





Toward the Big Blur

Momentum and Progress in Indiana

AT A GLANCE

In our latest case study featuring leading-edge states, Jobs for the Future (JFF) highlights key policies and initiatives Indiana is implementing to move toward erasing the arbitrary boundaries between high school, college, and work and to empower young adults on a path toward a postsecondary credential and preparation for a career.

Authors:

Caroline D'Andrea

Advisors:

Nancy Hoffman David Altstadt

Acknowledgments

The author would like to thank the following Indiana policymakers, practitioners, and advocates who were interviewed when researching this report: Kristen Barry, Jason Bearce, Courtney Bearsch, Rep. Bob Behning, Jason Callahan, Jackie Dowd, Lorenzo Esters, Scott Evenbeck, Anthony Harl, Todd Hurst, Danny Kelly, Tari Lambert, Katie Lash, Cynthia Liston, and PJ McGrew. Additional thanks to the following JFF staff members who served as interviewees, sharing their Indiana expertise: Tracey Everett and Bill Turner.

The author would like to express appreciation to the following JFF staff members for championing the Big Blur vision and providing feedback on drafts of this report: David Altstadt, director, Policy & Advocacy; Erica Cuevas, director, Policy & Advocacy; Kyle Hartung, associate vice president, Education; Nancy Hoffman, senior advisor; and Joel Vargas, vice president, Education. Special thanks to David Altstadt and Nancy Hoffman for their editorial contributions and expert guidance throughout the research and writing process.

Finally, the author and the staff of JFF thank the Bill & Melinda Gates Foundation for its support of the "Toward the Big Blur" series of state policy issue briefs, state case studies, and the state policy framework.

About Jobs for the Future

Jobs for the Future (JFF) drives transformation of the U.S. education and workforce systems to achieve equitable economic advancement for all. iff.org

About JFF's Language Choices

JFF is committed to using language that promotes equity and human dignity, rooted in the strengths of the people and communities we serve. We develop our content with the awareness that language can perpetuate privilege but also can educate, empower, and drive positive change to create a more equitable society. We routinely reevaluate our efforts as usage evolves. info.jff.org/language-matters

Table of Contents

Acknowledgments	2
The Indiana Context	8
State Policy Developments	13
Removing Financial Barriers for Career Preparation: Career Scholarship Accounts	14
Embedding College and Career Preparation in High School Diploma Requirements: Redesigned Diplomas	17
The Road Ahead	21
Endnotes	24

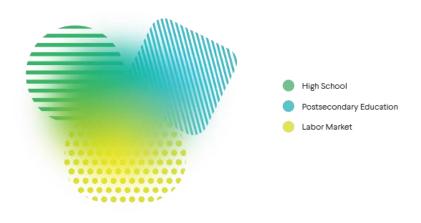


Introduction

Jobs for the Future (JFF) first studied Indiana in 2021, when we published our initial <u>Big Blur</u> paper. In our original report, we documented several steps the state had already taken toward smoothing pathways through high school and college and into careers. Specifically, we highlighted how Indiana had poured significant resources and human capital into efforts to expand dual credit and dual enrollment, facilitate participation in such programs, and promote greater educational alignment. We noted the following:

- "An Indiana program called Indiana College Core (ICC) offers high school students a block of 30 hours of general education credits that transfer to public colleges and universities."
- "Indiana ... is a leader in standardizing the process of transferring credits across all public institutions of higher education. The state's TransferIN initiative, led by the Indiana Commission for Higher Education, has created digital transcripts that make it possible to transfer college credits easily via the Credential Engine platform."

Since our original report, the Hoosier State has taken additional steps toward aligning traditional high school and college programs and strengthening opportunities for students to earn or transfer postsecondary credits toward the completion of a degree. Recently adopted legislation aims to expand access to the ICC. Through Senate Enrolled Act No. 8, every high school is now required to offer the ICC program to its students, with some exceptions. The law also requires the Indiana Department of Education (IDOE) to make an online version of each course available to students statewide.



Key Features of the Big Blur

To support learners' success more effectively in college and careers and eliminate their transition barriers, JFF envisions new systems and structures that include the following features:



Incentives for accountability and financing to promote new ways of organizing learning.



Alignment of high schools, colleges, and labor markets so that 11th-grade students enter new institutional structures focused on postsecondary and career preparation.



Governance model model that unifies decision-making authority over grades 11-14, as well as over districts and postsecondary institutions that are working as a unified institution.



Staffing structures designed for effectively organizing learning and work experiences, and support systems for older adolescents in grades 11-14.

Learn more about the Big Blur on JFF's website.

We decided to revisit Indiana now because of further actions that state agencies and legislators are taking to redesign the high school experience to prepare students for their next steps in their learning and work journeys. Whereas our previous research focused on issues of academic alignment between high school and college, in this case study we are primarily reporting on the state's efforts to improve connections between secondary educational systems and the labor market.

Specifically, this case study examines a key education bill passed in 2023, known as House Enrolled Act No. 1002, that codified new college and career pathway programs and has helped to advance key state priorities around redefining the purpose of a high school education. These emerging new initiatives include funding to support high school students' early college and work-based learning experiences, a proposed overhaul of high school graduation standards to incorporate postsecondary and work readiness, and a new state-recognized list of credentials tiered by their level of perceived value in the labor market and the value they hold for both employers and students. Taken together, they are intended to set students up for success upon graduation and build talent pipelines to address the state's critical workforce needs.

Indiana is making meaningful progress toward the vision of the Big Blur. We applaud and celebrate these efforts. But to be clear, none of these approaches has reached the level of transformational systems change envisioned in the Big Blur. Much work remains to fully erase the artificial boundaries between high school, college, and the world of work to benefit all young adults ages 16-20.

