

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6994

BILL NUMBER: SB 384

NOTE PREPARED: Jan 26, 2012

BILL AMENDED:

SUBJECT: School Accreditation.

FIRST AUTHOR: Sen. Kruse

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill makes various changes, beginning in 2013, to the manner in which a school may be accredited under a performance-based accreditation system.

The bill provides that a school may be accredited under a performance-based accreditation system approved by the Indiana State Board of Education (State Board) or by a national or regional accreditation agency that is approved by the State Board. It provides that the State Board shall establish: (1) a system for approving agencies or entities that seek to accredit schools in Indiana under this chapter; and (2) a procedure for determining whether a school is making progress toward meeting the criteria for accreditation by a national or regional accreditation agency approved by the State Board.

The bill provides that the Indiana Department of Education (Department) shall establish a schedule for verifying compliance with legal standards and shall report noncompliance to the State Board. It requires the State Board to verify compliance with legal standards and to adopt rules to establish consequences of noncompliance.

The bill requires the Department to publish on its Internet web site the accreditation status and legal compliance status of each school and school corporation.

The bill eliminates the probationary accreditation status.

The bill provides that the Department shall determine when a school or a school corporation has complied with certain legal standards. It provides that the Department may conduct an onsite evaluation of a school or school

corporation to make a recommendation to the State Board as to the legal compliance status of the school or school corporation.

The bill makes conforming amendments. It also makes technical corrections.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The provision allowing schools to be accredited under a performance-based accreditation system approved by the State Board or by national or regional accreditation agencies approved by the State Board would depend on the number of systems the State Board might approve. Under current law, the State Board is to establish a performance-based accreditation system. The potential fiscal impact is probably minor.

Currently, there are two accreditation statuses: full accreditation status and probationary accreditation status. The bill would eliminate the probationary accreditation status and replace it with not fully accredited status. The provision should have no fiscal impact.

The legal requirements for accreditation are the same as current law. The provision should have no fiscal impact.

If a school has not met the legal requirements or school performance exceptions, current law requires a review panel consisting of a member of the Department, a classroom teacher, and a representative of the field of education to conduct an onsite evaluation. The bill would change the onsite evaluation to be conducted only by the Department and to review only the legal requirements. The provision could reduce the cost of onsite evaluations.

Background: Schools would have to comply with the following legal requirements:

1. Health and safety requirements.
2. Minimum time requirements for school activity.
3. Curriculum offerings.
4. Development and implementation of a staff evaluation plan.
5. Completion of a school improvement plan.
6. Local salary scale.

Explanation of State Revenues:

Explanation of Local Expenditures: The bill could provide schools with more accreditation options. They could either be accredited by an accreditation system approved by the State Board or by a national or regional accreditation agency approved by the State Board. Current law requires that the State Board establish a performance-based accreditation system.

Explanation of Local Revenues:

State Agencies Affected: Department of Education.

Local Agencies Affected: Local schools.

Information Sources:

Fiscal Analyst: Chuck Mayfield, 317-232-4825.