

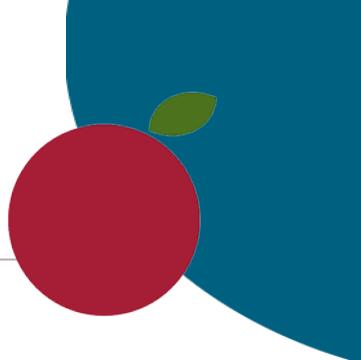


nacsa
NATIONAL ASSOCIATION OF
CHARTER SCHOOL AUTHORIZERS

RECOMMENDATIONS TO IMPROVE IN'S VIRTUAL CHARTER SCHOOLS

**VERONICA BROOKS-UY,
POLICY DIRECTOR**

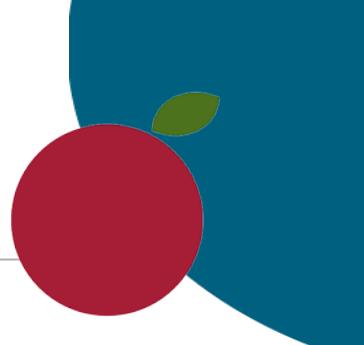
BACKGROUND ON NACSA



- Independent voice for effective charter school policy and thoughtful charter authorizing practices that lead to more great public schools.
- In June 2016, NACSA co-released a report with 50CAN and the National Alliance for Public Charter Schools that provided specific policy recommendations to help states better hold full-time virtual charter schools accountable for student results.
- Many of my recommendations today will be based on this report.

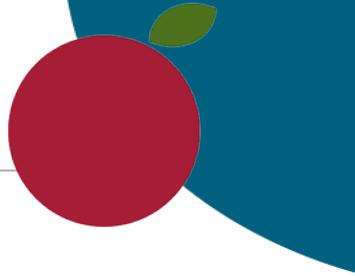


CONTEXT: THE GOOD



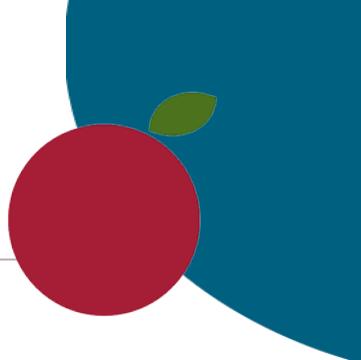
- There is clearly demand for virtual schools across the country and here in Indiana.
 - As of 2014, there were 135 full-time virtual charter schools in the US, serving ~180k students.
 - IN has 5 charter schools and most have large enrollment numbers.
- Virtual schools offer options to families looking for flexibility:
 - Rural students trying to avoid long bus rides
 - Student athletes
 - Home and hospital-bound youth
 - High school students looking for alternatives to dropping out

CONTEXT: THE BAD & THE UGLY

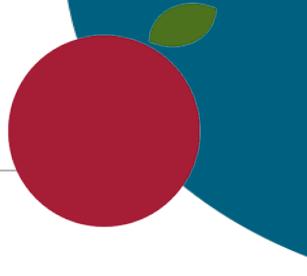


- Unfortunately, across the country, results show that there are significant issues with virtual charter schools that must be addressed:
 - Serve significantly more white students and significantly fewer minority students
 - Serve more students in poverty but fewer English language learners
 - Much weaker academic growth overall (no gains in Math, less than half the gains in Reading), with all subgroups of students having weaker academic growth in virtuals as compared to traditional public schools
 - Mobility rates for students after they leave full-time virtual charters: mobility rate of 36% meaning that students who leave full-time virtual charters have a more chaotic experience *after* they leave virtual settings than they did before they enrolled in such schools

POLICY RECOMMENDATIONS



- IN is already a leader in the country when it comes to its charter law. Making improvements in regards to virtual charters would further strengthen its standing and most importantly, help improve public school options for students:
 1. Improve authorizer accountability
 2. Restrict virtuals serving students from multiple districts to entities with statewide jurisdiction and substantial authorizing experience
 3. Cap authorizing fees
 4. Develop accountability provisions that include virtual-specific goals
 5. Tie enrollment growth to fulfillment of performance goals
 6. Consider transitioning virtual charter schools to other types of public schools

