

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	CS/HB 7117	FINAL HOUSE FLOOR ACTION:	
SPONSOR(S):	Education Appropriations Subcommittee; Education Committee; Adkins	76 Y's	42 N's
COMPANION BILLS:	CS/SB 1642	GOVERNOR'S ACTION:	Approved

SUMMARY ANALYSIS

CS/HB 7117 passed the House on April 30, 2014, as CS/SB 1642. The bill establishes in law certain recommendations made by the Commissioner of Education based on an executive order issued by Florida Governor Rick Scott on September 23, 2013. Based on the commissioner's recommendations, the bill:

- Simplifies the school grades calculations for elementary, middle, and high schools by eliminating extraneous point categories and focusing on student performance, graduation, and eligibility for college credit;
- Requires development of a district report card which includes indicators of success, such as student performance, closing of the achievement gap among high- and low-performing subgroups, and grade-level promotion of low achieving students;
- Establishes a hold harmless provision for the 2015-2016 school year that insulates schools and districts from any penalty or reclassification based on 2014-2015 grades as new statewide, standardized assessments in mathematics and English language arts are implemented;
- Restructures school improvement rating provisions to make sure alternative schools and exceptional student education (ESE) centers receive ratings and to focus on learning gains for students in alternative schools and ESE centers;
- Authorizes district school boards to adopt teacher- or principal-selected assessments for certain hard-to-measure courses and subjects such as Band or Art;
- Authorizes district school boards to establish performance standards for teacher evaluation ratings for the 2014-2015 school year as new statewide, standardized assessments are implemented and requires the State Board of Education to establish performance levels for teacher evaluation ratings beginning with the 2015-2016 school year;
- Links student performance for purposes of 3rd grade promotion and high school graduation to the 2013-2014 performance expectations to limit the potential for a wide variance in student performance for the 2014-2015 school year; and
- Provides for bonus money, subject to appropriation, to school districts that more effectively align teacher evaluations to student performance and utilize local assessments.

The bill removes the Department of Education's rulemaking authority and instead requires the Hillsborough County School District superintendent to attest annually to the state board that the district meets criteria relating to the approval of certain personnel evaluation and performance pay provisions.

The bill authorizes a district superintendent to exempt a child with a medical complexity from state assessments for up to one year and authorizes the commissioner to grant one- to three-year and permanent exemptions.

The bill does not appear to have a fiscal impact on the state or local governments.

The bill was approved by the Governor on May 12, 2014, ch. 2014-23, L.O.F., and will become effective on July 1, 2014.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h7117z.EDC

DATE: May 16, 2014

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Background

Progression of Florida's Current School Accountability System

Under Governor Jeb Bush, the State of Florida established a new accountability system in 1999 called the A+ Plan for Education.¹ In its early stages, the system increased accountability for schools and educators by using student achievement data, as measured by the FCAT Reading and Mathematics assessments, to assign schools grades on an A through F grading scale. The School Recognition Program was established to financially reward high performing schools as indicated by school grades.

The FCAT assessments were expanded from grades 4, 8, and 10 to grades 3 through 10 in 2001, and in 2002, the system began including student learning gains in the school grade calculation. In addition, the state ended social promotion from third grade to fourth grade by requiring students to attain a minimum score on the FCAT Reading assessment. The federal No Child Left Behind Act of 2001 (NCLB),² which reauthorized the Elementary and Secondary Education Act (ESEA) and served to expand standards-based education and focus resources toward improving the academic achievement of disadvantaged students, was also enacted in 2002. Among other things, NCLB requires states, in order to receive federal grant aid, to establish state accountability systems based on statewide assessments. By 2005, all students with valid FCAT assessment scores, regardless of disability or limited English proficiency, were included in school grades calculations.³

In 2006, the A++ plan was established, which required reading, writing, and mathematics to be taught across all subjects.⁴ Student achievement on the FCAT Science assessment was included in the school grade calculation starting in 2007, as were the learning gains of students scoring in the lowest 25 percent in mathematics and the performance of students retaking the FCAT. In 2010, new components, including graduation rate, student performance and participation in accelerated coursework, and college readiness were added to the calculation for high school grades.

In 2011, the State Board of Education began the transition to FCAT 2.0 assessments which measure student achievement on the Next Generation Sunshine State Standards. By 2012, the middle school grades calculation included the participation and performance of students enrolled in high school level courses. The school grading calculations were also changed in 2012 to align with the state's ESEA Flexibility Waiver concerning the extent to which students with disabilities and students with limited English proficiency are included in the state assessment system.⁵

Over time, the school grades formula accumulated additional mechanisms to adjust grades based on student learning growth and other components outside of student achievement. Bonus points and weights were added to account for the participation and performance of middle and high school students in accelerated coursework, such as AP, IB, AICE, and dual enrollment courses; college readiness indicators; and graduation rates.⁶

¹ Florida Department of Education, *Evaluation and Reporting, Florida School Recognition Program*, Frequently Asked Questions, <http://www.fldoe.org/faq/default.asp?Dept=177&ID=613> (last visited May 16, 2014).

² Pub. L. No. 107-110, 115 Stat. 1425 (Jan. 8, 2002).

³ Florida Department of Education, Division of Accountability, Research, and Measurement, *Rule Development Workshop: School Grades*, Presentation (Mar. 2013), [available at www.fldoe.org/arm/ppt/SchoolGradesWorkshopMarch2013.ppt](http://www.fldoe.org/arm/ppt/SchoolGradesWorkshopMarch2013.ppt).

⁴ Chapter 2006-74, L.O.F.

⁵ Florida Department of Education, Division of Accountability, Research, and Measurement, *Rule Development Workshop: School Grades*, Presentation (Mar. 2013), [available at www.fldoe.org/arm/ppt/SchoolGradesWorkshopMarch2013.ppt](http://www.fldoe.org/arm/ppt/SchoolGradesWorkshopMarch2013.ppt).

⁶ See e.g. rule 6A-1.09981(4)(a)2.g., F.A.C. (providing that students whose score increases by 33 percent more than the required learning gain are weighted as 1.1 in the numerator of the learning gains calculation).

In August 2013, Governor Rick Scott invited education stakeholders from across Florida to participate in a three-day education accountability summit to address concerns about the transparency and sustainability of the school accountability system.⁷ Many stakeholders were concerned about the complexity of the school grading formula and indicated that the formula should be statistically valid, trustworthy, and sustainable.⁸ They also recommended that the formula accurately reflect school performance and motivate student achievement without corroding the ability of the school accountability system to perform its original function: measuring school and educator quality and furthering student performance.

