex new systems. Ways to do this include: Implementing a process for reviewing and monitoring the quality of Course Access options; Creating course catalogs that facilitate students' access to a variety of content and providers; Developing data systems that track students' enrollment, performance and completion in their selected courses (this also ensures that credits earned through Course Access transfer back to a student's school); and Effectively communicating with LEAs, providers, students and parents about the program. 	SEAs can use 5 percent of a SSAE grant award for state- level activities related to using technology to improve students' academic achievement and digital literacy, such as developing or strengthening a process for reviewing the quality of Course Access options.	
 Option 2: SEAs can encourage LEAs to participate in Course Access by: Supporting their efforts to build the requisite infrastructure, Purchase devices and provide necessary professional development to guidance counselors; and Inviting LEAs and their educators to create courses and content for the program (this may allow for scaling existing in-state resources and opportunities to communities that lack them). 	States can add relevant criteria to the applications for competitive DSS subgrants or SSAE subgrants.	
Option 3 : SEAs can encourage LEAs to consider Course Access as a component of school improvement efforts. For more information, see our playbook on <u>School</u> <u>Interventions</u> .	SEAs can withhold 7 percent of Title I funds for a competitive grant to LEAs to intervene in schools in comprehensive support. SEAs can add criteria to the subgrant application to encourage LEAs to employ Course Access as a school improvement, such as credit recovery.	



ESSA Enables Innovations in Competency-Based Education

Competency-based education refers to systems of instruction, assessment, grading and academic reporting that are based on students' demonstration of knowledge and skills. This approach to education allows students to progress as they demonstrate mastery of academic content, regardless of time, place or pace of learning. Competency-based education establishes a foundation from which schools can provide students with personalized learning opportunities by ensuring equity of expectations and rigor while providing flexibility in pace and delivery. By enabling students to master skills at a flexible pace, competency-based systems ensure that students are challenged throughout their educational careers, receive an accurate picture of their performance and will graduate ready for college and career without need for remediation.

Exemplar: New Hampshire

New Hampshire has been developing and implementing competency-based education for <u>almost two decades</u>. The state began rolling out competency-based education through pilots in 27 high schools from 1998-2004. Then, in 2005, the State Department of Education codified competency-based principles in amendments to the state's core education regulation. Under the new regulations, New Hampshire required districts to create their own competencies and begin measuring high school credits in terms of mastery of those competencies by the start of the 2008-09 school year. New Hampshire's districts and charter schools were free to interpret and implement this mandate as they saw fit. The state has seen extensive variation in how this policy bore out in practice, with schools implementing a range of educational models in response to the state regulations.

<u>Since 2014</u>, districts have been required to create local policies that ensure they are "meeting the instructional needs of each individual student" and to show they provide alternative means of demonstrating achievement, such as extended learning opportunities, career or technical education courses and distance education. The state has also developed competencies for voluntary district adoption.

In 2015, New Hampshire received approval from the U.S. Department of Education to pilot the Performance Assessment of Competency Education (PACE). The system is comprised of the Smarter Balanced assessment, common performance tasks and locally developed performance assessments. The PACE system was the inspiration for the ESSA Innovative Assessment and Accountability Demonstration Authority.

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ESSA provides numerous opportunities for states to advance competency-based education. The following are strategies for consideration.

Policy Options	ESSA Policy Mechanism
Option 1: State policymakers can develop policy solutions to support and incentivize scalable competency- based education by removing seat-time requirements, creating innovation programs that provide LEAs with more flexibility in exchange for piloting competency- based education, transitioning to diplomas based on competencies, or facilitating the recognition of competency-based high school diplomas at state colleges and universities.	States can use 5 percent of a SSAE grant award for state-level activities related to providing students a well-rounded education or using technology to improve academic achievement and digital literacy. For instance, SEAs could use funds to help support a pilot for competency-based education, followed by an assessment of policies that impede full and successful implementation.



Competency-Based Education

ESSA provides numerous opportunities for states to advance competency-based education. The following are strategies for consideration.

Policy Options	ESSA Policy Mechanism
 Option 2: SEAs can begin the transition to assessments that better support competency-based education by adopting testing practices that maximize flexibility, transparency and instructional time. For example: States should allow for the piloting of flexible administration of statewide summative assessments so that students can: demonstrate mastery when they are ready; utilize online assessments; and ensure teachers and parents receive useful, timely information. States may also want to consider exploring the administration of a set of interim tests that can be rolled up into a single annual result and transitioning to computer adaptive testing. 	These assessment flexibilities are available to all states under ESSA (and many were available under prior versions of the law). In addition, states can use Title I, Part B funds to support the implementation of competency- based education and supportive assessment systems.
Option 3: SEAs should begin to develop a vision for next generation assessment systems and determine if an application for the Innovative Assessment and Accountability Demonstration Authority is warranted.	While the Innovative Assessment Pilot does not provide additional funding, SEAs can apply to the pilot to receive additional flexibility to use innovative assessment models for the purposes of federal accountability requirements.
Option 4: SEAs can encourage LEAs to consider competency-based education as a strategy for school improvement efforts.	SEAs can withhold 7 percent of Title I funds for a competitive grant to LEAs to intervene in schools in comprehensive support. SEAs can add criteria to the subgrant application to encourage LEAs to employ personalized learning and/or competency-based education models.
Option 5: State policymakers can identify and support existing competency-based education initiatives by encouraging applications to the EIR grant competition. In particular, SEAs and other state policymakers can help provide promising programs with grant-writing support, facilitate partnerships with high-quality evaluators or help applicants secure the required 10 percent in matching funds.	LEAs, charter schools, nonprofit organizations and consortia are eligible to apply for the EIR grant that can provide the support necessary to successfully pilot competency-based education.

What's Next?

In the wake of ESSA's passage and throughout the regulatory process to date, policymakers and analysts have focused on the new requirements under the law—what states must do (or not do) to comply with provisions regarding federal funding, assessments and school interventions. Beyond these requirements, however, ESSA provides numerous opportunities for state policymakers and SEAs to create and implement innovative new approaches to improving K-12 public education. From school choice to competency-based education, ESSA provides a chance for states to lead.

ExcelinEd is ready and willing to assist states in harnessing the innovations above to help every child achieve his or her full potential.

Visit <u>www.ExcelinEd.org/ESSA</u> or email <u>Info@ExcelinEd.org</u> for additional information and assistance.



ENDNOTES -

¹ In December 2015, President Obama signed into law the Every Student Succeeds Act (ESSA). This law maintains key accountability measures, including reporting requirements and annual assessments, but leaves states responsible for designing school accountability systems and working with local school districts to select interventions in low-performing schools.

² The draft regulations issued by the Obama Administration on the supplement, not supplant provision were withdrawn. It is not yet clear if the Trump Administration will issue regulations or provide guidance on this provision.

³See Act No. 91, Louisiana Legislature, 2016, <u>https://www.legis.la.gov/legis/ViewDocument.aspx?d=1003434</u>.