



**INDIANA
DEPARTMENT of
EDUCATION**

**Mike Braun, Governor
Katie Jenner, Secretary of Education**

October 17, 2025

U.S. Department of Education
400 Maryland Ave. SW
Washington, DC 20202-5900

Dear Secretary McMahon,

Indiana is ready and eager for additional federal flexibility that will allow us to build on our momentum and continue driving positive results for students. We appreciate your consideration of our state's waiver request under the Elementary and Secondary Education Act (ESEA), which represents our unwavering commitment to advancing student outcomes through innovation, flexibility, and a relentless focus on academic excellence.

Indiana stands at a pivotal moment with positive stakeholder engagement, measurable gains, and unprecedented synergy amongst K-12, higher education, and business/industry. Below is just a snapshot of some of our recent, shared successes:

- **Literacy Acceleration:** Indiana enacted and implemented one of the most comprehensive literacy strategies in the nation, grounded in the science of reading; the ability to learn from and follow the recipe of success in Mississippi was key in helping us to put a strategic plan in place and implement more quickly. Additionally, we were able to secure a historic public-private partnership between the state of Indiana and Lilly Endowment Inc. to invest \$170 million in literacy. In 2025, we saw a nearly five percentage point increase in third grade literacy rates in just one year—the largest in Indiana history. We also jumped to sixth in the nation in reading—the highest we have ever ranked in fourth grade reading. Indiana is determined to continue helping more students learn to read, in third grade and beyond.
- **High School Redesign & Pathways Transformation:** Extensive stakeholder feedback about what Hoosiers value most led to a historic high school redesign effort in Indiana. This overhaul of outdated high school diploma requirements set the stage for a more student-centered, future-focused diploma with readiness seals aligned to a student's unique path, whether they plan to pursue employment, enrollment, or enlistment. The new diploma seals, which are now at the early stages of being scaled statewide, have embedded work-based learning, market-driven credentials of value, and encourage increased partnerships with higher education as well as business/industry. This keeps a student's unique purpose and path front and center of decision making.
- **Responsible Innovation with Artificial Intelligence:** Indiana is committed to the responsible integration of AI as a support for teachers and students. From AI-driven literacy tutoring pilots to STEM acceleration tools, our approach prioritizes transparency and teacher empowerment. We believe technology must enhance—not replace—instruction, and are committed to ensuring AI is deployed in a safe and effective manner to better support educators and students.

- **New Accountability Model (Finalization December 2025):** As the world around us changes rapidly, we must continue to evolve and improve in education. Indiana's future accountability model represents our continued commitment to assessment and understanding where a student is academically so that we can continue growing their knowledge. We also seek to gain a more complete picture of student success, which includes a variety of knowledge and skills, as well as unique experiences (like work-based learning) that matter to a student's future success. Through a simple, intentional, and rigorous design, our accountability model can provide a clear roadmap – for schools, parents, and students – on how short-term progress can be achieved to maximize long-term outcomes. From new diploma requirements, to outcomes-based funding in the K-12 state formula, to a redesigned accountability model, we are building one aligned system in Indiana, focused on progress for all students.

Purpose of this Waiver

In Indiana, we believe every child—regardless of their background, zip code, or circumstance—deserves an education that prepares them for a successful future and allows them to pursue their unique path.

Collectively, we have worked hard to remove barriers that get in the way of doing good work for students. With the opportunity to return education to the states, we have a great opportunity to further reduce burdensome federal compliance demands and empower our local leaders, in collaboration with parents/families, to make informed decisions about what Indiana students need most.

Thank you for your thoughtful consideration of this request. We look forward to future discussion with the U.S. Department of Education as we pursue our shared mission: ensuring every student in every community is prepared to succeed.

Sincerely,

A handwritten signature in cursive script that reads "Katie Jenner".

Dr. Katie Jenner
Indiana Secretary of Education



Indiana's Request for a Waiver of Statutory Requirements of the Elementary and Secondary Education Act

Pursuant to Section 8401 of the Elementary and Secondary Education Act (ESEA) as amended by the Every Student Succeeds Act (ESSA), the Indiana Department of Education (IDOE) submits this request to waive the statutory provisions included in the sections below.

IDOE looks forward to partnering with the U.S. Department of Education (USED) to secure the flexibility included in this request with an unwavering commitment to advancing student achievement for all Hoosier students and continuing to provide assistance to the same at-risk students served by programs for which waivers are requested.

PART 1: State Activities Strategic “Block Grant”

Summary of Requested Flexibility

The Need: Flexibility to strategically administer federal ESEA funds.

At any given time, IDOE is responsible for managing more than 15 distinct federal ESEA programs, often spanning up to three concurrent project years. In practice, this equates to the administration of approximately 45 separate funding streams—each with its own deadlines, regulations, and compliance requirements.

This extensive administrative burden significantly constrains IDOE's capacity for innovation and strategic flexibility. A disproportionate share of time and resources are redirected from serving students toward federally mandated compliance functions, including financial accounting, auditing, fiscal reporting, and program monitoring.

