

DEPARTMENT OF EDUCATION

In Re: Pennsylvania Leadership Charter School :
Cyber Charter School Renewal : 2007
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 renew or not renew the charter of a charter school that provides instruction through the Internet or other electronic means and was approved under section 1717-A or 1718-A of the CSL. 24 P.S. §1741-A (a)(2). The Department shall revoke or deny renewal of a charter under the provisions of section 1729-A. 24 P.S. §17-1741-A(a)(3). If the Department sends a notice of nonrenewal to the cyber charter school, it must hold a public hearing concerning the nonrenewal. 24 P.S. §17-1729-A(c).

Pennsylvania Leadership Charter School (“PALCS”) submitted a renewal application to continue operating as a cyber charter school. Based on its review of PALCS’s renewal application, the Department is renewing PALCS’s charter. However, the Department found certain areas of PALCS’s operations that cause concern, and therefore, the Department is requiring that corrections be made regarding these areas of concern by December 31, 2007 or the Department will begin revocation proceedings.

Curriculum

- **PALCS does not have an effective local assessment system in place**
- **PALCS must implement additional structures to address low student achievement**
- **PALCS was not fully prepared to meet the needs of ESL students or the legal requirements for ESL programs as defined by state and federal law and regulations**
- **PALCS teachers create their own courses. There is no system to ensure consistency among courses or alignment to PA Academic Standards and Assessment Anchors. PALCS Course descriptions for subject areas are identical for multiple grades and are often vague and inappropriate**

Chapter 4.52 (local assessment system) requires districts to design an assessment system as part of their strategic plan 4.13 (c) (5). The school has responded to the PDE with additional information related to assessment and new processes to utilize. However, it does not appear to be an overall assessment system as required within the strategic planning process. The assessment plan under 4.521 is "designed to determine the degree to which students are achieving academic standards under paragraph (3) including descriptions of methods and measures used to determine achievement, how information from the assessments shall be used to assist students who have not demonstrated attainment of the academic standards at a proficient level or higher and how information from the assessments shall be made available to the public."

The ultimate measure of any curriculum and its instructional implementation is the measure of student achievement. PALCS has identified in its Action Plan a need to raise student achievement as measured by PSSA as well as rates of course passing grades. They have identified in writing, new structures of Academic Advisors, Academic Probation, Intensive Academic Assistance, and Student Academic Assistance Programs to address the

issue and are already seeing results from the implementation. Student achievement must reach a level of proficiency for the whole group as well as for each disaggregated subgroup.

There are many requirements under NCLB. These include the home language survey, planning for the program, selecting a core ESL curriculum and supplemental materials, identification and assessment of students, programming for students, tracking of student proficiency levels, exiting students from the program and maintenance of the database of Primary Home Language Other Than English (PHLOTE) students. PALCS should have documented policies, procedures and programs in place for ESL students. The response to the recent PASCCR indicates that this issue is beginning to be addressed.

PALCS is beginning the work of alignment of the overall curriculum to PA Academic Standards, and the Course Description book has been revised (as reported in the PASCCR response). This work and intensive professional development must continue with the implementation of Performance Tracker and Adopt an Anchor Initiative if the curriculum is to successfully be aligned and implemented in a manner to ensure that all students are given opportunities to demonstrate proficiency in all PA Academic Standards.

Audit

- **PALCS failed to provide equal educational opportunities to students who reside outside of its geographical location.**
- **The renewal application submitted by PALCS failed to substantively detail the bricks and mortar component of the Gifted and Performing and Fine Arts programs, including the programs effect on disclosures required under 24 P.S. §17-1747-A.**

Local educational programming

PALCS operates a Gifted (University Scholars) program and a Performing and Fine Arts program that requires students to physically attend classes at locations in the

vicinity of PALCS administrative offices in West Chester, Pa. Each of the programs requires students to complete separate applications for consideration for admittance to the programs. Each program requires students to attend classes at specified locations for two or more days a week. Students are required to obtain their own transportation to and from the specified locations.

The Gifted program is the primary source of AP and honors courses offered by PALCS (see page 21 of renewal application). Qualifying students who do not live within reasonable commuting distance of West Chester, Pa. are not provided with the opportunity to participate in the Gifted program. The same is true of the Performing and Fine Arts program.