Florida Plan for Education Accountability

The education accountability summit culminated in Governor Scott issuing an executive order on September 23, 2013, establishing the Florida Plan for Education Accountability.⁹ The order directs the Commissioner of Education to take certain actions with respect to four aspects of the education system in Florida: procurement of the next statewide, standardized assessments; student data security; the school accountability system; and teacher evaluations.¹⁰

With respect to the school accountability system, the order requires the commissioner to recommend to the state board that certain changes be made to the school accountability system in order to “provide stability and clarity to Florida’s students, parents, and teachers during the 2013-14 and 2014-15 school years when schools will transition to new state assessments”¹¹ The order provides that changes during this period would be “limited to inclusion of the U.S. History end of course (EOC) exam, other technical changes directed by statute, and the adoption of state board emergency rules meant to ensure a stable transition.”

The order also directed the commissioner to immediately recommend that the state board resubmit Florida’s Elementary and Secondary Education Act (ESEA) waiver to “make it clear that Florida will not comply with terms involving Federal overreach into the handling of ELL (English language learners) and ESOL (English for Speakers of Other Languages) student achievement measures in the school accountability system.” The order stated that the commissioner and state board must “continue to make any necessary recommendations to the Governor and Florida Legislature to further ensure that Florida’s education accountability system is fair and transparent.”¹²

With respect to teacher evaluations, the order directs the commissioner to review participant contributions to the Governor’s education accountability summit and provide a recommended action plan to ensure successful implementation of teacher evaluations to the Governor, the state board, and the Legislature.¹³

On February 24, 2014, Commissioner Pam Stewart presented to the House of Representatives Education Committee a proposed Florida School Accountability Plan, which includes recommendations related to school grades, teacher evaluations, and stability during the transition to new state assessments.¹⁴ Recommendations for school grades were intended to simplify the grading calculations to:

⁷ The education accountability summit, August 26-28, 2013, focused stakeholder discussion on four strategic priorities: state standards, state standard assessments, school grades, and teacher evaluations. *See* Florida Department of Education, Media Advisory, http://www.fldoe.org/news/2013/2013_08_26.asp (last visited March 3, 2014).

⁸ Education Accountability Summit, *School Grades Vision Statement* (Aug. 2013), available at http://www.spcollege.edu/central/collaborative/13/EAS/School_Grades_Summary.pdf.

⁹ Executive Order No. 13-276 (2013).

¹⁰ *Id.*

¹¹ *Id.* at 2.

¹² *Id.* at 3.

¹³ Exec. Order No. 13-276 (2013).

¹⁴ Commissioner of Education, *Proposed School Accountability Plan: hearing before the House Education Committee* (Feb. 24, 2014).

- Focus on student success measures, including achievement, learning gains, graduation, and earned college credit and/or industry certifications;
- Require students scoring below grade level to grow toward grade level performance and students already scoring at grade level to progress beyond grade level performance; and
- Ensure that the level of performance associated with an A-F school is transparent.¹⁵

In addition, the commissioner recommended establishing baseline scores in the first year of implementation of new state assessments in the 2014-2015 school year. This would delay by one year consequences based upon student performance and learning gains on the new assessments. The commissioner's presentation included proposed calculations for elementary schools, middle schools, and high schools.¹⁶

With respect to teacher evaluation, the commissioner's recommendations:

- Allow districts to set teacher performance standards through the 2014-2015 transitional school year to help stabilize implementation for local teacher and principal evaluations;
- Provide districts that are showing student success with flexibility in deciding a portion of the student performance component of the evaluation; and
- Further define options for implementing local student assessments to ensure best choices for students in all courses. This is intended to support evaluations based on actual teacher course assignments and evaluation systems that are locally sustainable.¹⁷

School Grades

Present Situation

Each year, the commissioner must prepare reports of the statewide assessment program which describe student achievement in the state, each district, and each school. The reports must include descriptions of the performance of all schools participating in the assessment program and all of their major student populations.¹⁸

The annual reports must identify schools as having one of the following grades:

- "A," for schools making excellent progress;
- "B," for schools making above average progress;
- "C," for schools making satisfactory progress;
- "D," schools making less than satisfactory progress; and
- "F," for schools failing to make adequate progress.¹⁹

In addition to annual reports prepared by the commissioner, school grades are reported using school report cards, which are developed by the Florida Department of Education (DOE) in collaboration with school districts.²⁰ The school report cards are provided by the school district to parents within the district. Each school's report card must include the school's grade, information regarding school improvement, an explanation of school performance as evaluated by the Elementary and Secondary

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ Section 1008.34(1), F.S.

¹⁹ Section 1008.34(2), F.S.

²⁰ Section 1008.34(5), F.S.

Education Act (ESEA),²¹ and indicators of return on investment. Each report card must be published annually on the DOE’s website.²²

The school grade calculations are different for elementary schools (kindergarten to grade five), middle schools (grades six to eight), and high schools (grades nine to 12), but each is based on the total points earned across all calculation components.

No school grade higher than an “F” may be issued to a school if fewer than 90 percent of its students are assessed.²³ Furthermore, a school may not receive a grade of “A” if fewer than 95 percent of its eligible students take the state assessments.²⁴

The commissioner is authorized to designate a school grade for each school that has at least 10 eligible students with valid assessment score in reading and at least 10 eligible students with valid assessment scores in mathematics in both the current year and the previous year for each subject.²⁵

Current Elementary School Grade Calculation (800 possible points)²⁶

Reading	Mathematics	Writing	Science
Achievement (100 points)	Achievement (100 points)	Achievement (100 points)	Achievement (100 points)
Learning Gains – with additional weights for certain types of gains (100 points)	Learning Gains – with additional weights for certain types of gains (100 points)		
Learning Gains of the Low 25% – with additional weights for certain types of gains (100 points)	Learning Gains of the Low 25% – with additional weights for certain types of gains (100 points)		
<p><u>A school grade is lowered one letter grade below what the point total indicate if:</u></p> <ul style="list-style-type: none"> • Fewer than 50% of the Low 25% demonstrate gains in reading and mathematics (or show annual improvement) • Fewer than 25% of students are reading at or above grade level • Fewer than 95% of eligible students are tested, and the school earned enough points for an “A” 			

Current Middle School Grade Calculation (900 possible points)

²¹ 20 U.S.C. ss. 6301 *et seq.* The ESEA, as reenacted through the No Child Left Behind of 2001 (NCLB), establishes state student assessment program requirements. *See* Pub. L. No. 107-110, 115 Stat. 1425 (Jan. 8, 2002).

²² Section 1008.34(5), F.S.

