



House Education Committee
January 21, 2020
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Good morning, my name is Eric Wolfgang and I am the 2020 President of the Pennsylvania School Boards Association (PSBA) and a 20-year former member of the Central York School Board where I served 12 years as Board President. I would like to thank Chairman Sonney, Chairman Roebuck, and the members of the Committee for the opportunity to share PSBA's perspective on Chairman Sonney's cyber education proposal in House Bill 1897.

Background

When Pennsylvania's Charter School Law was enacted in 1997, the overall concept sounded fascinating - independently operated public schools, freed from many of the regulations and mandates constraining traditional public school systems, which would serve as laboratories for innovation in education, developing new approaches and methods that could benefit students in all schools. However, the actual experience over the ensuing years has highlighted significant flaws in that law and in the companion Cyber Charter School Law enacted in 2002. These laws remain largely unchanged since they were enacted, and the flaws in funding, accountability, and transparency remain unaddressed. While PSBA believes that there are many important charter provisions which need to be reformed, without question, the most urgent need for reform is the fatally flawed funding formula for charter schools, but particularly for cyber charter schools.

Every Pennsylvania school district, regardless of its size, location, and wealth, makes payments to cyber charter schools for resident students who are enrolled. The current funding formula requires districts to send significantly more money to cyber charter schools than is needed to operate their programs due to the cost efficiencies of cyber education. Further, the funding formulas are based on school district expenditures with no relation to actual cyber charter instructional costs. As a result, cyber charter schools receive drastically different tuition amounts from school districts for similarly situated students without regard to the charter schools'

program costs. These cyber charter tuition payments are having a dramatic impact on school district budgets. Based on PSBA's recently completed, annual State of Education Survey results, 70% of school districts rated charter tuition costs as one of their biggest sources of budget pressure. For some, payments to cyber charters represents as much as five or six cents of every dollar spent. Consider:

- School districts paid cyber charter schools more than \$519 million in 2017-18.
 - The average school district paid slightly more than \$1 million in cyber charter tuition.
 - 37 school districts paid more than \$2 million in cyber charter tuition payments.
- In 2019-20 cyber charter tuition rates ranged between:
 - \$8,600 and \$ 21,600 for regular education.
 - \$16,700 and \$55,700 for special education.
- Cyber tuition as a percentage of the district's expenditures – here are the top five:
 - Panther Valley SD 5.7%
 - Ligonier Valley SD 5.2%
 - Galeton Area SD 4.9%
 - Bethlehem-Center SD & Shamokin Area SD 4.8%

It is also important to note that overall academic performance of cyber charter schools is significantly lower than brick-and-mortar charter schools and lag even more behind traditional public schools. In fact, none of Pennsylvania's cyber charter schools, which are authorized by the state, earned passing grades during the five years when the state issued School Performance Profile scores. Under the state's new accountability system, the Future Ready PA Index, all 15 cyber charter schools currently operating in the Commonwealth have been identified for mandatory support and improvement.

Recognizing that school districts could provide their own cyber education programs for a fraction of the cost while maintaining educational rigor and providing true blended learning opportunities, many school districts across the Commonwealth have taken up the mission of providing their own district based cyber education programs. According to PSBA's State of Education Survey results, out of the more than 300 school districts who responded to the survey, nearly 90% of school districts reported providing their students with full-time cyber education programs comparable to cyber charter schools. When asked who administers the program, the majority of respondents indicated that the school district provided their own program; however, 83% of school districts reported utilizing curriculum and content from a third party vendor (including intermediate units and other school districts).

The school districts who reported not providing a full-time cyber program reported a number of reasons for not creating a cyber education program. The most common answer cited was a lack of resources. Other common responses included:

- A lack of interest among students; and
- Collective bargaining and teacher union obstacles.

Interestingly, when asked if, in their opinion, high-speed Internet was readily available for all families in their school district 53% of respondents said no, thus highlighting an additional obstacle to creating a cyber education program.

House Bill 1897

With regard to House Bill 1897, PSBA would like to thank and commend Chairman Sonney for his recognition of the serious problems inherent in the cyber charter law and his willingness to search for a new, out of the box solution. PSBA is intrigued by the concept in the legislation – that school districts would be required to provide multiple cyber education programs while current cyber charter schools would be transformed into vendors competing in an open market to provide alternate cyber education programs. As with any newly proposed concept, it is difficult to determine the exact effects and repercussions of such a significant change. However, PSBA believes that if done correctly, this type of proposal could resolve some of the major issues of concern with cyber charter schools, including academic performance concerns, accountability and transparency concerns, and the extraordinarily negative financial impact on school districts due to the flawed funding formulas.