Experience and evidence tell us that state policymakers must make a concerted effort to improve the policy conditions across all four Big Blur features to support learners in grades 11-14 effectively (see "Big Blur Context" for details on the features). In part, what makes Indiana's most recent policies noteworthy is their latent potential for further innovation across key Big Blur features, such as incentives and governance. Building upon this work toward the vision of the Big Blur would ultimately mean creating new structures that incorporate both high school and college requirements designed for career preparation. This would result in high school students acquiring credentials with labor market value, gaining meaningful experiences in workplaces, and seamlessly following their chosen pathway to a college degree that would propel them in the economy.

In this case study, we first situate these emerging initiatives in the broader context of Indiana's systems and needs for developing a skilled workforce and closing equity gaps that limit opportunity. Next, we describe each of the major new policy initiatives that emerged from House Enrolled Act No. 1002—Career Scholarship Accounts, redesigned diploma requirements, and a credentials-of-value list—and describe how each of these innovative measures could serve as a building block toward the Big Blur, if implemented effectively and equitably. We conclude by offering key considerations for what additional steps Indiana should take to continue its momentum toward the Big Blur. The policy measures featured in this case study, along with additional changes to the education and work ecosystems, will need to be sustained and scaled through systems change to prepare all young adults across Indiana for success in the workforce.



Documenting State Progress Toward the Big Blur

The Big Blur argues for the need to erase the arbitrary dividing line between high school, college, and career training to open the opportunity for all students, by no later than 11th grade, to start on a path toward a postsecondary credential and preparation for a career. Two years of new, innovative postsecondary opportunities would be free to everyone, just like the previous 12 years of primary and secondary school. The idea is meant to remove the barriers many students face when applying to, getting into, and ultimately completing college, transforming the way we view the path from high school to postsecondary credentials to career. Rather than having separate institutions, the Blur is an integrated approach to serve students in grades 11-14 better and to support the country's economy.

Since JFF issued the Big Blur whitepaper in 2021, thought leaders, innovators, advocates, and policymakers across the country continue to show an interest in how to stop tinkering with a system that leaves so many behind. They have started to fully reimagine a system of education that blurs the line between secondary, postsecondary, and workforce. To date, we are inspired by the numerous efforts across states and regions to actively and intentionally "blur" the lines. We applaud and celebrate their work, yet we remain hopeful that several states will fully embrace a true Big Blur implementation with fidelity and start new—or transform existing—institutions to serve students in grades 11-14.

Each state we have examined has much work to do to fully transform its education and economic development systems so that all 16-to-20-year-olds are on a pathway toward postsecondary and career success. This vision does not necessarily start at grade 11 or end in grade 14, but rather it sets students up to pursue multiple pathways. Students in a fully blurred system earn postsecondary credentials with high labor market value by grade 14 and are prepared for multiple credentialing opportunities, ranging from certificates to associate's and bachelor's degrees and beyond that will enable entry into a high-demand, high-paying career path.

In this new case study series, JFF elevates a handful of leading-edge states making policy and systems changes to impact accountability, finances, labor market alignment, governance, and staffing. (See sidebar for a brief description of each of the key components of the Big Blur.) We explore how a state approaches transformational change, the progress it has made to date, and opportunities and future actions that lie ahead. Our hope is that these case studies will not only spotlight and accelerate impact in these leading states but also inspire action and drive innovation in other states.



The Indiana Context

An Underlying Driver: A High School Diploma Is No Longer Enough to Advance in the Indiana Economy

Indiana has set its sights on a robust, homegrown talent ecosystem, with the aim of bolstering the state's economy and ensuring that residents are successful today and set up to achieve economic mobility as they prepare for future jobs. Key leaders in Indiana recognize that almost all workers need a postsecondary education, whether an industry certification, an associate's degree, or a bachelor's degree. Through small- and large-scale reforms, these leaders are making strides to ensure that high school students gain college and career preparatory experiences that set them up for success after graduation.

There are compounding factors contributing to the need for Indiana to focus on developing its own talent pipeline. The state's top industries of employment are trades, transportation, and utilities, followed by manufacturing, education, and health services.¹ Indiana is an especially valued leader in manufacturing, particularly in metal, plastic, and automotive parts production. Today, Indiana has labor shortages not only in key industries but across the board. Overall, there are only 72 available workers for every 100 open job positions in the state.² At the same time, among the 50 states, Indiana ranks 40th in retaining college graduates, and it is the fifth-highest "outbound" state, meaning more people are leaving than moving there.³ Along with these troubling trends, Indiana has a 63% labor force participation rate—a rate that is above the national average but has not caught up to pre-pandemic levels. Workforce participation rates vary by demographic group as well. The COVID-19 pandemic's impact on the workforce continues to be evident, with disproportionate impacts on Black workers and people in low-wage jobs. This picture of talent supply and demand highlights opportunities for the state to improve the workforce ecosystem.

Educational attainment plays a major role in the workforce ecosystem too. According to a recent report from Ascend Indiana and EmployIndy, "Indiana's job landscape was permanently altered during the pandemic, simultaneously accelerating job growth in degreed occupations and decelerating growth in non-degreed jobs." But, while more jobs require a postsecondary

degree, Indiana is not on track to meet that demand. Only 53% of residents have a postsecondary credential, leaving the state challenged in reaching its goal of 60% by 2025. Low educational attainment constrains the availability of the skilled workers that employers need.

