

Joanne A. Jones Barnett Testimony
House Education Committee - Cyber Charter School Funding Reform
March 14, 2013

Good morning to the members of the House Education Committee and I thank the committee for the opportunity to testify regarding the proposed bills to reform funding for cyber charter schools.

My name is Joanne Barnett. For the past ten years I have held the position of the Chief Executive Officer of the Pennsylvania Virtual Charter School. Today, I am here to speak on behalf 38,000 students enrolled in public cyber charter schools, their parents and the 2,000 plus teachers and staff who teach and support these students and my cyber charter school colleague CEOs. Let me take a moment to introduce those CEOs who are here today.

There are three things that we want the members of the House Education Committee to take away from my testimony. (1) Before you introduce or support a bill to reform funding for cyber charter schools that will result in a reduction in the funds necessary to educate the students enrolled in cyber charter schools, take the time to obtain the facts of what it actually costs to educate students in this model of K-12 public education. (2) Understand the proposed reduction in funding will have a devastating impact on instructional programs and services cyber charter schools provide to the students enrolled in them. (3) The support and perseverance of the monopolistic “Ma Bell” protectionist, entitlement position purported by many school districts must stop.

Legislation Not Based in Fact

During the past ten years, on several occasions, I along with my colleagues have given testimony before the House Education Committee. Each time we have attempted to eradicate the myths regarding cyber education with the facts. We have sought to replace fallacy with truth. Yet, here I sit once again responding to proposed legislation that is based on misinformation.

The public cyber charter school community continues to be astonished by how members of this committee continue to call for the reform of cyber charter school funding without bothering to take the time, or put forth the effort to gain first-hand knowledge of

what public cyber charter schools do and how much it actually costs to operate them. We are amazed how some members of this committee can in good conscience propose or support a reduction in funding for public cyber charter schools, when less than ten of members of this committee have ever visited a public cyber charter school, and fewer than half of them have ever engaged us in a discussion of what the actual costs are associate with educating children in a public cyber charter school model. So once again, we find ourselves at yet another hearing addressing proposed legislation that is based on impression and hear say rather than reality and truth.

Case and point, House Bill 759 calls for school Districts to be able to deduct 100% of the funds for student services such as student health services. The rationale is because school district provides these services and cyber charter schools do not. This proposed reduction is based on erroneous information.

By law cyber charter schools are required to comply with, provide and pay for all the student services identified by Chapter 12 of the Public School Code of 1949. These services include: pupil health services, guidance counseling, student assistance programs, and discipline. Therefore, under Chapter 12 cyber charter schools are required to provide health services for all students enrolled in them. Like traditional brick and mortar school districts our schools verify immunizations, maintain the health records for students and perform health screenings, vision and hearing screenings for students in our schools. Cyber charter schools employ 20 certified school nurses. In addition to money spent for health services, cyber charter schools also spend money for student services, guidance counselors and other support personnel. The 17 cyber charter schools in the Commonwealth employ over 30 certified guidance counselors.

So the basis of the 100% deduction by school districts for student services because cyber charter schools do not provide them is a fallacy and not based on fact. Cyber charter schools do provide and pay for the student services specified by Chapter 12 of the Public School Code. Therefore, school districts would not be entitled to the proposed 100% deduction for student services proposed by House Bill 759 because cyber charter schools already provide them.

The information that I just provided regarding student support services is readily accessible and available. Therefore, the question that must be asked answered is why members of the House Education Committee continue to propose bills to reform cyber charter school funding that are not based on fact? The answer rests in the motivation behind the numerous bills aimed at reforming cyber charter school funding during the past ten years.

At the heart of present and former bills regarding cyber charter funding is a desire on the part of legislators to appease school districts. School districts are upset that parents who reside in their district have exercised *their choice* and enrolled their child in another type of public school, a public cyber charter school. For ten years, school districts have complained and bemoaned the misperception that cyber charter schools are *taking their* students. For the record, cyber charter schools do not force parents to enroll their children. Parents *choose* public cyber charter schools. School districts desire to get their students back at all costs has caused them to make up and distort the facts about public cyber charter schools. The cyber charter school community asks the members of this committee to stop permitting the school districts to tell you who we are and take the time to get to know us for yourself.

The self-serving interests of school districts should not be the motivation and impetus for the bills you propose. Your actions and decisions should be based grounded in fact and what is best in public education for all children in the Commonwealth. What is best for children...not returning cash to the districts should be your motivation. Therefore, we ask that each of you take the time to get know us, and 38,000 children that we serve. Let me give you a glimpse into what you will find if you take the time and put forth the effort to get to know us for yourselves.