Our understanding from the sponsor is that this legislation is largely an attempt to start this new conversation. PSBA is appreciative of this willingness to further refine the concept, as we believe that the bill before the Committee today contains several provisions that require additional policy discussion and further work in order to ensure the best results. We would like to present the following comments and concerns regarding the current provisions in the bill to help facilitate continued discussions:

1. As a general comment, PSBA believes that issues of Internet connectivity remain an important consideration when contemplating a requirement for every school district to establish a cyber education program, especially in the many rural areas of the state that have continuously struggled with this issue.
2. The bill contains new and extensive planning and reporting requirements which cause some concern and warrant further discussion:
 - a. First, the requirement for a new and separate “cyber education plan” submitted to the Pennsylvania Department of Education (PDE) would require significant additional staff time to document and prepare another written plan which overlaps with current planning requirements such as professional development, special education, and budgeting. Additionally, we are concerned about any open-ended provisions which would allow PDE or any state agency to require additional, unspecified planning components. Further, we believe that any additional planning that may be necessary or desired could be wrapped into already existing comprehensive planning requirements from Chapter 4 of the PA Code. Finally, the requirement that the plan also receive a public hearing prior to submission is

another burden for school districts, and we are unsure of what is intended to be accomplished by such a hearing since no similar requirements exist for traditional education programs.

- b. Second, the bill would also require school districts to prepare and submit an annual report which would add to the already burdensome reporting requirements imposed on school districts. Where new reporting is necessary, we would recommend keeping such reporting minimal and integrating the required data into existing reporting. Additionally, we would seek to clarify whether these reporting requirements are meant to include all cyber education students together or separated by the district program and the third-party vendor programs.
3. Based on the requirement for school districts to establish their own cyber education programs and contract with third-party vendors for alternative programs and the time necessary for legislation to move through the process, PSBA believes that the 2021-2022 school year may be too ambitious as a deadline for implementation.
4. While PSBA understands the desire to provide more than one cyber education option to students, we question the need to have two alternative cyber education programs from third-party vendors. More importantly though, PSBA is concerned that the cyber education programs from intermediate units and school districts are excluded from those entities which qualify to provide the required alternative programs. Not only would such an exclusion remove quality program options from school districts, but it also removes competition which would ensure quality products at fair prices. PSBA would advocate for an open market environment for all cyber education providers.
5. PSBA agrees that cyber education programs should provide “robust” course options for students as required in the legislation. However, we are concerned and would caution against requiring course levels “comparable to the levels offered by the school district’s traditional education program.” Depending on the interpretation of such a provision by PDE or the courts, this could force school districts to pay for courses that do not have enough students interested in taking online courses, or which are not feasible to offer online such as many vocational courses.
6. PSBA is very opposed to the inclusion of a provision requiring student-to-teacher ratios. Student-to-teacher ratios would place unnecessary burdens on school districts and represent a significant unfunded mandate that eliminates flexibility in student and teacher placements and erodes local control. Further, such ratios are not currently required for any category of education programs and we see no justification for setting such a requirement for certain programs and not others.
7. PSBA is also opposed to the requirement for a “teacher of record.” We believe that such a requirement would not be practical or efficient due to the fact that students and parents will continue to need to be in contact with classroom teachers, school administrators, and school counselors who are educating and supervising students as they progress in their education. The creation of such a position will not only duplicate efforts, but it will

certainly increase costs for school districts as they must assign extra duties to current employees or hire new employees to assume these responsibilities.

8. PSBA is concerned about the requirement for school districts to establish a “cyber education school” if the district enrolls the lessor of 100 students or 20% of the student population in full-time cyber education. We are unsure of the purpose and need behind this provision and would point out that in larger school districts this number could be achieved with relative ease. With the inclusion of some of the data collection provisions discussed earlier in this testimony it would seem unnecessary to create a separate entity for this purpose. The creation of a new and separate entity could be time consuming, costly, and may present governance and administrative complications.
9. Finally, in addition to habitually truant students, PSBA would suggest that some thought be given to adding an eligibility factor relating to academic success. Where a student in a cyber education program fails to make adequate progress, it may be an indication that cyber education is not the most beneficial style of learning for the student and measures should be taken to ensure the student does not continue to fall behind in their studies due to continued enrollment in a cyber education program.

Conclusion

In closing, I would like to thank Chairman Sonney again for his efforts to address the substantial concerns with the current manner in which cyber education is structured and delivered in public schools in Pennsylvania. PSBA believes that the proposal in House Bill 1897 is unique in its approach and is well worth continued discussion and debate. Thank you for your attention to this significant issue, PSBA looks forward to working with the Committee as this legislation is further considered.