

DEPARTMENT OF EDUCATION

In Re: Pennsylvania Cyber Charter School :
Cyber Charter School Renewal : 2010
Application :

Background

Amendments to the Charter School Law (“CSL”), 24 P.S. §§17-1701-A – 17-1751-A, that became effective July 1, 2002, include new Subchapter (c), which sets forth new provisions for the establishment and oversight of cyber charter schools. *See*, Act of June 29, 2002, No. 88, §14, adding 24 P.S. §§17-1741-A to 17-1751-A (“Act 88”). Pursuant to Act 88, the Department of Education (the “Department”) has the authority and responsibility to renew or not renew the charter of a cyber charter school. 24 P.S. §1741-A (a). The Department shall revoke or deny renewal of a charter under the provisions of section 1729-A. 24 P.S. §17-1741-A(a)(3). If the Department sends a notice of non-renewal to the cyber charter school, it must hold a public hearing concerning the non-renewal. 24 P.S. §17-1729-A(c).

Pennsylvania Cyber Charter School (“PA Cyber”) submitted a renewal application to continue operating as a cyber charter school. **Based on its review of PA Cyber’s renewal application, the Department is renewing PA Cyber’s charter. However, the Department found certain areas of PA Cyber’s operations that must be corrected, and therefore, the Department is requiring that corrections be made regarding these areas of concern by March 31, 2011 or the Department will begin revocation proceedings.** Those areas of concern include:

1. Curriculum alignment with state standards
2. Invoicing through the Education Management Organization
3. Policies and Procedures

- a. Technology
- b. Enrollment

1. *PA Cyber must align the entire curriculum to PA Chapter 4 standards.* PA Cyber met with the Department's Bureau of Teaching and Learning to respond to questions about PA Cyber's curriculum. As a result of that meeting and the review of PA Cyber's renewal application, the Department is requiring that PA Cyber must continue to develop a formal standards-aligned K-12 curriculum for all academic areas. To date, PA Cyber has submitted 5th grade language arts and 5th grade science curriculum to the Department.

Due to the scope of this work and the detail it requires, the Department will allow PA Cyber until March 31, 2011 to complete the curriculum. The Department is, however, requiring that PA Cyber focus their efforts of alignment on Mathematics and Language Arts so that this curriculum is aligned by August 31, 2010. After meeting with PA Cyber officials the Department is satisfied that PA Cyber has begun the process of developing a well-defined and articulated curriculum that meets the needs of their students and complies with Chapter 4 of the Public School Code. PA Cyber will work with the Beaver County Intermediate Unit to assist with this alignment, but PA Cyber is ultimately responsible for the alignment and providing proof of such alignment to the Department from the Beaver County Intermediate Unit on the timeline set forth below

However, PA Cyber must continue to submit the required curriculum work to the Department's Cyber Committee through **March 31, 2011**. Ongoing submission of new curricula material by PA Cyber will also allow the Department to assess PA Cyber's progress and allow for technical assistance as necessary.

The timeline by which the Department will hold PA Cyber accountable is as follows:

Complete standard alignment, revision and development of curriculum in the following disciplines K-12 by **August 31, 2010**:

- Reading, Writing, Speaking & Listening (Language Arts/literacy): Language arts, integrating reading, writing, phonics, spelling, listening, speaking, literature and grammar, and information management, including library skills.
 - K-5 every student, every year
 - 6-8 every student at least once during the middle level program
 - 9-12 every student at least once during the high school program
- Math
 - K-5 including problem-solving and computation skills, every student, every year
 - 6-8 including mathematical reasoning, algebra and problem-solving, every student at least once during the middle level program
 - 9-12 including problem-solving, mathematical reasoning, algebra, geometry and concepts of calculus, every student at least once during the high school program
- Science & Technology Engineering: involving active learning experiences for students.
 - K-5 every student, every year
 - 6-8 every student at least once during the middle level program
 - 9-12 including participation in hands-on experiments and at least one laboratory science, every student at least once during the high school program

Complete standard alignment, revision and development of curriculum in the following disciplines K-12 by **November 30, 2010**:

- Social Studies
 - Civics
 - K-5 every student at least once during the elementary program
 - 6-12 every student at least once during the middle and high school level programs
 - Economics
 - K-5 every student at least once during the elementary program
 - 6-12 every student at least once during the middle and high school level programs
 - History
 - K-5, History of the U.S., every student at least once during the elementary program
 - K-5, History of the Commonwealth of PA, every student at least once during the elementary program
 - 6-12 including history and cultures of the United States, the Commonwealth, and the world, every student at least once during the middle and high school level programs
 - Geography
 - K-5 every student at least once during the elementary program
 - 6-8 every student at least once during the middle level program

