

Pennsylvania Virtual Charter School

School Profile

The Pennsylvania Virtual Charter School (PAVCS) opened its first year as a K-2 school with approximately 622 students representing 60 different counties across the Commonwealth. Thirty two of PAVCS' 622 students have special needs. PAVCS targets parents who feel their children are not receiving an education that meets their needs, challenges them sufficiently, or gives them the individual instruction they require.

PAVCS was approved by Norristown Area School District (NASD) as a K-12 school and expects to expand its enrollment over the next four years according to the following schedule:⁷⁴

- K-5 – Year Two (projected enrollment 1,500 students)
- K-8 – Year Three (projected enrollment 2,400 students)
- K-12 – Year Four (projected enrollment 3,200 students)

PAVCS outsources all of its operational and management services. K12 Inc. (K12), a private education company that offers learning programs and online lessons to a wide variety of audiences, will provide the following services to PAVCS:

- Curriculum and online courses
- Human Resources
- Customer Care
- Technology
- Tax Preparation

Foundations, Inc., a nonprofit organization that provides customized educational and business services for charter and other public schools, will oversee PAVCS business management services and provide related consulting services. In addition, PAVCS will contract out its payroll processing services to CPA Payroll, LLC and legal counsel to Latsha Davis and Yohe, PC on an as needed basis.

⁷⁴ For the purpose of this assessment, KPMG Consulting focused on the K-2 program and did not assess the three to twelve program that will be phased in over the next four years.

Staffing

PAVCS employs 14 teachers, one of whom is certified in special education. PAVCS contracts with K12 to provide one clerical support position and the following administrative positions:⁷⁵

- Chief Administrative Officer (full time)
- Assistant Head of School (full time)
- Director of Special Education (full time)
- Business Manager (full time - vacant position)⁷⁶
- Director of Technology (part-time)
- Director of Instruction. (part-time)

Program Summary

PAVCS curriculum is provided by K12. The majority of K12's curriculum is proprietary, however, some subjects are based on existing programs that were modified by K12 to make them appropriate for a virtual school.

PAVCS' K-2 students spend approximately 20% of their instruction time on their computer.⁷⁷ Books, workbooks, textbooks, science lab materials, manipulatives and games are used to facilitate the remaining 80% of PAVCS' K-2 students' learning time. All instructional material is provided by PAVCS.

PAVCS' K-2 curriculum is aligned to the Pennsylvania Academic Standards for the designated subject areas. Because PAVCS is currently a K-2 school and PA standards do not begin until grade three, PAVCS compared its kindergarten, first and second grade curriculum to the content and skills that PA has designated for mastery by the end of grade three and/or four.

PAVCS' instructional approach is centered on a team teaching model where the teacher is the team lead and the parent/designee the team member. As a result, the parent (or a designated responsible adult)⁷⁸ is required to play an active role in his/her child's education. The parent is responsible for working directly with his/her child on a daily basis following K12's curriculum.⁷⁹ PAVCS teachers oversee and evaluate student progress and provide additional instruction as needed.

PAVCS teachers have the same scheduling flexibility as their students. According to their contract, PAVCS teachers are required to work 40 hours per week. However, they are not required to work a nine to five Monday through Friday week. Teachers are responsible for

⁷⁵ Cost of clerical and administrative positions is included in the Management Agreement.

⁷⁶ PAVCS is considering making the Business Manager position a PAVCS rather than K12 position in order to aid recruitment efforts.

⁷⁷ K12 estimates that the amount of learning time utilizing computer technology will increase to approximately 50-65% in the higher grades.

⁷⁸ The terms parent and responsible adult are interchangeable in this section of the document

⁷⁹ K12's curriculum was written to accommodate a 5th grade reading level.

arranging bi-weekly meetings with their parents. Meeting times will accommodate parent schedules and can occur during the evening or over the weekend. If parents have a question or concern, they are instructed to call their teacher. Teachers are required to call parents back within 24 hours during the week.

If PAVCS parents and students can not reach their teachers, they have toll free access to PAVCS and K12 technical and curricular resources. The PAVCS' Norristown office hours of operation are from 8 am-5 pm Monday through Friday; K12 resources are available 8am-7pm Monday through Friday.

Overall estimated cost per student

PAVCS' current budget estimates a \$7,015 cost per student. This tuition amount is \$623 more than the estimated tuition expected from the sending districts. PAVCS expects to make up the difference through grant revenue. If grant funds are not secured the balance will be deducted from the K12 management fee.

This section of the report assesses the Pennsylvania Virtual Charter School in the following areas:

- Accountability Methods and Systems
- Governance and Oversight
- Cost Analysis

Accountability Methods and Systems

Evaluation Goal

The goal of the Accountability Methods and Systems evaluation was to assess whether a clearly defined and robust accountability system is in place to support achievement of a quality education.

Summary

The following paragraphs provide a detailed summary of PAVCS' strengths in accountability methods and systems.

Student Assessment

The Pennsylvania Virtual Charter School has a comprehensive accountability structure to measure student achievement. Assessments are built into the online component of the school's academic program. Assessments follow every lesson and evaluate whether a student has achieved the objectives for that lesson. In addition, assessments are given at the end of each unit (series of lessons with a similar focus) and semester. These assessments are designed to measure whether or not a student has retained the key learning objectives for each unit and semester.