One underlying explanation for the lag is that attainment is unevenly distributed across the state's regions. For example, the attainment rate is 72% in Hamilton County, which encompasses the northern suburbs of Indianapolis, but only 43% in Marion County, which comprises the city of Indianapolis. Differences are also apparent across race and ethnicity: Forty-three percent of white residents have an associate's degree or higher, while only 32% of Black and 27% of Latine residents do. We know that Black, Latine, and Asian people represent a growing proportion of learners and workers in the United States, and Indiana is no exception. The racial inequities that exist across Indiana's postsecondary attainment rates will further exacerbate the talent shortage if not addressed.

While actual attainment rates are not at desired or equitable levels, Indiana is making strides toward preparing students for postsecondary attainment. In particular, the state excels in early exposure to postsecondary education. Nationally, it ranks first in terms of students completing at least one college course in high school, with 64% of students earning college credit. ⁷

And more students, across all races and ethnicities, have been earning dual credit over time.⁸ The challenge is ensuring that these opportunities reach students equitably. In the 2018 high school graduating class, Black and Latine students, and students who are eligible for free- and reduced-price lunch, were less likely to earn dual credit than white students.⁹ These inequities mirror national data that shows that white students are overrepresented in dual enrollment, signifying a need to tackle equitable student access to and success in such programs.¹⁰

An additional challenge is that the success of increased early college credit has not yet translated into postsecondary enrollment. For the past three years, Indiana's college-going rate for recent high school graduates has held at 53%, which is 12 percentage points lower than in 2012. Significant disparities in postsecondary enrollment are seen when the data is broken out by race/ethnicity, income level, and urban/rural populations. For example, the college-going rate for people from small towns stands at 49%, compared with 52% for peers from major cities and 57% for peers from surrounding counties. Such statistics show that developing a stronger workforce will depend on closing key completion and enrollment gaps.

It is with these trends in mind—talent shortages, the growing importance of postsecondary credentials, and lagging attainment rates—that Indiana leaders envision a strengthened local talent ecosystem. Part of this vision includes a simple yet critical understanding that stakeholders across the state share: that a high school diploma is not enough for young adults to succeed in the economy.

Part of this vision includes a simple yet critical understanding that stakeholders across the state share: that a high school diploma is not enough for young adults to succeed in the economy.

Indiana has a long tradition of preparing students to take their next steps after high school, whether that be attending college or entering the labor market. Preparing for what lies beyond high school is a shared rallying cry among educators, employers, and policymakers in the Hoosier State. The following are some of the key initiatives:

- The governor's Next Level Agenda focuses on preparing Hoosiers to succeed in the 21st-century workforce. This includes initiatives like Next Level Jobs, which helps residents find workforce training programs or new jobs and supports employers in training or finding qualified employees; Next Level Jobs Workforce Ready Grants, which cover tuition and fees for Indiana students pursuing high-value certificate programs; and Next Level Programs of Study, which designed career and technical education (CTE) instruction for high school students. These Next Level initiatives support the development of a robust talent ecosystem across the state—creating greater alignment between and opportunities for learners, workers, and employers.
- The Hoosier Opportunities & Possibilities through Education Agenda (HOPE) led by the Commission for Higher Education (CHE), consists of the key pillars of college enrollment, college completion, and graduate retention. In his public statements, Commissioner for Higher Education Chris Lowery routinely emphasizes the importance of education and training beyond a high school diploma. The HOPE Agenda centers education as an equalizer for Indiana residents and thus provides them with learning opportunities to succeed in the workforce, which simultaneously supports communities' and employers' needs.
- The Indiana Department of Education (IDOE) has focused on high school redesign—a key priority of Secretary of Education Katie Jenner. In recent years, IDOE launched a data dashboard and spearheaded the redesign of the state's high school diploma requirements to emphasize the need for high schools to offer more comprehensive support for students to succeed after graduation, including explicit, embedded college and career preparation. In 2021, the legislature codified the Graduates Prepared to Succeed (GPS) dashboard for reporting on important characteristics and related data about the learning experiences of K-12 students and their preparedness for college, career, and life. Essentially, through the development of the dashboard, IDOE made the case that school districts are not just responsible for students' seat time—K-12 education also must help students prepare for what comes after high school. The dashboard does this by pulling in a holistic set of data from IDOE, CHE, and the Department of Workforce Development and displaying performance indicators across five domains: academic mastery; career and postsecondary

readiness; communication and collaboration; work ethic; and civic, financial, and digital literacy.

• A coalition of spirited leaders across K-12 education, higher education, business, and government are developing a statewide plan to scale modern youth apprenticeship, drawing inspiration from Switzerland's apprenticeship model. With leadership from the Fairbanks Foundation, Ascend Indiana, and the Indy Chamber, the CEMETS iLab Indiana coalition is initially focusing on industries that are facing labor shortages, including banking and insurance, life sciences and health care, and advanced manufacturing. The goal of the iLab's efforts to expand modern youth apprenticeship is for all students to have access to high-quality training and postsecondary options, with participating students receiving a high school diploma, college credit, and an industry credential, with skills in in-demand careers. This new initiative demonstrates the power of cross-sector stakeholder buy-in, with leaders from across the state committed to pursuing new models to prepare high school students for economic opportunity.

Indiana made recent changes to the 21st Century Scholars program: 2023 legislation provides that seventh- and eighth-grade students will now be automatically enrolled in the program if they meet financial requirements. This marks an improvement on an earlier restriction that required students to opt in by the end of the eighth grade or else forgo the opportunity.

These initiatives are examples of how Indiana is laying the foundation to further blur the lines between high school, higher education, and the workforce in ways that can yield expansive, equitable change to prepare Hoosiers to succeed after high school. In 2023 and 2024, the Indiana legislature passed various bills that may advance these aims. A key question underlying the implementation of these many policies is whether students will equitably experience the needed intersections of college *and* career pathways. Below, we explore promising policy initiatives in more depth.