²³ Rule 6A-1.09981(9)(b)., F.A.C.

²⁴ Rule 6A-1.09981(1)(a)4., F.A.C.

²⁵ Rule 6A-1.09981(3)(a)3., F.A.C.

²⁶ This calculation also serves as the basic calculation upon which the calculations for middle and high schools are based. *See* section 1008.34(3)(b), F.S.; rule 6A-1.09981(5)(a), F.A.C.

Reading	Mathematics	Writing	Science	Acceleration
Achievement (100 points)	Achievement (100 points)	Achievement (100 points)	Achievement (100 points)	Participation and Performance on High School Level EOC Assessments and Industry Certifications (50 points for participation; 50 points for performance)
Learning Gains – with additional weights for certain types of gains (100 points)	Learning Gains – with additional weights for certain types of gains (100 points)			
Learning Gains of the Low 25% - with additional weights for certain types of gains (100 points)	Learning Gains of the Low 25% - with additional weights for certain types of gains (100 points)			

A school grade is lowered one letter grade below what the point total indicate if:

- Fewer than 50% of the Low 25% demonstrate gains in reading and mathematics (or show annual improvement)
- Fewer than 25% of students are reading at or above grade level
- Fewer than 95% of eligible students are tested, and the school earned enough points for an “A”

Current High School Grade Calculation (1,600 possible points)

Assessment Components (50%)				“Other” Components (50%)			
Reading	Mathematics (EOCs)	Writing	Science (Biology EOC)	Acceleration	Graduation Rate	College Readiness	Social Studies (US History EOC)
Achievement (100 points)	Achievement (100 points)	Achievement (100 points)	Achievement (100 points)	Participation & Performance in AP, IB, AICE, dual enrollment, and/or industry certification – with additional weights for multiple participation & performance (100 points for participation; 100 points for performance)	A total of four graduation rates Overall, 4-yr (100 points) Overall, 5-yr (100 points) At-Risk, 4-yr (50 points) At-Risk, 5-yr (50 points)	Percent of graduates that are “college ready” based on SAT, ACT, and/or PERT Reading (100 points) Mathematics (100 points)	Achievement (100 points)
Learning Gains - with additional weights for certain types of gains (100 points)	Learning Gains - with additional weights for certain types of gains (100 points)						
Learning Gains of the Low 25%, with additional weights for certain types of gains (100 points)	Learning Gains of the Low 25%, with additional weights for certain types of gains (100 points)						

A school grade is lowered one letter grade below what the point total indicate if:

- Fewer than 50% of the Low 25% demonstrate gains in reading and mathematics (or show annual improvement)
- Fewer than 25% of students are reading at or above grade level
- Fewer than 65% of at-risk students graduate from high school, and the school earned enough points for an “A”
- Fewer than 95% of eligible students are tested, and the school earned enough points for an “A”

Each public high school is currently required to provide for the administration of either the Preliminary SAT/National Merit Scholarship Qualifying Test or Preliminary ACT to all enrolled 10th grade students.²⁷ Results from these tests provide each high school with a database of student assessment data which certified school counselors use to identify students who are prepared or who need additional work to be prepared to enroll and be successful in Advanced Placement (AP) courses or other advanced high school courses.²⁸ Funding for these tests is contingent upon annual funding in the GAA.²⁹

Effect of Proposed Changes

²⁷ Section 1007.35(5), F.S.

²⁸ Section 1007.35(a), F.S.

²⁹ Section 1007.35(5)(b), F.S.

The bill defines the following terms for purposes of the statewide, standardized assessment and school grades systems:

- "Achievement level," "student achievement," or "achievement" describes the level of content mastery a student has acquired in a particular subject as measured by a statewide, standardized assessment. There are five achievement levels. Level 1 is the lowest achievement level, level 5 is the highest achievement level, and level 3 indicates satisfactory performance. A student passes an assessment if the student achieves a level 3, level 4, or level 5. For purposes of the Florida Alternate Assessment, the state board must provide, in rule, the number of achievement levels and identify the achievement levels that are considered passing.
- "Learning Gains," "annual learning gains," or "student learning gains" means the degree of student learning growth occurring from one school year to the next as required by state board rule for purposes of calculating school grades.
- "Student performance," "student academic performance," or "academic performance" includes, but is not limited to, student learning growth, achievement levels, and Learning Gains on statewide, standardized assessments.

Rather than basing school grades on a total of points earned across the various school grade components, the bill requires grades to be based on the percentage of total points earned by a school. In addition, the bill, pursuant to the commissioner’s recommendations, eliminates certain components of the school grade calculations to focus more closely on graduation, earning college credits and/or industry certifications, and student performance in the core subjects of English language arts, mathematics, science, and social studies. The revised calculations are as follows:

Revised Elementary School Grade Calculation (700 possible points, compared to current 800)

English/ Language Arts	Mathematics	Science
Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)
Learning Gains (0% to 100%)	Learning Gains (0% to 100%)	
Learning Gains of the Low 25% (0% to 100%)	Learning Gains of the Low 25% (0% to 100%)	

Revised Middle School Grade Calculation (900 possible points)

English/ Language Arts	Mathematics	Science	Social Studies (Civics EOC)	Acceleration Success
Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)	Percentage of students who pass H.S. EOCs and industry certifications (0% to 100%)
Learning Gains (0% to 100%)	Learning Gains (0% to 100%)			
Learning Gains of the Low 25% (0% to 100%)	Learning Gains of the Low 25% (0% to 100%)			

Revised High School Grade Calculation (1,000 possible points, compared to current 1600)

English/ Language Arts	Mathematics (EOCs)	Science (Biology EOC)	Social Studies (US History EOC)	Graduation Rate	Acceleration Success
Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)	Achievement (0% to 100%)	Overall, 4-year Graduation Rate (0% to 100%)	Percent of students eligible to earn college credit through AP, IB, AICE, dual enrollment or earning an industry certification (0% to 100%)
Learning Gains (0% to 100%)	Learning Gains (0% to 100%)				
Learning Gains of the Low 25% (0% to 100%)	Learning Gains of the Low 25% (0% to 100%)				

With respect to student learning gains in English language arts and mathematics, the state board must require that learning growth toward achievement levels 3, 4, and 5 be demonstrated by students who scored below each of those levels in the prior year. The bill requires the state board, in calculating the student achievement components of a school grade, to include the performance of ELL students only if they have been enrolled in a school in the United States for more than 2 years.³⁰

In addition, the bill establishes the following requirements relating to school grades:

³⁰ This reinstates a policy originally established in state board rule. The State of Florida’s Elementary and Secondary Education Act waiver, as amended on June 27, 2012, includes ELL students who have been enrolled in a school in the United States for one year or more. See Florida Department of Education, *Florida ESEA Flexibility Request* (June 28, 2012), at 53, available at <http://www2.ed.gov/policy/eseaflex/approved-requests/fl-amendment.pdf>; rule 6A-1.09981(2)(a), F.A.C. However, all students, regardless of disability or ELL classification, with valid scores on statewide, standardized English language arts and mathematics assessments are included in the school grade learning gains components. Rule 6A-1.09981(2)(b), F.A.C. Federal law provides that a state may exempt “a recently arrived limited English proficient student . . . who has attended schools in the United States for less than twelve months” from “one administration of the state’s reading/language arts assessment.” See 34 C.F.R. s. 200.6(b)(4).

