

**Need stabilization** constrains formula need change from the prior year, preventing decline in formula need and constraining growth to 12%. However, growing districts are allowed to exceed the 12% growth limit. For FY 2010, this factor increases statewide formula need about 0.4 percent. Needs stabilization addresses several concerns about rapid or unintended consequences which occur when the state modifies the formula including the sudden or unexpected impacts due to new components of the policy.

The two most significant components of **local formula resources** for school districts are local property tax capacity and other local revenues collected. These components account for over 93 percent of local formula resources statewide. Property tax capacity is determined by assuming a rate of \$1 per \$100 of adjusted value, after adjustment per § 79-1016. Other local taxes, fees and miscellaneous revenues also contribute formula resources to school districts, including the most significant local revenues: motor vehicle taxes, state apportionment of school land earnings, public power sales taxes, interest earnings, prorate motor vehicle, and local fine/license fees. When local needs exceed local resources, the state funds the gap. Ultimately, this satisfies the wealth neutrality goal. Nebraska is constitutionally prohibited from “power equalizing” or taking local property tax receipts from a local district. However, the vast majority of Nebraska's state funds are effectively delivered as equalized funding.

LB 545 and LB 5, 2009 Neb. Laws, moderated previously enacted formula increases in order to prepare for a projected economic turndown. In order to prepare for a projected economic turndown. However, the reductions were done in the context of meeting state equity goals. *See Appendix J, Tax Equity and Education Opportunities Support Act Certification of 2009/10 Aid.*

**(F)(2) Ensuring successful conditions for high-performing charter schools and other innovative schools (40 points)**

The extent to which—

- (i) The State has a charter school law that does not prohibit or effectively inhibit increasing the number of high-performing charter

schools (as defined in this notice) in the State, measured (as set forth in Appendix B) by the percentage of total schools in the State that are allowed to be charter schools or otherwise restrict student enrollment in charter schools;

(ii) The State has laws, statutes, regulations, or guidelines regarding how charter school authorizers approve, monitor, hold accountable, reauthorize, and close charter schools; in particular, whether authorizers require that student achievement (as defined in this notice) be one significant factor, among others, in authorization or renewal; encourage charter schools that serve student populations that are similar to local district student populations, especially relative to high-need students (as defined in this notice); and have closed or not renewed ineffective charter schools;

(iii) The State's charter schools receive (as set forth in Appendix B) equitable funding compared to traditional public schools, and a commensurate share of local, State, and Federal revenues;

(iv) The State provides charter schools with funding for facilities (for leasing facilities, purchasing facilities, or making tenant improvements), assistance with facilities acquisition, access to public facilities, the ability to share in bonds and mill levies, or other supports; and the extent to which the State does not impose any facility-related requirements on charter schools that are stricter than those applied to traditional public schools; and

(v) The State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

*In the text box below, the State shall describe its current status in meeting the criterion. The narrative or attachments shall also include, at a minimum, the evidence listed below, and how each piece of evidence demonstrates the State's success in meeting the criterion. The narrative and attachments may also include any additional information the State believes will be helpful to peer reviewers. For attachments included in the Appendix, note in the narrative the location where the attachments can be found.*

Evidence for (F)(2)(i):

- A description of the State's applicable laws, statutes, regulations, or other relevant legal documents.
- The number of charter schools allowed under State law and the percentage this represents of the total number of schools in the State.
- The number and types of charter schools currently operating in the State.

Evidence for (F)(2)(ii):

- A description of the State's approach to charter school accountability and authorization, and a description of the State's

applicable laws, statutes, regulations, or other relevant legal documents.

- For each of the last five years:
  - The number of charter school applications made in the State.
  - The number of charter school applications approved.
  - The number of charter school applications denied and reasons for the denials (academic, financial, low enrollment, other).
  - The number of charter schools closed (including charter schools that were not reauthorized to operate).

Evidence for (F)(2)(iii):

- A description of the State’s applicable statutes, regulations, or other relevant legal documents.
- A description of the State’s approach to charter school funding, the amount of funding passed through to charter schools per student, and how those amounts compare with traditional public school per-student funding allocations.