Position (Approximate FTE)	ESEA-Funded Compensation (Salary & Fringe)	Compliance & Administrative Tasks		Improving Student Success	
		% of Time	Total \$	% of Time	Total \$
Director (x2)	\$299,000.26	65%	\$194,350.17	35%	\$104,650.09
Asst Director (x4)	\$419,701.69	75%	\$314,776.27	25%	\$104,925.42
Federal Program Specialists (x15)	\$1,372,295.65	75%	\$1,029,221.74	25%	\$343,073.91
TOTAL PROGRAM	\$2,090,997.60	-	\$1,538,348.18	-	\$552,649.42
Finance & Auditing Support	\$120,400.00	100%	\$120,400.00	0%	\$0
TOTAL PROGRAM & FINANCE	\$2,211,397.60	-	\$1,658,748.18	-	\$552,649.42



Currently, IDOE allocates an estimated **\$2.2 million annually in staff time** to support the administrative infrastructure necessary to meet ESEA compliance requirements. Of this, approximately **75%—or \$1.7 million—is dedicated solely to compliance and reporting**, rather than to initiatives that directly advance student achievement in critical areas such as early literacy, STEM education, career coaching, and work-based learning. This diversion of resources limits the department's ability to fully align federal investments with Indiana's highest education priorities.

The Opportunity: Strategic and aligned investments to drive outcomes in coordination with state-level initiatives.

Indiana experienced the clear benefits of a streamlined and flexible federal funding structure through the administration of the Elementary and Secondary Education Emergency Relief (ESSER) fund. Under ESSER, IDOE received a single block grant that consolidated allowable uses across multiple ESEA programs. This unified funding approach enabled Indiana to align resources with its most pressing educational priorities, deploy additional staff to directly support student success, and adapt swiftly to evolving needs in the field. Through ESSER, we were able to be nimble and deploy student-focused tactics, while also studying return on investment. We had the flexibility to move with urgency and make decisions on when to double-down and when to pivot, based on what was moving the needle for students.

Through this waiver request, Indiana seeks to replicate the flexibilities afforded under ESSER by establishing a similar consolidated funding structure across ESEA programs. This approach would significantly enhance the state's ability to strategically invest federal resources, promote innovation, and maximize the impact of federal dollars in service of Hoosier students.

By streamlining program administration, Indiana aims to dramatically increase the percentage of ESEA-funded staff time dedicated to activities that directly support student outcomes. IDOE will continue to monitor and evaluate staff time allocation, with a targeted goal of shifting ESEA-funded staff time to provide technical assistance, capacity building, and direct support to schools and students.

Impacted Federal Programs

This section of the waiver addresses the allowable use of funds under each of the ESEA programs listed below. Rather than applying each program's specific use-of-funds requirements individually, Indiana proposes to broaden the allowable uses for each individual program to include any activity authorized under ESEA. This consolidated approach would empower the State to more effectively coordinate federal investments around Indiana's education priorities. This request is limited to provisions within ESEA and **does not** request to waive provisions within other federal law, including the Individuals with Disabilities Act (IDEA).

To secure maximum flexibility for state activities funds under ESEA, IDOE requests a waiver



from the following sections related directly and indirectly to allowable use provisions across several ESEA programs:

- **Title I Part B State Assessment Grants**
 - Section 1201(a)(1)
 - Section 1201(a)(2)
- **Title I Part C Education of Migratory Children**
 - Section 1304(b)
 - Section 1304(c)
 - Section 1304(e)
 - Section 1306
- **Title I Part D Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At Risk**
 - Section 1414
 - Section 1415(a)
 - Section 1418(a)(1)
 - Section 1418(a)(2)
 - Section 1431
- **Title II Part A Supporting Effective Instruction**
 - Section 2102(b)(2)
 - Section 2104(a)
 - Section 2104(c)
- **Title III Part A English Language Acquisition, Language Enhancement, and Academic Achievement Act**
 - Section 3111(b)(2)(A)
 - Section 3111(b)(2)(B)
 - Section 3111(b)(2)(C)
 - Section 3111(b)(2)(D)
 - Section 3111(b)(2)(E)
 - Section 3115(c)
 - Section 3115(d)
 - Section 3115(e)
 - Section 3116
- **Title IV Part A Student Support and Academic Enrichment Grants**
 - Section 4104(b)
- **Title IV Part B 21st Century Community Learning Centers**
 - Section 4202(c)(3)(A)
 - Section 4202(c)(3)(B)
 - Section 4202(c)(3)(C)
 - Section 4202(c)(3)(D)
 - Section 4202(c)(3)(E)
 - Section 4202(c)(3)(F)
 - Section 4202(c)(3)(G)
 - Section 4202(c)(3)(H)
 - Section 4202(c)(3)(I)
 - Section 4204(e)



Clarification on Scope of the Waiver Request

This waiver request does not seek to change the allocation or distribution of federal funds to the State of Indiana or its local educational agencies (LEAs). Indiana will continue to calculate individual program set-aside amounts in accordance with statutory requirements, even under the flexibility provided by this request.

Importantly, this request does not waive the “supplement, not supplant” provisions applicable to the programs listed. IDOE affirms that state and local funds are—and must remain—the primary source of support for education in Indiana. Any federal funds made available through this flexibility will be used only to supplement, not replace, existing state and local funding. Federal funds will be used to supplement the funds that would, in the absence of such Federal funds, be made available from State and local sources for the education of students participating in programs assisted under this part, and not to supplant such funds.

