TEACH – The Einstein Academy Charter School

Please note that the information included in this section is not complete and has not been verified. Therefore, it was not included in the analysis portion of this report. It is included here for informational purposes only.

School Profile

The National Organization for Children, Inc./the T.E.A.C.H – The Einstein Academy Charter School (TEACH) was approved in March 2001 by the School District of the Borough of Morrisville (Morrisville) as a K-12 school. TEACH originally had an enrollment cap of 1,000 student the first year. However, Morrisville approved an increase in TEACH's enrollment capacity to 3,000 for year one. TEACH opened this year serving approximately 2,710 students.[86]

TEACH's student population represents 55 counties and 345 school districts across the Commonwealth. Twenty-five of the 345 school districts have over 20 students enrolled in TEACH. Philadelphia City School District has the most students enrolled (191), followed by Pocono Mountain School District (75).

Number of Students by Grade

The following table illustrates the total number of enrolled students per grade.

Grade	Number of Students
K	173
Grade 1	172
Grade 2	173
Grade 3	226
Grade 4	222
Grade 5	251
Grade 6	293
Grade 7	275
Grade 8	294
Grade 9	245
Grade 10	181
Grade 11	140
Grade 12	68
Total	**2713**

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[86]TEACH provided KPMG Consulting with enrollment reports that ranged from 2693 – 2713 students. The enrollment reports did not include the date they were run.

Prior Education of Student Population

The following chart illustrates the school types TEACH students attended prior to enrollment in the cyber school.

Type of School	Number of Students
Traditional Public School	620
Brick and Mortar Charter School	0
Private School	105
Home Schooled	1782
Religious School	203
Total	**2710**

Number of Students per Curriculum Provider

TEACH offers one curriculum provider, Tutorbots, Inc. (Tutorbots); therefore all students participate in this curriculum.

3rd Party Curriculum Provider Name	Number Students
Tutorbots	2710

According to information posted on TEACH's website, the school targets students who for a variety of reasons are not attending a traditional school. For example, the cyber school would likely appeal to students who:

- Have special learning needs

- Are exceptionally gifted

- Have Attention Deficit Disorder (ADD)

- Are emotionally distressed

- Prefer home schooling

TEACH estimates that between 10 and 12% of its student population will have special needs (271 to 325 students).

TEACH's mission is to "harness the power of emerging technologies to revolutionize the way students learn and increase opportunities for everyone." According to information posted on TEACH's website, TEACH will do the following to support its parents:[87]

- Provide the resources and support necessary for parents to fulfill their responsibility of being the child's first and foremost instructor.

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[87] Information posted as of August 23, 2001

- Develop a partnership with families that is responsive to the varying needs of parents and the home, including parents of children who are disadvantaged or bilingual, or parents of children with disabilities or illness.

- Support, without providing direct instruction, the families chosen religious or spiritual goals for their children.

- Be held to a high standard of accountability by parents, students, teachers, school sponsors and community members.

TEACH contracts with Tutorbots to manage all aspects of the development and operations of the instructional technology and some administrative functions including:

- Technology

- Software licensing

- Relationships with content providers

- Courseware selection and approval

- Creation and maintenance of the infrastructure

- Front and back end website development and maintenance

- Staff recruitment and hiring

- Professional development

- Enrollment/admissions

Staffing

TEACH provided KPMG Consulting with a list of 27 full-time employees. According to that list, TEACH has twenty-five teachers (13 elementary, 10 secondary and two special education) one school principal and one school nurse. TEACH intends to hire additional teachers once they receive funding.

Program Summary

TEACH's curriculum is outsourced to Tutorbots. Based on our review of documentation, it appears that Tutorbot uses traditional textbooks supplemented by online resources (i.e., web adventures, videos, audio programming and interactive lessons with other students and their teachers). Additionally, many courses contain CD Rom components, workbooks, lab materials and additional supplemental materials. The web components are either purchased directly from publishers or are created by Tutorbots.

Note: KPMG Consulting was unable to verify the curriculum approach as KPMG Consulting did not have access Tutorbots' online curriculum, nor did TEACH provide KPMG Consulting with documentation confirming they had received copyright permission or detailing the financial arrangements, if any, TEACH and/or Tutorbots entered into with curriculum providers.