Evidence for (F)(2)(iv):

- A description of the State’s applicable statutes, regulations, or other relevant legal documents.
- A description of the statewide facilities supports provided to charter schools, if any.

Evidence for (F)(2)(v):

- A description of how the State enables LEAs to operate innovative, autonomous public schools (as defined in this notice) other than charter schools.

*Recommended maximum response length: Six pages*

**(F)(2)(i) Charter Schools**

Nebraska statutes are silent with regard to charter schools, however it is not silent relative to conditions that allow for innovation in schools. In place of charter schools, Nebraska law permits great flexibility to school districts in the determination of curriculum offerings, which has permitted numerous school districts to create innovative schools and programs. In addition, Nebraska has a liberal enrollment option law and a new Learning Community organization of school districts in the Omaha metro area. (See Section V – below). These actions work to keep options available for Nebraska school children, regardless of their location or resident school building or district.

**(F)(2)(ii) Charter School Laws**

Not applicable.

**(F)(2)(iii) Charter School Accountability**

Not applicable.

**(F)(2)(iv) Charter School Facilities**

Not applicable.

**(F)(2)(v) Innovative Public Schools**

**Independent Study High School (ISHS)** The University of Nebraska–Lincoln Independent Study High School provides a complete distance curriculum to 2,500 high school students in Nebraska, throughout the United States, and in 135 countries. ISHS has Nebraska’s largest international student body, graduating an average of 200 diploma students per year from all over the world and the nation.

The innovative and independent nature of ISHS courses serves the diverse needs of students, schools, and learning centers. Students can enroll anytime, take five weeks to one year to complete a course, study independently at their own pace, or follow a set class schedule. Students can enroll in individual courses and transfer those credits to their high school; or they can earn an accredited high school diploma that meets college admission requirements and/or prepares them for a career.

The Independent Study High School is an alternative for individual students, including competitive and Olympic athletes, career

performers and entertainers, homeschooled students, non-traditional students, students traveling with their parents, students living overseas, or students of military families. Schools and learning organizations enroll their students in ISHS courses for credit recovery or to augment their own curriculum, offer low enrollment courses, address teacher shortages, provide solutions for extended student absences, alleviate scheduling conflicts, and help students graduate on time. The independent and flexible format helps schools and learning centers meet student's educational needs.

Continuously accredited by the Nebraska Department of Education since 1967, the North Central Association Commission on Accreditation and School Improvement since 1978, and the Commission of International and Trans-Regional Accreditation since 2003, ISHS is a special purpose public school under RULE 10 (section 013.04) of the Nebraska Department of Education Regulations and Procedures for the Accreditation of Schools. The ISHS has the flexibility to define its own instructional models and associated curriculum to meet the highest academic standards, select and replace staff based on performance measures, implement new structures and formats, and control its budget.

All ISHS teachers are certificated and endorsed in their subject areas and experienced in teaching at a distance. ISHS offers a rigorous college preparatory curriculum of over 100 core and elective courses, ranging from foundational and exploratory to Advance Placement courses.

Accountability is based on student achievement and through alignment with academic and course development standards. ISHS diploma students take all state assessments. ISHS students' ACT and SAT scores are above national averages. Courses align with national and Nebraska state academic standards. Core courses are all approved by the National Collegiate Athletic Association. The high school has also chosen to meet, and in many cases exceed, the iNACOL National Standards of Quality for Online Courses. The College Board has approved all Advanced Placement courses.

### **Educational Opportunities**

Nebraska public school children have many opportunities to attend schools outside of the neighborhood where they live. These opportunities include the enrollment option program, specialized intra-district schools, and the new Douglas-Sarpy County Learning Community, which provides for expansion of magnet and focus schools throughout a two county areas made up of 11 school districts and creation of elementary learning centers that are available to any family in the two county area.

### **Enrollment Option Program**

Nebraska established an Enrollment Option Program in 1989 to enable any kindergarten through twelfth grade student to attend a school in a neighboring school district in which the student does not reside, subject to certain limitations. An option student is a student that has chosen to attend an option school district. Over the past ten years the number of Nebraska students annually taking advantage of the Enrollment Option Program has grown from 11,679 to 16,931 (5.9% of all students).