- The calculation must be based on the percentage of points earned;
- There must not be any provision that would raise or lower the school's grade beyond the percentage of points earned;
- Extra weight may not be added to the calculation of any components; and
- For a school that does not have at least ten students with complete data for one or more of the components that comprise the school grade, those components may not be used in the calculation.

The bill requires the state board to periodically review the school grading scale to determine if the scale should be adjusted upward to meet raised expectations and encourage increased student performance. The state board must also adopt in rule a school grading scale that sets the percentage of points needed to earn each school grade. There must be at least five percentage points to separate the percentage thresholds needed to earn each school grade.

The bill provides school districts discretion to allow schools that receive a grade of "A" or improve at least two letter grades greater budgetary authority. This discretion was originally granted to the state board to be specified in state board rule; however, no state board rule was ever adopted.

The bill eliminates redundant annual reporting requirements for information otherwise included in school report cards and requires the development of district report cards. The bill requires each school report card to include, among other items already required by law, student performance in English language arts, mathematics, science, and social studies.

District Grades

Present Situation

The annual report prepared by the commissioner for each school district must include a grade for the district.³¹ The grade is calculated using district student performance and learning gains data on state assessments in reading and mathematics and student performance on science and writing state assessments.³²

Effect of Proposed Changes

The bill requires the DOE to develop a district report card, rather than an annual report by the commissioner, that includes the district's grade as well as:

- Measures of the district's progress in closing the achievement gap between higher- and lower-performing subgroups;
- Measures of the district's progress in demonstrating learning gains of its highest-performing students;
- Measures of the district's success in improving student attendance;
- The district's grade-level promotion of students scoring achievement levels 1 and 2 on statewide, standardized English language arts and mathematics assessments; and
- Measure of the district's performance in preparing students for the transition from elementary to middle school, middle to high school, and high school to postsecondary institutions and careers.

School Improvement Rating

Present Situation

³¹ Section 1008.34(7), F.S.

³² *Id.* The calculation includes students who transfer between schools in the district or who are enrolled in a school that does not receive a grade.

The commissioner's annual report must identify each school's performance as having improved, remained the same, or declined.³³ The school improvement rating must be based on a comparison of current year and previous year student and school performance data. Schools that improve their ratings by at least one level are eligible for school recognition awards.³⁴

An alternative school or exceptional student education (ESE) center may opt for a school improvement rating instead of a school grade. For charter schools that meet the definition of an alternative school, i.e., charter alternative schools, the decision to receive a school grade is the decision of the charter school governing board.³⁵ The school improvement rating must consider:

- The aggregate scores on statewide assessments for all eligible students who were assigned to and enrolled in the school during the October or February FTE count and who have statewide assessment scores for the preceding school year;³⁶ and
- The aggregate scores on statewide assessments for all eligible students who were assigned to and enrolled in the school during the October or February FTE count and who have scored in the lowest 25th percentile of students in the state on the statewide reading assessment.³⁷

The achievement scores and learning gains of eligible students attending alternative schools that receive a school improvement rating are credited back to the home school for inclusion in the home school's grade calculation. "Home school" means the school to which the student would be assigned if the student were not assigned to an alternative school.³⁸ Alternative schools include ESE Centers for the purposes of school accountability.

The three possible school improvement ratings are:

- "Improving" – students are making more academic progress at the alternative school than when the students were served in their home schools;
- "Maintaining" – students are making progress at the alternative school equivalent to academic progress made when the students were served in their home schools; or
- "Declining" – students are making less academic progress at the alternative school than when the students were served in their home schools.³⁹

In order to receive a school improvement rating, an alternative school must have a minimum of 10 students with valid statewide assessment scores in reading for the current and previous two years and a minimum of 10 students with valid statewide assessment scores in mathematics for the current and previous two years.⁴⁰ Only alternative schools that test at least 80 percent of their students may receive a school improvement rating, and if an alternative school tests less than 90 percent of its students, the school may not earn a rating higher than "maintaining."

The achievement scores and learning gains of students attending ESE centers who were not enrolled in or in attendance at a public school other than an ESE center within the school district during the previous three years are not included in the grade of the students' home school.⁴¹

³³ Section 1008.34(4), F.S.

³⁴ *Id.*

³⁵ Section 1008.34(3)(a)2., F.S.

³⁶ Section 1008.341(3)(a), F.S.

³⁷ Section 1008.341(3)(b), F.S.

³⁸ Section 1008.34(3)(c)3., F.S.; *cf.* rule 6A-1.099822(6), F.A.C. (stating that the student performance of eligible students shall be included in the students' home school's grade as well as the school's school improvement rating, if the school is not a charter alternative school). This presumes that students are not assigned to charter alternative schools.

³⁹ *Id.*

⁴⁰ Rule 6A-1.099822(5)(a), F.A.C.

⁴¹ Section 1008.3415(2), F.S.

Effect of Proposed Changes

To more accurately describe the progress of alternative schools and ESE centers, the bill changes the school improvement rating designations of “improving” and “declining” to “commendable” and “unsatisfactory,” respectively. The bill retains the “maintaining” designation. In addition, the bill eliminates comparison to previous student performance at a student’s home school for purposes of calculating the alternative school’s or ESE center’s school improvement rating. Instead, the bill provides for the use of the following components in calculating a school improvement rating:

- The percentage of eligible students who make learning gains in English language arts as measured by statewide, standardized assessments; and
- The percentage of eligible students who make learning gains in mathematics as measured by statewide, standardized assessments.

The bill amends the calculation to no longer take into consideration the performance of students who have scored in the lowest 25th percentile of students in the state on the reading statewide, standardized assessment.

To provide focus on student learning gains at alternative schools, the bill provides that, beginning with the 2016-2017 school year, an alternative school that does not meet the requirements for issuance of a school improvement rating and has not received a rating for the past two consecutive years must receive a rating for the current year based on all student learning gains for all grades levels at the school for those three years.