The two programs are operated on a local or regional basis rather than an integral component of a state-wide cyber school program. The PALCS web site states that a person must be enrolled in PALCS to be eligible to attend the programs. However, the “FAQs” page related to the Gifted Program application process for the 2006-07 fiscal year states “Application to Pennsylvania Leadership Charter School must be completed and submitted within 10 days of acceptance in University Scholars Program.” This process is not compatible with the admissions process outlined in PALCS renewal application. The PALCS Board Minutes of September 5, 2005, approved the purchase of a van for the primary use of transportation of gifted Students to/from school. The Board Minutes of November 2, 2005, approved the hiring of a bus driver for the Gifted Center. There is no provision to accommodate students outside of the local area.

Incomplete/Inaccurate information

The renewal application does not fully disclose the details of the Gifted and Performing and Fine Arts program or incorporate the effect of a student's participation in the program. Neither program was included as a component in the PALCS's original approved charter application. The adoption of the programs constituted a material change to the original charter by introducing a classroom attendance requirement for students enrolled in the programs. The change was not communicated to PDE for approval.

The programs are addressed on pages 21 and 22 of PALCS's renewal application. However, the information does not disclose the classroom attendance requirement as part of the programs. The only reference to a classroom attendance requirement noted was on page 55 of the Parent and Student Handbook. The existence of the programs and the effects of the classroom attendance requirements are not addressed within the required disclosures pertaining to §17-1747-A (1), (3), (4) and (7).

As a cyber charter school, PALCS cannot operate programs that require students to attend a physical location to receive educational services. If PALCS wants to continue offering the University Scholars and the Performing and Fine Arts programs, it must conduct the programs so that any student enrolled in PALCS throughout the Commonwealth has an equal opportunity to participate. Participation in any of PALCS's programs must be open to all of its enrolled students and a student's physical location or transportation needs cannot be a barrier that prevents a student from participating in any program. Therefore, if PALCS wants to continue offering these programs, PALCS must change the programs so that all enrolled students who wish to participate may do so.

PALCS must provide the Department with documentation that the necessary changes have been made in these programs.

In addition, PALCS must understand that it cannot make unilateral material changes to the charter but first must seek the Department's approval.

Technology

- **Parents are required to pay connection and setup fees for Internet access; Monthly allotment for Internet services capped at \$40/month**
- **Parents/Home Facilitator is responsible to set up equipment; first line of technical support for hardware is manufacturer of equipment not the school**
- **No indication that staff and administrators adhere to Acceptable Use Policy for Internet services**
- **No indication that student data from Digital Schooling portal resides at the school or from the vendor**

PA Leadership uses a third party portal application to provide student information and instruction. PDE has concerns as to whether student data is hosted locally by the school or through the portal vendor.

Internet service costs aren't fully paid for by the school. While the school does seek broadband services for all of its students it does cap off costs to a monthly allotment and reimburses parents quarterly throughout the year. The school does give free dial-up access to students through another ISP vendor, but need for broadband is great for uses of the school's web-based portal interface.

PA Leadership should undertake sole responsibility for hardware and software integration and support issues rather than have parents work with hardware providers directly. There is no indication of what technical skills the Home Facilitator has to

provide for technical support. Another concern that PDE has is the adequacy of the technical support that will be given to students attending school from all over the state. There is also no indication on how the purchase of technology follows state procurement guidelines. The application lists several technology vendors that the school purchases but doesn't indicate the process. (RFP, PEPPM, DGS contract, etc...)

Financial Plan, Finances and Budget

- **PA Leadership Cyber Charter School did not fail to meet financial requirements, however, PDE has recommendations for the school to implement/achieve within the next six months.**

The School needs a better understanding of the functions and objects in the accounting manual. There were unexplained expenditures in Function 2700 -- Student Transportation Services. Either the function was used by mistake or the school should provide justification for any and all of its expenditures. It is very important that Annual Financial Reports (AFRs) be coded correctly since many times expenditure information is extracted from AFRs for certain statewide comparisons or calculations.

The School must develop a written policy for using Petty Cash. A written policy will allow for internal controls to be in place.

