

Investing in Innovation Fund Overview

*First Glance Summary - Prepared by Dutko Worldwide Education Practice
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Purpose

The Investing in Innovation (I3) fund represents an unprecedented, discretionary federal investment in education programs, strategies and practices that show promise, but need additional resources to achieve scale — as well as leading edge program that have yet to prove their efficacy. Created by the American Recovery and Reinvestment Act of 2009 (ARRA) as part of a more than \$100 billion investment in education, I3 will provide competitive grants to Local Education Agencies (LEAs) and nonprofits to expand innovative practices that have been demonstrated to have an impact on the improving student achievement *or* growth in high need areas. I3 Grants will:

- Allow organizations and LEAs to expand their work to serve as best practices
- Allow eligible entities to work in partnership with the private sector and the philanthropic community
- Expand and scale the most promising practices, strategies, and programs.

The proposed list of priorities released on October 6, 2009 includes a 30 day comment period. The U.S. Department of Education’s request for comments reflects an overarching goal of balancing an “interest in innovation” with the need for research-based evidence.

Specifically, the Department is seeking comments on:

- The proposed definitions and selection criteria.
- Should the Department specify a minimum effect size and, if so, what that effect size should be?
- How should the Department ensure that projects are innovative and comprehensive given the proposed definitions and selection criteria?
- The proposed evaluation criteria related to the cost-effectiveness of a practice, strategy, or program on a per-student-basis as a means of assessing the extent to which the proposal can feasibly be scaled.

“Student outcomes” refers to the following:

- Student achievement or student growth for high-need students
- Promote school readiness
- Close achievement gaps
- Decrease dropout rates
- Increase high school graduation rates
- Improve teacher and school leader effectiveness.

I3 will be overseen by the U.S. Department of Education’s Office of Innovation and Improvement, which is currently led by Jim Shelton. The Department has indicated that they may receive as many as 2,600 applications.

Types of Grants

The I3 program is interested in identifying practices, strategies, or programs that will improve specific education outcomes: improving student achievement or student growth, closing achievement gaps, decreasing dropout rates, or increasing high school graduation rates. The I3 competition offers three grant opportunities:

1. Scale-up Grants: Provides funding to scale up practices, strategies, or programs with strong evidence of a statistically significant effect on improving student outcomes as listed above. Applicants would need to provide evidence of their capacity to scale up to a State, regional, or national level.
2. Validation Grants: Provides funding to support practices, strategies, or programs that show promise, but there is only moderate evidence that it will have a statistically significant effect on improving the education outcomes

listed above. These practices, strategies, or programs need further study. Provide evidence of the organization’s ability to scale up to a State or regional level, working directly or through partners either during or following the end of the grant period.

3. **Development Grants:** Provides funding to support new, high-potential, and relatively untested practices, strategies, or programs whose efficacy should be systematically studied. An applicant would have to provide evidence that the proposed practice, strategy, or program, or one similar to it, has been attempted previously and produced promising results that suggest that more formal and systematic study is warranted. An applicant must provide a rationale for the proposed practice, strategy, or program that is based on research findings or reasonable hypotheses, including related research or theories in education and other sectors.

In terms of evidence required to support the proposed practice, strategy, or program, the major differences between Scale-up, Validation, and Development grants are 1) the strength of the research demonstrating effectiveness; 2) the significance of the effect; and 3) the magnitude of the effect.

All applicants would have to:

- Estimate the number of students to be reached by the proposed project.
- Provide evidence of the organization(s) capacity to reach the proposed number of students during the course of the grant.
- Applicants could demonstrate success through an intermediate variable directly correlated with these outcomes, such as teacher or school leader effectiveness or improvements in school climate.

	Scale-up Grants	Validation Grants	Development Grants
Funding	Up to \$50 million	Up to \$30 million	Up to \$5 million
Strength of Research	Strong evidence. Both high internal validity and high external validity	Moderate evidence. Either high internal validity and medium external validity, or vice versa	Reasonable hypotheses. Research-based findings or theories
Significance of Effect	Statistically significant	Statistically significant	Warrants further study
Magnitude of Effect	Substantial and important	Potential to be substantial and important	Promising
Scale up	National, Regional, or State	Regional or State	Further develop and scale

The Department encourages applicants to review the evaluation guides produced by the What Works Clearinghouse Procedures and Standards Handbook: <http://ies.ed.gov/ncee/wwc/references/idocviewer/doc.aspx?docid=19&tocid=1;> and the IES/NCES Technical Methods papers: http://ies.ed.gov/ncee/tech_methods/.