The bill provides that if an alternative school does not have at least 10 students with complete data for a school improvement rating component, that component may not be used in calculating the school’s improvement rating. To make certain that the school still receives a rating, the bill requires the rating to be calculated based on the percentage of points earned from the English language arts and mathematics learning gains components.

2014-2015: Transition Year

Present Situation

In 2011, the department began transitioning from FCAT 1.0 assessments to FCAT 2.0 assessments to measure student achievement of the Next Generation Sunshine State Standards in reading, mathematics, and science.⁴² In February 2012, the state board adopted heightened student performance level expectations, also called “cut scores,” for the FCAT 2.0 Reading and Mathematics assessments and the Algebra I EOC assessment.⁴³ In July 2012, the state board adopted more rigorous school grades calculations, including components aligned with the state’s ESEA Flexibility Waiver, and adopted a provision to prevent any public school from falling more than one letter grade as a result of student performance on the 2012 state assessments.

In July 2013, the state board adopted an emergency rule⁴⁴ that extended this “safety net” provision to the 2013-2014 school year. The state board later extended the “safety net” provision through the 2014-2015 school year through regular rulemaking procedures.⁴⁵

⁴² Florida Department of Education, *2011 FCAT 2.0 Fact Sheet* (2011), available at <http://fcad.fldoe.org/fcat2/pdf/ffs2.pdf>. The Next Generation Sunshine State Standards replaced the Sunshine State Standards and set more rigorous expectations of what public school students should learn by grade level in each subject.

⁴³ See rule 6A-1.09422, F.A.C.;

⁴⁴ Emergency Rule 6AER13-01, School Grade Mitigation, F.A.R. In a letter to the state board, then-Commissioner Tony Bennett recommended continuation of the safety net provision, based in part on concerns expressed by district school superintendents about “multiple changes to performance expectations, grade calculations, and other variables” in the school grade calculation. See Letter from Tony Bennett, Comm’r, Fla. Dep’t of Educ. to Fla. State Bd. Of Educ. (July 16, 2013), available at www.fldoe.org/board/meetings/2013_07_16/letter.pdf.

The 2013-2014 school year is the final year in which the current statewide assessments⁴⁶ are used to calculate school grades, school improvement ratings, and district grades and evaluate public education personnel. This coincides with the transition to instruction based on Florida's new state standards, adopted by the state board on February 18, 2014, in the 2014-2015 school year.⁴⁷ On March 17, 2014 the commissioner announced that the American Institutes for Research had been selected to develop the new statewide assessments aligned to the new state standards.⁴⁸

When Florida students take the new assessments for the first time during the 2014-2015 school year, cut scores will not yet exist. Because the 2014-2015 assessments will be different than the 2013-2014 assessments, basing school accountability measures and personnel evaluations on growth in student performance and learning gains compared to the 2013-2014 assessments may result in consequences that do not accurately reflect the actual performance of students.

Effect of Proposed Changes

Accordingly, based on recommendations the commissioner made to the House Education Committee on February 24, 2014,⁴⁹ and to avoid repeated state board rulemaking in response to school grades during the transition period, the bill establishes a hold harmless provision that insulates schools from any penalty or reclassification that would otherwise result from the school's 2014-2015 grade. The bill establishes the 2014-2015 school year as an informational baseline for schools to work toward improved performance in future years. Thus, a school may not be required to select and implement a turnaround option⁵⁰ in the 2015-2016 school year based on the school's 2014-2015 grade or school improvement rating.

A school or virtual instruction program that receives the same or a lower school grade or school improvement rating for the 2014-2015 school year compared to the 2013-2014 school year would not be subject to sanctions or penalties that would otherwise occur as a result of the 2014-2015 school grade or rating. Furthermore, a charter school system or a school district designated as high performing may not lose its designation based on the 2014-2015 school grades of any of the schools within the charter school system or school district. The Florida School Recognition Program⁵¹ will continue to be implemented as otherwise provided by the General Appropriations Act.

Beginning with the 2016-2017 school year, schools would again be subject to consequences related to school grades and improvement ratings earned in the 2015-2016 school year.

Participation of Students with a Disability in the Statewide Assessment Program

Present Situation

⁴⁵ Rule 6A-1.09981, F.A.C.

⁴⁶ Statewide assessments include FCAT writing, FCAT 2.0, and end of course (EOC) assessments. *See* Section 1008.22, F.S.

⁴⁷ Florida State Board of Education, Minutes of Feb. 18, 2014 State Board of Education Meeting (2014), *available at* http://www.fldoe.org/board/meetings/2014_02_18/agenda.asp.

⁴⁸ Florida Department of Education, Press Office, *With Students as Top Priority, Florida Chooses Replacement for FCAT*, Press Release (Mar. 17, 2014).

⁴⁹ *See supra* text accompanying note 7.

⁵⁰ A school that earns a grade of "F" or earns a grade of "D" for three consecutive years must select and implement a turnaround option. Turnaround options include converting the school to a district-managed turnaround school; reassigning students to another school and monitoring the progress of each reassigned student; closing the school and reopening the school as one or more charter schools, each with a governing board with a demonstrated record of effectiveness; contracting with an outside entity that has a demonstrated record of effectiveness to operate the schools; or implementing a hybrids turnaround options. *See* Section 1008.33(4), F.S.

⁵¹ Section 1008.36, F.S.

The commissioner is required to design and implement a statewide program of educational assessment that provides information for the improvement of the operation and management of public schools, including schools operating for the purpose of providing educational services to youth in Department of Juvenile Justice programs. The student achievement and assessment program includes the Florida Comprehensive Assessment Test (FCAT), end-of-course assessments, and the Florida Alternate Assessment (FAA), which measure student content knowledge and skills, as adopted by the State Board of Education, and measure and report student performance levels of all students assessed in reading, writing, mathematics, and science.⁵²

Participation in the assessment program is mandatory for all students attending public schools, including students served in Department of Juvenile Justice programs, except as otherwise prescribed by the commissioner.⁵³ Pursuant to an agreement between the DOE and the U.S. Department of Education, state board rule requires that 95 percent of a school's students be tested under the assessment program in order for the school to be eligible to earn a school grade of "A."⁵⁴

The Individuals with Disabilities Education Act (IDEA) requires each state to have in effect policies and procedures to assess progress toward achieving goals for the academic performance of children with disabilities, including measuring annual objectives under the state assessment program.⁵⁵ Such students are assessed under a state assessment program either with accommodations or by using an alternate assessment, as determined by a student's Individual Education Plan (IEP) team.⁵⁶