Key Education and Workforce Facts About Indiana



Governance:

The Indiana governor appoints the secretary of education and the commissioner of workforce development. The governor also appoints the 14 members of the Commission for Higher Education, who select the higher education commissioner. Those three leaders serve on the Governor's Cabinet. The State Board of Education oversees K-12 education policymaking in Indiana. The bipartisan board is composed of 11 members, including the secretary of education. Additionally, in 2018, the state legislature established the Governor's Workforce Cabinet, whose members are appointed by the governor, as an advisory body to provide alignment across education, economic development, and workforce agencies and organizations.



Educational and workforce providers:

 Indiana has 351 school districts supporting 433 high schools. It has a single statewide community college system, Ivy Tech, with 19 full-service campuses and 24 satellite locations. Ivy Tech is the single largest dual credit provider in the state. Indiana has about 60 colleges and universities and 12 workforce areas.



State leadership:

- Republican Gov. Eric Holcomb assumed office in 2017. His current term ends in January 2025. Due to term limits, he is not running for reelection.
- Secretary of Education Katie Jenner was appointed in 2021.
- Commissioner of Higher Education Chris Lowery was appointed in 2022.
- Commissioner of Workforce Development Richard Paulk was appointed in 2023.
- The General Assembly is controlled by supermajorities of Republicans in both the state Senate and House of Representatives, with 40-10 and 70-30 margins, respectively, as of the 2022 elections.



State Policy Developments

In 2023, the Indiana General Assembly passed <u>House Enrolled Act No. 1002 (HEA 1002)</u>, aimed at smoothing college and career pathways for Indiana students. Redesigning the high school experience was at the epicenter of the act's intended outcomes. The various initiatives within HEA 1002 make clear the goal of providing meaningful career preparation to students while they are still in high school and, simultaneously, bolstering the state's homegrown talent development pipeline to meet employers' workforce needs.

Below, we go deeper into several aspects of HEA 1002 and related initiatives, with a focus on the policies with the potential to blur the boundaries between high school, postsecondary, and work experiences. The true impacts of these policies are still emerging. If they are implemented well, they could shepherd new, holistic learning and work pathways for young people while continuing to position Indiana as a leader in innovative pathways from high school.

HEA 1002 At a Glance

Key policies of HEA 1002 include the following:

- Establishing the Career Scholarship Account program and fund.
- Establishing the Credential Completion Grant and Intermediary Capacity Building Grant.
- Charging CHE to develop and implement a comprehensive career navigation and coaching system and establishing career coaching grants to support this effort.
- Charging the State Board of Education and IDOE to establish new high school diploma requirements.
- Effectively transitioning the Office of Career and Technical Education from the Governor's Workforce Cabinet to CHE.

Removing Financial Barriers for Career Preparation: Career Scholarship Accounts

How it relates to the Big Blur:

In a truly Big Blur-transformed system, a state would require and fund the development of programs of study for grades 11-14 that would enable students to obtain one or more industry-recognized credentials that would prepare them for a good first job and continued education at a four-year institution. These programs would integrate learning and work experiences with employers and would be created with robust employer engagement, respond to labor market demand, and enable students to receive credit for their work-based learning experiences. While not all Hoosier high school students experience high-quality work-based learning or earn an industry-recognized credential, Indiana has taken a small but meaningful step toward this intentional integration of learning and work through the creation of Career Scholarship Accounts (CSAs), which was a focal point of HEA 1002.

The CSA program takes direct aim at Indiana's goal to "reinvent high school" and to blur the lines between school and work by investing in and incentivizing experiential learning and by embedding key wraparound supports, such as career coaching, to facilitate more career preparation and job training for high school students. As the original author of HEA 1002, Rep. Chuck Goodrich, shared, "Giving students hands-on, applied learning opportunities and the ability to earn a credential before graduation is a game changer, not only for the student, not only for the family, but for Indiana." This sentiment reinforces the state's aim to better fuel its own talent pipeline by providing students with experiential learning to be better able to contribute meaningfully to the economy. So far, a relatively small number of students have been able to take advantage of the CSA program.

How it works:

Through the CSA program, students in grades 10-12 can receive up to \$5,000 to reduce economic barriers that may prevent them from participating in job training. Through this program, policymakers hope to connect students directly with employers to support career navigation and preparation and to increase their exposure to experiential learning programs. The funds can be used for career coaching and navigation services, tuition and fees for postsecondary education or training, transportation and equipment, and certification and credentialing exams. HEA 1002 requires that the students write a postsecondary plan to qualify for funds, and the funding must be used toward courses, programs, or fees in alignment with their proposed plan. The CSA program is the first of its kind in Indiana to provide direct support and flexibility to students to pursue pathways of interest, and it is an interesting experiment in removing financial barriers for participation in experiential learning. CSAs were not intended to reach every high school student in the program's first iteration: State officials anticipated that 1,000 students would participate in the first year, though only 574 applied, and 234 applications were approved.¹⁴

A notable component of the CSA program is its shared-governance model. In this cross-agency effort, IDOE approves eligible programs, CHE approves eligible providers, and Indiana's state treasurer administers the program, determining eligible students and expenses. This cross-agency coordination does not represent the transformative governance vision of the Big Blur, in which a single team or decision maker would oversee, ensure funding for, and support unified institutional structures for grades 11-14. However, this effort does make strides toward shared governance and accountability by requiring the cross-agency partners to work together to effectively implement the CSA program. The commissioner for higher education has emphasized the importance of integrating higher education, K-12 education, and workforce readiness, expressing that CSAs allow students to "gain hands-on experience in a career field of interest and discover opportunities for education and training beyond high school." 15