- Environment and Ecology
 - K-3 involving active learning experiences for every student, every year
 - 4-5 every student, every year including instruction about agriculture and agricultural science
 - 6-8 every student at least once during the middle level program including social, political and economic aspects of ecology and instruction in agriculture and agricultural science
 - 9-12 every student at least once during the high school program including scientific, social, political and economic aspects of ecology
- Health, Safety and Physical Education
 - K-5 every student, every year, including instruction in concepts and skills which affect personal, family and community health and safety, nutrition, the prevention of alcohol, chemical and tobacco abuse, knowledge and practice of lifetime physical activities, personal fitness, basic movement skills and concepts, motor skill development, principles and strategies of movement and safety practices in physical activity settings.
 - 6-12 at least once during the middle and high school programs including instruction in concepts and skills which affect personal, family and community health and safety, nutrition, physical fitness, movement concepts, motor skill development, safety in physical activity settings, and the prevention of alcohol, chemical and tobacco abuse.
 - K-12 including instruction regarding Life Threatening and Communicable Diseases as per Regulation 4.29

Complete standard alignment, revision and development of curriculum in the following disciplines K-12 by **February 28, 2011**:

- Fine Arts
 - K-5 every student, every year art, music, dance, theatre
 - 6-8 every student at least once during the middle and high school programs: art, music, dance, theatre
 - 9-12 every student at least once during the middle and high school programs: art, music, dance, theatre and humanities
- Career Education and Work
 - 6-8 every student at least once during the middle level program, including exposure to various career options and the educational preparation necessary to achieve those options.
- Family and Consumer Sciences
 - 6-8 every student at least once during the middle level program, including principles of consumer behavior and basic knowledge of child health and child care skills.
 - 9-12 every student at least once during the high school level program, including principles of consumer behavior and basic knowledge of child health, child care and early literacy skill development.

- Information Skills & Technology Education
 - 6-8 every student at least once during the middle level program including access to traditional and electronic information sources, computer use and research
 - 6-8 every student at least once during the middle level program emphasizing practical application of academic skills and problem-solving experiences facilitated by technology.
 - 9-12 every student at least once during the high school level program, use of applications of microcomputers and software, including word processing, database, spreadsheets and telecommunications; and information skills, including access to traditional and electronic information sources, computer use and research.

Complete standard alignment, revision and development of elective curriculum in the following disciplines for high school by **March 31, 2011**:

- World Languages
 - District shall provide planned instruction in at least two languages in addition to English, at least one of which shall be a modern language, and at least one of which shall be offered in a minimum 4-year sequence in the secondary program
 - World language planned instruction may be offered beginning at any grade level, including the elementary grades.
- Business Education
 - including courses to assist students in developing business and information technology skills
- Technology education
 - incorporating technological problem-solving and the impacts of technology on individuals and society
- College level advanced placement

Currently, PA Cyber is “Making Progress” towards AYP moving from a status of “Corrective Action II.” While there is no doubt that PA Cyber is making gains in student achievement, the majority (11 of 14) of the AYP academic performance targets were met through growth models, confidence intervals and/or safe harbor. It is the determination of the Department and the reviewers of the PA Cyber renewal application that aligning curriculum to state standards will allow for further growth and an overall status of making AYP.

The review team was pleased to see that PA Cyber is making substantial gains in improving graduation rates for students with disabilities while decreasing the dropout rates of students with disabilities. These areas are known as Indicators 1 and 2 on the State of Pennsylvania Performance Plan. The Pennsylvania Training and Technical Assistance Network (PaTTAN) and the Department's Bureau of Special Education are available to provide resources in addition to the initiatives currently underway by PA Cyber.

2. PA Cyber must provide more transparency in their agreement with an Education Management Organization (EMO). Specifically, in the event that PA Cyber and its management company or EMO do not use a preferred fee-for-services contract to arrange compensation payments to the EMO for the management services rendered under the contract, the EMO is obligated to disclose relevant details of the services rendered pursuant to the agreement. The periodic billings for services provided under contract must include:

- A specific list of services provided during the billing period.
- The specific identity of individuals performing the services.
- The dates and times that the services were performed.
- The applicable hourly rate of compensation.
- The total compensation billed for each individual's services rendered.
- If certain costs of management services relate to a sophisticated management system comprised of hardware and software, which was used during the billing period, documentation of PA Cyber's usage of the management system should be available to substantiate any associated itemized costs.

- If certain costs of management services relate to the purchase of goods, materials, and incidental costs such as travel reimbursement, these items should also be listed with their costs and reason for incurring the costs.
- If certain costs of management services relate to the costs of services rendered by subcontractors of the EMO, the subcontractor (like the EMO) is obligated to disclose relevant details of the services rendered pursuant to its agreement with the EMO and clearly describe the purpose of the costs and the benefits to PA Cyber.

Additionally, PDE requires that an audit clause be added to the agreement between PA Cyber and the EMO. The Department requires that PA Cyber include the following audit clause in its agreement with its management company or EMO and include the audit clause in any future agreement with a management company or EMO.