PAVCS' curriculum assessments are conducted in two ways. The first is a paper assessment printed from the online curriculum by a parent and completed by the student. Upon completion, the parent compares the student's answers to the online answer key and inputs the student's results into the online system. The other component of the curriculum assessment is a series of direct and observational online questions for the parent to answer about the student's work. Direct online questions require the parent to read a question to the child, the child replies verbally and the parent records the answer on the computer. An observational assessment directs questions to the parent based on what the child has accomplished during the lesson and asks them to record their observations on the computer.

Data from these assessments will be stored in PAVCS' secure database (hosted by K12) and used to provide parents, teachers and students with real-time information on individual student performance. In addition, these data will be compiled to provide the Chief Administrative Officer with information on overall school achievement as well as grade specific performance.

In order to receive credit, students must demonstrate 80% or higher mastery of the content and skills covered during the lesson, unit or semester. Currently, students can retake these assessments as many times as necessary to demonstrate mastery. However, PAVCS is planning to limit the number of times a student can take the assessment to three times beginning this spring. After the third attempt a PAVCS teacher will utilize alternate teaching strategies and assessment tools (not included in the online curriculum) to help the child achieve mastery.

PAVCS will use Stanford Version 9 (SAT-9) at the beginning and end of this school year to evaluate the academic achievement of a sample group of students. Test results will be made public in the aggregate during the summer months following the school year. All PAVCS

students will take the SAT 9 in the Spring of this year and each Spring there after. This will enable PAVCS to compare academic achievement of its students each year.

The Pennsylvania System of School Assessment (PSSA) begins at the third grade level; therefore PAVCS students are not eligible for the assessment this year. Currently no school-wide assessment has been planned for this year. However, the board has the discretion to require an assessment. In subsequent years, PAVCS plans to administer the PSSA in a proctored environment to eligible students and initiate an age appropriate assessment to K-2 students.⁸⁰

Staff Assessment

PAVCS is planning a comprehensive staff assessment process. Both the CAO and Assistant Head of School will be evaluated by the Board of Trustees according to the job descriptions outlined in their respective contracts. The board will present both the CAO and Assistant Head of School with a short performance review by the end of November. A formal end-of-year performance review will be completed by the end of June.

The CAO will evaluate PAVCS staff and teachers. Although the formal evaluation process has not yet been established, PAVCS has identified six ways that its staff will be evaluated:

- Student achievement
- Observations
- Parent and student feedback
- Peer evaluation
- Self evaluation
- Professional development achievements

In addition to the assessment of past performance, school administrators intend for the evaluation process to identify the following year's goals that will set continuing expectations for PAVCS staff.

For most of the evaluation criteria below, PAVCS is in the planning stage.

Evaluation Criteria and Findings

The table below identifies the key criteria used to evaluate each cyber charter school and a description of how each school met these criteria.

⁸⁰ The age appropriate assessment has not yet been identified by PAVCS.

<i>Student Achievement</i>	<i>Current Status</i>
<p>1. Ability to measure student engagement and progress</p>	<ul style="list-style-type: none"> ▪ The curriculum used by PAVCS (K12) has a teacher support component that enables the teacher to actively monitor student progress on a daily basis. ▪ PAVCS teachers have bi-weekly phone calls with their parents/students to discuss individual student progress. (Since these children are kindergarten, grade one or grade two children, the parent must verify to the teacher how well and how much work was completed by the child). ▪ PAVCS students are given Math and Language Arts placement exams to help identify the appropriate grade level for their courses. ▪ Assessments are built into online curriculum (lesson, unit and semester) ▪ PAVCS will implement proctored pre/post testing of sample student groups.
<p>2. Documentation of positive trends in all subject areas for students such as beginning of year, monthly and end-of-year online assessments</p>	<ul style="list-style-type: none"> ▪ Documentation of trends is not applicable to PAVCS since the 2001-2002 is its first year of operation. However, PAVCS has instituted two methods to track positive trends in the future: <ul style="list-style-type: none"> - Lesson, unit and semester assessment data is stored in PAVCS' database and can be compiled to track individual student and overall school trends. - Pre-test results of sample student groups will be compared to the post-test results of the same group.
<p>3. Documentation of positive trends in student attendance, retention, dropout, and graduation rate</p>	<ul style="list-style-type: none"> ▪ The parent is responsible for logging positive student attendance in the online system. The online system automatically adds the time imputed by the parent and posts the remaining number of hours and days needed to meet the State's attendance requirement. ▪ The parent is required to input his/her tentative weekly teaching schedule online. Teachers have access to these schedules and