Priorities

There are eight priorities for I3. The first four priorities are “absolute priorities,” directly aligned with the four reform areas of the ARRA. All applicants must apply under one of these four priorities. The other four priorities are “competitive preference” priorities that will be taken into consideration by the Department in evaluating proposals – and are aligned with key Administration policy objectives.

Absolute- The Secretary will only accept applications that meet the priority. The four absolute priorities are aligned with the four reform areas under the ARRA; all applicants must apply under one of these four priorities.

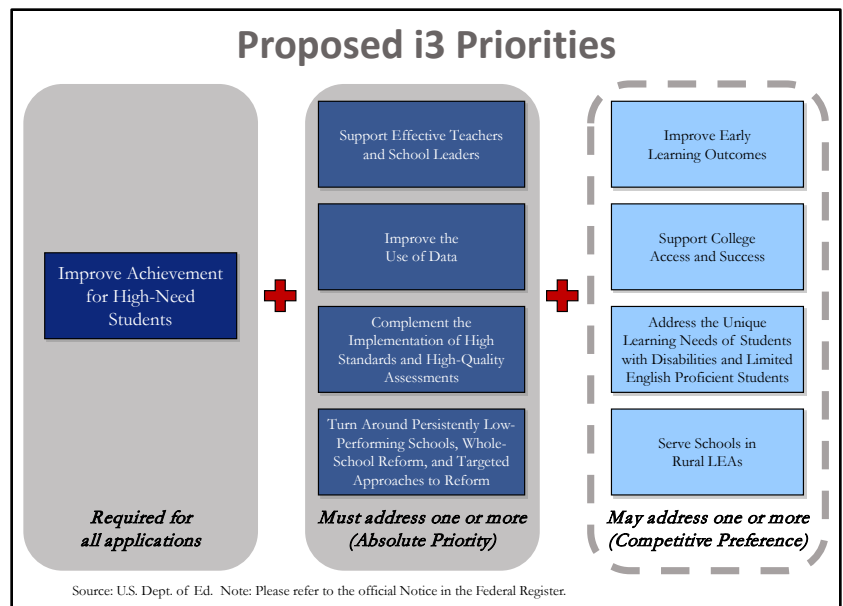
- Teacher Effectiveness:** Applications that support practices, strategies, or programs that increase the number or percentages of highly effective teachers and school leaders or reduce the number or percentages of ineffective teachers and school leaders, especially for high-need students, by identifying, recruiting, developing, placing, rewarding, and retaining highly effective teachers and school leaders (or removing ineffective teachers and school leaders). Teacher or school leader effectiveness should be determined by an evaluation system that is rigorous, transparent, and fair; performance should be differentiated using multiple rating categories of effectiveness; multiple measures of teachers’ effectiveness should be taken into account, with data on student growth as a significant factor; and the measures should be designed and developed with teacher involvement.
- Data:** Applications that encourage and facilitate the evaluation, analysis, and use of student achievement or student growth data by educators, families, and other stakeholders in order to inform decision-making; improve student achievement or student growth, and teacher, school leader, school, or LEA performance and productivity; or enable data aggregation, analysis, and research. Encourages application to disaggregate the data based on ESEA subgroups: economically disadvantaged students, students from major racial and ethnic groups, migrant students, students with limited English proficiency, students with disabilities, and student gender.
- College Readiness:** Applications that support States’ efforts to transition to college- and career- readiness standards and assessments, including curricular and instructional practices, strategies, or programs in core academic subjects. Proposals may include practices, strategies, or programs that:

 - Increase the success of under-represented student populations in academically rigorous courses and programs (such as Advanced Placement or International Baccalaureate courses; dual enrollment

Eligibility Criteria: Determines whether an applicant can receive a grant.