The DOE has implemented the FAA to accurately measure the core curricular content established in the state academic standards for students with disabilities under s. 1003.438.⁵⁷ An IEP team may determine that a student with a significant cognitive disability meets the criteria for participating in the FAA based on specified criteria.⁵⁸ In addition, assessment results for a student with a disability may be waived if the student's IEP team determines that assessments under Florida's assessment program⁵⁹ cannot accurately measure the student's abilities, taking into consideration all allowable accommodations, for the purpose of receiving a course grade or standard high school diploma.⁶⁰

Although federal law generally requires all children with disabilities to participate in state assessment programs,⁶¹

There could be rare situations . . . where the IEP team, after careful deliberation, may determine that an alternate assessment based on alternate academic achievement standards is not appropriate. We believe that this situation would be extremely rare, particularly because such determinations are individualized based on a child's particular circumstances, and IEP Teams have flexibility in determining how to assess a student's academic performance and functional achievement Therefore, it would be inconsistent with the IDEA to create an across-the-board exemption from taking an alternate assessment for a category of children, even those with . . . extremely rare types of disabilities . . . , as this is a determination that the IDEA assigns to each child's IEP Team.⁶²

⁵² Section 1008.22(3), F.S.; rule 6A-1.09981(1), F.A.C. The Florida Alternate Assessment is used to measure student performance in reading, mathematics, science, and writing. *Id.*

⁵³ Section 1008.22(3), F.S.

⁵⁴ See Letter from Arne Duncan, Sec'y, U.S. Dep't of Educ., to Gerard Robinson, Comm'r, Fla. Dep't of Educ. (Feb. 9, 2012), available at <http://www.fldoe.org/esea/pdf/WaiverApprovalLetter.pdf>.

⁵⁵ See 20 U.S.C. s. 1412(a)(15)(B).

⁵⁶ 20 U.S.C. s. 1412(a)(16)(A).

⁵⁷ Section 1008.22(3)(c)13, F.S.

⁵⁸ Rule 6A-1.0943(5), F.A.C.

⁵⁹ Section 1008.22, F.S.

⁶⁰ Section 1008.22(3)(c)2., F.S.

⁶¹ 20 U.S.C. 1412(a)(16)(A).

⁶² Email, U.S. Dep't of Educ., Office of Special Education and Rehabilitative Services (May 4, 2013).

Under Florida law, if a student's IEP team determines that certain circumstances⁶³ or conditions⁶⁴ prevent the student from physically demonstrating the mastery of skills that have been acquired and are measured under the assessment program, including the FAA, the IEP team may apply for an extraordinary exemption from administration of the assessment using a procedure, culminating in a final decision made by the Florida Commissioner of Education, established by state law and state board rule.⁶⁵

Effect of Proposed Changes

The bill provides that a child with a medical complexity may be exempt from participating in statewide, standardized assessments, including taking the FAA. The bill defines the term "child with medical complexity" to mean a child who, based upon medical documentation from a physician licensed under chapters 458 or 459, is medically fragile and needs intensive care due to a condition such as a congenital or acquired multisystem disease or who has a severe neurologic condition with marked functional impairment.

If the student's IEP team, with written parental consent, determines that the child should not be assessed based upon medical documentation that the child has a medical complexity, the child's parent may choose one of three assessment options:

- A one-year exemption approved by the district school superintendent based on written documentation of parental consent and appropriate medical documentation supporting the IEP team's determination that the child has a medical complexity;
- An exemption up to three years approved by the commissioner based on written documentation of parental consent, district school superintendent approval, the IEP team's determination that the child has a medical complexity based on appropriate medical documentation, and all medical documentation; and
- A permanent exemption approved by the commissioner based on written documentation of parental consent, district school superintendent approval of a permanent exemption, the IEP team's determination based on supporting medical documentation that a permanent exemption is appropriate, and all medical documentation.

The bill requires the state board to adopt rules to administer and expedite the process by which exemptions are reviewed and approved by the commissioner. The bill requires district school superintendents who approval one-year exemptions to report annually to the district school board and the DOE the number of students with medical complexity that are not participating in the assessment program.

Students with a disability who are not determined to have a medical complexity remain subject to the provisions currently in law.

Public School Personnel Evaluations

Background

⁶³ "Circumstance" is defined as a situation in which accommodations allowable for use on the statewide standardized assessment, a statewide standardized end-of-course assessment, or an alternate assessment are not offered to a student during the current year's assessment administration due to technological limitations in the testing administration program which lead to results that reflect the student's impaired sensory, manual, or speaking skills rather than the student's achievement of the benchmarks. Section 1008.212(1)(a), F.S.

⁶⁴ "Condition" is defined as an impairment, whether recently acquired or longstanding, which affects a student's ability to communicate in modes deemed acceptable for statewide assessments, even with accommodations provided, and results in reflecting the student's impaired sensory, manual, or speaking skills rather than the student's achievement of the benchmarks. Section 1008.212(1)(b), F.S.

⁶⁵ Section 1008.212(2), F.S.; rule 6A-1.0943, F.A.C.

Evaluation Requirements and Components

All instructional personnel⁶⁶ and school administrators employed by Florida's public school districts must undergo an annual performance evaluation based on sound educational principles and contemporary research in effective educational practices.⁶⁷ The evaluation criteria for instructional personnel include student performance, instructional practice, and professional and job responsibilities.⁶⁸ Likewise, the evaluation criteria for school administrators include student performance and professional and job responsibilities. Instructional leadership practices are also included in school administrator evaluations.⁶⁹

Each district superintendent must establish procedures for evaluating the performance of all instructional personnel and school administrators employed by the school district.⁷⁰ The superintendents must also report evaluation results to the DOE by December 1 each year.⁷¹ The DOE approves all district evaluation systems and monitors implementation for compliance with law.⁷²

Public school personnel evaluations must be used to designate instructional personnel and school administrators as "highly effective," "effective," "needs improvement" (or, for instructional personnel in the first three years of employment who need improvement, "developing"), or "unsatisfactory."⁷³ Evaluations occur annually, except classroom teachers newly hired by a district are evaluated twice during their first year.⁷⁴

Evaluations must be comprised of the following components:

Student Performance

Student performance includes data and indicators of student learning growth based on student performance on annual statewide assessments or, for subjects and grade levels not tested by statewide assessments, school district assessments.⁷⁵ Student performance must constitute at least 50 percent of a classroom teacher's or school administrator's evaluation.⁷⁶ Student learning growth is measured under a formula approved by the Commissioner of Education and to be adopted in rule by the state board.⁷⁷ The formula is known as the "value added model" (VAM).⁷⁸

⁶⁶ Instructional personnel include classroom teachers and other instructional personnel, such as certified school counselors, librarians, and learning resource specialists. Section 1012.01(2), F.S. Although substitute teachers are classified as classroom teachers, the law specifically excludes them from performance evaluation requirements. Section 1012.34(3)(a), F.S.