IDOE looks forward to partnering with USED to craft an approach to monitoring and reporting that will sufficiently demonstrate IDOE’s commitment to fulfilling the requirement to use federal funds under these programs to supplement, not supplant existing state investments.

Advancing Student Achievement through State-Level Strategic Investments

Consolidating the allowable uses of funds across ESEA programs—functionally creating a “block grant”—will directly support student achievement by enabling more efficient use of funding, stronger planning, and the elimination of burdensome administrative barriers that currently limit flexibility and innovation.

1. Increased Flexibility for State Decision-Making

- **What it means:** By consolidating the allowable uses of ESEA state set-aside funds, Indiana will gain broad authority to allocate federal resources based on statewide priorities rather than being restricted by narrow, program-specific limitations.
- **How it helps:** This flexibility allows IDOE to tailor interventions to the state’s most urgent and localized needs—such as literacy, STEM proficiency, and high school redesign. Instead of managing separate plans for each individual federal program, IDOE can fund a single, comprehensive strategic plan that maximizes impact and aligns with state goals. This increases coherence, improves efficiency, and drives measurable improvements in student outcomes.

2. Reduce Administrative Burden

- **What it means:** Rather than managing multiple separate federal programs—each with its own unique reporting, compliance, and administrative requirements—consolidating the allowable uses of ESEA funds simplifies operations for both state and local education agencies.



- **How it helps:** This streamlined approach reduces the administrative burden, freeing up time and staff to focus on what matters most: effective implementation, real-time progress monitoring, and continuous improvement. With greater capacity to evaluate what's working and make timely adjustments, Indiana will be better positioned to align its investments with student needs and drive measurable improvements in outcomes for Hoosier students.

3. Encourage Innovation and Strategic Planning

- **What it means:** With greater flexibility in how federal funds can be used, IDOE can implement a unified, statewide strategic plan without being constrained by fragmented program-specific budgets. This allows Indiana to strategically focus on what works best for Hoosier students, while continuing to support the same at-risk student populations served by programs for which waivers are requested.
- **How it helps:** This agile funding approach empowers IDOE to invest in innovative, research-based practices such as project-based learning, blended instructional models, and early college pathways. By removing funding silos, Indiana can more easily pilot and scale new strategies that increase student engagement, improve outcomes, and respond to evolving educational needs.

4. Promote Cohesion Across Initiatives

- **What it means:** Consolidating the allowable uses of ESEA funds allows IDOE to unify its goals and strategies, rather than fragmenting efforts across separate, narrowly defined programs. A common saying in education policy circles is that leaders want to “fund the plan,” not “plan the fund.” However, under current ESEA constraints, agency staff are often organized around individual federal programs rather than the department’s core priorities. With increased flexibility, IDOE can develop a single, cohesive strategic plan aligned to state goals—and fund that plan holistically, without being limited by the constraints of separate program budgets.
- **How it helps:** This flexibility enables more coherent and effective planning around high-impact priorities, such as early literacy or high school credential attainment. By aligning funding, staffing, and professional development under one unified vision, IDOE can better support schools, improve implementation at scale, and ensure more efficient use of public resources. This strategic alignment also fosters economies of scale and greater impact when large teams are focused on a shared set of goals.

5. Support Real-Time Monitoring and Continuous Improvement

- **What it means:** With increased flexibility and alignment across ESEA programs, the Indiana Department of Education (IDOE) will be better positioned to monitor the impact of federal investments and make timely adjustments when student progress falls short. Under the current structure, tracking effectiveness is challenging due to the siloed nature of programs and the significant time spent meeting complex compliance and reporting requirements.



- **How it helps:** A consolidated approach allows IDOE to focus on a manageable number of high-priority initiatives, assign dedicated staff to support implementation, and use real-time performance data to guide decisions. In a system where not all interventions may yield the desired results, this flexibility enables IDOE to course-correct quickly, ensuring resources are directed toward what works—and ultimately improving outcomes for Hoosier students.

Monitoring and Evaluation Plan

To promote greater transparency and accountability in the use of federal ESEA funds, IDOE will implement a comprehensive monitoring and reporting system that clearly connects strategic investments to both aspirational goals and measurable student outcomes.

IDOE will publish an annual strategic investment plan aligned with the department's long-term strategic priorities. In addition, a suite of annual reports will be developed to document how funds are used, highlight implementation progress, and evaluate impact on student learning.

Strategic Priorities and Consolidated State Plan

To support the level of flexibility Indiana is seeking, this waiver request includes a proposal to eliminate the requirement for individual program-specific plans and applications. This step is necessary to allow for the consolidation of allowable activities across ESEA programs, enabling a block grant-style approach to funding.

In place of these separate requirements—including the consolidated state plan option outlined in Section 8302 of ESEA—IDOE will develop and submit an amended **comprehensive consolidated state plan**. This plan will:

- Articulate Indiana's statewide educational priorities
- Establish long-term goals and performance benchmarks
- Set an aspirational vision for student success
- Outline how the state will support all students, including targeted populations and federally identified subgroups

This unified planning framework will serve as the foundation for Indiana's strategic use of federal funds and guide the development of the annual strategic investment plan moving forward.

