

MINUTES OF THE HOUSE EDUCATION COMMITTEE

The meeting was called to order by Chairman Clay Aurand at 9:20 A.M. on March 19, 2008 in Room 313-S of the Capitol.

All members were present.

Committee staff present:

Theresa Kiernan, Office of the Revisor of Statutes
Dale Dennis, Kansas State Department of Education
Martha Dorsey, Kansas Legislative Research Department
Sharon Wenger, Kansas Legislative Research Department
Janet Henning, Committee Assistant

Conferees appearing before the committee:

Scott Frank, Legislative Post Audit
Mark Desetti, Kansas National Education Association

HB 2969: Virtual school act.

SB 669: Virtual schools; funding; enrollment; administration

Scott Frank, Kansas Legislative Post Audit, gave an overview of **HB 2969** and **SB 669** to Committee members. School District Performance Audit Reports entitled "*K-12 Education: Reviewing Issues Related to Virtual Schools*" and "*K-12 Education: Determining the Reasons for Variations in Virtual School Costs*" were furnished to Committee members. (Reports On file - Legislative Post Audit)

Mr. Frank reviewed the *Summary of Findings* with Committee members and stated Kansas currently has 28 virtual schools providing a variety of services. He also stated virtual schools are funded in much the same way as traditional schools, but cost less to operate. Mr. Frank also requested an interim study be conducted for this topic. (Attachment 1)

Mark Desetti, Kansas National Education Association, told Committee members that growth of virtual schools in Kansas has been rapid and strong yet there appears to be a number of unanswered questions. (Attachment 2)

Mr. Desetti also distributed a booklet entitled "Guide to Online High School Courses" published by the National Education Association. (On file - Kansas National Education Association)

Chairman Aurand told Committee members that a sub-committee would be formed for this issue;

Chairman Aurand then closed the hearing for **SB 2969** and **SB 669**.

SB 426: School districts; enrollment and general fund budget in certain districts affected by disasters.

Representative Hill reported to Committee members the results of the Sub-Committee on **SB 426**.

Representative Hill moved to adopt the Sub-Committee Report as presented. The motion was seconded by Representative Otto. The motion carried.

Representative Otto moved to pass **SB 426** as recommended favorable for passage. The motion was seconded by Representative Hill. The motion carried.

SB 470: School safety violations.

Representative Aurand moved to adopt the House position (**HB 2816**) on **SB 470**. The motion was seconded by Representative Horst. The motion carried.

SB 492: Teachers; licensure; disqualification for issuance or non-renewal DUI offenses; conspiracy; out of state and federal offenses.

It was the concensus of the Committee to not work this bill. Representative Donohoe requested his "yes" vote to work the bill be recorded for the record.

SB 399: Mandatory attendance of kindergarten; age of eligibility.

It was the decision of the Chairman to not work this bill at this time, however, he wanted to make it clear that those children ages 5 and 6 who are enrolled in school are currently subject to truancy laws.

The Chairman adjourned the meeting at 10:02 A.M. The next meeting is scheduled for March 20, 2008.

K-12 Education: Reviewing Issues Related to Virtual Schools

Summary of Findings

Question 1: How Prevalent Are Virtual Schools in Kansas, What Do They Cost, and How Have Their Students Performed?

- 1. Kansas currently has 28 virtual schools providing a variety of services.** [page 3]
 - There are 7 district-run charter schools, 15 district-run programs, and 6 service center programs.
 - Virtual schools offer several types of services, including: (1) general education, (2) advanced courses, (3) credit recovery, and (4) diploma completion.
 - Virtual schools offer most subjects, with the most common being language arts, social sciences, and math.
- 2. In Kansas, virtual school students are a very small, but rapidly growing student population.** [page 6]
 - Virtual school enrollment has increased from 63.0 FTE in 1998-99 to 2056.2 FTE in 2006-07.
 - Most virtual schools draw their students locally, but a few draw students from all over the State.
- 3. Virtual schools are funded in much the same way as traditional schools, but cost less to operate.** [page 10]
 - In 2005-06, eight of nine virtual schools run by school districts with at least 20 FTE reported having operating costs per student that were less than the cost per student for traditional schools.
 - Service centers generally charged an amount equal to the BSAPP for virtual students in 2005-06.
- 4. Although the data are limited, virtual school students scored lower on State assessments than traditional students in 2005-06.** [page 12]

Question 2: Do the Laws and Regulations That Govern Virtual Schools in Kansas Provide Sufficient Oversight, and How Do They Compare to Those Adopted by Other States?

- 1. The Department of Education has established good policies for general oversight of virtual schools, but often doesn't follow them.** [page 15]
 - In order to receive State funding, virtual schools have to (1) register with the Department, (2) have an on-site visit, and (3) submit annual reports on enrollment and assessment results.
 - In 2005-06, one national report recognized these policies as some of the strongest in the country.
 - The actual oversight of virtual schools is weak because the Department often hasn't carried out the policies. [listed on page 17 of the report]
- 2. Many of the specific risks inherent in virtual schools aren't adequately addressed, especially at the State level.** [page 18]
 - In 2006-07, the Department relaxed or eliminated several requirements that used to give virtual schools good guidance on addressing risk areas. (For example, teachers may not know how to teach on line.)
 - Most of these risk areas do appear to have been addressed at the local level.
 - The Department hasn't directly addressed the risk that districts could manipulate virtual schools for financial gain.