Priorities: Focus areas which an applicant must apply. Applicants must address absolute priorities. Secretary will give priority to applicants that meet one or more of the optional competitive preference priorities.

Selection Criteria: Used by peer reviewers to judge the quality of an application.



programs; early college high schools; and STEM courses, especially those that incorporate rigorous and relevant project-, inquiry-, or design-based contextual learning opportunities.

- b. Increase the development and use of formative assessments or interim assessments, or other performance-based tools and metrics that are aligned with academic standards.
 - c. Translate the standards and information from assessments into classroom practices that meet the needs of all students.
- Turnaround Low Performing Schools: Applications that turn around persistently low-performing schools by focusing on:
 - a. Whole-school reform, such as comprehensive interventions to assist, augment, or replace persistently low-performing schools; **or**
 - b. Targeted approaches to reform such as:
 - i. Providing more time for students to learn core academic content by expanding the school day, school week, or the school year, or by increasing instructional time for core academic subjects during the day and in the summer;
 - ii. Integrating student supports to address non-academic barriers to student achievement; **or**
 - iii. Creating multiple pathways for students to earn regular high school diplomas (e.g., transfer schools, awarding credit based on demonstrated evidence of student competency, offering dual-enrollment options).

Competitive - The Secretary will give competitive preference to an application by awarding additional points, depending on the extent to which the application meets the priority or selecting an application that meets the priority over an application of comparable merit that does not meet the priority.

- Early Childhood: Applications that improve educational outcomes for high-need students between the ages of birth through 3rd grade by improving early learning program quality. Proposals must focus on improving:
 - a. Young children’s school readiness (including social, emotional, and cognitive) so that children are prepared for success in core academic subjects;
 - b. Alignment of developmental milestones and standards with appropriate outcome measures; and
 - c. Alignment, collaboration, and transitions between early learning programs that serve children from birth to age three, in preschools, and in kindergarten through third grade.
- College Entry and Completion: Applications that enable K-12 students, particularly high school students, to successfully prepare for, enter, and graduate from a two- or four-year college. Proposals must include practices, strategies, or programs for K-12 students that address students’ preparedness and expectations related to college; help students understand issues of college affordability and the financial aid and college application processes; and provide support to students from peers and knowledgeable adults.
- Students with disabilities and ELL: Applications that include innovative strategies, practices, or programs to address the unique learning needs of students with disabilities, or the linguistic and academic needs of limited English proficient students.
- Rural Students: Applications that focus on the unique challenges of rural schools serving high-need students.

Requirements

1. All applicants must implement practices, strategies, or programs for high-need students (as defined below).
2. Eligible applicants are an LEA or a partnership between a nonprofit organization and one or more LEAs or a consortium of schools.
 - A nonprofit organization does not need to select as a partner an LEA or a consortium of schools that meets the eligibility requirements. It just has to demonstrate that it has a record of meeting those requirements through the assistance it has provided to one or more LEAs in the past.
 - Consortium of schools means two or more public elementary or secondary schools.
 - For purposes of I3, Institutions of higher education are considered non-profits.
3. Applicant must have significantly closed the achievement gaps between groups of students (economically disadvantaged students, students from major racial and ethnic groups, students with limited English proficiency, students with disabilities).
4. Applicants must have exceeded the State's annual AYP objectives for two or more consecutive years or have demonstrated success in significantly increasing student achievement for all groups of students.
5. Applicants must have made significant improvements in other areas, such as graduation rates or increased recruitment and placement of high-quality teachers and school leaders.
6. Applicants must demonstrate that they have partnerships with the private sector, which may include philanthropic organizations, and that the private sector will provide matching funds in order to scale results.
7. Nonprofit applicants must provide in its application the names of the LEAs with which it will partner, or the names of the schools in the consortium with which it will partner. Nonprofits can also describe the demographics and other characteristics of LEAs and schools and the process it will use to select them as partners. An applicant must identify its specific partners before a grant award will be made.
8. Applicants must demonstrate one or more partnerships with an entity or organization in the private sector, and private sector entity will provide matching funds in order to help bring project results to scale. An applicant must obtain matching funds or in-kind donations equal to at least 20 percent of its grant award. The Secretary may consider on a case by case basis a lower matching requirement.
9. An applicant receiving funds must comply with any evaluation of the program conducted by the Department. In addition, applicants are required to conduct an independent evaluation of its project.
10. Grantees will be required to participate in, organize, or facilitate, as appropriate, communities of practice with other grantees.
11. An applicant must state in its application whether it is applying for a Scale-up, Validation, or Development grant. An applicant may not submit an application for the same proposed project under more than one type of grant.