Annual Strategic Investment Plan

Modeled after the consolidated spending plan required under the American Rescue Plan for ESSER funds, Indiana's **Annual Strategic Investment Plan** will serve as a transparent, data-driven framework that connects the state's student-centered, future-focused educational and workforce priorities with how federal ESEA funds are invested—and the students those investments are intended to serve.



This publicly available plan will help ensure that the use of ESEA funds remains aligned with federal guidelines, continues to support the same populations served by programs for which waivers are requested, and contributes to Indiana's vision for educational achievement. The plan will include the following core components:

- **Stakeholder Engagement:** Meaningful input from across the education ecosystem, including students, families, school and district leaders, community organizations, workforce partners, and higher education institutions.
- **Data-Driven Insights:** A comprehensive summary of key data points—such as student achievement (disaggregated by ESEA-identified subgroups), educator workforce trends, and partnership opportunities across K–12, community, and postsecondary systems.
- **Needs Prioritization:** Annual identification and prioritization of the most pressing needs to guide the strategic use of ESEA funds, informed by evaluation of past investments, current conditions, and anticipated challenges.
- **Performance Targets:** Clear annual goals aligned to ESEA-funded priorities, including both leading indicators (focused on implementation and execution) and lagging indicators (reflecting student achievement and access to opportunity).
- **Budget Transparency:** A detailed annual budget outlining all ESEA-supported investments, tagged to the original federal program(s) for tracking and transparency purposes only. Tags may be associated with multiple ESEA programs where allowable uses overlap but will not serve a compliance or monitoring function.

Comprehensive Reporting Structure

Aligned to the activities included in the strategic investment plan, IDOE will work with USED to define a suite of annual financial and programmatic reports that include details on how funding was used and the impact they had on student success and opportunities. These reports will be strategically designed to align with Indiana's existing data systems and ongoing technical assistance to reduce the administrative burden. Unlike traditional federal reports, which adopt one-size-fits all expectations that may or may not align to a state's existing data collection infrastructure, these state-developed and federally-approved reports will provide transparency for the general public and streamlined procedure for IDOE staff. While the exact details of each report will be finalized with USED, IDOE intends to incorporate the following information into our suite of annual reports:

1. Breakdown of contracts and subgrants, by award amount and recipient/vendor, and a description of the funded activities by strategic investment;
2. Programmatic reporting on leading and lagging indicators to illustrate the impact of each large strategic investment and progress Indiana is making towards its long-term goals; and
3. A breakdown of funding to ensure transparency and accountability around ongoing assistance to ESEA-identified student populations.



These reports will be in addition to the state and local report card required under Section 1111 of ESEA.

PART 2: Local Education Agency Strategic “Block Grant”

Summary of Requested Flexibility

The Need: Increasing Resources and Support Available to Hoosier Student

School officials across Indiana consistently express frustration with the administrative burden imposed by federal regulations and compliance requirements within ESEA. Common concerns include overly complex application processes, program-specific allocations that are too small to drive meaningful change, and extensive documentation requirements related to the use of funds that stifle innovation and creativity.

While Indiana has taken advantage of flexibility included in ESEA, including implementing a consolidated LEA application to simplify access to federal programs, the process remains cumbersome and highly technical. Despite being housed in a single application, each program’s unique requirements—especially around back-end compliance monitoring—limit the efficiency and intended benefits of this approach.

Local leaders also report that significant time is spent fulfilling documentation mandates such as time and effort logs, particularly when staff are funded across multiple ESEA programs or a mix of federal and state sources. Like most states in our country, Indiana has many rural school corporations with smaller student numbers, and therefore receive smaller allocations for certain federal programs. In many cases, the administrative burden outweighs the potential benefit. In some cases, LEAs opt to decline funding altogether. In others, they choose to implement only low-risk activities that stay well within compliance boundaries—limiting their ability to innovate or address local needs.

These challenges highlight the urgent need for greater flexibility in federal requirements to ensure that time, talent, and funding can be more effectively directed toward student success.

ESEA Program	Number of LEAs with an FY24 award...		
	Less than \$25,000	Between \$25,000 & \$100,000	Greater than \$100,000
Title II Part A	104	211	89
Title III Part A	328	40	23
Title IV Part A	230	123	36



The Opportunity: Empowering Innovation Through Flexibility

Granting greater flexibility in the use of ESEA funds offers an opportunity to ease administrative burdens on Indiana schools while expanding high-impact services for Hoosier students. Under the requested flexibility, including an updated consolidated application process, LEAs can develop and implement comprehensive, student-centered plans that continue to support the same populations served by programs for which waivers are requested.

This approach encourages school leaders, educators, and families to collaborate on innovative solutions and continuous improvement strategies—without the fear of triggering complex compliance requirements. By removing unnecessary barriers, Indiana can better support high-need students and ensure that federal resources are used effectively and strategically.