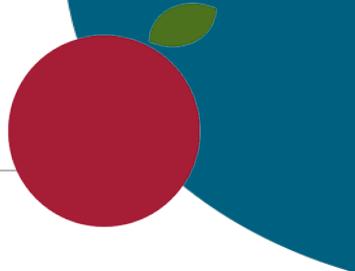


1. IMPROVE AUTHORIZER ACCOUNTABILITY

- The IN State Board of Education has the authority to issue consequences for authorizers that fail to close charters that do not meet minimum performance standards.
- IN should revisit the law and consider strengthening these oversight powers and requiring annual reviews and reporting for ALL authorizers, not just new ones. Specifically, part of the review should include assessing an authorizer's capacity and ability to authorize full-time virtual charter schools.
- Example: MN has created a performance evaluation system for authorizers. Authorizers are evaluated on their capacity and infrastructure (25%), as well as their processes and decision-making (75%).

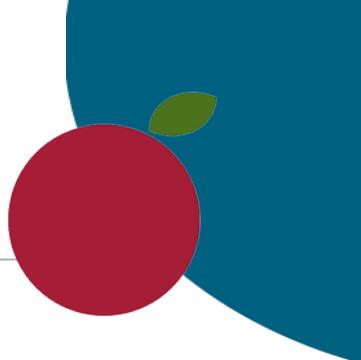


2. RESTRICT VIRTUALS SERVING STUDENTS FROM MULTIPLE DISTRICTS TO ENTITIES WITH STATEWIDE JURISDICTION AND SUBSTANTIAL AUTHORIZING EXPERIENCE



- From experience, smaller authorizers often lack the staff capacity to handle the issues that sometimes arise with large virtual schools—especially those with large, multi-district enrollment.
- Large virtuals can also lead to “too big to fail” situations for small authorizers and create perverse financial incentives for authorizers (influx of \$ due to large enrollment).
- IN should consider changing its law to only allow entities with statewide jurisdiction and substantial authorizing experience to authorize virtual charters. Other entities could apply for this authority, but only after a thorough review.
- Ex: OK only allows its statewide virtual charter school board to authorize full-time statewide virtual charters. District-authorized charters are not allowed to enroll students from outside of the residential boundaries of the district.

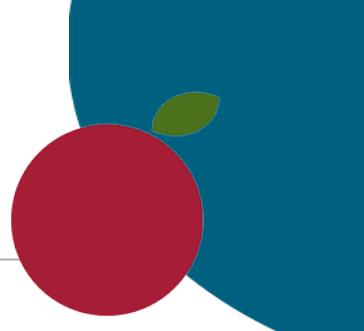
3. CAP AUTHORIZING FEES



- Under current law, the State Charter Board can reduce the 3% administrative fee collected by authorizers.
- As was mentioned previously, large virtuals can lead to “too big to fail” situations for small authorizers and create perverse financial incentives for authorizers.
 - Because full-time virtual charter schools are often quite large in size, some authorizers may come to rely on funds generated from the school’s authorizing fees for their operations – and that may create reluctance to close it despite poor performance
- **IN could change its law so that only a 1% to 1.5% administrative fee could be collected by authorizers from virtual charters, reducing the incentive to allow virtual enrollment to balloon.**
- Ex: None currently, but states like NV, NM, OH, and UT are considering such ideas.

