

DEPARTMENT OF EDUCATION

In Re: The Proposed IDEA Cyber Charter :
School : **2008**
Cyber Charter School Application :

Background

Amendments to the Charter School Law (“CSL”), 24 P.S. §§17-1701-A – 17-1751-A, that became effective July 1, 2002, include new Subchapter (c), which sets forth new provisions for the establishment and oversight of cyber charter schools. *See*, Act of June 29, 2002, No. 88, §14, adding 24 P.S. §§17-1741-A to 17-1751-A (“Act 88”). Pursuant to Act 88, the Department of Education (the “Department”) has the authority and responsibility to receive, review and act on applications for the creation of a cyber charter school. Act 88 requires that cyber charter school applicants submit applications to the Department by October 1 of the school year preceding the school year in which the cyber charter school proposes to commence operation. After submission of an application, the Department is required to hold at least one public hearing and grant or deny the application within 120 days of its receipt.

- On October 1, 2008, the proposed IDEA Cyber Charter School (“IDEA”) submitted an application to operate as a cyber charter school.
- The Department provided 30 days notice of a public hearing that was held on December 10, 2008.
- At the hearing, IDEA presented the Department with information about its application. Department personnel who had reviewed the application also posed questions to IDEA’s representatives.

Conclusions of Law

On October 1, 2008, the proposed IDEA Cyber Charter School (“IDEA”) submitted to the Department an application to operate a cyber charter school. The Department is to evaluate the application based on the following criteria:

- (i) The demonstrated, sustainable support for the cyber charter school plan by teachers, parents or guardians and students.
- (ii) The capability of the cyber charter school applicant, in terms of support and planning, to provide comprehensive learning experiences to students under the charter.
- (iii) The extent to which the programs outlined in the application will enable students to meet the academic standards under 22 Pa. Code Ch. 4 (relating to academic standards and assessment) or subsequent regulations promulgated to replace 22 Pa. Code Ch. 4.
- (iv) The extent to which the application meets the requirements of section 1747-A.
- (v) The extent to which the cyber charter school may serve as a model for other public schools.

Conclusions

- **IDEA failed to meet the requirements that it provide a financial plan for the proposed cyber charter school. 24 P.S. §17-1719-A(9)**
- **IDEA failed to provide valid documentation of the duties, responsibilities and costs associated with a sole source third party contract.**
- **IDEA failed to provide supporting details or other creditable information on how it arrived at its enrollment projections used to determine budgeted revenue.**
- **There is no indication of how KCDL, Blackboard and Aventa Learning were identified as curriculum providers, and the criteria used to evaluate these programs.**
- **There is no indication of steps taken to ensure that Elluminate will meet the stated point that “The IDEA curriculum has been developed, however, to be accessible even from a dial-up connection.”**
- **There is no indication how the computer specifications were determined by the Director of IT; or of the procurement process to purchase the proposed systems and other technologies.**

- **There is no indication of the technical skills required of administrators, teachers and other school staff as a part of the hiring process.**
 - **There is no evidence of how telecommunications costs for Internet, telephone and website services have been determined.**
- **There is no evidence how the Student Information System was identified--Virtual Student SIS from Provost was listed as “intended to use,” but did include a price quote. There was no indication of how this was determined.**
- **A complete curriculum is only outlined in some of the required content areas.**
- **The cited ELL standards and assessment materials are outdated.**
- **The curriculum in most content areas is not built on research-based best practices.**
- **There is no mention of how assessment, both formative and summative, will inform both teachers and students.**
- **The details of the educational program are outlined inconsistently.**
- **IDEA failed to identify a site for its administrative office.**
- **Many of IDEA’s petitions of support were from a previous application, when IDEA intended to open in August 2007.**
- **IDEA cannot operate a preschool or a daycare and cannot operate a tutoring service for students who are not enrolled in IDEA.**
- **IDEA’s truancy policy does not acknowledge the role of a student’s school district of residence in pursuing truancy charges.**
- **IDEA has not evidenced that it is capable, in terms of support and planning, of providing comprehensive learning experiences to students.**