⁶⁷ Section 1012.34(3)(a), F.S. Newly hired classroom teachers are evaluated twice in their first year of teaching in a school district.

Id.

⁶⁸ Section 1012.34(3)(a)1., 2., and 4., F.S. School administrator evaluation criteria include instructional leadership. Section 1012.34(3)(a)3., F.S.

⁶⁹ Section 1012.34(3)(a)3., F.S.

⁷⁰ Section 1012.34(1)(a), F.S.

⁷¹ Section 1012/34(1)(c), F.S.

⁷² Section 1012.34(1)(b), F.S.

⁷³ Section 1012.34(2)(e), F.S.

⁷⁴ Section 1012(3)(a), F.S.

⁷⁵ Sections 1012.34(3)(a)1. and 1008.22(6), F.S. Each school district must publish on its website schedules for the administration of district assessments and report the schedule to the DOE each year by October 1. Section 1008.22(6)(d), F.S.

⁷⁶ *Id.*

⁷⁷ Section 1012.34(8), F.S.

⁷⁸ Section 1012.34(7)(a), F.S. The DOE has promulgated Rule 6A-5.0411, Calculations of Student Learning Growth Using Statewide Assessment Data for Use in School Personnel Evaluations. However, the rule has not yet been adopted by the state board. Among other things, the rule must establish a student learning growth standard that must be met in order for an employee to receive a highly effective rating and a student learning growth standard that must be met in order for an employee to receive an effective rating. Section 1012.34(8), F.S.

For classroom teachers, student performance must include student learning growth data for students assigned to the teacher over the course of at least 3 years. If less than 3 years of data are available, then student performance may comprise no less than 40 percent of the evaluation.⁷⁹

For other instructional personnel who are not classroom teachers, student performance must include student learning growth data on statewide assessments for assigned students over the course of at least 3 years⁸⁰ and must comprise at least 30 percent of the evaluation or, if less than 3 years of data are available, then not less than 20 percent.⁸¹

For school administrators, student performance must include student learning growth data for students assigned to the school over the course of at least 3 years. If less than 3 years of data are available, then student performance may comprise no less than 40 percent of the evaluation.⁸²

Measurement of student learning growth for classroom teacher evaluations varies according to the subjects and grades taught by the teacher, as follows:⁸³

- For classroom teachers of courses tested by a statewide assessment, student learning growth on such assessments must be used.⁸⁴
- For classroom teachers of courses measured by a school district assessment, student learning growth on such assessments must be used; however, school districts may request DOE-approval to use:
 - A student achievement measure or a combination of student learning growth and achievement; or⁸⁵
 - A combination of student learning growth on a school district assessment and on the FCAT Reading or FCAT Mathematics assessments, as long as learning growth on the district assessment is given greater weight.⁸⁶

Instructional Practice

Instructional practice is a component of instructional personnel evaluations which consists of evaluation criteria used in classroom teacher observations.⁸⁷ The evaluation criteria must include indicators based on each of Florida Educator Accomplished Practices (FEAP) established by the state board in rule.⁸⁸ For instructional personnel who are not classroom teachers, the evaluation criteria must be based on FEAP and may include specific job expectations related to student support.⁸⁹

Instructional Leadership

Instructional leadership is a component of school administrator evaluations and consists of indicators based on each of the principal leadership standards established in state board rule.⁹⁰

Professional and Job Responsibilities

⁷⁹ Section 1012.34(3)(a)1.a., F.S.

⁸⁰ The student performance component for instructional personnel who are not classroom teachers may include student learning growth data and other measurable student outcomes specific to the position. Section 1012.34(1)(a)1.b., F.S.

⁸¹ Section 1012.34(3)(a)1.b., F.S.

⁸² Section 1012.34(3)(a)1.c.

⁸³ School districts must implement assessments for subjects not tested by statewide assessments by the 2014-15 school year. *See s. 1008.22(8)*, F.S.

⁸⁴ Section 1012.34(7)(a)-(b), F.S.

⁸⁵ Section 1012.34(7)(c), F.S.

⁸⁶ Section 1012.34(7)(d), F.S.

⁸⁷ Section 1012.34(3)(a)2., F.S.

⁸⁸ *Id.*

⁸⁹ *Id.*

⁹⁰ Section 1012.34(3)(a)3., F.S.

The professional and job responsibilities component of an evaluation must include additional professional and job responsibilities identified in state board rule. District school boards may identify professional and job responsibilities in addition to those identified by the state board.⁹¹

Personnel Evaluations Based on School District Assessments

Present Situation

School districts are responsible for measuring student performance in all subjects and grade levels that are not assessed using statewide, standardized assessments.⁹² Beginning with the 2014-2015 school year, school districts must administer for each course offered in the district an assessment, referred to either as a district assessment or local assessment, that measures mastery of course content. Such assessments may include:

- Statewide assessments;
- Other standardized assessments, including nationally recognized standardized assessments;
- Industry certification examinations; and
- District-developed or district-selected end-of-course (EOC) assessments.⁹³

The DOE has provided technical assistance and used Race to the Top⁹⁴ funds for the development of test item banks, a test platform, and grants to school districts for developing assessments for hard-to-measure courses that can be shared across the state.⁹⁵

Effect of Proposed Changes

Pursuant to the commissioner's recommendation to provide flexibility with respect to hard-to-assess subjects and courses, e.g., Band and Art, the bill authorizes district school boards to adopt teacher- or principal-selected local assessments that, along with district-selected local assessments, may include a variety of assessment formats. These formats include, but are not limited to, project-based assessments, adjudicated performances, and practical application assessments. The bill requires each district school board to adopt policies for the selection, development, administration, and scoring of local assessments and for collection of assessment results. The bill specifies that school districts may not use teacher- or principal-selected assessments for English language arts, mathematics, science, and social studies courses that are used to meet graduation requirements and are not otherwise assessed by statewide, standardized assessments.

The bill also requires each district school superintendent to report student rosters for the purpose of calculating district and statewide student performance and provide instructional personnel the opportunity to review their class rosters for accuracy and to correct any mistakes.

Student Learning Targets

Present Situation

⁹¹ Section 1012.34(3)(a)4., F.S.