Overall estimated cost per student

The overall estimated cost per student could not be determined because TEACH did not provide KPMG Consulting with detailed budget information.

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.

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

Note: TEACH did not provide information/supporting documentation for most of the criteria included in the following table. The information included below was provided by the Executive Director of Tutorbots during an interview. KPMG Consulting was not able to verify many of these statements.

Student Achievement	Current Status
1. Ability to measure student engagement and progress	▪ Objective and subjective assessments. The majority of assessments will be conducted online. Objective assessments will be graded automatically. ▪ PSSA results will also be used.
2. Documentation of positive trends in all subject areas for students such as beginning of year, monthly and end-of-year online assessments	▪ Not Provided.[88]
3. Documentation of positive trends in student attendance, retention, dropout, and graduation rate	▪ Not Provided.
4. Ability to measure student authenticity of work (e.g., logs, records of study)	▪ Parents are required to be present during student learning (K-12). TEACH anticipates conducting regular spot checks to ensure parental/guardian supervision.

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[88] TEACH claims that documentation for individual, class, grade, subject area and school levels will be available on a real-time basis. However documentation was not provided to verify this statement.

Student Achievement	*Current Status*
	TEACH will expel students if their parent/guardian does not comply with the supervision requirement.
	▪ Teachers are expected to develop a relationship with their students that will enable them to monitor student authenticity of work.
	▪ PSSA results will also be used.
	▪ Objective and subjective assessments. The majority of assessments will be conducted online. Objective assessments will be graded automatically. TEACH's system can automatically generate random questions (i.e., 60 in the database; system selects 15).
	▪ TEACH has an online library of books and articles and the capability to cross check students' work with the articles in the online library to catch plagiarism.
5. Compliance with students taking the Pennsylvania System of School Assessment (PSSA) in accordance with Chapter 4	▪ Will participate in all PSSA standardized testing.
	▪ Will participate in additional standardized testing.
6. Student attendance – compliance with compulsory attendance laws	▪ TEACH will comply with either 900 elementary or 990 secondary hours of instructional time.
	▪ Online instructional time will be tracked (Students are required to log in using unique name and password).
	▪ Offline time is tracked. When working offline students are required to set their computer in "assignment mode." When in assignment mode students are required to work by the computer. Every few minutes the computer prompts the student to confirm that he/she is still working. The student must respond to the computer to get credit for time. After the student has completed the assignment, the student must document into the online system what he/she has accomplished.

Student Achievement	Current Status
	▪ TEACH will provide parents and students with the number of instructional hours logged, so they can see how much instructional time is left to comply with the Commonwealth's attendance requirement.

Personnel Evaluation	Current Status
7. Teacher experience/certification	▪ Not Provided
8. Method of performance evaluation	▪ Specific rubrics are currently being developed. Many evaluations will be based on a review of student/teacher interactions and relative student progress.
9. Frequency of performance evaluation	▪ Twice yearly (formal) and ongoing (informal).
10. Documentation of positive trends in personnel attendance and retention	▪ Twice yearly.
11. Personnel attendance method	▪ Not Provided.
12. Professional development program and alignment to instructional approach	▪ Not Provided.

Curriculum	Current Status
13. Instructional approach/teaching methods	▪ Not Provided.
14. Process for curriculum development (e.g., research based, purchased)	▪ Tutorbots/vendors will either custom develop curriculum or web-enable a traditional textbook used in public schools.
15. Evidence of modifications made to instructional program based on tracking performance measures	▪ Not Provided.
16. Approval process for curriculum, textbooks and materials	▪ All curriculum, textbooks and materials are approved by the Board of Directors.
17. Course rigor and alignment of curriculum, instruction and testing to PA standards	▪ Tutorbots will measure alignment to PA standards by dividing its courses into lessons/modules and aligning each module to PA and national standards. ▪ Tutorbots anticipates generating a report that will demonstrate alignment in a few

