UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

NOV 25 2013

The Honorable John Huppenthal
Superintendent of Public Instruction
Arizona Department of Education
1535 West Jefferson Street
Phoenix, Arizona 85007

Dear Superintendent Huppenthal:

This letter serves as a response to Arizona's July 26, 2013 letter requesting to extend approval of its ESEA flexibility request through the end of the 2013–2014 school year and the subsequent amended versions of the SEA's request submitted on September 3, 2013 and November 14, 2013. Currently, Arizona's ESEA flexibility request is approved through the end of the 2012–2013 school year, subject to the conditions that Arizona submit to the U.S. Department of Education (ED): 1) the final version of the new letter grading system with a graduation rate weight of at least 20 percent, and 2) final guidelines for teacher and principal evaluation and support systems that meet the requirements of ESEA flexibility, including the use of student growth, as defined in *ESEA Flexibility*, as a significant factor in determining a teacher's or principal's summative evaluation rating.

With regard to the first condition, Arizona submitted a revised version of its letter grading system as part of the September 3, 2013 amended request, which adds to the 2013–2014 letter grading system a college- and career-ready index weighted at 25 percent. The college and career ready index is comprised of the following components: 10 percent based on the four-year cohort graduation rate, 5 percent on the five-year cohort graduation rate (with additional points for six- and seven-year cohort rates), 5 percent on college- and career-course participation, and 5 percent college- and career-class success. However, Arizona has not yet finalized the measures to be included in the college- and career-course participation and college- and career-class success components of the index. While Arizona provided some preliminary data based on its revised letter grade system to demonstrate that the 15 percent weighting of graduation weight is comparable to the 20 percent graduation weighting to ensure that schools with low graduation rates do not receive high ratings in its letter grade system, Arizona will need to provide additional data to demonstrate this based on the final letter grading system.

Therefore, based on the information submitted by Arizona, subsequent conversations, and Arizona's commitment to ensure a rigorous letter grading system, I am maintaining Arizona's condition. In order to have the Principle 2 condition removed, Arizona must:

- Submit to ED within 60 days of the date of this letter, a high-quality plan[1] that includes the steps Arizona will take to finalize its letter grading system, including the college- and career-ready

[1] As outlined in the document titled *ESEA Flexibility Request*, a high-quality plan includes the following elements: key milestones and activities, detailed timeline, party or parties responsible, evidence, resources, and significant obstacles.

index, and the data Arizona will provide to demonstrate that schools with low graduation rates do not receive high ratings in its letter grade system.

- Consistent with Arizona's forthcoming approved plan for finalizing its letter grading system, submit it to ED for review including an amended version of its request with the final version of its letter grading system, as well as supporting data.

With regard to the second condition, Arizona provided an updated version of its Principle 3 and revised guidelines for teacher and principal evaluation and support systems. However, Arizona's revised guidelines do not include a definition of student growth consistent with the definition in the document titled *ESEA Flexibility*. In particular, Arizona's guidelines do not require, for grades and subjects in which assessments are required under ESEA section 1111(b)(3), the use of "a student's score on such assessments" as a measure of student growth in teacher and principal evaluation systems. Therefore, Arizona has not yet fulfilled the condition to submit final guidelines for teacher and principal evaluation and support systems that meet the requirements of ESEA flexibility, including the use of student growth, as defined in *ESEA Flexibility*, as a significant factor in determining a teacher's or principal's summative evaluation rating. Because Arizona has failed to meet this condition that was placed on the approval of its ESEA flexibility request, at this time I cannot fully approve Arizona's revised guidelines for teacher and principal evaluation and support systems.

In light of Arizona's demonstrated willingness and commitment to continue efforts to meet these two conditions and the ESEA flexibility requirements relevant to those conditions, I am granting Arizona's request to extend approval of its ESEA flexibility request through the end of the 2013–2014 school year, subject to the condition that Arizona complete the actions listed below. At the same time, pursuant to the authority in 34 C.F.R. § 80.12, I am placing Arizona on high-risk status for not meeting the condition related to Principle 3 and your revised guidelines for teacher and principal evaluation and support systems.