Impacted Federal Programs

To secure maximum flexibility for Indiana LEAs and enhance services and supports for students, the IDOE requests a waiver from the following sections related directly and indirectly to allowable use provisions across several ESEA programs:

- **Title I Part A Improving Basic Programs Operated by Local Education Agencies**
 - Section 1114(1)(A)
- **Title I Part D Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At Risk**
 - Section 1424
 - Section 1425
- **Title II Part A Supporting Effective Instruction**
 - Section 2101(c)(4)
 - Section 2103
 - Section 2101(d)
 - Section 2104(b)
- **Title III Part A English Language Acquisition, Language Enhancement, and Academic Achievement Act**
 - Section 3113(b)(3)(E)
 - Section 3115(d)
 - Section 3115(a)
 - Section 3115(e)
 - Section 3115(c)
 - Section 3116
- **Title IV Part A Student Support and Academic Enrichment Grants**
 - Section 4106
 - Section 4108
 - Section 4107
 - Section 4109
- **Title V Part B Rural Education Initiative**
 - Section 5211(a)(2)
 - Section 1425
 - Section 5224



Clarification on Scope of the Waiver Request

This waiver request does not seek to alter the allocation or distribution of ESEA funds to local educational agencies (LEAs). Indiana will continue to calculate and distribute program-specific awards to LEAs in accordance with statutory requirements. This section of the request focuses solely on the allowable uses of those funds. Rather than adhering to the specific use-of-funds restrictions within each individual program, Indiana is requesting the flexibility to permit any activity authorized under ESEA, across the programs listed above, to strategically focus on what works best for all Hoosier students, while continuing to support the same at-risk student populations served by programs for which waivers are requested.

This request does not waive the “supplement, not supplant” provisions applicable to ESEA programs. IDOE affirms that state and local funds must remain the primary source of funding for education. Federal dollars must be used to enhance—not replace—existing services, by expanding support for students and educators served by the programs included in this waiver beyond what is required or what would otherwise be provided without federal assistance.

IDOE looks forward to partnering with USED to craft an approach to monitoring and documentation that meets the standard included in ESEA while reducing the burden associated with traditional approaches to enforcing supplement, not supplant.

Advancing Student Achievement through Strategic Use of Federal Funds

1. Reduced Administrative Burden on Hoosier Educators

- **What it means:** By waiving the restrictions on the use of funds, school officials across Indiana will experience a more streamlined application, monitoring, and reporting process for federal funds. Under IDOE’s proposed monitoring and evaluation plan, LEAs will complete a single application to receive all funds without the additional program-specific requirements that limit flexibility and innovation.
- **How it helps:** Streamlining federal programs across ESEA will help address several ongoing concerns within Indiana schools. This includes strategically staffing federal program administrative positions, eliminating frustrating compliance activities that take teacher’s time away from the classroom, and reducing the threat that a well-intended school official will make a mistake on one of the myriad of unique federal requirements.

2. Increased Flexibility for Local Decision-Making

- **What it means:** With additional flexibility and alignment, LEAs can develop comprehensive community-level strategic improvement plans that are not dictated by the available funds in each individual program.
- **How it helps:** While IDOE has adopted a consolidated LEA application, district officials continue to face burdensome regulatory and compliance requirements that limit the services and supports available for students. By expanding the allowable uses for the programs included in this section of the waiver, LEAs will develop a single



comprehensive needs analysis based on a single set of long-term goals to inform a strategic plan focused on the locally-determined needs.

3. More Resources Directed to Hoosier Classrooms

- **What it means:** Every dollar of ESEA funding spent on administrative and compliance activities is a dollar taken out of a classroom serving high-needs students. Moreover, several LEAs deny smaller programmatic awards because it is not worth the administrative burden that comes with it, leaving resources on the table to avoid the federal pursestrings.
- **How it helps:** Directing more funds to services and supports into classrooms will increase access and opportunities for Indiana's most vulnerable students. LEAs do not receive a separate award to help offset the costs of administering federal programs. While there is a maximum amount that can be used, every ESEA dollar spent on compliance and reporting comes out of funds that are awarded to support students and educators.

Monitoring & Evaluation Plan

To enhance transparency, accountability, and effectiveness in the use of federal ESEA funds, IDOE will implement a streamlined LEA application and monitoring process. This process will ensure all federal investments are compliant with applicable laws, continue to support the same populations served by programs for which waivers are requested, and used in ways that maximize impact under the flexibility granted by this waiver.

Consolidated Federal Program Application

IDOE will revise its existing **consolidated federal program application** for LEAs to reflect the flexibility afforded by this waiver. Drawing on lessons learned from Indiana's administration of ESSER as a block-grant model, the revised application will:

- Incorporate a **comprehensive needs assessment**, encouraging districts to evaluate student needs through the lens of multiple ESEA programs.
- Require **stakeholder engagement** and the articulation of local goals and priorities.
- Include a **detailed plan of activities** funded through ESEA, with each activity tagged to the applicable federal program(s) for tracking purposes.
- Require a **complete budget and assurances** of compliance with relevant federal requirements, including supplement, not supplant and Uniform Grant Guidance (2 CFR Part 200).

This application will serve both as a strategic planning tool and as the foundation for ongoing monitoring and oversight. The application will also serve as a key monitoring tool to ensure LEAs continue to support the same populations served by programs for which waivers are requested.



Monitoring Protocol

In addition to the application review process, IDOE will implement a **robust programmatic and fiscal monitoring system** to assess implementation, impact, and compliance. The system will include streamlined and efficient tools to monitor the use of funds and evaluate whether LEA's continue to support the same populations served by programs for which waivers are requested

Key components will include:

- **Desktop Fiscal Monitoring:** IDOE will leverage historical ESSA school-level expenditure data to identify unusual shifts in spending that could indicate violations of supplement, not supplant requirements.
- **Programmatic Monitoring:** Compliance reviews will shift focus from which specific program funds were used to whether federal funds were used in accordance with allowable activities and legal requirements.
- **Implementation Oversight:** Monitoring will assess whether investments are aligned to intended goals and delivering results, with a focus on improving student outcomes rather than strictly procedural compliance.