HEA 1002 established additional valuable programs and funds related to CSAs:

- HEA 1002 created the Intermediary Capacity Building Fund, awarded to intermediaries to help expand access to CSAs or career coaching and navigation. Importantly, HEA 1002 specifically states that Intermediary Capacity Building Funds should be awarded to "entities located in geographically diverse communities, which must include rural, suburban, and urban communities." The inclusion of intermediaries is critical. When properly resourced and situated in their ecosystems, intermediary organizations act as the bridge between stakeholders and program participants who might not connect otherwise, and they are vital to pushing the boundaries beyond traditional education models. The intermediary function here will be critical to encouraging the reach and success of the CSA program and will help drive meaningful collaboration across the education-to-workforce continuum, which is critical to implementing the Big Blur.
- For the important work of providing career coaching and navigation services, the legislation tasked CHE with creating a <u>Comprehensive Career Coaching and Navigation Framework</u>, which will provide students with comprehensive, relevant, and useful information about career pathways. This framework, developed in partnership with IDOE, focuses on three career-related elements: exploration, engagement, and experience. To assist with implementation, CHE is awarding Career Coaching Grants to schools, intermediaries, and other career coaching providers.
- HEA 1002 makes use of incentive funding as well, with the inclusion of the Credential Completion Grant: For each 10th, 11th, and 12th grader who successfully earns a credential, a \$500 grant will be awarded to their school and to the CSA-participating entity that provided the career preparation program and services. Such providers could be an employer, trade association or employer organization, labor union, intermediary, or postsecondary institution.

Combined with the other elements set forth in HEA 1002, the Comprehensive Career Coaching and Navigation Framework, Career Coaching Grants, and Intermediary Capacity Building Grants support student awareness of—and, ideally, access to—multiple pathways. Overall,

CSAs and the related funds center the high school experience as a means of career preparation, with an aim to bring Indiana intermediaries and employers on board to support this undertaking.

While CSAs bring opportunity for students to participate in meaningful and individualized career preparation, concerns remain about the implementation and its impacts on students and the broader education and workforce development systems.

In the first year of implementation, in order to be eligible for a CSA, a student already had to be enrolled in a joint CTE program, a modern youth apprenticeship, a Registered Apprenticeship, or the ICC. Therefore, CSAs were less a means of early exploration than a means to relieve financial burdens on students who otherwise would not be able to participate in these early college or career opportunities. In its second year, a broader range of experiences are eligible for the CSA program, granting students more flexibility in programs to pursue.

The CSA program launched in the 2023-24 academic year. As it matures, seeing what types of students apply for and receive CSAs and what CSA funds are used for will be instructive in making improvements. House Enrolled Act No. 1001 from the 2024 legislative session addressed some concerns around CSAs. The new policy extends the CSA application submission timeline so that, hopefully, more students will be able to access the funds. It also provides some clarification on how funds can be used for transportation.

It will also be critical to understand whether and how CSAs direct funds away from other important and aligned programs. For example, some Indiana stakeholders are concerned that CSAs divert resources and prospective students from CTE centers and toward private providers that can receive CSA funds. HEA 1002 prohibits schools from receiving money for CTE for students who are enrolled in the CSA program. Stakeholders have also expressed concern that HEA 1002 puts additional burdens on school counselors, who are tasked with helping to implement the program. If

It will be important to study any barriers CSAs create, either in limiting student participation or hindering the success of traditional CTE programs.



Embedding College and Career Preparation in High School Diploma Requirements: Redesigned Diplomas

How it relates to the Big Blur:

Achieving the Big Blur requires radically restructuring systems rather than tinkering around the edges. And while Indiana is not creating a dramatic new structure for grades 11-14, HEA 1002 is creating momentum toward the vision of the Big Blur by supporting a high school restructuring that emphasizes postsecondary credentials of value and career preparation. One of HEA 1002's mandates is that IDOE must establish new high school diploma requirements. IDOE is aiming to enable students to "experience work-based learning, increase their educational attainment by earning a credential and personalize their journey to achieve their unique goals." 18

How it works:

IDOE is now finalizing the new diploma requirements, marking the culmination of several previous and related initiatives for overhauling the state's high school graduation standards. The prior standard, known as the Core 40, was the default requirement for graduation starting with the incoming high school class of 2007. Under Core 40, students were expected to take a balanced sequence of high school courses in the core subjects of English/language arts, mathematics, science, and social studies; physical education/health and wellness; and electives, including world languages, career/technical skills, and fine arts. 19 Then, in 2017, the legislature authorized changes to the graduation requirements to allow students more flexibility to align their high school experience with their postsecondary plans, whether that be college enrollment, employment, or military enlistment.20

Now, as mandated through HEA 1002, IDOE is proposing a more complete overhaul of Indiana's graduation standards. The newly unveiled plan preserves a base diploma for every student, with minimum requirements of foundational courses,



resembling the Core 40 but with some changes in courses and credits required across key subjects. In addition to earning the base diploma, students now have the option to earn one or more readiness seals, indicating readiness for enrollment in postsecondary education,



employment, or enlistment and service. Each readiness seal has a unique set of competencies and courses, which will prepare students for success in the chosen area. For each readiness category, students can earn an honors seal or an honors-plus seal, with the honors-plus seal requiring additional work-based learning, credential attainment, or skill development. These changes are intended to add increased flexibility and personalization for students. IDOE is encouraging students to use their personalized elective credits, now double the amount required in Core 40, in alignment with their chosen pathway and readiness seal(s)."²¹

The new diploma readiness seals consider higher education and labor market alignment, helping affirm that graduates possess certain knowledge and skills essential for postsecondary and employment success. Below are components of the readiness seals that start to move towards the vision of the Big Blur.