<i>Student Achievement</i>	<i>Current Status</i>
	<p>can monitor student attendance by comparing the lessons a parent had scheduled to teach with those that had been completed by the student. (Once a student has mastered a lesson by scoring 80% or higher on the assessment, the lesson is marked completed).</p> <ul style="list-style-type: none"> ▪ Each PAVCS lesson has an estimated time for completion. Teachers can compare this estimated time with the time entered by a parent to validate the attendance time entered as well as monitor a student's ability to complete the lesson. ▪ PAVCS will track its retention rate and report it in their annual report. When PAVCS parents withdraw their students, the CAO contacts the parents to identify the reason(s) why they chose to withdraw their students. ▪ PAVCS plans to develop methods to track dropout and graduation rates when it opens its enrollment to ninth through twelfth graders in year four.
<p>4. Ability to measure student authenticity of work (e.g., logs, records of study)</p>	<ul style="list-style-type: none"> ▪ A parent has the primary responsibility to ensure the authenticity of his/her child's work. ▪ A parent is required to maintain a daily log of his/her child's time engaged in learning. ▪ Students/parents keep samples of all student work. These samples are reviewed by the teacher on a monthly basis. ▪ Teachers will monitor the authenticity of their students' work through bi-weekly parent/student/teacher phone calls and by reviewing student work online (teachers have access to each of their students' progress and profile as recorded online). ▪ PAVCS teachers will be able to assess a student's development and compare their assessment with the parent's perception during the educational outings that occur each month.

<i>Student Achievement</i>	<i>Current Status</i>
5. Compliance with students taking the Pennsylvania System of School Assessment (PSSA) in accordance with Chapter 4	<ul style="list-style-type: none"> Not applicable to K-2 students. As the school expands, however, it plans to offer proctored PSSA exams regionally throughout the Commonwealth.
6. Student attendance - compliance with compulsory attendance laws	<ul style="list-style-type: none"> PAVCS students are required to attend 900 hours of education in one school year (September 4, 2001– June 21, 2002). A parent is responsible for logging positive student attendance into an online system. PAVCS teachers can check the progress of each child daily. Because 20% of students' work is done online each day, the PAVCS teacher can see what lessons were completed and how the child is progressing.

<i>Personnel Evaluation</i>	<i>Current Status</i>
7. Teacher experience/certification	<ul style="list-style-type: none"> 13 out of 14 PAVCS teachers are Pennsylvania certified. PAVCS has one special education certified teacher. The school is looking to hire an addition special education teacher in October 2001. Four PAVCS teachers have a Masters in Education.
8. Method of performance evaluation	<ul style="list-style-type: none"> Evaluation tool is still in development. Proposed staff performance evaluation criteria include: student learning, policies and procedures, confidentiality, reliability regarding attendance, initiative, work habits, working relationships with co-workers, use of supervision, time management, professional growth and development, communication skills, quality/quantity/completeness of work, and performance of job duties outlined in contract.
9. Frequency of performance evaluation	<ul style="list-style-type: none"> School administrators and teachers will be reviewed twice a year. Administrative support staff will be evaluated annually.
10. Documentation of positive trends	<ul style="list-style-type: none"> N/A – PAVCS is in its first year of

<i>Personnel Evaluation</i>	<i>Current Status</i>
in personnel attendance and retention	operation.
11. Personnel attendance method	<ul style="list-style-type: none"> ▪ The majority of teachers' time will be spent monitoring their students online (i.e., checking student assessment results and parent teaching schedule/plan). Teachers' time logged into the system can be tracked. ▪ Informal parent feedback on teacher responsiveness and accessibility will also be used to monitor teacher attendance. ▪ Administrative staff are based at the PAVCS school site and therefore tracked similarly to a brick and mortar school.
12. Professional development program and alignment to instructional approach	<ul style="list-style-type: none"> ▪ PAVCS has 15 professional development days scheduled for the 2001-2002 school year. ▪ PAVCS' professional development program is aligned to its instructional approach. PAVCS has already conducted a weeklong training session to familiarize teachers with the K12 curriculum and the delivery mechanisms for instruction.

<i>Curriculum</i>	<i>Current Status</i>
13. Instructional approach/teaching methods	<ul style="list-style-type: none"> ▪ Parents work directly with students on a daily basis by following K12's curriculum. ▪ The parent reads very specific directions he/she downloads from the K12 server. The visual layout of the page is organized and relatively easy to follow. The directions take the parent step by step in explaining content and directions to the child. The child points to letters on the screen, repeats words she/he hears, draws pictures, retells stories, is read to by the parent and listens to directions. ▪ The directions communicated to the parent-teacher through the K12 curriculum are logical and consistent with best practices for teaching reading, writing and math. ▪ Teachers oversee student progress and use

<i>Curriculum</i>	<i>Current Status</i>
	<p>of the K12 curriculum, provide instructional assistance and answer specific questions about alternative teaching strategies.</p> <ul style="list-style-type: none"> ▪ PAVCS teaching strategies include direct instruction, hands-on exploration, use of manipulatives, instructional games and practice exercises. ▪ The online curriculum is supplemented by additional instructional materials (i.e., workbooks, textbooks, science lab materials).
<p>14. Process for curriculum development (e.g., research based, purchased)</p>	<ul style="list-style-type: none"> ▪ PAVCS has contracted with K12 to provide its curriculum. ▪ K12 engages people they perceive to be recognized leaders in education and specific subject areas to develop and review its basic curriculum. ▪ Basic curriculum is aligned to PA and national standards. ▪ The basic K12 online curriculum is tested by national user groups. Specific areas of focus include usability and curriculum content. ▪ Feedback is reviewed and when appropriate incorporated into the curriculum. ▪ K12 customizes its basic online curriculum to the meet the needs of PAVCS (i.e., developed an attendance screen and enhanced music program). ▪ K12's PAVCS curriculum is implemented in the school. Teachers, administrators, parents, and students will have the opportunity to provide feedback based on their experience with the curriculum. (Online curriculum has a feedback button on every screen that parents, teachers and administrators can use to send comments/concerns to K12). ▪ PAVCS establishes test groups within PAVCS to evaluate PAVCS' online curriculum. ▪ PAVCS teachers and administrators work