The School had no operating manuals or written procedures. This is also essential for quality internal controls.

Special Education

- **No Due Process hearings have been filed against the school through the Office of Dispute Resolution**
- **PA Leadership's response to a 2006-07 compliance monitoring review is pending**

The Bureau of Special Education provides ongoing compliance monitoring and technical support to cyber charter schools. Every 6 years cyber schools receive a comprehensive onsite review by a team of professionals chaired by staff members of PDE. In addition, as a part of ongoing technical assistance and training, the bureau provides both onsite and regional training in a variety of special education areas.

The Office of Dispute Resolution also tracks phone inquiries from parents, advocates, schools and service providers regarding initial concerns (which can turn into complaints, mediation or due process hearing) the public may have about a cyber charter school.

Pa. Leadership received a compliance monitoring review during the 2006-07 school year. The report was released on March 16, 2007. The school's required corrective action is due March 2008. The school was cited as needing the following policies and procedures: Child Find, Independent Evaluation, Surrogate Parents, Intensive Interagency, Parent Training, and Dispute Resolution. No students were cited as not receiving a "Free Appropriate Public Education" (FAPE).

The renewal application lacks details on special education information and policy. Only one short section addresses special education; however, the compliance monitoring review recently conducted, consists of an onsite review of policies and procedures and is discussed in the compliance monitoring section above.

Accountability

- **School failed to make Adequate Yearly Progress (AYP) for two consecutive years (2004-05 and 2005-06)**
- **2004-05 – failed to meet *performance* thresholds in math for all students and its White subgroup.**
 - White subgroup was the only measurable subgroup (minimum N=or>40)
- **2005-06 – failed to meet *graduation* target**
 - failed to meet *participation* thresholds in math and reading for its Black subgroup
 - **Current AYP status = School Improvement 1**

In 2004-05, PALCS had 60 students for whom performance results were counted. 18.3% of those students achieved a level of Proficient or higher on the mathematics assessment, significantly below the required 45% threshold. Of the 51 White students, 21.6% achieved Proficient or higher on the math assessment. Because the other subgroups had less than 40 students, the other subgroups did not affect AYP. Nevertheless, none of the eight Black students who took the math assessment performed Proficient or higher; the one Multi-racial/Multi-ethnic student did not perform Proficient or higher; and none of the four IEP students performed Proficient or higher.

In 2005-06, the “All Students” group increased to 242 students. 33.1% of these students performed Proficient or higher in mathematics, again failing to make the 45% threshold, but they met the target by making Safe Harbor. The number of White students increased to 200, and 35.5% performed Proficient or higher. The White subgroup also met the math performance target by Safe Harbor. These were again the only measurable subgroups for performance. The number of Black students increased to 26 but didn’t reach the “N of 40”; therefore, it wasn’t a measurable subgroup; however, the

performance of these 26 students is of concern. 19.2% of the students in the Black subgroup were Proficient or higher. Other subgroups that didn't meet the minimum N of 40: (a) 12.5% of the eight Hispanic students were Proficient or higher; (b) all three of the Asian students were Proficient or higher; (c) neither of the two American Indians was Proficient or higher; (d) neither of the two Multi-racial/Multi-ethnic was Proficient or higher; (e) 6.5 % of the 31 IEP students were Proficient or higher; and (f) 15.8% of the 38 economically disadvantaged students were Proficient or higher.

Another of the Department's concerns is the addition of students to the previously non-measured subgroups when grades 4, 6, and 7 are included for the 2007 AYP calculations. For example, the addition of three grades will likely cause the IEP and economically disadvantaged subgroups to meet the minimum N of 40, and these two subgroups historically performed well below the math threshold of 45% Proficient or higher.

Though the school has historically performed better in reading than in mathematics, the addition of grades 4, 6, and 7 raises more concern. In 2005-06, 12.9% of the 31 IEP students performed Proficient or higher on the reading assessment, and 31.6% of the 38 economically disadvantaged students were Proficient or higher. The threshold for reading performance is 54%.