Annual Reporting and Transparency

To ensure public transparency, IDOE will collaborate with USED to determine a clear and relevant **suite of annual reports**. These reports will provide stakeholders with visibility into how ESEA funds are being used across Indiana and highlight progress toward state and local priorities.

Additionally, Indiana will continue to report all report card data required in Section 1111(h) of ESEA as amended by ESSA.

PART 3: Education Innovation Grant

Summary of Requested Flexibility

The Need: A new approach to supporting students in chronically underperforming schools

Indiana faces a critical and urgent need to transform how we support students in chronically underperforming schools. Despite decades of effort and billions of dollars invested nationwide through ESEA's School Improvement Grants (SIG), past initiatives have failed to produce consistent, sustainable outcomes for students.

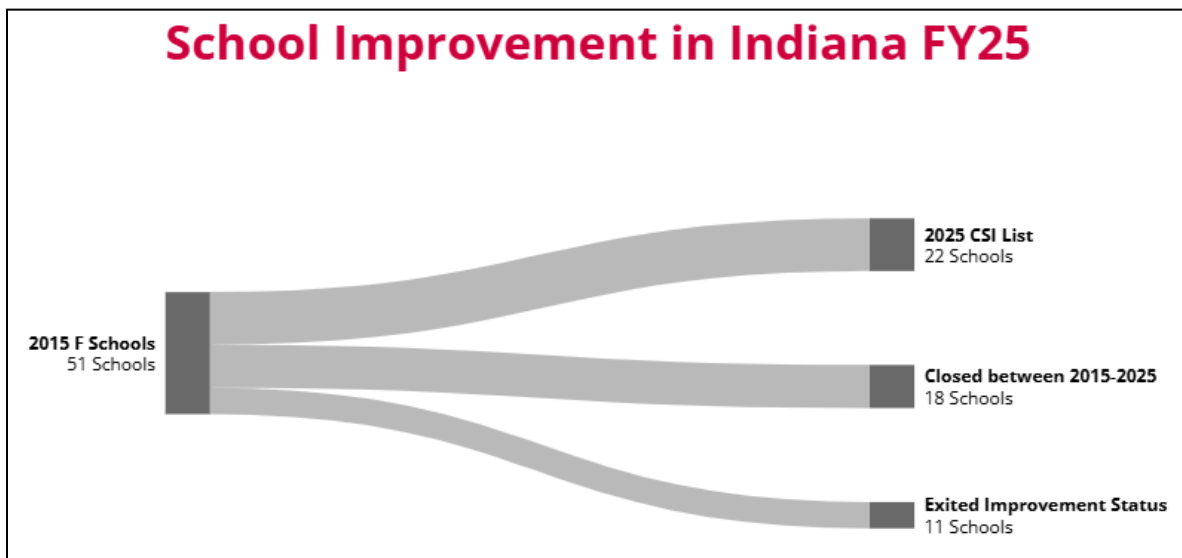
A comprehensive federal evaluation of SIG programs offered sobering conclusions:

- Although SIG-funded schools reported using more recommended practices, there was **no evidence** that SIG funding caused an increase in meaningful implementation of those practices.



- Across all grades and models, **no significant impact** was found on student math or reading scores, high school graduation rates, or college enrollment.¹

Indiana's own data reinforces these national findings. A recent review of schools identified for Comprehensive Support and Improvement (CSI) under ESEA reveals that nearly **80% of schools rated "F" in 2015**—the last year letter grades were issued under Indiana's previous ESEA waiver—**remain among the state's lowest-performing schools in 2025** or have since closed.



While there are examples of success, they are the exception, not the norm. The current model of school improvement—rooted in rigid federal requirements—has not delivered results that justify the continued loss of opportunity for generations of students. Indiana has a **moral obligation** to pursue a more flexible, responsive, and evidence-informed approach that empowers schools to meet the unique needs of their communities.

The Opportunity: To build a model focused on the educational opportunity for each student over a single system

Indiana has cultivated a robust and diverse ecosystem of publicly funded educational options, providing Hoosier families with meaningful choices when it comes to finding the right fit for their student's educational needs. As the state continues to expand this dynamic system, it is essential that the use of school improvement funds under ESEA aligns with the flexibility and opportunity this ecosystem was designed to offer.

Currently, federal school improvement funds authorized under Section 1003 and the Direct Student Services provisions in Section 1003(a) are directed to schools identified for improvement through the federal accountability system. While this structure is designed to

¹ Dragoset, L., Thomas, J., Herrmann, M., Deke, J., James-Burdumy, S., Graczewski, C., Boyle, A., Upton, R., Tanenbaum, C., & Giffin, J. (2017). School Improvement Grants: Implementation and Effectiveness (NCEE 20174013). Washington, DC: National Center for Education Evaluation and Regional Assistance, Institute of Education Sciences, U.S. Department of Education.



improve outcomes by investing directly in underperforming schools, it often limits the state's ability to tailor supports around individual student needs—particularly in cases where transformation at the school level has historically been slow or inconsistent.