<i>Curriculum</i>	<i>Current Status</i>
	with K12 to identify potential changes/updates to the curriculum.
15. Evidence of modifications made to instructional program based on tracking performance measures	<ul style="list-style-type: none"> ▪ Although the school has been open less than one month, PAVCS has already requested curriculum changes from K12. For example, K12's language arts courses are currently a full year. However, PAVCS has requested that K12 offer its language arts curriculum by semester next year in order to better accommodate student needs (K12 has agreed).
16. Approval process for curriculum, textbooks and materials	<ul style="list-style-type: none"> ▪ PAVCS' board has the authority to approve curriculum, textbooks and instructional materials as needed.
17. Course rigor and alignment of curriculum, instruction and testing to PA standards	<ul style="list-style-type: none"> ▪ K12 has clearly documented how their instruction is aligned with state standards. ▪ The course rigor for grades K-2 is appropriate. Students are presented with auditory and visually rich materials and prompts. ▪ K-2 students are not eligible to take the Pennsylvania System of School Assessment (PSSA). ▪ PAVCS plans to administer an age appropriate assessment to K-2 students that has not yet been identified.
18. Developmental appropriateness	<ul style="list-style-type: none"> ▪ PAVCS curriculum and supplemental materials take into account the developmental stages of children. More advanced students are presented with more stimulating opportunities while students having difficulties are given more time and a variety of ways to approach the same concept.
19. Ability to meet individual needs of students (e.g., support students having difficulty with curriculum, challenge gifted students)	<ul style="list-style-type: none"> ▪ Individualized curriculum enables students to take courses based on their ability, not grade level. (If a 1st grader is reading at the 2nd grade level, he/she can follow the 2nd grade curriculum rather than the 1st and vice versa). ▪ Individualized curriculum enables students to pace themselves. Students who are

<i>Curriculum</i>	<i>Current Status</i>
	<p>grasping lesson concepts quickly can progress through lessons and units; students who are struggling with particular concepts and skills can go slower and receive additional support/instruction if needed.</p> <ul style="list-style-type: none"> ▪ The primary subject area curriculum enables more gifted students to participate in “challenge” questions. These questions are not required, but optional for those students seeking additional enrichment. ▪ The online curriculum has “alternative activities” programmed into the system for those students needing additional help. Alternative activities represent lesson concepts in a different fashion. Teachers are also available to offer alternative teaching strategies. ▪ Each PAVCS lesson has an estimated time for completion. Teachers can compare this estimated time with the time entered by a parent to monitor a student’s ability and identify areas where a student might be in need of additional support or further evaluation. ▪ PAVCS teachers participated in a professional development workshop that focused on identifying students with disabilities. Specific disabilities covered included: learning disabilities, speech or language impairment, mental retardation, emotional disturbance. ▪ PAVCS teachers were given a Teacher Binder that includes recommended strategies for identifying and addressing special needs and gifted students.
<p>20. Compliance with State and Federal special education requirements</p>	<ul style="list-style-type: none"> ▪ PAVCS IEP teams will consist of the following: <ul style="list-style-type: none"> - Parent - Regular Education Teacher - Special Education Teacher - Director of Special Education - LEA representative (administrator)

<i>Curriculum</i>	<i>Current Status</i>
	<ul style="list-style-type: none"> - Therapists if included in IEP - Community service reps (if the student is receiving additional services i.e., mental health services). - If PAVCS contracts with a local IU for services, IU reps will be invited to attend. <ul style="list-style-type: none"> ▪ All meetings will be conducted in person and in accordance with Chapter 711 (interpretation of special education law as it applies to Charter Schools in PA).
<p>21. Provision of textbooks and supplies</p>	<ul style="list-style-type: none"> ▪ Each PAVCS student is loaned a computer system including a computer, printer, and the appropriate software. ▪ PAVCS will pay for each student's ISP connection. If a student resides outside of PAVCS' ISP coverage area, PAVCS will reimburse a family up to \$20 per month for an internet provider. ▪ PAVCS technology (computer, printer, ISP connection) is distributed per child, not per family. However, parents can decline multiple computers and connections (usually because they do not have space for multiple computers). ▪ PAVCS students are loaned instructional materials including books, math manipulatives, music CDs, art supplies and science lab equipment, etc. Students are also given workbooks for some subject areas. ▪ The computer systems and instructional materials are considered PAVCS property and must be returned when students leave the school.