Despite the performance of the students, the school met the performance targets for all students and the only measurable subgroup by the use of Safe Harbor, two year averaging, and a confidence interval employed with a two-year average. And though for purposes of AYP, performance targets were met, the school failed to meet the required 95% participation rate for its Black African American subgroup. Because Participation

Rate is calculated by including all students enrolled at the time of testing, compared to the performance calculation that includes only students enrolled for a full academic year, the Black African American subgroup met the minimum “N of 40” for participation. Of the 46 students enrolled, 42 participated, which means that 91% participated. Using a two-year average for participation, 62 out of 66 students participated, which still falls below the required 95% by coming in at 93.9%. When a subgroup is smaller, but nevertheless meets or exceeds the minimum N, even three students can negatively impact the 95% threshold for participation. This school must have in place a plan to ensure that all students participate in the state assessment.

The other target the school failed to meet in 2006 was graduation rate. The threshold to meet graduation is 80% or growth from the previous year; the school had 64.79%. When looking at 2006 AYP status, the graduation rate used is the 2004-05 graduation rate. The school lacked the ability to show growth because 2005 was the first year that graduation data was provided. To meet the graduation target for 2007’s AYP, the school must meet the 80% threshold for its 2006 graduation rate or show growth from the previous year (>64.79%).

Unexcused/Illegal Absences

PALCS states in its renewal application that one unexcused absence is incurred by accruing three cumulative unexcused missed days of logging-in to school. It is not clear why PALCS has decided that a student will not be charged with an unexcused absence until the student has not logged into school for three unexcused days.

PALCS must change this policy so that PALCS’s counts one unexcused missed day of logging into school as one unexcused absence. PALCS must assure the

Department that this policy has been changed and provide documentation that parents and students have been notified of this change.

Non-enrolled Students

PALCS states in its renewal application that in the summer of 2006, it began working with a brick and mortar charter school to provide Math and Science courses. This program is expected to expand to as many as 100 students within the next year.

Although this might be a laudable mission, PALCS is to provide educational services to students enrolled in PALCS. The essence of the Charter School Law (“CSL”) is that a cyber charter school is to provide educational services to students enrolled in its school. There are no provisions in the CSL that pertain to non-enrolled students. The Department’s position is supported by the definition of a cyber charter school, which is an independent public school that uses technology to provide a significant portion of its curriculum and to deliver a significant portion of instruction to its students. The definition does not include providing instruction to students who are not enrolled in PALCS.

Thus, PALCS must stop providing educational services to students not enrolled in PALCS.

Local College and University Enrollment

PALCS provides tuition reimbursement to students who enroll in college and university courses and meet certain requirements. In addition, PALCS states in its renewal application that it will seek partnerships with colleges and universities to offer supplementary courses for college credit and allow students to enroll in courses for little or no cost.

The Department's Cyber Charter School Basic Education Circular states that charter schools may contract with post-secondary institutions to provide college course work as part of the charter school's curriculum for which the charter school may grant high school credit but charter schools may not award post-secondary credit. This means PALCS cannot contract with post-secondary institutions for college courses to be offered to its students for college credits and PALCS cannot provide college tuition reimbursement for students.

Enrollment Procedures

PALCS requires that each student and home facilitator attend an orientation program at either PALCS's office in Pittsburgh or Philadelphia. Although it is commendable that PALCS provides an orientation program for its students and home facilitators, it must provide programs in sufficient locations so that any students who wish to enroll can attend an orientation. Providing only programs in Pittsburgh and Philadelphia may prevent students from areas throughout the state that are not relatively close to either location from enrolling. PALCS must make some accommodations to address this issue.

In addition, PALCS requires that certain documents be submitted before an orientation program will be scheduled for the student and home facilitator. Included in this documentation is a requirement to provide special education documents. In addition, the PALCS enrollment form asks if the student has participated in special education and has an Individualized Education Program. ("IEP"). PALCS cannot require that a student or home facilitator provide special education records or inquire about a student's status as a student with disabilities prior to the student being admitted into PALCS.

Therefore, based on the above, the charter renewal application for the PA Leadership Charter School is renewed for a period of five years. However, by December 31, 2007, PA Leadership Charter School must make the corrections identified by the Department in this decision, particularly those that demonstrate improvement in AYP and increased student achievement, or the Department will begin revocation proceedings.

Secretary of Education

Date

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