Selection Criteria

Criteria	Scale Up Grants	Validation Grants	Development Grants
<p>Need for the Project and Quality of the Project Design.</p>	<ul style="list-style-type: none"> • Represents an exceptional approach to the priorities the applicant is seeking to meet. • Clear goals and an explicit strategy aligned with the priorities the applicant is seeking to meet, and expected to result in achieving the goals, objectives, and outcomes of the proposed project. 	<p>Same</p>	<p>Same</p>
<p>Strength of Research, Significance of Effect, and Magnitude of Effect.</p>	<ul style="list-style-type: none"> • Strong evidence that the proposed practice, strategy, or program will have a statistically significant effect on improving student outcomes and that the effect will be substantial and important. • The importance and magnitude of the effect expected to be obtained by the proposed project. 	<ul style="list-style-type: none"> • There is moderate evidence that the proposed practice, strategy, or program will have a statistically significant effect on improving student outcomes. • The importance and magnitude of the effect expected to be obtained by the proposed project, including the likelihood that the project will substantially and measurably improve student outcomes. The evidence in support of the importance and magnitude of the effect would be the research-based evidence provided by the applicant to support the proposed project. 	<ul style="list-style-type: none"> • Applicant demonstrates that there are research-based findings or reasonable hypotheses that support the proposed project, including related research in education and other sectors. • The extent to which the proposed project has been attempted previously, on a limited scale, with promising results that suggest that more formal and systematic study is warranted. • Project will have a positive impact, as measured by the importance or magnitude of the effect, on improving student outcomes.

Criteria	Scale Up Grants	Validation Grants	Development Grants
<p>Experience of the Applicant.</p>	<ul style="list-style-type: none"> • Past performance of the applicant in implementing large, complex, and rapidly growing projects. • Information and data demonstrating that the applicant has significantly closed the achievement gaps between subgroups of students; exceeded the State’s AYP objectives for two or more consecutive or demonstrated success in significantly increasing student achievement for all groups of students through another measure, such as NAEP. • Demonstrated success in significantly increasing student achievement for all subgroups of students; and made significant improvements in other areas, such as graduation rates or increased recruitment and placement of high-quality teachers and school leaders. 	<p>Same</p>	<p>Same</p>

Criteria	Scale Up Grants	Validation Grants	Development Grants
<p>Quality of the Project Evaluation.</p>	<ul style="list-style-type: none"> The methods of evaluation will include an experimental study or, if a well-designed experimental study of the project cannot be conducted, the extent to which the methods of evaluation will include a well-designed quasi-experimental study. For either an experimental study or quasi-experimental study, the study will be conducted of the practice, strategy, or program as implemented at scale. The methods of evaluation will provide high-quality implementation data and performance feedback, and permit periodic assessment of progress toward achieving intended outcomes. The evaluation will provide sufficient information about the key elements and approach of the project to facilitate replication or testing in other settings. The project plan includes sufficient resources to carry out the evaluation. The extent to which the proposed evaluation is rigorous, independent, and neither the program developer nor the project implementer is evaluating the impact of the project. 	<ul style="list-style-type: none"> The methods of evaluation will include a well-designed experimental or quasi-experimental study. The methods of evaluation will provide high-quality implementation data and performance feedback, and permit periodic assessment of progress toward achieving intended outcomes. The extent to which the evaluation will provide sufficient information about the key elements and approach of the project to facilitate replication or testing in other settings. The project plan includes sufficient resources to effectively carry out the project evaluation. The extent to which the proposed evaluation is rigorous, independent, and neither the program developer nor the project implementer is evaluating the impact of the project. 	<ul style="list-style-type: none"> The methods of evaluation are appropriate to the size and scope of the proposed project. The methods of evaluation will provide high-quality implementation data and performance feedback, and permit periodic assessment of progress toward achieving intended outcomes. The evaluation will provide sufficient information about the key elements and approach of the project to facilitate further development, replication, or testing in other settings. The proposed project plan includes sufficient resources to effectively carry out the project evaluation.