In order to have the Principle 3 condition on the approval of its ESEA flexibility request lifted and remove the high-risk designation pertaining to that condition, Arizona must:

- Submit to the ED, within 60 days of the date of this letter, a high-quality plan that includes descriptions of the following:
    - How Arizona will finalize its guidelines for teacher and principal evaluation and support systems that meet the requirements of ESEA flexibility, including the use of student growth, as defined in *ESEA Flexibility*, as a significant factor in determining a teacher's or principal's summative evaluation rating.
    - The data that Arizona will use to demonstrate that Arizona's final guidelines include student growth, as defined in *ESEA Flexibility,* as a significant factor, which include demonstrating that growth is included with sufficient weighting to ensure that performance levels will differentiate among teachers and principals who have made significantly different contributions to student growth. At a minimum, these data must include: 1) comparisons between summative performance ratings and the different components of the ratings (*i.e.,* classroom-level data, school-level data, teaching performance, student growth) and any subcomponents of the ratings; 2) comparisons between the overall student growth rating and any individual subcomponents of student growth; and 3) the distribution of ratings for each component of the system. These data should be provided for the different weightings of student growth being studied and for Group A and Group B teachers.

  - How Arizona will ensure that the use of shared attribution of student growth does not mask high or low performance of individual teachers, including: 1) by developing business rules defining what constitutes a group of teachers under school-level data and how student growth is calculated for each member of that group and the group as a whole, and 2) any data Arizona will collect and provide to ED to show that Arizona's use of shared attribution of student growth at the school-level does not mask high or low performance of teachers.
  - How Arizona will ensure that LEAs will include Arizona's final method for including student growth as a significant factor in time for LEAs to fully implement evaluation and support systems consistent with ESEA flexibility requirements in the 2014–2015 school year.
- Following ED's Part B monitoring, which is scheduled for December 2013, provide updates to ED on a monthly basis on its progress in carrying out its high-quality plan to address the outstanding Principle 3 condition on the approval of its ESEA flexibility request and ensure its teacher and principal evaluation and support system meet the principles of ESEA flexibility.
- By May 1, 2014, submit to ED for review:
  - An amended request that includes the SEA's final guidelines for teacher and principal evaluation and support systems that meet the requirements of ESEA flexibility, including the use of student growth, as defined in *ESEA Flexibility*, as a significant factor in determining a teacher's or principal's summative evaluation rating.
  - Business rules defining groups of teachers under Arizona's final guidelines for teacher evaluation and support system and explaining how student growth is calculated for a group of teachers.
  - The data described above and outlined in its high-quality plan.

Please note, in addition, that, should Arizona request an extension of its ESEA flexibility request beyond the 2013–2014 school year, ED would not be able to grant that request for an extension until the issues that resulted in Arizona's continued conditions and high-risk status are resolved. If those issues cannot be resolved prior to the start of the 2014–2015 school year, Arizona may not be able to continue with its implementation of ESEA flexibility beyond the 2013–2014 school year.

Arizona may request reconsideration of its high-risk designation by submitting in writing, no later than 10 business days following the date of this letter, a detailed discussion setting forth the basis for its belief that this designation is improper, including the specific facts that support its position. If Arizona chooses to request such reconsideration, that request must be submitted via email to me, with a copy to Christina Imholt, as well as by U.S. mail or commercial delivery. If I do not receive a request for reconsideration by December 11, 2013, Arizona's high-risk status will be considered final and will be lifted only upon completing the actions set forth above.

The September 3, 2013 amended request also included a number of additional changes that are unrelated to the conditions above. I am pleased to approve those additional amendments to Arizona's request. A summary of Arizona's amendments that I am approving is enclosed with this letter.

In addition, I understand that Arizona wishes to submit an additional amendment to its request regarding implementing interventions in priority and focus schools that are appropriate for the unique circumstances of its Arizona Online Instruction schools. My staff will continue to work with Arizona on this amendment to ensure that for priority schools those interventions meet all of the turnaround

principles and for focus schools those interventions target the specific academic needs of each school and its students.

Arizona continues to have an affirmative responsibility to ensure that it and its districts are in compliance with Federal civil rights laws that prohibit discrimination based on race, color, national origin, sex, disability, and age in their implementation of ESEA flexibility. These laws include Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, the Age Discrimination Act of 1975, and requirements under the Individuals with Disabilities Education Act.

In the coming days, ED will post the amended version of Arizona's ESEA flexibility request that reflects the additional amendments that were approved. If you have any questions regarding this letter or the implementation of Arizona's ESEA flexibility request, please do not hesitate to contact Christina Imholt of my staff at: christina.imholt@ed.gov or 202-401-3584. Thank you for your continued focus on enhancing education for all of Arizona's children.

Sincerely,

Deborah S. Delisle

Deborah S. Delisle
Assistant Secretary

cc: Karla Phillips, Director of Cross Divisional Leadership