### **Specialized Intra-District Schools**

Nebraska law provides great flexibility to local school districts to create programs or schools that meet the individual interests and needs of students and families. Several school districts in Nebraska used this flexibility to create specialized schools responding to the wishes of students and their families. At the elementary level these innovative programs include the Core Knowledge School and Montessori School in the Millard School District, which has over 20,000 students in attendance throughout the district and is part of the ground breaking Douglas-Sarpy County Learning Community described below. Other school districts have developed career academies, such as the health careers academy in the Papillion LaVista School District, which serves over 8,000 students, and Ralston School District, which serves over 3,000 students. Both the Papillion LaVista and Ralston School District are also part of the Douglas-Sarpy County Learning Community. In addition, the Papillion LaVista School District has created a science school

associated with Omaha's internationally known Henry Doorly Zoo. Finally, the Lincoln School District, serving over 32,000 students created a fine arts school, a science school associated with the Lincoln Children's Zoo, and an Entrepreneurship Focus Program in partnership with Gallup, Southeast Community College, the University of Nebraska Lincoln Center for Entrepreneurship, and the city's Information Technology Focus Program.

### **Douglas-Sarpy County Learning Community Options**

The new Douglas-Sarpy County Learning Community is made up of eleven Omaha area school districts comprising over 1/3 of Nebraska's public school enrollment (over 100,000 students). This new political subdivision seeks to bring the eleven Douglas and Sarpy County School Districts into a cooperative partnership. The Learning Community concept was created in 2007 for three purposes: (1) to share resources (assessed valuation property taxes) via a common levy across all eleven school districts and thereby direct resources to districts with greater needs (poverty, ELL, and highly mobile students); (2) to expand opportunities and options for all students; and (3) to end metro area school district boundary disputes. The Learning Community Coordinating Council has recently adopted a diversity plan that provides for open enrollment in all school buildings in the learning community, subject to specific limitations necessary to bring about diverse student enrollment in each school building in the learning community. Diversity is defined in socioeconomic terms as being equal to the learning community-wide percentage of students who qualify for free and reduced price lunch which in 2008-09 was 37%. School districts are required to permit students throughout the two county area to transfer to any school they choose, subject to certain limitations. The goal, therefore, is for each school building to make progress toward having a diverse student population that mirrors the learning community wide percentage. Students that move the school building's diversity toward the learning community-wide percentage of students who qualify for free and reduced price lunch are given a priority in the learning community open enrollment process.

The Learning Community also has two other options for families. The first is the authority and levy capability to build or remodel

facilities for focus schools that are operated by member school districts. The Learning Community Coordinating Council has the authority to approve focus schools and magnet schools proposed by member school districts. Focus and Magnet Schools have a unique curriculum (featuring areas such as leadership, technology, and health careers) and must be open to enrollment from all Learning Community students (as long as the student enrollment reflects the learning community-wide diversity as explained above). The second is the authority and requirement to create and operate Elementary Learning Centers. A minimum of one elementary learning center is required by statute for each 25 buildings with at least 37% of students qualifying for free or reduced price lunches. Elementary learning centers must be open to all elementary-age children in the learning community and their families. Elementary learning centers, when opened, are to have programs designed to enhance the academic success of elementary students, including but not limited to intensive reading and math assistance outside the school day, assistance with parental reading/language skills, computer labs, mentors, and health services. While the Douglas-Sarpy County Learning Community is new, its potential to raise the achievement level of all metro area students and close achievement gaps is high. The entire effort is focused on improved opportunities and learning for students who qualify for free and/or reduced price lunch, English Language Learners and highly mobile students.

### **Magnet Schools and Programs**

Nebraska's largest school district, the Omaha Public Schools, operates a system of magnet schools (three at the high school level, six at the middle school level and eight at the elementary school level). The magnet schools are open to all students on a lottery basis with the intention of allowing students and families an option beyond their attendance area schools. Magnet schools, according to the Omaha Public Schools, provide students with unique opportunities and integrated educational experiences. The magnet areas vary per school. The district's three high school magnets, for example, are Information, Technology and Performing Arts at Omaha South High Schools; Math, Science and Engineering at Omaha North High Schools; and the Center for Academic, Research and Innovation at Omaha Central High School.