- **IDEA Cyber CS failed to demonstrate that it has explored adequate resources to meet the programming needs of students with disabilities in order to ensure FAPE.**
- **IDEA Cyber CS failed to demonstrate that it has aligned a state-wide depth of resources necessary to meet the transition needs of students with disabilities.**
- **IDEA Cyber CS failed to demonstrate that it has the means, resources and mechanism to provide transportation as a related service and for extra curricular activities.**
- **Attachment M is missing from the application. According to the table of contents, this attachment contains the Customized Plan of Instruction Documents (CPI) and the Student Performance Assessment Grid.**
- **While measurable achievement goals appear to be listed, a 5% improvement from the initial local assessment is noted as one of the clearly measurable goals.**

Discussion

Summary of the Proposed IDEA Cyber Charter School

- IDEA Cyber Charter School proposes to enroll students in grades K-12
- The maximum projected student enrollment for year one is 2000 students, increasing to 4,147 for year five
- IDEA Cyber Charter School proposes to enroll students from all 501 Pennsylvania School Districts

Note

The Pennsylvania Department of Education (PDE) requests that each new cyber charter school applicant submit ten (10) identical and complete copies of its application for review. A complete application includes all attachments, letters of support, and additional or miscellaneous material that an applicant considers relevant to the review of the application.

After the IDEA Cyber Charter School applications were distributed to members of the cyber charter school review committee, it was discovered that each application was not identical. The applications were improperly collated, had pages or whole sections missing, contained duplicate material, and/or contained other discrepancies. These errors are noted in more detail by several of the reviewers in this decision.

Finance and Budget

IDEA failed to provide sufficient information to allow an assessment of the financial viability of the proposed school. The narrative contained on page 152 of the application refers to two five-year preliminary operating budgets that are included as attachments. No such attachments were included in the application received from IDEA. The only budget document attached was a one-year budget presented on form PDE-2028, Final General Fund Budget. Several additional attachments identified in the application were also not included in the package provided by IDEA:

Document Request Form	C
Withdrawal Form.....	D
Permission to Evaluate 43/193	E
Student Parent Handbook 60/193.....	H
Staff Policy Manual 60/193	I
PSSA/PASA Confidentiality Agreement 77/193	L
Student Parent Complaint Form 120/193	N
Board of Directors Documents 138-39/193.....	P
Board of Director’s Job Descriptions	
Resume’s and CV’s	
Letters of Recommendation	
Financial Documents	
Teacher Step Plan	S

The one-year budget submitted by IDEA contained material errors and was found to be inaccurate and incomplete. IDEA did not include any of the assumptions used in arriving at the

amounts shown which prevented any assessment of the projections. The adequacy, reasonableness or necessity of the budgeted amounts cannot be validated.

The application makes reference to “IDEA’s Making The Grade” (IMTG) and Little Lights Day Care that are currently being operated as part of IDEA. On page 178 of the application, it states that 35 staff will be employed under the IMTG and Little Lights Day Care and be paid from revenues from those programs. A copy of a lease for building space in Johnstown, Pa is included in Attachment Q and pertains to some of the current activities now being conducted by IDEA. This presents significant concerns over co-mingling of funds and the possible use of Cyber School funds to supplement other unrelated activities. IDEA does not provide any information on how it will ensure the costs and activities associated with the Cyber School are segregated from its other programs.

IDEA proposes to carry out a significant portion of the school’s activity through a third party, KC Distance Learning (“KCDL”). The KCDL Services Agreement included in the application was to commence with the 2008-2009 academic year and is no longer valid. The terms of the Agreement required IDEA to have been granted a charter by June 1, 2008 or the agreement would be null and void. Without a valid Agreement, an assessment of the reasonableness of the costs associated with a sole source third party contract is not possible from the documentation and information provided.

Technology

While KCDL, Blackboard and Aventa Learning may be popular, that does not mean that they are the best fit for this particular school. The school should take every effort to review all available applications to ensure the best fit for the school.

Elluminate is a great method for having meetings and class sessions. However, this system does not work on dial-up connections. The school must determine a method to deliver the same instruction and resources to ALL students regardless of internet connection speed.