Criteria	Scale Up Grants	Validation Grants	Development Grants
<p>Strategy and Capacity to Scale.</p>	<ul style="list-style-type: none"> The number of students to be reached by the proposed project and the applicant’s capacity to reach the proposed number of students during the course of the grant period. The applicant’s capacity (qualified personnel, financial resources, management capacity) to bring the project to scale on a national, regional, or State level working directly, or through partners, either during or following the end of the grant period. The feasibility of the proposed project to be replicated successfully, if positive results are obtained, in a variety of settings and with a variety of student populations. The cost estimates of the proposed project, including start-up and operating costs per student (including indirect costs) for reaching the total number of students proposed to be served by the project, as well as for the applicant or others to reach 100,000, 500,000, and 1,000,000 students. The mechanisms the applicant will use to broadly disseminate information on its project to support replication. 	<p>Same, except</p> <ul style="list-style-type: none"> The applicants capacity (qualified personnel, financial resources, management capacity) to bring the project to scale on a State or regional level working directly, or through partners, either during or following the end of the grant period. The applicant’s estimate of the cost of the proposed project, which includes start-up and operating costs per student (including indirect costs) for reaching the total number of students proposed to be served by the project, as well as for the applicant or others to reach 100,000, 250,000, and 500,000 students. 	<p>Same, except</p> <ul style="list-style-type: none"> The applicant's capacity (qualified personnel, financial resources, management capacity) to further develop and scale the proposed practice, strategy, or program, or to work with others to ensure that the solution can be further developed and scaled, based on the findings of the project. The applicant’s estimate of the cost of the proposed project, which includes start-up and operating costs per student (including indirect costs) for reaching the total number of students proposed to be served by the project, as well as for the applicant or others to reach 100,000, 250,000, and 500,000 students.

Criteria	Scale Up Grants	Validation Grants	Development Grants
Sustainability.	<ul style="list-style-type: none"> • Applicant has the resources to operate the project beyond the length of the grant, including a multi-year financial and operating model and accompanying plan; the demonstrated commitment of current and future partners; and evidence of broad support from stakeholders (e.g., State educational agencies, teachers' unions) critical to the project's long-term success. • The potential and planning for the incorporation of project purposes, activities, or benefits into the ongoing work of the LEA, schools, or nonprofit organization at the end of the grant. 	Same	Same

Criteria	Scale Up Grants	Validation Grants	Development Grants
<p>Quality of the Management Plan and Personnel</p>	<ul style="list-style-type: none"> • The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, timelines, and milestones for accomplishing project tasks, as well as plans for sustainability and scalability of the proposed project. • The qualifications (training, experience) of the project director and key project personnel, especially in managing large, complex, and rapidly growing projects. • The qualifications, including relevant expertise and experience, of the project director and key personnel of the independent evaluator, especially in designing and conducting large-scale experimental and quasi-experimental studies of educational initiatives. 	<ul style="list-style-type: none"> • Same 	<ul style="list-style-type: none"> • The adequacy of the management plan to achieve the objectives of the proposed project on time and within budget, including clearly defined responsibilities, timelines, and milestones for accomplishing project tasks. • The qualifications, including relevant training and experience, of the project director and key project personnel, especially in managing projects of the size and scope of the proposed project.

Estimated Timeline	
Event	Anticipated Date
Release of proposed Notice	10/9/2009
Public comments due	11/9/2009
Release of final Notice	Late winter/early spring 2010
“Development” Pre-Applications Due	Spring 2010
“Validation” and “Scale-up” Applications Due	Spring 2010
“Development” Full Applications Requested	Late spring/early summer 2010
“Development” Full Applications Due	Summer 2010
Award Grants for “Validation” and “Scale-up”	Late summer/early fall 2010
Award Grants for “Development”	Late summer/early fall 2010

Selected Definitions

Strong Evidence: Evidence from previous studies whose designs can support causal conclusions (i.e., studies with high internal validity), and studies that in total include enough of the range of participants and settings to support scaling up to the State, regional, or national level (i.e., studies with high external validity). Examples:

- More than one well-designed and well-implemented experimental study or well-designed and well-implemented quasi-experimental study that supports the effectiveness of the practice, strategy, or program.
- One large, well-designed and well-implemented randomized controlled, multisite trial that supports the effectiveness of the practice, strategy, or program.