Curriculum	Current Status
	- months. - TEACH publishes an Academic Standards guide to be used by all teachers and developers. The guide contains all Chapter 4 provisions as well as approved proposed standards. *Note:* KPMG Consulting did not have access to TEACH's curriculum to assess its alignment to PA standards.
18. Developmental appropriateness	KPMG Consulting did not have access to TEACH's curriculum.
19. Ability to meet individual needs of students (e.g., support students having difficulty with curriculum, challenge gifted students)	- Tutorbots will offer a variety of courses to accommodate different learning styles (majority online/offline, auditory, visual, etc). - Tutorbots anticipates reimbursing high school students for two college level courses (3 credits) a year. *Note:* KPMG Consulting did not have access to TEACH's curriculum.
20. Compliance with State and Federal special education requirements	Not Provided.
21. Provision of textbooks and supplies	Not Provided.

Level of Interactivity	Current Status
22. Ease of use of system interface	KPMG Consulting did not have access to TEACH's online curriculum.
23. Methods of student/teacher interaction	- TEACH teachers are available/accessible real-time from 8:30am-4:30pm Monday through Friday. - TEACH anticipates adding a 7pm-11pm teacher shift beginning in January in order to better accommodate any time learning. - TEACH anticipates organizing regional outings.
24. Frequency of student/teacher interaction	As needed.
25. Methods of family/teacher interaction	TEACH teachers and students primarily communicate through real time online

Level of Interactivity	*Current Status*
	conversation, via chat rooms.
26. Frequency of family/teacher interaction	▪ Daily interaction and collaboration (informal) and weekly (formal) meetings.
27. Methods for teacher collaboration	▪ Daily interaction and collaboration (informal) and weekly (formal) meetings.
28. Interactivity of instructional content	▪ Tutorbots' online curriculum has a chat room for each course. ▪ In addition, Tutorbots provides an elementary, middle and high school chat room. ▪ Chat rooms are monitored and logged by TEACH for inappropriate language and content. ▪ Teacher/student interaction is also planned through an online communications center, instructional bulletin boards and interactive electronic whiteboards.

Student Development	*Current Status*
29. Student services	▪ Not Provided.
30. Opportunities for student socialization	▪ Tutorbots' online curriculum incorporates student chat rooms. ▪ TEACH anticipates organizing regional outings and semi-monthly meetings.
31. Physical Education Requirement	▪ Tutorbots anticipates giving students a $100 stipend to cover the cost of physical education activities that will meet the physical education requirement. (Also anticipates giving a similar stipend for the arts).
32. Extra-curricular activity offering	▪ Not Provided.
33. Cyber charter school teacher-student ratio	▪ 1:108 (includes regular and special education teachers and students) ▪ If 10% (271)of TEACH's student population is identified as special education, the regular education teacher to student ratio will be 1:106; the special education teacher to student ratio will be 1:135.[89] ▪ Elementary students are assigned one

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[89] TEACH estimated that between 10 and 12% of its student population will be identified as special education.

Student Development	Current Status
	teacher.
	▪ Middle and high school students are assigned teachers for each course.

Technology Supporting Instruction	Current Status
34. Adequacy of systems to support timely instructional delivery	▪ KPMG Consulting did not have access to TEACH's online curriculum.
35. System maintenance (e.g., servers)	▪ Not Provided.
36. Technical support for students, parents and teachers	▪ Not Provided.

Technology Supporting Administration	Current Status
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	▪ Not Provided.
38. Financial/budget system	▪ Not Provided.
39. Human resources/payroll system	▪ Not Provided.

Relationship with Home School District	Current Status
40. Procedure for notifying home school district of newly enrolled students	▪ According to TEACH, notifications are provided every 30 days. KPMG Consulting was not able to verify this statement.
41. Partnerships with local school districts	▪ TEACH has established a partnership with Morrisville, its chartering district.

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

Note: The following information was included in either TEACH's charter application or agreement with Morrisville and has not been confirmed by supporting documentation.