While the specifications were provided, it was not clear as to how the IT Director chose these specifications. The hardware must be sufficient to support the curriculum and there is no indication that this is the case. Furthermore, there is no clear indication of the method for procuring the hardware in order to ensure the best possible pricing.

Teachers and administrators must be knowledgeable about educational technology in order to ensure success of the school. The school should establish a minimum set of competencies for staff.

Telecommunications costs for Internet, telephone, and website services are essential to the success of the school yet it is unclear as to how the costs were determined. These items could have a significant impact on the overall budget for the school if not properly calculated. The school should make every effort to determine the specific costs for these items in order to maximize funds and support the curriculum.

While Virtual Student SIS from Provost may be popular, that does not mean that it is the best fit for this particular school. The school should take every effort to review all available applications to ensure the best fit for the school. The school must also explore all options in order to ensure best pricing.

Special Education

With respect to assistive technology, IDEA has identified a vendor (Sierra Group) who seems to have the knowledge, resources and mechanisms available necessary to provide services to students with disabilities on a contracted base. IDEA has failed to demonstrate that outside of

the area of assistive technology it has identified or aligned similar vendors or resources that can provide a continuum of services across the disability spectrum.

Specifically more information must be provided as to who IDEA will use to provide transition services in general and specifically as it relates to job shadowing and job mentoring as discussed during the hearing. As students will be dispersed across the state what additional resources/vendors has IDEA identified (contracting with the intermediate unit excluded)? IDEA stated that it did not include in its budget any funding for transportation as a related service. It also failed to discuss what needs it anticipates and what mechanisms and resources are in place to provide transportation as a related service and transportation for extracurricular activities.

Curriculum

The cited Aventa curriculum is not complete. Many courses that are required by the Chapter 4 regulations set forth in the Pennsylvania School Code are marked as electives. Others, such as dance and theatre, are missing completely. There is also limited evidence that the curriculum will align with state academic standards. For non-tested subjects, not all standards are outlined in the curriculum. For example, in the music and art courses, standard categories 9.3 and 9.4 are omitted at almost every level. IDEA does include standards for ELL students, yet the application cites outdated TESOL standards and the Guide to Communicative Competence, which is also outdated.

There is no documented research basis for the curriculum. The applicants mention the principles of backward design but do not describe how this will look as part of the school's instructional program. Furthermore, there is little evidence that the instructional plan and assessments will enhance student performance. The methods of teaching, assessing and

communicating with students are described in only a basic manner. Summative assessments and benchmarks are outlined, but there is no description of a planned formative assessment process. In addition, details of planned learning opportunities, such as field trips and cooperative learning experiences, are outlined for only a few of the content areas.

Legal

On the Application Fact Sheet IDEA identifies its proposed administrative location in King of Prussia. However, IDEA notes that it does not have access to a facility suitable for the school's administrative offices. IDEA further states in its application that it is going to wait until it has a charter to obtain space for its administrative office. The Charter School Law requires that an applicant include in the application the addresses of all facilities and offices of the cyber charter school, the ownership thereof and any lease arrangements. 24 P.S. §17-1747-A(16). Although an applicant does not have to provide a signed lease for a facility, the applicant must identify a proposed facility along with the ownership information and any lease arrangements, which could be set forth generally in a letter of intent. IDEA's failure to provide any proposed facility for its administrative offices is not in compliance with the Charter School Law.

IDEA provided letters and petitions of support for its cyber charter school. However, many of the petitions were from IDEA's 2006 application when IDEA expected to open in August 2007. There is no indication that those who signed the petitions in 2006 or 2007 continue to support IDEA. Although there are letters of support for IDEA dated 2008, the majority of letters and petitions are either not dated or are from the 2006 application. These old letters and petitions do not help support IDEA's projected student enrollment of 2000 students in its first year.