Moderate Evidence: Evidence from previous studies whose designs can support causal conclusions (i.e., studies with high internal validity) but have limited generalizability (i.e., moderate external validity), or studies with high external validity but moderate internal validity. Examples:

- At least one well-designed and well-implemented experimental or quasi-experimental study supporting the effectiveness of the practice strategy, or program, with small sample sizes or other conditions of implementation or analysis that limit generalizability.
- At least one well-designed and well-implemented experimental or quasi-experimental study that does not demonstrate equivalence between the intervention and comparison groups at program entry but that has no other major flaws related to internal validity.
- Correlational research with strong statistical controls for selection bias and for discerning the influence of internal factors.

Experimental Study: Employs random assignment of students, teachers, classrooms, or schools to participate in a project being evaluated (treatment group) or not to participate in the project (control group).

Quasi-experimental Study: An evaluation design that attempts to approximate an experimental design and can support causal conclusions (i.e., minimizes threats to internal validity, such as selection bias, or allows them to be modeled). Well-designed quasi-experimental studies include carefully matched comparison group designs, interrupted time series designs, or regression discontinuity designs.

Carefully Matched Comparison Group: A design in which project participants are matched with non-participants based on key characteristics that are thought to be related to the outcome. These characteristics include:

- Prior test scores and other measures of academic achievement (preferably, the same measures that the study will use to evaluate outcomes for the two groups).
- Demographic characteristics, such as age, disability, gender, English proficiency, ethnicity, poverty level, parents' educational attainment, and single- or two-parent family background.
- The time period in which the two groups are studied (e.g., the two groups are children entering kindergarten in the same year as opposed to sequential years).
- Methods used to collect outcome data (e.g., the same test of reading skills administered in the same way to both groups).

Interrupted Time Series: An evaluation design means a type of quasi-experimental study in which the outcome of interest is measured multiple times before and after the treatment for program participants only. If the program had an impact, the outcomes after treatment will have a different slope or level from those before treatment. That is, the series should show an "interruption" of the prior situation at the time when the program was implemented. Adding a nonequivalent control group time series, such as schools not participating in the program or schools participating in the program in a different geographic area, increases the reliability of the findings.

Regression Discontinuity Design: An evaluation using a quasi-experimental study design that closely approximates an experimental study. In a regression discontinuity design, participants are assigned to a treatment or control group based on a numerical rating or score of a variable unrelated to the treatment such as the rating of an application for funding. Another example would be assignment of eligible students, teachers, classrooms, or schools above a certain score ("cut score") to the treatment group and assignment of those below the score to the control group.

Independent Evaluation: The evaluation is designed and carried out independent of, but in coordination with, any employees of the entities who develop a practice, strategy, or program and are implementing it.

Formative Assessment : Assessment that is embedded in instruction and is used by teachers to provide timely feedback on student understanding and to adjust ongoing teaching and learning effectively.

Interim Assessment: An assessment given at regular and specified intervals throughout the school year, and is designed to evaluate students' knowledge and skills relative to a specific set of academic standards, the results of which can be aggregated (e.g., by course, grade level, school, or LEA) in order to inform teachers and administrators at the student, classroom, school, and LEA levels.

Highly Effective School Leader: A principal or other school leader whose students, overall and for each subgroup, demonstrate high rates (e.g., more than one grade level in an academic year) of student growth. Applicants may supplement this definition as they see fit so long as school leader effectiveness is judged, in significant measure, by student growth.

Highly Effective Teacher: A teacher whose students achieve high rates (e.g., more than one grade level in an academic year) of student growth. Applicants may supplement this definition as they see fit so long as teacher effectiveness is judged, in significant measure, by student growth.

High-need Student: A student at risk of educational failure, or otherwise in need of special assistance and support, such as students who are living in poverty, who are far below grade level, who are over-age and under-credited, who have