<i>Level of Interactivity</i>	<i>Current Status</i>
<p>22. Ease of use of system interface</p>	<ul style="list-style-type: none"> ▪ The PAVCS/K12 system is user friendly. Technology and education resources are available via email and a toll free number to help parents and teachers if a problem

<i>Level of Interactivity</i>	<i>Current Status</i>
<p>23. Methods of student/teacher interaction</p>	<p>arises.</p> <ul style="list-style-type: none"> ▪ The parent is the child’s primary teacher. The parent is supported by a K12 teacher who is available throughout the workday and if necessary, in the evenings. The parent reads very specific directions he/she downloads from the K12 server. The directions take the parent step by step in explaining content and directions to the child. The child points to letter on the screen, repeats words she/he hears, draws pictures, retells stories, is read to by the parent and listens to directions. ▪ Teachers and students have the potential to interact during bi-weekly teacher/parent phone calls. (Teachers can ask to speak to their students during parent teacher calls and vice versa). ▪ Teachers are assigned geographically to facilitate face-to-face interaction. ▪ There are two planned educational outings per month where the PAVCS teacher and her students interact. PAVCS teachers can also monitor child development during these outings. ▪ Parents and students are provided with teacher contact information (email and phone number). Parents/students can call their teacher and leave a message with their concerns/questions. The teacher will call the parent back (within 24 hours) so the school will absorb the cost of the phone call. ▪ Students can write their teacher letters, draw them pictures, etc. and then mail them their work. By parent request, teachers will send self-addressed stamped envelopes to their families (teachers are reimbursed by PAVCS).
<p>24. Frequency of student/teacher interaction</p>	<ul style="list-style-type: none"> ▪ The parent is expected to teach the child for 900 hours as per the PA state requirement. Generally, it is expected parents would

<i>Level of Interactivity</i>	<i>Current Status</i>
	<p>instruct their children daily.</p> <ul style="list-style-type: none"> ▪ PAVCS teachers meet with their parents for a minimum of one hour every other week to discuss student progress and the parent’s instructional needs. ▪ Two student outings will be planned a month.
<p>25. Methods of family/teacher interaction</p>	<ul style="list-style-type: none"> ▪ Teachers and families will interact during parent orientation, bi-weekly phone calls and planned outings. ▪ Parents are provided with their teacher’s phone number and email so they may contact them (and vice versa) at any unscheduled time. ▪ If circumstances require, parents may request a home visit with their teacher.
<p>26. Frequency of family/teacher interaction</p>	<ul style="list-style-type: none"> ▪ Teachers and families interact at least every other week. Parents may contact teachers and vice versa at any unscheduled time via phone or email. ▪ Teachers are provided an additional home phone line and voicemail access, cable hook-ups and remote ISP access.
<p>27. Methods for teacher collaboration</p>	<ul style="list-style-type: none"> ▪ Teachers plan to collaborate via one on one calls, groups calls, email and professional development opportunities. ▪ Teachers anticipate arranging regional outings with other teachers so they and their families can interact. ▪ Teachers have partnered with another teacher to provide coverage for their students in the event that they will be unavailable during the week. Paired teachers anticipate arranging field trips and outings together so their students/families can meet their “substitute” teacher.
<p>28. Interactivity of instructional content</p>	<ul style="list-style-type: none"> ▪ Many K12 lessons require student interactivity with instructional content. There are many hands-on activities that require the use of general home utensils or foods. ▪ The curriculum’s visuals and auditory

<i>Level of Interactivity</i>	<i>Current Status</i>
	<p>presentations are colorful and engaging.</p> <ul style="list-style-type: none"> ▪ The parent-teacher is expected to interact with the student and have the student interact with the curriculum content regularly.

<i>Student Development</i>	<i>Current Status</i>
<p>29. Student services</p>	<ul style="list-style-type: none"> ▪ PAVCS has received a three year grant from the US Department of Education for over 2.5 million dollars to fund Community Access Centers (CAC) in Pittsburgh and Philadelphia beginning in February 2002. These CACs will serve as a gathering place for students, parents, teachers, guest speakers and volunteers. Educational events and activities will be held at these sites. Students will have supervised access to internet based instruction after their normal school day and during the summer months. In addition these CAC's will offer supplementary learning services (i.e., tutoring) and serve as the designated location for proctored examinations. ▪ PAVCS will contract for additional student services as needed (i.e., special education, school psychology). If a child has received services from a particular provider, PAVCS will try to continue using that provider to deliver services providing PAVCS' special education staff approves and the cost for the services is reasonable. ▪ PAVCS has contracted with a State certified school nurse to oversee student health records and ensure compliance with State regulations. In addition, PAVCS intends to contract with four regional State certified school nurses to administer screenings. PAVCS has hired two of the four regional nurses. Both nurses work for the State Department of Health.
<p>30. Opportunities for student</p>	<ul style="list-style-type: none"> ▪ Teachers will arrange two outings per

<i>Student Development</i>	<i>Current Status</i>
socialization	<p>month, some of which will be required, where students can interact with other students and families.</p> <ul style="list-style-type: none"> PAVCS is also considering starting school clubs. Students can participate in extra-curricular activities offered by their home district.
31. Physical Education Requirement	<ul style="list-style-type: none"> Parents will work with their teacher to plan appropriate physical activities for their students. Parents will report physical education hours to their teachers. PAVCS teachers will incorporate physical education activities in their planned outings.
32. Extra-curricular activity offering	<ul style="list-style-type: none"> PAVCS will not offer extra-curricular activities. However, PAVCS will work to negotiate agreements with school districts and community organizations statewide to allow their students to participate in the extra-curricular programs where they reside. PAVCS is planning to establish school clubs.
33. Cyber charter school teacher-student ratio	<ul style="list-style-type: none"> Regular education teacher 1:48⁸¹ Special education teacher 1:32⁸²