Public Cyber Charter Schools - Public Schools in Every Sense of the Word

First, you will discover that cyber charter schools are public schools in every sense of the word. In March of 1988, when American Federation of Teachers' President Albert Shanker, the founder of the Charter School Movement, proposed the establishment of charter schools, he saw them as public schools. When the five school superintendents

started SusQ Cyber Charter School in 1997, they saw it as a new type of public school. Public cyber charter schools are full service comprehensive schools. They are subject to many of the same federal and state regulations as school districts. In fact, cyber charter schools are classified as a Local Education Agency (LEA). This is same designation given to school districts. Public cyber charter schools are not programs. They are comprehensive schools with the responsibility and accountability for educating, advancing and conferring degrees to the students enrolled in them. If we weren't comprehensive schools, we wouldn't be subject to Chapter 12 regulations.And I've already disputed that notion.

If you take the time to get know us, you will discover that cyber charter schools provide their students with tremendous human interaction and human relationships. From the enrollment process through instruction, support and socialization, staff members are actively engaged with students. Contrary to myth, we do not just send students a computer and let them go for themselves. The computer is simply a tool. It does not educate students. Experienced administrators, certified principals, highly qualified teachers, nurses, guidance counselors and a myriad of other personnel are necessary to deliver the education cyber charter schools provide to our students.

Some time with us will allow you to discover the tremendous strides we make with students and the great achievements our students. Among our students are National Merit Finalists, winners of National Fellowships, published authors, internationally acclaimed musicians, athletes, and actors, a West Point cadet, and Ivy League scholars to name a few. Let me take a moment to introduce a few of these outstanding students who are with us today. It is important to note that many of these students credit their achievements to public cyber charter schools that educated them after their failed experiences in their local school districts. This is not an indictment on the school districts. The education provided by the school district was not right for these students. So they were fortunate to have another public school option to meet their needs. The proposed reduction in funding would severely impact if not eradicate this

option of public schools for the thousands of children who need it to thrive and reach their full potential.

In addition to the marvelous students you will encounter, if you take the time to get to know us, you will meet some of the most dedicated and committed teachers and staff in K-12 public education. For example, over fifty percent of the teachers in my school have Masters degrees and an average of more than fourteen years in K-12 education. What is so amazing about these teachers and staff is that they are willing to be pioneers and trailblazers and make \$15,000 – \$20,000 less than their colleagues with the same credentials and experience in brick and mortar districts. What you will find at PA Virtual is not the exception, it is the norm for teachers and staff who are employed by cyber charter schools across the state. In spite of the fact that they make less staff continue to receive numerous accolades and awards for exemplary and innovative service. Among our staff are National recipients for Teacher of the Year Awards, there are a number of Teacher of the Year finalists and semi-finalists, several schools have received national awards for innovative best practices, our staff present at regional and national conferences. Let me take a moment to introduce some of the exemplary staff award winners who are here with us today.

You might be wondering why these staff stay with us and make less. They stay in the public cyber model of education because this model of public schooling allows them to differentiate education for students in a way that they could not do in a traditional brick and mortar classroom. The impact and the difference that they are making in the lives of students is the reason that administrators, staff and teachers continue to work in cyber charter school arm of public education and yes, make less than they could in a traditional brick and mortar district.

The Devastating Impact of the Proposed Cuts

If you spend a little time to get to know cyber charter schools and what it cost to operate them, you would recognize the gem of another type of public schooling that exists in Pennsylvania and how detrimental the proposed cuts would have on our schools. Let me be clear, if the proposed cuts are passed, cyber charter schools will be not

be able to offer a quality education and statutory services we are required to provide to our students. A reduction of 50% for a district that has a cyber program on average could result in a \$2000 - \$3000 cut in the per pupil rate that the cyber charter schools receive from the local district of residence.

Let's do a little math. If you refer back to the Senator's testimony and Exhibit 3, the dire cuts that the Senator projected are probably conservative. However, on average most cyber charter schools are spending about \$4500 - \$5000 (it should be noted that this is the amount that most districts report they spend for instructional materials) per student just for instructional materials, computer and printer, and ISP reimbursement. This figure does not include the cost of any teachers, administrators, or other staff necessary to operate a school. I and my other cyber charter school CEOs have spent hours and days trying to identify what adjustments we could make if the cuts were enacted. The truth is there are not any to be made. There is not any place to make cuts without severely impacting the quality and education that we provide to children.