The Commonwealth reserves the right for State and Federal agencies or their authorized representatives to perform financial and performance audits, if deemed necessary. If it is decided that an audit of this Contract will be performed, the contractor will be given advance notice. The Contractor shall maintain a reasonable accounting system and related books, records and documents which support that services provided and fees earned are in accordance with the Contract and that the Contractor has complied with Contract terms and conditions. The Contractor agrees to make available, upon reasonable notice, at the office of the Contractor, during normal business hours, for the term of this Contract and the retention period set forth in this clause, any of the books, records and documents for inspection, audit, or reproduction by any State or Federal agency or its authorized representative.

The Contractor shall preserve all books, records and documents related to this Contract for a period of time which is the greater of five years from the Contract expiration date, or until all questioned costs or activities have been resolved to the satisfaction of the Commonwealth, or as required by applicable federal laws and regulations, which ever is longer. If this Contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of five (5) years from the date of any resulting final settlement.

Records, which relate to litigation or the settlement of claims arising out of performance or expenditures under this Contract to which exception has been taken by the auditors, shall be retained by the Contractor or provided to the

Commonwealth at the Department's option until such litigation, claim, or exceptions have reached final disposition.

Except for documentary evidence delivered pursuant to litigation or the settlement of claims arising out of the performance of this Contract, the Contractor may, in fulfillment of his obligation to retain records required by this clause, substitute photographs, microphotographs, or other authentic reproductions of such records, after the expiration of two (2) years following the last day of the month of reimbursement to the Contractor of the invoice or voucher to which such records relate, unless a shorter period is authorized by the Commonwealth.

3. PA Cyber must amend their Technology Policy and Enrollment Interview activities.

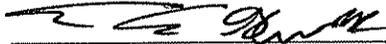
Currently, PA Cyber appears to be using an Accepted Use Policy last updated in 2007.

Technology changes frequently and therefore the Department recommends Accepted Use Policies to be updated accordingly. PA Cyber's review and update of their policy should incorporate (at a minimum) newer technologies such as social networks and Web 2.0 tools.

Additionally, PA Cyber states on page 29 of its renewal application that students are required to meet face-to-face with PA Cyber staff in order to complete the enrollment process. The renewal application further states that the face-to-face meetings with PA Cyber staff are scheduled to occur in various locations across the Commonwealth. It is commendable that PA Cyber holds face-to-face interviews to discuss the school with potential applicants. However, if PA Cyber is going to use face-to-face interviews for all students seeking enrollment in PA Cyber, then these interviews must be held at sufficient locations throughout the Commonwealth so that they are easily accessible to any student who wishes to enroll in PA Cyber.

Therefore, based on the above, PA Cyber's charter agreement is renewed for a period of five years. However, PA Cyber must make the corrections identified by the Department in this decision and provide written confirmation of the corrections to the

Department's Charter School Office by March 31, 2011, or the Department will begin
revocation proceedings.



Acting Secretary of Education
Thomas E. Gluck

6/9/10

Date

RECEIVED

JUL 06 2010

Nonpublic, Private and
Charter School Services

COMMONWEALTH OF PENNSYLVANIA
CHARTER

to operate a public school known as
Pennsylvania Cyber Charter School

Pursuant to the authority vested in the Pennsylvania Department of Education under the Public School Code of 1949, as amended, and specifically under 24 P.S. §17-1741-A, the Board of Trustees of the Pennsylvania Cyber Charter School is hereby granted renewal of its Charter to operate a public cyber charter school located in Midland, Pennsylvania, for the period commencing on July 1, 2010 and ending on June 30, 2015. The renewal of this Charter was approved by the Pennsylvania Department of Education on June 9, 2010.

It is specifically understood and agreed between the signatories hereto that:

- 1) the Board of Trustees shall operate the cyber charter school in accordance with the provisions of 24 P.S. §§17-1741-A - 17-1751-A, any amendments thereto enacted during the term of this charter and any regulations or standards applicable to cyber charter schools;
- 2) the granting of this Charter is specifically contingent upon operation of the cyber charter school in strict adherence to the terms of the Renewal Application submitted by the Board of Trustees on or about October 1, 2009. Said Renewal Application is attached hereto as **Appendix A** and is incorporated herein by reference as if fully set forth;
- 3) this Charter and the Appendix attached hereto constitute a legally binding agreement for the term set forth above and the terms of said agreement cannot be changed absent a written amendment to this Charter;
- 4) this Charter may be renewed for additional periods of five years duration and upon any such renewal, a new charter shall be executed by the parties; and
- 5) this Charter can only be terminated in accordance with the provisions of applicable law.

WHEREFORE, the undersigned, intending to be legally bound hereby set their hands this 30 day of June 2010.

ATTEST:

Brenda K. Starr-Smith

Brenda K. Starr-Smith

MAA

Brenda K. Starr-Smith

BOARD OF TRUSTEES

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ATTEST:

Jane E. Shoop

PENNSYLVANIA DEPARTMENT OF
EDUCATION

[Signature]
Thomas E. Gluck, Acting Secretary