<i>Technology Supporting Instruction</i>	<i>Current Status</i>
34. Adequacy of systems to support timely instructional delivery	<ul style="list-style-type: none"> PAVCS' technology system is user friendly and supports timely instructional delivery. PAVCS/K12 teachers and staff preload the required curriculum and work with the parent to assure technology is not interfering with student instruction. Passage from one section of the cyber curriculum to another is smooth and fast.
35. System maintenance (e.g., servers)	<ul style="list-style-type: none"> K12 is responsible for maintaining the web-based curriculum that is provided to the PAVCS including the servers, service contracts and data stored. An enterprise

⁸¹ Special education students will have a special and regular education teacher assigned. Therefore, special education students are included in regular education teacher ratios.

⁸² Special education students will have a special and regular education teacher assigned. PAVCS is looking to hire an additional special education teacher in October 2001

<i>Technology Supporting Instruction</i>	<i>Current Status</i>
	<p>back up system is in place that includes full and incremental back ups.</p> <ul style="list-style-type: none"> ▪ K12 hosts all servers that store student and curriculum information. Back ups are done in house by select K12 employees. All servers and data are in a secure co-location site.
<p>36. Technical support for students, parents and teachers</p>	<ul style="list-style-type: none"> ▪ PAVCS has three levels of technology support. If a parent has a technology problem, he/she is directed to call the student's teacher. If the teacher can not answer the question, he/she contacts the Director of Technology (K12 resource). If the two previous options fail, the Director of Technology calls K12 support. K12 support will try to solve the problem over the phone. If that does not work, K12 support will make a home visit to solve the problem. ▪ The parent also has the ability to contact the PAVCS Norristown office or K12 directly for technology support via a toll free number.

<i>Technology Supporting Administration</i>	<i>Current Status</i>
<p>37. Student information system to document information such as: name of family member supervising program, address and telephone number of home education site and evidence child has been immunized</p>	<ul style="list-style-type: none"> ▪ PAVCS uses e-SIS (Administrative Assistants, Ltd) to manage its student information. The actual system is managed by K12. ▪ This web-based student information system was built on Oracle and interfaces with K12's online curriculum. Therefore all student information, including biographic and assessment data, is stored in the same database. In addition, e-SIS stores historic information including standardized testing results. Access to the information stored in this database is determined by job title/responsibility. ▪ Standard reporting mechanisms are available that allow aggregation and disaggregation of data for district use.

<i>Technology Supporting Administration</i>	<i>Current Status</i>
38. Financial/budget system	<ul style="list-style-type: none"> ▪ PAVCS' financial budget system is Nav-Vision. ▪ The web-based system managed by Foundations, Inc. will enable PAVCS administration to have real time access to financial and budget information.
39. Human resources/payroll system	<ul style="list-style-type: none"> ▪ PAVCS outsources their payroll to CPA Payroll, LLC. ▪ PAVCS staff utilize the benefits provided by NASD. NASD bills PAVCS separately for their staff costs with no administrative fee (dental, vision, health).

<i>Relationship with Home School District</i>	<i>Current Status</i>
40. Procedure for notifying home school district of newly enrolled students	<ul style="list-style-type: none"> ▪ PAVCS' CAO sent emails and written correspondence to PA superintendents to introduce them to PAVCS over the summer. ▪ PAVCS requires new students to withdraw from their home school district prior to enrolling in PAVCS. ▪ Once enrolled in PAVCS, the CAO sends the home school superintendent a letter explaining that one or more of his/her students has enrolled in PAVCS. The letter also explains PAVCS' billing process. ▪ PAVCS sends the home school district a bill as well as the following supporting information: proof of residency, copy of withdraw form, validated attendance record and IEP cover letter if applicable.
41. Partnerships with local school districts	<ul style="list-style-type: none"> ▪ PAVCS has a partnership with Norristown Area School District. As part of the charter agreement NASD will provide services to PAVCS for a fee. (The fiscal arrangement is described in more detail in this report's Finance section). ▪ PAVCS is seeking to establish partnerships with local school districts, museums and community organizations so that its students can participate in extra-curricular activities.

Governance and Oversight

Evaluation Goal

The goal of the Governance and Oversight evaluation was to verify the existence of a viable cyber school governance structure.

Summary

PAVCS has established three governance and oversight structures: the Board of Trustees, the Community and Parent Advisory Council (CPAC) and the Parent Network.

PAVCS currently has an eight member Board of Trustees who has the ultimate responsibility for the operation and performance of PAVCS. The Board of Trustees has approved a contract with K12 for curricular and educational materials and for additional management services. The board has the authority to terminate the agreement with K12 providing certain conditions are met.

The CAO is responsible for the daily operation, personnel, expenditures and other areas of school operations. The CAO is also responsible for making all recommendations regarding policies and procedures to the board. PAVCS has entered into an agreement with Foundations, Inc. to help the board develop assessment, accountability and quality control methods.