TEACH's charter calls for a five or more person Board of Trustees, with at minimum, five voting members. (Some members of the board will be ex-officio if it is determined that they may have a conflict of interest, i.e., Tutorbots' employees). The board currently has nine members with experience in education, business and medicine. Most board members reside in or around Philadelphia; although one member is a resident of New Jersey. The board does not require community or parent representation.

The charter application defines the roles and responsibilities of the board. Board duties are categorized according to the following areas and detailed in Appendix FF of the application:

- General powers and duties
- Planning
- Financial arrangement
- Human resources
- Information and technical support
- Board affairs

In addition, the charter application also lists additional board responsibilities including subcontracting with Tutorbots to oversee the general operations of the school, reviewing financial records once a year, developing administrative policies and reviewing overall student progress.

According to TEACH's agreement with Morrisville, TEACH should have entered into an accountability agreement with Morrisville by August 1, 2001. The agreement should define TEACH's school performance goal, provide the basis for the District to assess student progress and identify measures for the school. In addition, the agreement should define criteria that Morrisville will use to evaluate TEACH's financial management plan to ensure TEACH can deliver the educational standards and objectives contained in its charter application. TEACH did not provide KPMG Consulting with a copy of this 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.

Governance and Oversight	*Current Status*
1. Documentation and description of school governance organizational structure	▪ There are currently nine members of TEACH's Board of Directors.
2. Experiential make-up of advisory board	▪ According to the application, four of the nine board members are experienced education. ▪ Other members are experienced in law, business or medicine. ▪ The majority of board members reside in the Philadelphia area. One board member is a New Jersey resident.
3. Assessment of frequency and extent of input governance units have over instructional policy.	▪ Not Provided
4. Clarity of legal and procedural requirements	▪ Bylaws are included in the charter application. ▪ TEACH has not provided documentation that the bylaws were approved.

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

Note: TEACH did not provide KPMG Consulting with detailed budget information. The following information was included in either TEACH's agreement with Morrisville or Tutorbots and has not been confirmed by supporting documentation.

TEACH has entered into a management agreement with Tutorbots, Inc. (Tutorbots), a Pennsylvania corporation. Services included in the management agreement include, but are not limited to, the following:

- Management and development services necessary to operate TEACH:
  - Work with education specialists, administrators and parents to assume joint responsibility for the development and progress of TEACH
  - Establish learning standards (expectations) for student graduation in all growth areas defined in the Charter.
  - Provide clear, strong and varied instructional methods and sources.
  - Provide the means for frequent informal discussion about instruction, student learning and parental choice.
  - Bring instructional issues to the faculty on a regular basis for discussion.
  - Make available and support multiple assessment methods to assess student progress.
  - Induct and orient professional staff personnel.
  - Direct and coordinate in-service training.
  - Communicate frequently with individuals about their responsibilities in relation to student learning and parental choice.
  - Prepare information to be disseminated by the school and public media.
  - Provide all reports as required by any state law or by the board
  - Provide additional services or work as periodically requested by TEACH
  - Maintain high level of accountability to TEACH and its community of teachers, administrators, parents and students.
- Deliver written reports to TEACH as required from time to time.
- Provide a full range of non-teaching personnel management functions (i.e., recruitment, screening, hiring, training, health and safety programs, counsel,

industrial relations, classification, supervision, performance review, records, payroll administration and termination).

- Provide TEACH with an assessment of the performance of key personnel as well as other employees.

The Tutorbots agreement was signed in August 2001 and is expected to continue through the duration of the charter school agreement existing between the Morrisville School District and TEACH. The agreement may be terminated by either party if the other party breaches any material term in the agreement and is unable to rectify the situation within 30 days.

TEACH and Tutorbots have not clearly defined how and for what Tutorbots will be compensated. According to the agreement, "Tutorbots will submit, from time to time, line item breakdowns of all charges for which it seeks compensation from TEACH associated with the development and management of TEACH." However, it is unclear from the agreement who (TEACH or Tutorbots) will initiate the projects/services provided by Tutorbots and when, if ever, those services are approved by TEACH. In addition, it is also unclear whether TEACH's proposed costs are approved before or after Tutorbots provides services.

