

## How reform-friendly is Indianapolis?

CATEGORY	HUMAN CAPITAL	FINANCIAL CAPITAL	CHARTER ENVIRONMENT	QUALITY CONTROL	DISTRICT ENVIRONMENT	MUNICIPAL ENVIRONMENT
Rank	16 of 26	10 of 25	12 of 24	9 of 25	14 of 26	11 of 25

### Overview

Which American cities are most hospitable to education reform, especially the “entrepreneurial” kind? To answer this question for Indianapolis and other cities examined in this study, we used publicly available data, national and local surveys, and interviews conducted with on-the-ground insiders. Respondents provided information about the city environment as a whole as well as the Indianapolis Public Schools.<sup>1</sup> Judgments based upon these data, however, are the responsibility of the authors. Note, too, that due to the study’s timing, any major policy changes that cities (or states) may have made in connection with the *Race to the Top* competition are not captured in these rankings (but see sidebar for partial update).

### Background

**Indianapolis** has positive energy surrounding its education reform movement. The city benefits from a state-wide conversation around reform led by Tony Bennett, one of the most reform-oriented state superintendents in the nation. In addition, The Mind Trust, a nonprofit organization that helps to incubate education entrepreneurs, recruits movers and shakers to the city and advances the reform agenda. Still, Indianapolis sometimes falls prey to supporting too many initiatives, some of which cannot be characterized as true reform. The result has been a lot of money expended, and some progress as a result. Forward-thinking leaders in the state, philanthropic, and business sectors must also contend with a moderately powerful teachers’ union, which sometimes sets up road blocks.

#### Race to the Top Update: Indiana—Indianapolis

Indiana applied for round 1 of Race to the Top funding but was not chosen as a finalist. The state decided not to reapply for round 2.

1. This profile provides a snapshot of the data collected for Indianapolis, Indiana, in fall 2009. For the full data, see [http://edexcellence.net/index.cfm/news\\_americas-best-and-worst-cities-for-school-reform](http://edexcellence.net/index.cfm/news_americas-best-and-worst-cities-for-school-reform).

## Snapshot

When it comes to **human capital**, Indianapolis has a decent pool of local talent. Still, the district's bureaucratic personnel rules sometimes make it difficult to funnel talented individuals into its schools. Though Indianapolis Public Schools (IPS) hosts Teach For America and The New Teacher Project (Indianapolis Teaching Fellows), for example, its continued seniority-based hiring and firing rules mean that a lot of these teachers wind up outside IPS schools—in charters and elsewhere. This situation is compounded by a somewhat burdensome collective bargaining agreement.<sup>2</sup>

**Financial capital** pipelines flow in Indianapolis from both public and private sources. Taking into account the city's cost of living, IPS per-pupil spending is quite high. These funds are supplemented by a reform-friendly and generous philanthropic community. But on occasion, dollars flow too freely, with donors sometimes giving before fully evaluating the effectiveness of the recipient program. This means that mediocre projects subsist alongside effective initiatives.

Indianapolis's **charter environment** is healthy. Owing much to the legacy of charter advocate and ex-mayor Bart Peterson, the mayor's office is the state's largest authorizer of charter schools—a very different model than in most cities. Just under 20 percent of students in IPS boundaries were enrolled in charter schools as of 2008-09, which is a sizable proportion of students compared to other cities of its size.<sup>3</sup> Still, Indiana's charter laws neither ensure authorizer quality nor provide adequate funding for authorizers or charters.<sup>4</sup>

Indianapolis keeps a respectable eye to **quality control**. Though IPS does not actively employ data to drive real-time reform, an education reform network in Indianapolis (including TFA, TNTP, The Mind Trust, Diploma Plus, etc.) has its eye on quality, aware that funds need to be channeled to the highest-impact programs, not necessarily the most popular. The statewide data system, however, lacks the ability to link various data systems together nor is student-level transcript and course information available.<sup>5</sup>

Reformers will find a lukewarm **district environment** in Indianapolis. Though IPS leaders are vocally pro-reform, they could do more to make those reforms reality. While unions oppose performance-based pay and charter schools, their ability to stymie such changes is weaker than in many other cities. Still, education entrepreneurs seeking to enter the Indianapolis market sometimes avoid IPS and approach the charter sector instead.