3. Mullinville's practice of "giving" its virtual students to nearby districts isn't allowed by law and the highlights the need for better oversight of virtual schools. [page 22]

- Over the last five years, the Mullinville district has "given" a total of 130 of its virtual students to three nearby districts for funding purposes. This isn't allowable under current State law.
- Allowing districts to decide where virtual students are counted creates the risk that districts could manipulate State funding and assessment results.
 - a. *Manipulate low enrollment weighting*
 - b. *Manipulate declining enrollment provisions*
 - c. *Manipulate adequate yearly progress (AYP)*

RECOMMENDATIONS FOR THE LEGISLATURE

We've recommended that the Legislative Post Audit Committee ask for an interim study of virtual education. Such a study should address the following issues [page 30]:

- Whether the State should control the growth of virtual schools by limiting the number of virtual schools that can receive State funding.
- Whether the current funding system ensures virtual schools are funded adequately without being overcompensated. Options include:
 - *limiting virtual school funding to the Base State Aid Per Pupil*
 - *changing the process for counting virtual students to use the average attendance in the month of September to minimize the risk that part-time students are overcounted*
 - *removing virtual schools from the school finance formula and funding them through a separate grant program*
- Whether allowing virtual schools to operate as programs within existing accredited schools sufficiently ensures their quality, or whether all virtual schools should be required to become separately accredited as charter schools.
- Whether the current system holds districts sufficiently accountable for the quality of education they provide to adult students who don't take Statewide reading and math assessments.
- Whether the requirements for school attendance, currently laid out in K.S.A. 72-1113, are applicable to virtual students, or should be adjusted.



Making public schools great for every child

KANSAS NATIONAL EDUCATION ASSOCIATION / 715 SW 10TH AVENUE / TOPEKA, KANSAS 66612-1686

Mark Desetti, Testimony
House Education Committee
March 19, 2008

Senate Bill 669
House Bill 2969

Mister Chairman, members of the committee, thank you for the opportunity to appear before you on **Senate Bill 669** and **House Bill 2969**.

The Legislative Post Audit reports on virtual schools have given this committee much food for thought. Growth of virtual schools in Kansas has been rapid and strong yet we see that there are a number of unanswered questions.

Two questions are dealt with in this bill.

Funding

One is the issue of the appropriate level of funding. Both bills establish a consistent level of funding for all virtual school students who are residents of Kansas. There are differences however in this area. While **SB 669** sets funding at 114% of BSAPP, **HB 2969** has a lower funding level set at 100% of BSAPP.

Which of these – or indeed if either of these – is the appropriate level is a matter of debate. The Post Audit studies do not indicate that one or the other is appropriate. The studies do point to some issues that should be part of the discussion. There is a possibility of additional costs when one considers start-up costs, the acquisition of technology, staffing level issues when student enrollment is low, and teacher training. These all would account for higher costs particularly in the first few years of existence.

Both bills also establish the same rules on calculating the FTE number for virtual schools and prohibit non-residents of Kansas from generating state aid. The House bill would not provide funding for any student over 21 years of age. We are not sure that this is currently an issue but would note that this provision is consistent with special education funding that tracks a student through age 21.

Accountability and the definition

The second issue is the definition of a virtual school. The definition is an expansion of the current definition and now includes three additional items that ensure that students in virtual schools are making the same kind of progress expected of students in traditional "brick and mortar" schools. We applaud this expansion.

In our view, it is imperative that as virtual schooling grows, we keep in mind accountability for student learning. Both **SB 669** and **HB 2969** take a step in this direction.

I would like to call your attention to the publication [Guide to Online High School Courses](#). This guide was developed by the National Education Association in collaboration with the American Association of School Administrators, the National Association of School Boards, the National Association of State Boards of Education, CNA Corporation, IBM Corporation, and Verizon Communications. The publication can be found online at <http://www.nea.org/technology/images/02onlinecourses.pdf>.

While the guide focuses on high school courses, its content is applicable to any discussion of online or virtual schooling.

I would call your attention to pages 5 through 7. Listed here are a series of questions for policy makers regarding online learning. These questions could certainly form the basis of future legislative and State Board of Education discussions on virtual schools and virtual school accountability.

Beginning on page 13 you will find a series of rubrics for the evaluation of online offerings in the areas of curriculum, instructional design, teacher quality, the student role, assessment, management and support systems, and the technical infrastructure. These rubrics could certainly assist in the evaluation of virtual schools and online learning.

Finally, I would point out that Blake West, a Blue Valley School District Mathematics and Technology instructor who now serves as KNEA President, was a member of the task force that put this document together. Blake would be an excellent resource to you in future discussions of virtual schools and online learning.