I can read your minds but what about those fund balances? Fair enough let's address the elephant in the room. The fund balances that cyber charter schools have were garnered during the infancy years of cyber education before our schools started implementing the requirements of Chapter 12 such as pupil health, guidance, student assistance. For example, in the case of my school, PA Virtual if you examine our fund balance you will discover that since 2008 our balances have been less than a fraction of expenditures. Why do cyber charter schools have fund balances. Cyber charter schools must have fund balances for the following three reasons (1) Since our school does not have a mechanism to generate funds from taxes, we keep enough in reserve to cover at least two months of expenses just in case our revenue is delayed as it was in 2003. (2) During the summer reconciliation process is prorated and we have to have funds to operate. (3) Half of the school districts continue to break the law and refuse to pay us. So now that the fund balances have been addressed, why is it that a reform in funding that will be less than we cyber charter schools require to operate their schools being put forth.

The root cause is the same. The members of this committee who continue to put forth these proposals have not taken the time or made the effort to identify the real cost associated with operating a cyber charter schools. School districts have told you that we do not have facilities so it does not us cost as much to operate a school and you have believed them without taking the time to get the facts. Cyber charter schools do not have the same facilities costs as school districts, but we do have costs associated with facilities. The law requires us to provide administrative centers. They cost money to acquire and operate. Every cyber charter school spends thousands of dollars a year acquiring facilities to administer PSSA and other required assessments such as the Keystone test. This is a cost that we have that schools districts do not. School districts do not understand our costs.

As you will see this afternoon from the testimony of Mr. Whisman, at the end of the day, on average it cost about the same the same to educate a student in a cyber charter school as it does to educate students in a traditional district brick and mortar school. The cost of running a cyber program in a school district are not the same and should not be equated with what it cost to operate a comprehensive cyber charter school, which is the equivalent a school district not a program in a district. Comparing the cost of a cyber charter school to a district cyber program is like comparing an apple to a pomegranate. They may look the same but they are very different.

It Sounds A Lot Like Ma Bell

The proposal that just because a school district has a cyber program, that the district should be able to deduct 50% of the cost of that program defies logic and does not make sense. On what grounds would this arbitrary deduction be made? What is the rationale? School districts offer foreign language and math programs and so do cyber charter schools. Will districts be allowed to deduct for those instructional too? Where will it stop?

Is this deduction to penalize the families who have chosen a cyber charter school by ensuring cyber charter schools do not have enough money to educate their children and thereby force these families back to the very same school districts that often failed to meet their needs? Or is the proposed 50% deduction a way to appease and quiet the complaints

of schools districts by attempting to return some money to them at the expense of students who are enrolled in cyber charter schools?

The public cyber charter school community asks the members of the House Education Committee to stop permitting your lack of knowledge of who cyber charter schools are, what we do and what it cost to operate our schools allow you to protect and perpetuate the *Ma Bell* monopoly entitlement attitude that many school districts possess. Somehow school districts and their representative associations that are here today, believe that they should have some special dispensation, right or entitlement to students and funds associated with them by virtue of their longevity. Some how school districts have failed to recognize that the passage of charter school law and cyber charter law broke up the monopoly and introduced competition and choice in public schooling in Pennsylvania.

Public education in this state is not and should not be synonymous with the local school district. Choice and competition has been good for public education. Most of all choice and competition in K-12 public education is good for the children of the Commonwealth. If a local district is not meeting the needs of a child, a family is not any longer bound by the chains of the zip code in which they live. Families now have publicly funded educational choices for their children. Until you take the time to get know us, we ask that you do not take any action that might threaten choice in public education in Pennsylvania.

Recommendation

As I have said on several previous occasions, the funding model for K-12 public education in Pennsylvania is broken. Until it gets fixed, I will make a request that I have publicly made before in previous testimonies. There is a dire need for a commission or task force to study what it cost to educate a child in a public cyber charter school model. There is a lot of conjecture and fallacy surrounding what it cost to educate a child and operate a comprehensive public cyber charter school. Therefore, in closing, on behalf of my colleague CEOs, our students, parents and staff we request you do a costing out study.

We have been asking for this study, since former Governor Rendell did his costing out study. Cyber charter schools were intentionally left out of the study. We have included requests for a costing out study in proposed legislation and made numerous requests in testimony. Those requests have been ignored.

So once again, I make the request to the members of this committee to do your homework and determine what it cost to educate a student in cyber charter school before proposing or acting on any legislation to reform funding for cyber charter schools. If you take the time to get to know us and ascertain what it cost to educate a child in our model of public schooling, then your legislation and actions will be based in reality and not myths. Thirty-eight thousand students and their families are counting on each of you to represent them by not taking an action that could eradicate their publicly funded school choice without first doing your due diligence and gathering the facts. Our doors are open and we invite each member of the House Education Committee to take the time and make the effort to get to know the cyber charter model of public schooling!