Students and families cannot wait—sometimes for years—for a chronically underperforming school to improve in order to receive access to high-quality instruction. Indiana believes that to best serve students, the state should have the flexibility to issue grants to any LEA **on behalf of students zoned to attend these persistently underperforming schools**—not solely to the schools themselves. This allows the money to support the child, rather than continuing to be trapped in a system that year over year is yielding negative results for children.

To achieve this, Indiana is requesting a waiver of the eligibility and use restrictions under Sections 1003 and 1003(a) of ESEA. If granted, this flexibility would allow Indiana to direct nearly \$25 million in annual school improvement funds toward innovative, student-centered solutions that prioritize access to high-quality educational opportunities—regardless of a student's current school assignment.

Out of approximately 2,200 schools in Indiana, there are a small number that are identified as persistently underperforming. For example, in 2024, approximately 6% of Indiana schools were identified as persistently underperforming based on schoolwide student achievement. As an example, if a school longitudinally has under 10% of students schoolwide who are showing proficiency in English/language arts and math, school improvement funds should have the flexibility to support students in another environment where they can thrive. While Indiana fully acknowledges that ESEA requires these funds to be awarded to LEAs, we seek the flexibility to extend eligibility to LEAs beyond those operating the identified schools, enabling the state to better support a growing ecosystem of effective, innovative school models. This approach is intended not to abandon efforts to improve existing schools, but rather to complement them by ensuring students and families have timely access to better options when needed.

Impacted Federal Programs

To secure maximum flexibility for state activities funds under ESEA, IDOE requests a waiver from the following sections related directly and indirectly to allowable use provisions across several ESEA programs:

- **Title I Part A Improving the Academic Achievement of the Disadvantaged**
 - Section 1003(b)
 - Section 1003A(b)(2)
 - Section 1003(f)
 - Section 1003A(c)

Clarification on Scope of the Waiver Request

This request does not intend to adjust the formulaic calculations for the set-aside amounts under either section listed above. Rather, IDOE is requesting a waiver from the eligibility requirements that restrict the use of these funds in a way research has shown to be ineffective. IDOE will continue to prioritize investments in CSI schools; however, we will expand our strategy to include new and existing LEAs that may not be identified for improvement, but are actively seeking to serve students that would otherwise have enrolled in the eligible school.



Advancing Student Achievement through Flexible Innovation Funding

1. Encourages Local Innovation and Tailored Solutions

- **What it means:** Expanding eligibility for school improvement funds and creating a flexible innovation fund allows Indiana to support students beyond the limitations of their current school environment. This shift empowers more creative and student-centered solutions in the environment that best meets each students' needs.
- **How it helps:** By prioritizing student access to high-quality educational options, this approach enables investments in LEAs and schools that have a proven-success record, as well as supporting innovative initiatives that include partnerships with higher education as well as business/industry.

2. Reduces Stigma and Bureaucratic Delay

- **What it means:** While schools often welcome additional funding, receiving school improvement funds is frequently accompanied by the stigma of being labeled "failing." Expanding eligibility through an innovation grant model allows LEAs and partners to seek support without this public designation.
- **How it helps:** Framing school improvement as an opportunity for innovation—rather than a label of underperformance—will attract broader participation from schools and organizations that might otherwise avoid engagement. It also boosts staff morale by recognizing and rewarding forward-thinking solutions rather than assigning blame. This allows Indiana to ensure we remain student-focused.

3. Promotes a Student-Centered Approach

- **What it means:** Removing rigid eligibility requirements allows Indiana to invest in supports and opportunities that follow the student, not just the school. This could mean offering services at the high school level for students who attended an underperforming middle school, or engaging a neighboring LEA or public charter school to serve students zoned to attend an underperforming school when the local district is unable or unwilling to do so.
- **How it helps:** By focusing on individual students, this approach ensures that students and families have increased access to high-quality educational options and in turn, that these schools receive financial support for helping the student thrive.

Monitoring & Evaluation Plan

To ensure transparency and accountability, IDOE will release an **annual suite of public reports** detailing the use, impact, and oversight of the innovation fund. Final reporting requirements will be developed in consultation with and approved by USED, but are expected to include:

- **Program Overview, Applications, and Resources:**
An annual summary of all innovation fund activities, including competitive grant opportunities, services procured directly by IDOE, and related resources such as grant

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applications, goals, expected outcomes, and use of funds.

- **Recipient List and Award Details:**

A public listing of all recipients and award amounts, including both new and continuation grants, in compliance with Section 1003(i) of ESEA. This ensures transparency remains a priority even if certain statutory provisions are waived.

- **Student Success Indicators:**

Annual reporting on student performance outcomes, both at the program level and for individual grant recipients or service providers. These indicators will provide a clear picture of how investments are translating into real impact for students.

PART 4: Accountability Flexibility

Summary of Requested Flexibility

The Need: A smart and transparent approach to school accountability.

Indiana has long been a national leader in school performance transparency and accountability. The state began publicly rating schools even before the federal No Child Left Behind (NCLB) Act required it and was among the first to receive a waiver from NCLB's accountability provisions in 2011. That waiver allowed Indiana to align its state and federal models through a simplified and accessible A–F school grading system.