The Community and Parent Advisory Council will consist of parents, community leaders from across the Commonwealth and other interested individuals who will meet regularly with the CAO to discuss their recommendations for what could be changed in the school, and what might be done by parents and others to improve it. The first meeting of the CPAC is planned for October 2001.

The Parent Network will function as PAVCS' home and school association. It will operate as a separate entity from the school and will be parent directed. The Parent Network will be organized into regions so parents can meet regularly. The roles and responsibilities of the organization will be defined by the organizing leadership with the assistance of PAVCS administration. The first meeting of the Parent Network is expected to be in October 2001.

The PAVCS is overseen by Norristown Area School District, its chartering district. PAVCS has entered into an accountability arrangement with NASD that identifies how PAVCS will be evaluated by NASD. According to the agreement, PAVCS will be evaluated annually by NASD according to their performance in the following three categories:

- Pupil Performance
- Fiscal Management
- Compliance

Each category has multiple indicators that are defined in the agreement.

Evaluation Criteria and Findings

The table below identifies the key criteria used to evaluate each cyber charter school and a description of how each school met these criteria.

<i>Governance and Oversight</i>	<i>Current Status</i>
<p>1. Documentation and description of school governance organizational structure</p>	<p><u>Board of Trustees</u></p> <ul style="list-style-type: none"> ▪ PAVCS currently has an eight member Board of Trustees. ▪ Board bylaws require that at least one parent, business community member and community leader be represented on the board. ▪ All board members will serve five year terms. The initial board will serve staggered terms of three, four and five years as determined by the Founding members prior to board selections. ▪ The powers and duties of the Board of Trustees are detailed in the bylaws. ▪ Specific board roles (President, Vice President, Secretary and Treasurer) are detailed in the bylaws. ▪ The board may vote to expand its membership and/or create sub-committees. ▪ The board is responsible for overseeing the K12 contract, CAO and Assistant Head of School. ▪ Board meetings are advertised by the PAVCS solicitor and in accordance with the Sunshine Law. <p><u>CPAC</u></p> <ul style="list-style-type: none"> ▪ The Community and Parent Advisory Council will consist of parents, community leaders from across the Commonwealth and other interested individuals who will meet regularly with the CAO to discuss their recommendations for what could be changed in the school <p><u>Parent Network</u></p> <ul style="list-style-type: none"> ▪ The Parent Network will function as PAVCS' home and school association. It will operate as a separate entity from the school and will be parent directed.
<p>2. Experiential make-up of advisory board</p>	<ul style="list-style-type: none"> ▪ The PAVCS board is diverse in both experience and geographic location. The eight member board

<i>Governance and Oversight</i>	<i>Current Status</i>
	<p>is comprised of at least one educator, business leader, community member and parent.</p> <ul style="list-style-type: none"> ▪ PAVCS board members represent six different locations across the Commonwealth.
<p>3. Assessment of frequency and extent of input governance units have over instructional policy.</p>	<ul style="list-style-type: none"> ▪ PAVCS' board meets officially once per month, 11 months out of the year. Board members can conference in via telephone and be counted as present. Additional public and/or private meetings can be called based on PAVCS board needs. ▪ To date the board has had three meetings. There has been a quorum at every meeting. ▪ The board has contracted with K12 to provide the curriculum content for PAVCS. The board has had minimal input into the first year curriculum, but plans to play a more active role in curriculum development/selection in subsequent years. The board will use PAVCS results from standardized testing and parent/teacher feedback to guide any changes in the K12 curriculum. ▪ Recommendations for policy and procedures are made to the board by the CAO. The board has the authority to approve or reject these recommendations.
<p>4. Clarity of legal and procedural requirements</p>	<ul style="list-style-type: none"> ▪ PAVCS has legal counsel experienced in education that attends PAVCS board meetings and provides additional support as needed. ▪ PAVCS has documented board bylaws.

Cost Analysis

Evaluation Goal

The goal of this evaluation was to analyze the cyber charter school costs. We have documented the results of our procedures in the table below.

Summary

PAVCS has prepared a five-year budget that estimates per student spending of approximately \$7,015 in year one, with the cost per student ranging from \$6,794 to \$7,249 over the five years. In year one, approximately 90% of the school's revenue is received from sending districts through tuition payments with the remaining 10% of revenue coming from state grants. Over the course of the five-year budget, the percentage of total revenue received from school districts steadily increases up to 98% in year five. As PAVCS began school in the fall of 2001, no actual operating expenditures are available.

The Pennsylvania Virtual Charter School has entered into agreement with K12 to provide the following management and technology services as well as its curriculum content.

- Curriculum and online courses
- Human Resources (job ads, interviews, references, contracts, benefits); Policies/Procedures (compliance, reporting, strategic plan, accreditation)
- Legal (negotiate & manage contract, research, communication, meetings); Customer Care (inbound/outbound calls; follow-up with parents and teachers; FAQs)
- Technology (computer & phone network, contracts, SIS, configuration/ghosting, quality assurance); Tax Preparation
- Project Management (computer installation instructions; configuring Outlook and Web filter device; managing the enrollment process; data entry)

These services are reflected in the following PAVCS budget line items:

- Community Outreach & Recruiting
- Administration & Business Office Services
- Management Services, Administration
- Management Services, Facility
- Director of Instruction
- Teacher Training & Professional Development
- Management Services, Curriculum & Professional Development
- Chief Administrative Officer

- Assistant Principal
- Business Manager
- Benefits, Administration
- Staff Performance Bonuses, Administration
- Student Information System
- Course Authoring Platform
- Director of Special Education
- Director of Technology
- Technology Consultants
- Technical Support Services
- Management Services, Student & Family Services
- Training Materials and Supplies
- Clerical
- Lease & Loan Costs

The Pennsylvania Virtual Charter School has a signed contract with Foundations, Inc. to help the board plan and carry out the first year evaluation process.