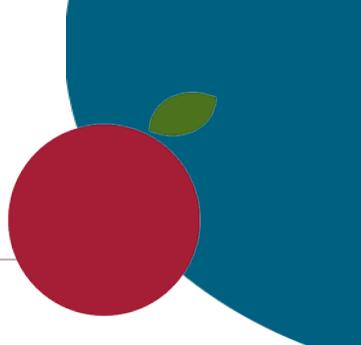


4. DEVELOP ACCOUNTABILITY PROVISIONS THAT INCLUDE VIRTUAL-SPECIFIC GOALS



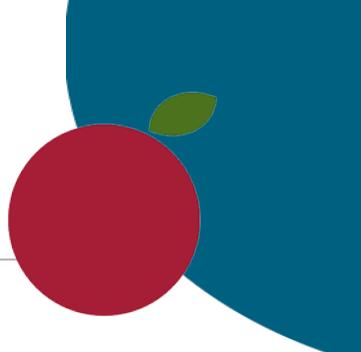
- Few states require full-time virtual charter schools to provide detailed data (above what is required for all charter schools) on student enrollment, attendance, engagement, achievement, truancy, attrition, finances, and operations.
- IN should require virtual charter schools to meet additional virtual-specific standards beyond those already required.
- Examples on next slide.

EXAMPLES OF VIRTUAL-SPECIFIC ACCOUNTABILITY PROVISIONS



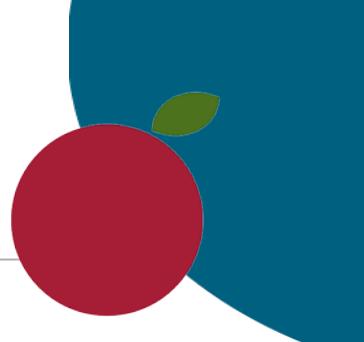
- Enrollment/Attendance:
 - Students must log in to school at least once every 105 consecutive hours to stay enrolled and be included in daily attendance counts. (OH)
 - Students are considered absent every day they fail to log into the system for any period of time. (PA)
- Student Participation/Engagement:
 - Allow virtual schools to track attendance based on student participation and completion of required tasks. (CO)
 - Require parents to verify the number of hours of educational activities completed. (SC)
- Academic Proficiency and Growth:
 - Compare both proficiency and growth scores not only against state standards and averages, but also against schools with comparable populations and the aggregated scores of sending schools. (IL)
- Grad Rates:
 - Regarding graduation rates, a virtual charter framework analyzes the four-year graduation rate, the extended-year adjusted graduation rate, and the graduation rate for eligible seniors for the most recent year. (OK)

5. TIE ENROLLMENT GROWTH TO FULFILLMENT OF PERFORMANCE GOALS



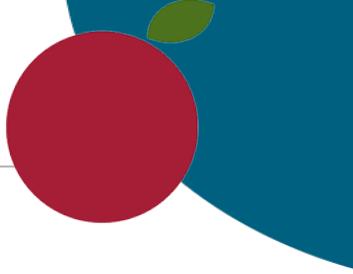
- Virtual charter school financial viability often relies on quick growth in enrollment, and virtual schools tend to try and increase their enrollment numbers each year much faster than more traditional charter schools.
- IN should require authorizers and virtual charter schools to create enrollment targets for each year of a charter contract. Levels should not exceed a certain number of students per school in any given year and only allow schools to grow based on whether they meet their annual performance targets, including those virtual-specific measures previously discussed.
- Ex: CO requires virtual charter schools to apply for the ability to expand grade levels. Data from the charters' annual reports is taken into consideration by the authorizer before granting the ability to expand.

6. CONSIDER TRANSITIONING VIRTUAL CHARTER SCHOOLS TO OTHER TYPES OF PUBLIC SCHOOLS



- The counterargument often heard from virtual charter school operators is that they serve a fundamentally different student demographic than non-virtual charter and traditional schools.
- If the fundamentals of current charter school structures is truly incompatible with virtual charter schools (ie. Commitment to open enrollment and serving all kids well, accountability in exchange for autonomy, etc.), then **IN should transition virtual schools out of the charter sector and into another category of schools.**
- Ex: IN already has a history of developing different types of schools and programs including innovation schools, adult dropout recovery programs, etc.

KEEP IN TOUCH



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