However, since the expiration of those waivers and the passage of ESSA, Indiana schools have operated under two separate and often conflicting accountability systems—one reflecting Indiana's state priorities and another designed to meet federal ESSA requirements.

For some schools, the ratings are consistent. But for many others, the differences between the two systems create confusion about how school performance is being measured—and which system should be trusted. Educators, families, and community stakeholders deserve a clear, consistent, and transparent accountability system that defines high-quality education and fairly evaluates every school against that standard.

The Opportunity: Unified school accountability that is consistent and reliable for parents and communities.

With flexibility from the accountability provisions of ESEA, Indiana seeks to adopt a single, innovative state accountability model—one that reflects both rigorous expectations and a broader vision of student success. Indiana's model goes beyond test scores to ensure schools are preparing students not just for academic proficiency, but for long-term success in life.

A unified system will:

- Provide families with clear, consistent school ratings to support informed decision-making
- Help school leaders understand what matters and where to focus improvement efforts



- Ensure that federal, state, and local resources are aligned toward the same educational priorities

By aligning expectations, messaging, and reporting across systems, Indiana can deliver a more coherent and effective approach to accountability—one that truly reflects the needs of Hoosier students and communities.

Impacted Federal Programs

Indiana's commitment to transparency and accountability for school performance and student outcomes is as strong as any state in the nation. State law requires the Indiana State Board of Education to assign a school performance rating using an A through F scale annually to all public schools and accredited nonpublic schools that participate in Indiana's Choice Scholarship Program. This waiver is pursuant to this commitment and meant to prioritize Indiana's A through F school accountability model.

- **Title I Part A Improving Basic Programs Operated by Local Education Agencies**
 - Section 1111(c)(4)(B)
 - Section 1111(c)(4)(E)
 - Section 1111(c)(4)(C)

Clarification on Scope of the Waiver Request

This section seeks to waive the requirements related to specific indicators and indicator weighting. Indiana will continue to annually assign a school performance rating to all public schools and accredited nonpublic schools that participate in the state's Choice Scholarship Program. Indiana will also continue to report all required data points under Section 1111(h) to ensure transparency and accountability for individual performance metrics required for all 50 states.

Advancing Student Achievement Through Aligned Accountability

When federal and state accountability systems are aligned, accountability becomes a tool for continuous improvement—not just compliance. This alignment allows for better support of struggling schools, more efficient use of resources, and a sharper focus on what matters most: student learning and success.

1. Reduces Complexity and Increases Clarity

- **What it means:** Indiana will move from issuing two separate school performance ratings—one to meet federal ESEA requirements and another for state law—toward a single, unified model developed by the state and aligned to Indiana's education priorities.
- **How it helps:** Multiple and conflicting accountability systems confuse families, educators, and decision-makers, making it hard to assess school performance. A unified system enables all stakeholders to focus on shared goals like improving literacy, raising academic achievement, and strengthening student pathways—without the distraction of overlapping compliance requirements.



2. Increases Instructional Focus

- **What it means:** A streamlined accountability system, developed with public input, will clearly define school performance expectations and ensure all educators are working toward a common vision of student success.
- **How it helps:** By narrowing the number of required metrics to those most relevant and actionable, schools can devote more time and resources to evidence-based instruction, targeted interventions, and holistic student support. Under the current system, efforts are diluted across too many indicators, making it difficult to prioritize depth over breadth.

3. Enhances Data-Driven Decision-Making

- **What it means:** Running two accountability systems generates conflicting signals and burdens school leaders with data that can be difficult to interpret and apply.
- **How it helps:** A single, coherent system provides consistent, reliable data that school leaders can trust. With reduced administrative burden, IDOE can focus on building high-quality tools—such as dashboards and visualizations—that help local educators make timely, strategic, data-informed decisions.

4. Strengthens Stakeholder Trust and Engagement

- **What it means:** Parents, teachers, and community members need a transparent, easy-to-understand system to support informed decisions and meaningful engagement in their local schools.
- **How it helps:** A simplified accountability model increases public trust and accessibility. It removes unnecessary complexity and opens the door for broader community participation—ensuring more voices are involved in shaping the future of student success in Indiana.

Monitoring & Evaluation Plan

This waiver request seeks flexibility related to specific indicator definitions and weighting requirements under federal law. To fulfill the purpose and expectations of ESEA, Indiana will continue to:

- 1. Annually assign a school performance rating** to all public schools and participating accredited nonpublic schools.
- 2. Annually identify schools for Comprehensive Support & Improvement and Targeted Support & Improvement** to drive resources and support to students enrolled in schools that are struggling to meet expectations.
- 3. Publicly report all required data points under Section 1111(h)** of ESEA to maintain transparency and accountability consistent with national standards.



**INDIANA
DEPARTMENT of
EDUCATION**

**Mike Braun, Governor
Katie Jenner, Secretary of Education**

Conclusion

In Indiana, we believe every child—regardless of their background, zip code, or circumstance—deserves an education that prepares them for a successful future and allows them to pursue their unique path.

As education is returned to the states, we look forward to continuing to partner with USED, as well as educators and parents/families across the state to maximize flexibility, and ultimately, maximize outcomes for Indiana students.