PAVCS plans to enter into an agreement with Foundations, Inc. to oversee PAVCS business management services and provide related consulting services; however, PAVCS still is in negotiation for the specifics of the agreement. Potential services include, but are not limited to the following:

- Maintain an accounting system that complies with State requirements
- Prepare annual budget and amendments
- Monitor authorized budgets and report to CAO and Board of Trustees periodically
- Update cash flow projection
- Coordinate with payroll vendor for reporting of payroll information
- Advise on school business practice and procedures

In addition, PAVCS intends to enter another agreement with Foundations, Inc. for the development of an accountability plan to help PAVCS identify how it will collect and report school data to various stakeholders.

PAVCS also contracts with the Norristown Area School District (NASD) to provides advisory services to PAVCS including, but not limited to, the following:

- Consult on the development, maintenance, overseeing of relationships with other sending school districts, Intermediate Units and teacher unions.
- Consult on the development of procedures to facilitate student records being delivered to PAVCS.
- Consult on establishing billing procedures and systems and issues monthly bills to sending districts.
- Consult on the manner of administering standardized testing.
- Consult to develop special education procedures and provide special education services (on a fee basis) with the Director of Special Education and PAVCS.
- Consultation to develop business office procedures.

In exchange for its services, NASD will receive the greater of the following amounts from PAVCS: \$300 per student during 2001-2002 as funds are received from sending districts (per pupil allotment decreases each year of the charter) or \$200,000 for annual services.

Evaluation Criteria and Findings

The table below identifies the key criteria used to evaluate each cyber charter school and a description of how each school met these criteria.

<i>Cost Reasonableness</i>		<i>Current Status</i>
1.	Consistency of financial plan with operating plan	<ul style="list-style-type: none"> ▪ The financial plan appears to be consistent with the operational plans presented by management.
2.	Average annual operating cost	<ul style="list-style-type: none"> ▪ The average annual operating cost is \$7,015 in year one, with costs ranging from a low of \$6,794 to \$7,249 over the five-year budget.
3.	Financial, in-kind, and management relationships with partnering institutions	<ul style="list-style-type: none"> ▪ Comparable information was not available across schools that have contracted with private management firms, therefore, an effective analysis of these relationships could not be performed. ▪ PAVCS has agreed to compensate Foundations, Inc. \$18,800 for the development and implementation of a board evaluation processes. ▪ PAVCS intends to compensate Foundations, Inc. for additional business and consulting services. ▪ PAVCS will be paying the greater of the following amounts to NASD: \$300 per student during 2001-2002 as funds are received from sending districts (per pupil allotment decreases each year of the charter) or \$200,000 for annual services. It is anticipated that PAVCS will pay NASD the flat rate of \$200,000 for SY 01-02.

<i>Cost Reasonableness</i>	<i>Current Status</i>
4. Start-up cost appropriateness and comparison	<ul style="list-style-type: none"> ▪ PAVCS start up costs (\$270,161) were covered by K12. PAVCS is expected to reimburse K12 for these costs, however, neither PAVCS or K12 has established a payback schedule. The actual start-up amount is reasonable given the size of the school.
5. Financial soundness of backers	<ul style="list-style-type: none"> ▪ K12 received an unqualified opinion on its latest audit dated August 24, 2001. The company did not have any revenue during 2000, however the company has started to generate revenue in 2001.
6. Reasonableness and completeness of annual budget/operating expenditures (e.g., Per capita revenues, Special education aid, Other revenue sources, Salary projections, Technology expenses, Curriculum provider expenses, Inflation and raises)	<ul style="list-style-type: none"> ▪ The annual operating budget is the most complete of those provided to us by any of the schools. ▪ Per capita revenues are reasonably estimated based on Statewide averages of \$6,000 per regular student and \$11,100 per special education student. These amounts were based on FY00 statewide averages and inflated by 3%, which is a reasonable method for estimating revenue. ▪ Teacher salaries are estimated at \$45,000, with annual raises of 3%, which is reasonable. ▪ Administrator salaries are budgeted at \$85,000 to \$100,000 with a 3% annual raise, which appears to be reasonable. ▪ Fringe benefit costs are budgeted at about 31%, which is average for a governmental entity.
7. Adequate plan exists for program and fiscal audits	<ul style="list-style-type: none"> ▪ The budget includes \$15,000 in year one for audits, which increase to \$36,621 by year five as the size of the school increases. This appears reasonable based on this size of the school.
8. Adequate insurance	<ul style="list-style-type: none"> ▪ The year one budget includes insurance of expenses of \$20,000, which increase to \$40,000 by year five. These costs are comparable to other brick and mortar charter school budgets. Given, the limited facilities operated, the budget for these expenses appears to be reasonable.