According to the agreement, TEACH has the right to obtain competitive bids and/or documentation verifying the usual and customary charges to ensure appropriate fiscal management of TEACH funds. If TEACH determines Tutorbots' charges are not competitive, then Tutorbots may revise its breakdown and resubmit it for consideration. If TEACH still determines that Tutorbots' charges are not competitive, TEACH may use another vendor or allow Tutorbots to resubmit its charges for a third time.

Tutorbots anticipates billing TEACH by project at a rate of between $25-$125 per hour depending on the skill set required. Exhibit B of the agreement provides a sample line item breakdown, but does not state how the final cost will be determined or estimate how much will be paid to Tutorbots annually.

According to the management agreement, Tutorbots will donate all net profits to promote and support public education. However, specifics (i.e., to whom the money will be donated, what constitutes a profit) for the donation are not identified in the agreement.

In addition, TEACH has entered into a consulting agreement with the Morrisville Borough School District. The district has agreed to provide the following services:

- Consult to develop business office procedures, financial procedures and controls, address financial management issues and provide advice on current standard school reporting procedures.

- Consult with TEACH on human resource issues (recruitment, hiring, certification, benefits)

- Consult on marketing and recruitment of students

- Assist TEACH with federal, state and local regulation compliance

- Consult with TEACH regarding development of curriculum and methods of student assessment.

- Provide special education services on a fee basis ($50 per hour for IEP and writing, other services to be provided on an agreed fee basis).

In exchange for these services TEACH will compensate Morrisville Borough $200 per student. Regardless of the number of students enrolled, the district will receive no less than a minimum of $75,000 per year. This year, TEACH will compensate Morrisville Borough approximately $541,000 for management services.[90]

In addition, any student who is a resident of the Morrisville Borough School District and enrolls in TEACH will be given a full scholarship to TEACH. Currently Morrisville Borough has five students enrolled (the district will not receive any payment from TEACH for these students).

According to the management agreement, TEACH also will:

- Grant all Morrisville Borough students access to TEACH courses at no additional cost.

- Pay the Morrisville Borough School District $25,000 annually for physical space.

- Provide the following technology and/or equipment for the leased space:
    - Purchase and install ten workstations
    - Purchase and install a server
    - Install three ISDN lines
    - Increase bandwidth on the District's existing network to cover 30 video streams
    - Purchase and install video conferencing equipment
    - Install three new switches and new routers
    - Install fiber cabling from server to district offices
    - Install additional IP addresses.

- Pay for the upkeep and maintenance of all the equipment and any technical support in the leased space at a cost of $65 per hour.

- Allow district employees and students to use this equipment for district purposes on an "as needed" basis at no additional cost.

- Conduct at least three meetings per year in the District's Community Room. The cost to rent these facilities for each meeting is $500 per use.

- Lease all District buildings and facilities for an entire weekend for a flat fee of $25,000 beginning in SY02-03.

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[90] TEACH enrollment (2710) – number of Morrisville students (5) * fee per child ($200)

In addition, the Morrisville Borough School District will run a pilot program for SY 01-02 to ensure that TEACH's curriculum is providing comprehensive learning experiences to its students. The district will be compensated $25,000 for this pilot program.

TEACH also has entered into an agreement with Foundations, Inc. to provide business management consulting services through November 30, 2001. TEACH will compensate Foundations, Inc. at a rate of $800 per eight hour one person day plus expenses plus products. TEACH has not yet determined the total number of days they will contract with Foundations.

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.

TEACH did not provide KPMG Consulting with any updated budget information within the requested time frame.

Cost Reasonableness	*Current Status*
1. Consistency of financial plan with operating plan	▪ Not Provided.
2. Average annual operating cost	▪ Not Provided.
3. Financial, in-kind, and management relationships with partnering institutions	▪ Comparable information was not available across schools that have contracted with private management firms, therefore, an accurate analysis of these relationships could not be performed.
4. Start-up cost appropriateness and comparison	▪ Not Provided.
5. Financial soundness of backers	▪ Not Provided.
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)	▪ Not Provided.
7. Adequate plan exists for program and fiscal audits	▪ Not Provided.
8. Adequate insurance	▪ Not Provided.