⁹² Section 1008.22(6)(a), F.S.

⁹³ Sections 1008.22(8) and 1012.34(7)(b), F.S. The Commissioner of Education must identify methods to support school districts in the development or acquisition of assessments. Such methods include developing test item banks, facilitating the sharing of assessments among districts, acquiring assessments from state and national curriculum-area organizations, and technical assistance. Section 1008.22(8)(c), F.S.

⁹⁴ American Recovery and Reinvestment Act of 2009, Pub. L. No. 111-5, 123 Stat. 115 (Feb. 17, 2009)

⁹⁵ Florida Department of Education, *American Recovery and Reinvestment Act, Procurements*, <http://www.fldoe.org/arra/procurements.asp> (last visited March 5, 2014).

Until July 1, 2015, if a school district, for courses not tested on statewide assessments, has not implemented an assessment or a student learning growth formula for that assessment, the district may use two alternative growth measures—student learning growth on statewide assessments or measurable learning targets. Learning targets must be identified by the school principal based upon the goals of the school improvement plan. Additionally, a district school superintendent may assign student learning growth on statewide assessments to an instructional team, i.e., classroom teachers who serve a common group of students.⁹⁶

Effect of Proposed Changes

The bill retains school district authority through the 2014-2015 school year to establish measurable learning targets for local assessments, including teacher- and principal-selected assessments.

Local Performance Standards for the 2014-2015 Transition Year

Effect of Proposed Changes

Pursuant to the commissioner's recommendation to promote stability in the education personnel evaluation system during the transition to a new statewide assessment, the bill authorizes school districts, for the 2014-2015 school year only, to establish their own performance standards for teacher evaluation ratings.

Bonus Awards for Districts

Effect of Proposed Changes

The bill provides that districts that make outstanding progress toward educator effectiveness are eligible for bonus rewards as provided in the 2014 General Appropriations Act. Districts can demonstrate outstanding progress toward educator effectiveness through implementation of instructional personnel salaries based on performance results and the use of local assessment results in personnel evaluations when statewide, standardized assessments are not administered.

Accountability Report

Present Situation

Current law requires the DOE to submit an annual feedback report to the Legislature based on information collected from each district school board about the educational success of individual students and schools.⁹⁷

Effect of Proposed Changes

The bill provides specific information to be included in the annual feedback report, such as:

- The percentage of students, by school and grade level, demonstrating learning growth in English Language Arts and mathematics.
- The percentage of students, by school and grade level, in both the highest and lowest quartile demonstrating learning growth in English language arts and mathematics.
- Intervention and support strategies used by school boards whose students in both the highest and lowest quartile exceed the statewide average learning growth for students in those quartiles.

⁹⁶ Section 1012.34(7)(e), F.S.

⁹⁷ Section 1008.345, F.S.

- Intervention and support strategies used by school boards whose schools provide educational services to youth in Department of Juvenile Justice programs that demonstrate learning growth in English language arts and mathematics that exceed the statewide average learning growth for students in those subjects.

Hillsborough School District Exemption

Present Situation

The Hillsborough County School District is currently allowed to base only 40 percent of an education personnel's evaluation on student performance as a result of its participation in a grant with the Bill and Melinda Gates Foundation⁹⁸ and exemption from certain Race to the Top requirements.⁹⁹ In addition, the Hillsborough County School District is exempt from performance pay provisions.¹⁰⁰ These exemptions were originally designed to be extended annually with state board approval based on statutory criteria¹⁰¹ and procedures established in state board rule. However, no rules were adopted relating to approval of continued exemptions and, accordingly, no subsequent approval of the exemptions by the state board has occurred. The statutory exemptions which reflect Hillsborough County School District's partnership with the Bill and Melinda Gates Foundation and its exemption from certain Race to the Top requirements will expire on August 1, 2017, unless reviewed and reenacted by the Legislature.¹⁰²

Effect of Proposed Changes

The bill expressly identifies the Hillsborough County School District as the district permitted to base 40 percent of education personnel evaluations on student performance and exempted from any changes made in 2011 regarding pay for performance. Instead of requiring annual approval by the state board to extend the exemptions, the bill requires the Hillsborough district school superintendent to attest in writing, by October 1, 2014, and each year thereafter, that the criteria for annual approval has been met. The bill provides that failure to comply with this requirement is grounds for the state board to revoke the exemption at a public hearing.

The bill deletes language requiring the state board to adopt rules relating to annual approval of the Hillsborough exemption.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

⁹⁸ On November 19, 2009, the Hillsborough County School District received a \$100 million grant award from the Bill and Melinda Gates Foundation. Funds from this grant are to be used to implement several instructional personnel and school administrator quality reforms, including development of a performance evaluation system that is at least 40 percent based upon student performance, use of a value-added student learning growth formula, consideration of performance before instructional personnel tenure is awarded, implementation of performance pay linked to performance evaluations, and granting greater authority to school principals to recruit and dismiss instructional personnel based upon performance. See Staff of the Florida House of Representatives, *Legislative Bill Analysis for CS/HB 7019* (2011), n. 80.

⁹⁹ Florida Department of Education, *Florida's Race to the Top Memorandum of Understanding for Phase 2*, at 10-13 (May 3, 2010), available at <http://www.fldoe.org/arra/pdf/phase2mou.pdf>.

¹⁰⁰ See section 1012.341(1), F.S.

¹⁰¹ Section 1012.341(2) requires the state board to annually continue the exemptions afforded the Hillsborough County School District upon demonstration by the district that: the instructional personnel and school administrator evaluation systems base at least 40 percent of an employee's performance evaluation upon student performance and that student performance is the single greatest component of an employee's evaluation; the instructional personnel and school administrator evaluation systems adopt the Commissioner of Education's student learning growth formula for statewide assessments as provided by state law; the school district's instructional personnel and school administrator compensation system awards salary increases based upon sustained student performance; the school district's contract system awards instructional personnel and school administrators based upon student performance and removes ineffective employees; and beginning with the 2014-2015 school year and each school year thereafter, student learning growth based upon performance on statewide assessments have significantly improved compared to student learning growth in the district in 2011-2012 and significantly improved compared to other school districts.

¹⁰² Section 1012.341, F.S.

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The 2014-2015 budget provides \$2.5 million, under specific appropriation 100A, for school districts that provided teacher salary increases based on performance results under section 1012.34, F.S., as required in specific appropriation 87, Chapter 2013-14, Laws of Florida.

The restructuring of the school grades process will redistribute the school recognition funds generated by districts and allow the funds to be awarded to all schools at the same time of year. The redistribution is indeterminate at this time.