For example, students can fulfill part of the employment honors seal by earning a market-driven credential of value aligned to an occupation. Recent legislative measures have also aimed to incentivize high schools to promote the completion of certain credentials; academic performance grants, enacted through House Enrolled Act 1001 in 2023, provide additional funding to schools for every dual credit a student earns and for every student who completes the Indiana College Core (ICC) or earns an associate's degree while in high school. Completion of the ICC, listed as one of the credentials of value, may fulfill the enrollment honors-plus seal or the employment honors-plus seal.

Stakeholders and agencies across Indiana all have different definitions of a credential and a "valuable" credential. In order to build a cohesive statewide understanding, especially as a credential of value is embedded in the high school diploma redesign, IDOE is in the process of working with business and industry to create and define a list of such credentials. It will be important to watch the rollout of this list to understand whether both educator's and industry's ideas of a credential of value are met. And to create the talent pipeline that best prepares Hoosier students to succeed in future jobs, it is imperative that the list be regarded as a living resource that is continually updated to reflect economic demands.

Blurry Components of Indiana's Proposed "Readiness Seals" for High School Graduation

	Enrollment	Employment
Honors Seal	Complete 6 college credits	 Earn a market-driven credential of value** aligned to a specific occupation or 3 courses in a Career and Technology Education (CTE) pathway Complete 100 hours of work-based learning Demonstrate skill development in Communication, Collaboration, and Work Ethic
Honors Plus Seal (student is eligible if fulfilled all requirements of Honors Seal")	 Earn a credential of value** that may include, for example:	 Earn a credential of value** that may include, for example: Associate degree Technical Certificate Indiana College Core Advanced Industry

^{*} This table highlights aspects of Indiana's proposed enrollment and employment seals that JFF considers to be most in line with the vision of the Big Blur. <u>View a full description</u> of the readiness seals.

^{**}Note: The credential of value levels are currently being determined by business and industry.

HEA 1002 required that IDOE create two drafts of the updated diploma requirements and hold two rounds of public comment. The first draft of the diploma redesign, released in March 2024 as the GPS Diploma and Diploma Plus, elicited criticism across the state. Many educators and institutions of higher education found that the new standards deemphasized the academic rigor that is required for students to compete in the college admissions process while simultaneously requiring work experience that may not be available in their communities.²² The second draft of the diploma requirement, released on August 14, has thus far been better received. At least five universities and several K-12 groups endorsed the new diploma requirements, noting the benefit of clearer requirements for students and families.²³ Still, some groups offered additional feedback. For example, the Association of School Principals urged IDEO to add work-based learning to the enrollment honors seal.24

This feedback points to the potential that, despite IDOE wanting to provide flexibility, these readiness seals could result in students being tracked into pathways based on adult assumptions about "where they belong." The new diploma requirements do take a step back from IDOE's initial goal for more students to experience work-based learning. The first draft included a required employability skills component for



all students, even if college was their chosen path. In the current draft, students who earn an enrollment seal will only need to complete work-based learning if they pursue the honors-plus seal. Assessing the types or combinations of seals that students achieve, and are supported to achieve, will be important to ensure students are better connected to both college and career.

The latest draft of the Indiana high school diploma requirements will be open for public comment. Additional changes are possible before the state adopts the final diploma requirements by the end of 2024. These changes will go into effect for the class of 2029, though schools can elect to implement them as soon as 2025-2026.



The Road Ahead

The true impacts of HEA 1002 and its connected initiatives are still emerging. It will be important to see whether Hoosier high school students will be able to navigate and, ideally, combine these various initiatives into a comprehensive and integrated learning and work experience. For example, in moving toward blurring the lines, high school students would be able to take advantage of ICC and the CTE Next Level Programs of Study simultaneously, earning college credits connected to a degree pathway and workforce credentials of value. With vetted credentials of value as the North Star, high school students would be able to progress along stackable pathways toward postsecondary attainment and entry into a high-wage, high-demand career. This is just one example of how a move toward blurring the lines could play out in Indiana. Looking at all the noteworthy policies and initiatives spurred by HEA 1002, there is much potential for Indiana to pave the way for students to gain meaningful college and work experience while in high school, setting them up for success in whatever path they choose upon graduation. At the same time, as with any new policy, there are kinks that need to be worked out, and the effective, equitable implementation of these policies will be critical to their success.

As Indiana builds momentum toward blurring the boundaries between secondary, postsecondary, and workforce systems, JFF is eager to see how stakeholders navigate various priority areas:

Capacity. The implementors of Indiana's new policies will need to be attentive to real capacity constraints across the state. As noted previously, there are concerns about the new responsibilities that will be placed on high school counselors to support multiple initiatives, including CSAs, changing diploma requirements, and evolving career navigation needs. There will be additional demands placed on other stakeholders as well. For example, as the state pushes for increased access to early college classes through the ICC, more teachers will need to acquire the qualifications to teach these courses. Overall, implementation of these various policies requires time and dedication from individuals across the learning and work ecosystems—counselors, teachers, administrators, intermediaries, employers, and others—and adding new policies and requirements places a burden on these groups, who likely have full workloads already.

Capacity for change may also vary across the state, with differences between rural, urban, and suburban areas. State leaders should ask themselves how Indiana can ensure that all communities have access to the breadth and depth of opportunities across postsecondary and career preparation.