Indianapolis's **municipal leadership** favors reform. Indeed, much local progress in education reform has been led by the mayor's office, the philanthropic community, and nonprofit support organizations. Even the editorial pages of the *Indianapolis Star* and the media community at large champion education reform initiatives.

2. For more information, see: National Council on Teacher Quality, *Teacher Rules, Roles and Rights (TR3)* database, <http://www.nctq.org/tr3/home.jsp>. Just in the last few months, however, union leaders and IPS management have altered these seniority policies. Now, under a Reduction in Force scenario, teacher layoffs must be decided by teacher evaluation results, which include student achievement measures.

3. *Top 10 Charter Communities by Market Share* (Washington, D.C.: National Alliance for Public Charter Schools, 2009).

4. For more information, see: *How State Charter Laws Rank Against the New Model Public Charter School Law* (Washington, D.C.: National Alliance for Public Charter Schools, 2010).

5. For more information, see: *2009-10 Survey Results Compendium—10 Elements and 10 Actions* (Washington, D.C.: Data Quality Campaign, 2010), [http://www.dataqualitycampaign.org/files/Elements\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Elements_Compendium.pdf) and [http://www.dataqualitycampaign.org/files/Actions\\_Compendium.pdf](http://www.dataqualitycampaign.org/files/Actions_Compendium.pdf).

## Bottom Line

Education reform activity in Indianapolis occurs more often outside IPS than within. And the state's data system and charter laws could also use improving. That said, reformers will find a friendly reform community in Indianapolis with many of the necessary tools—talent, dollars, municipal support—to be successful.

### Our Categories

**Human Capital.** Entrepreneurs must have access to a steady flow of talented individuals, whether to staff the organization's central office or to fill the district's classrooms. This component evaluates an entrepreneur's ability to find talent in the city and/or recruit talent to move there. We examined such factors as the alternative certification routes for aspiring teachers, district human resource policies for teachers and central office staff, and the restrictiveness of the local collective bargaining agreement as it pertains to tenure and differentiated pay, among other areas.

**Financial Capital.** A pipeline of readily accessible funding from private and public sources is particularly important for nonprofit organizations trying to break into a new market or scale up their operations. This component tests whether, and how much, national and local philanthropic organizations give to nontraditional providers in each city, as well as the local availability of dollars from public sources. Though education reformers often tout the importance of quality over quantity, from the perspective of an entrepreneur, free-flowing dollars are an asset.

**Charter Environment.** Charters are one of the main ways in which entrepreneurs can enter new education markets, both as providers of instruction and services and as consumers of other nontraditional goods and services. We evaluated both the current market share of charters in each city—under the assumption that, once a path has been blazed by others, it is easier for new providers to follow it—as well as the various legal and policy hurdles faced by current or potential charter operators. More formal barriers often occur on the state level (e.g., charter laws) so, where appropriate, we incorporated state-level metrics into city grades.

**Quality Control.** Lest we unduly credit innovation for its own sake, the study takes into account the quality-control metrics that guide and regulate entrepreneurial ventures in our cities. These may take the form of official regulations and practices, such as the quality of the state achievement test (again, we extrapolate state grades for our cities), or more informal guides, such as support organizations for nontraditional providers that also keep an eye on quality, such as private groups that help entrepreneurs to navigate district rules and policies.

**District Environment.** Since many nontraditional providers must contract or otherwise work with the district to do business in the city, finding a district that is both open to nontraditional reforms and has the organizational capacity to handle dealings with such operators in a speedy and professional manner can make or break an entrepreneur's forays into a new market. We considered formal barriers, such as the power of the local teachers' union over district decisions, as well as informal ones, such as whether district leaders were audible voices for reform.

**Municipal Environment.** Beyond the school district is also the question of general municipal openness to nontraditional education providers. This amorphous sphere includes such entities as the local business community, newspaper editorial boards, and the city government. Having these folks on the side of reform, even if they are not the ultimate consumer of entrepreneurs' wares, can be a powerful asset.