In its application, IDEA talks about entities known as IDEA's Making the Grade, Little Lights Daycare and Bright Lights Preschool. These entities are apparently part of IDEA and at least Making the Grade is currently operating. It is not clear that Little Lights Daycare and Bright Lights Preschool are currently operating. However, in insurance documents provided by IDEA, the names of the insured parties are IDEA Cyber Charter School t/a Little Lights Daycare and IDEA's Making the Grade. In addition, in the application there is a license agreement between Zamias Services, Inc. and IDEA Cyber Charter School d/b/a IDEA Supplemental Education for lease of certain premises in a shopping center in Johnstown. Finally, there is a letter of intent for a site to be used for the cyber charter school but the letter is directed to IDEA'S Making the Grade, Little Lights Day Care.

IDEA Cyber Charter School, renamed in April 2008 to IDEA Cyber Charter School: Pennsylvania's iQ Academy is a nonprofit corporation. By definition, a cyber charter school is an independent public school established and operated under a charter from the Department and in which the school uses technology in order to provide a significant portion of its curriculum and to deliver a significant portion of instruction to its students through the Internet or other electronic means. 24 P.S. §17-1703-A. A cyber charter school, when granted a charter, is authorized to provide instruction to students enrolled in its cyber charter school. A cyber charter school is not authorized to provide services to students who are not enrolled in the cyber charter school and cannot receive or disburse funds for purposes other than for cyber charter school purposes. A cyber charter school cannot operate a preschool or a day care. A cyber charter school cannot offer tutoring services to students other than students enrolled in their cyber charter school.

Therefore, IDEA, which is a nonprofit corporation incorporated to operate a cyber charter school, cannot operate a preschool or a daycare and cannot operate a tutoring service for students who are not enrolled in the IDEA cyber charter school. Although IDEA has not received a charter to operate a cyber charter school, the nonprofit corporation was incorporated for the purpose of operating a cyber charter school and, as required by law, has “charter school” in its name. If the founders of IDEA want to operate a preschool or a daycare or a tutoring service for students not enrolled in IDEA Cyber Charter School, they must do so through some business entity other than the IDEA nonprofit corporation.

In IDEA’s discussion of truancy, IDEA states that the determination of a chargeable offense will be made by the appropriate Principal, Assistant Principal, Dean of Students, etc. and that further chargeable illegal absences will result in further prosecution at the discretion of the Principal, Home/School Visitor or Outreach Worker. IDEA does not acknowledge that a cyber charter school is to report to the student’s school district of residence when a student has accrued 3 or more days of unlawful absence. It is the resident school district’s responsibility to enforce the compulsory attendance laws in accordance with the Public School Code. IDEA has not shown that it understands its role and the role of the school district of residence regarding truancy issues.

One of the overarching problems with IDEA’s application is the duplicative and missing documents. IDEA provided the Department with 8 copies of its application which were distributed to Department staff for review. However, some of the applications contained duplicate documents and some failed to contain these same documents. For example, one application had duplicate pages 19-66. In addition, the same application went to page 91, then pages 86-98 were inserted from a previously submitted application, and then the application

continued with page 107. There were many attachments that were referenced in the application but were not attached, such as the Teacher Salary Step Plan and the Student-Parent Handbook. There were other attachments referenced in the application but the attachment was actually of a different document. For example, Attachment B was to be the Emergency Data Form, but it was actually a Permission to Evaluate Form. The KCDL Agreement references an Attachment A that was to state the services KCDL would perform but there was no Attachment A to the Agreement. In addition, the KCDL Agreement said it was null and void if there was no charter by June 1, 2008. Although KCDL's representative stated at the hearing that the Agreement would be the same, the signed Agreement conveys that there is currently not an enforceable agreement.

These omissions and duplications within the copies of the application not only created difficulty for Department staff reviewing the application but also shows IDEA's lack of organization and attention to detail, which evidences that IDEA is not capable, in terms of support and planning, to provide comprehensive learning experiences to students.

Accountability

The Customized Plan of Instruction Documents (CPI) and the Student Performance Assessment Grid, and other documents relevant to accountability, must be submitted for review.

In order to achieve the NCLB targets, 5% may not be an adequate improvement target. Research should be presented that projects a base proficiency rate that is based on the targeted enrolment population.

Therefore, for the reasons stated above, the cyber charter school application for the IDEA Cyber Charter School is denied.

Diane Castelbuono
Deputy Secretary
Office of Elementary & Secondary Education

Date