Student experience. Indiana leaders have championed initiatives like CSAs and the new high school diploma requirements as providing more flexibility for students by enabling them to customize their educational pathways to prepare them for a path of their choosing. But students must first be aware of all of the paths available to them, and they should not be tracked into one based on their race, socioeconomic status, family background, or where they live. So, while there is potential for various initiatives to provide that flexibility to students, they will need help navigating their options. CTE programs have a long history of tracking certain student populations into low-wage careers, and Indiana must take intentional strides to prevent such unintended consequences.²⁵

The limited number of students who applied to participate the first year the CSA program was available shows that there is a need for leaders to better ensure students' awareness and understanding of these opportunities. And as the state bolsters its career coaching and navigation systems and services, helping students identify the programs and funding they can take advantage of—including opportunities to leverage multiple programs—will be a critical component.

Gaining an understanding of the extent to which students from a range of backgrounds are accessing and succeeding in the various programs the state has put forth will be instructive. Special attention should be placed on ensuring equitable student engagement across all of the pathway options. Indiana can use available data systems that span the K-12, college, and workforce systems to aid in analyzing program equity. This includes Indiana's longitudinal data system, the Management Performance Hub, as well as the aforementioned Indiana GPS dashboard. The information stored in these systems has the power to provide important information to agencies, community-based organizations, and learners about which programs best support student success, both in educational programs and through longer-term workforce outcomes. Disaggregation of the data is critical to ensuring equitable access and outcomes across student subgroups.

Governance and incentives. In the realized vision of the Big Blur, a state government apparatus with decision-making authority unifies policies related to the preparation of the state's future talent pipeline. Right now, under the Holcomb administration, there is a strong culture of collaboration across agencies to support postsecondary and workforce readiness. However, there is no governing entity with decision-making authority in place to ensure that these interagency efforts will be sustained and continue to grow. This is a looming risk with the upcoming change of administration, which will also impact key role transitions within partner agencies.

Additionally, policymakers can wield resources to incentivize different behaviors from the systems that prepare young Hoosiers to succeed in the workforce. In this report, we see the adoption of CSAs and the Academic Performance Grants as a first step, but these funding levers are too small to drive large-scale change if formula funds that pay for high school and college remain unchanged.

Postsecondary redesign. Most initiatives we pointed to are focused on change at the high school level, not at grades 13-14, as a key lever for change. There is room for the state to better connect this high school redesign with efforts at the postsecondary level. However, we do see some momentum toward change at that level. For example, recent Indiana legislation requires most colleges and universities to offer a three-year degree program by July 2025. Other recent legislation requires CHE to study whether Ivy Tech Community College should award four-year degrees, which could limit the need for students to transfer to four-year programs and reduce degree completion costs for students.²⁶ Other postsecondary efforts draw more direct alignment to the workforce and make use of incentive funding; 2022 legislation required CHE to continue utilizing outcomes-based performance funding, with legislative feedback prompting the commission to modify the funding formula for Ivy Tech to now include third-party workforcerecognized certifications. This change will incentivize lvy Tech to meet employer demand and offer a path to stackable credentials, providing value to students and employers. Key questions across postsecondary efforts are whether and how these initiatives can be tied to K-12 and workforce initiatives to ensure that there are common definitions, expectations, and opportunities that represent a unified vision for serving young adults ages 16-20.

Considering the various challenges facing Indiana—meeting talent shortages, responding to the growing importance of postsecondary credentials, and addressing lagging credential and degree attainment rates—scaling effective, equitable polices that align high school, college, and work is an economic imperative for the state. The reality is that all states must do more, and do it quickly, to support young people on pathways to good jobs. We believe the Big Blur is the answer. We are encouraged by the promising efforts of states like Indiana, Delaware, and Colorado, which are establishing early proof points for supporting the Big Blur and laying a path toward fulfilling its aims.

Endnotes

¹ Makinizi Hoover, Stephanie Ferguson, and Isabella Lucy, "Understanding Indiana's Labor Market," U.S. Chamber of Commerce, accessed June 11, 2024, https://www.uschamber.com/workforce/understanding-indiana-labor-market?state=in.

² Hoover, Ferguson, and Lucy, "Understanding Indiana's Labor Market," https://www.uschamber.com/workforce/understanding-indiana-labor-market?state=in.

³ "Lowery Delivers His First State of Higher Education Address," Indiana Commission for Higher Education, April 4, 2023, https://www.in.gov/che/files/230404_RELEASE_2023-SOHE.pdf; Cheryl V. Jackson, "Study: More People Are Leaving Indiana Than Moving Here. Where Are People Going?" *Indianapolis Star*, December 13, 2023, https://www.indystar.com/story/news/2023/12/13/indiana-housing-prices-people-moving-atlas-van-lines-popular-states/71905502007/.

⁴ Indiana's Evolving Labor Market: How the Pandemic Has Accelerated Misalignment in Talent Supply and Demand (Executive Summary) (Indianapolis, IN: Ascend Indiana and EmployIndy, November 2022), https://ascendindiana.com/uploads/Resource-Files/Indianas-Evolving-Labor-Market-Executive-Summary.pdf.

⁵ "Indiana Progress," Lumina Foundation, accessed June 11, 2024, https://www.luminafoundation.org/state/indiana/; postsecondary credential is defined as a "college degree, certificate, industry certification, or other credential of value."

⁶ "A Stronger Nation," Lumina Foundation, accessed June 11, 2024, https://www.luminafoundation.org/stronger-nation/report/#/progress/state/IN.

⁷ "Rethinking High School: The Future of the Indiana Diploma," Indiana State Board of Education, accessed June 11, 2024, https://www.in.gov/sboe/files/3.27.24-SBOE-meeting_HS-Diploma-Redesign.pptx.pdf.

⁸ Indiana Early College Credit Report 2021 (Indianapolis, IN: Indiana Commission for Higher Education, 2021), https://www.in.gov/che/files/2021_Early_College_Credit_Report_01_28_2021.pdf.

⁹ Indiana Early College Credit Report 2021,

https://www.in.gov/che/files/2021_Early_College_Credit_Report_01_28_2021.pdf.

¹⁰ John Fink and Davis Jenkins, *Rethinking Dual Enrollment as an Equitable On-Ramp to a Career-Path College Degree Program After High School* (New York, NY: Community College Research Center, October 2023), https://ccrc.tc.columbia.edu/media/k2/attachments/revamping-dual-enrollment-equitable-college-degree-paths 1.pdf.

¹¹ Casey Smith, "College-Going Rate for Indiana High School Students Continues to Flatline, New Data Shows," *Indiana Capital Chronicle*, May 10, 2024, https://indianacapitalchronicle.com/2024/05/10/college-going-rate-for-indiana-high-school-students-continues-to-flatline-new-data-shows/.

¹² "Indiana Sees Promising College-Going, Enrollment and Completion Data," Indiana Commission for Higher Education, October 18, 2023, https://www.in.gov/che/files/231018_RELEASE_2023-Readiness-Completion-and-Enrollment.pdf.

¹³ "21st Century Scholars Alumni," Learn More Indiana, accessed June 11, 2024, https://learnmoreindiana.org/scholars/alumni/.

¹⁴ Aleksandra Appleton, "Few Students Signed Up for Career Scholarships, as Lawmakers Look to Expand the Law," Chalkbeat Indiana, January 10, 2024, https://www.chalkbeat.org/indiana/2024/01/10/indiana-lawmakers-career-scholarships-reinventing-high-school-law/.

¹⁵ "Career Scholarship Account Program Now Accepting Applications to Connect Employers to Indiana Students," Indiana Department of Education, February 27, 2024,

https://www.in.gov/doe/about/news/career-scholarship-account-program-now-accepting-applications-to-connect-employers-to-indiana-students/.

¹⁶ Patrick O'Donnell, "New State Scholarships Pay for Extras for Career Education Such As Tools and Training," *Indianapolis Star*, January 25,

2024, https://www.indystar.com/story/news/education/2024/01/25/scholarships-cover-career-education-extras-such-as-tools-and-training/72338986007/.

- ¹⁷ Justine Dombrowski, *HEA 1002 (2023) A New Hoosier Education Model* (Indianapolis, IN: Indiana Fiscal Policy Institute, February
- 2024), https://indianafiscalpolicyinstitute.wildapricot.org/resources/Documents/HEA%201002%20Brief.pdf
 18 "Indiana Becomes First State to Significantly Redesign Diplomas," Indiana Department of Education,
 March 27, 2024, https://www.in.gov/doe/about/news/indiana-becomes-first-state-to-significantly-redesign-diplomas/.
- ¹⁹ "Core 40 General Information," Indiana Department of Education, accessed June 11, 2024, https://www.in.gov/doe/students/indiana-academic-standards/core-40-general-information/.
- ²⁰ "Core 40 General Information," Indiana Department of Education, accessed June 11, 2024, https://www.in.gov/doe/students/indiana-academic-standards/core-40-general-information/.
- ²¹ "Current & Future Indiana Diploma: Comparison," Indiana Department of Education, accessed August 14, 2024, https://www.in.gov/doe/files/Embargoed-Diploma-Comparison-8.13.24_FINAL-1.pdf
- ²² Aleksandra Appleton, "Indiana's New Diplomas Emphasize Flexibility for Older Students, but Some Requirements Are Controversial," Chalkbeat Indiana, May 17,
- 2024, https://www.chalkbeat.org/indiana/2024/05/17/new-diploma-requirements-emphasize-work-experience/; Alexandra Appleton, "New Diploma Requirements Could Have an Outsize Impact on College-Going Students," Chalkbeat Indiana, June 4, 2024, https://www.chalkbeat.org/indiana/2024/06/04/what-diploma-changes-mean-for-college-bound-students/; Rachel Fradette, "Purdue president: New Indiana high school diplomas won't meet admission requirements," WFYI Indianapolis, July 30,
- 2024, https://www.wfyi.org/news/articles/purdue-president-indiana-diploma-changes-idoe-admission-requirements.
- ²³ Caroline Beck, "State universities approve of latest changes to Indiana high school diploma plan," Indianapolis Star, August 14,
- 2024, https://www.indystar.com/story/news/education/2024/08/14/latest-indiana-high-school-diploma-changes-please-purdue-iu-ball-state/74785174007/.
- ²⁴ Alexandra Appleton, "Indiana scraps unpopular diploma plan, proposes new option for college-bound students," Chalkbeat Indiana, August 14, 2024, https://www.chalkbeat.org/indiana/2024/08/14/newest-diploma-proposal-gets-support-from-indiana-colleges/.
- ²⁵ "CTE Without Limits Spotlight: Q&A With Nancy Hoffman of JFF on 'No Dead Ends,'" Advance CTE, May 18, 2022, https://blog.careertech.org/cte-without-limits-spotlight-qa-with-dr-nancy-hoffman-of-jff-on-no-dead-ends/.
- ²⁶ "Indiana Looks to Make Transferring to 4-Year Schools Easier for Ivy Tech Students," *The Journal Gazette* (Fort Wayne, Indiana), May 18, 2024, https://www.journalgazette.net/opinion/editorials/indiana-looks-to-make-transferring-to-4-year-schools-easier-for-ivy-tech-students/article_400c6452-1457-11ef-88de-5308d4f05708.html.