

Virtual Learning Solutions

Dr. Kent Mutchler
Superintendent
Geneva CUSD 304
227 North Fourth Street
Geneva, IL 60134

April 2, 2013

Superintendent Mutchler:

Thank you for your careful review of the charter proposal for Illinois Virtual Charter School @ Fox River Valley (ILVCS@FRV). In response to questions from your school board, attached please find Virtual Learning Solutions' (VLS') answers to these questions, organized by topic.

While the Charter Schools Law provides a timeline for a local school board's review of a charter school proposal, it does not require a charter school applicant to provide written responses to questions raised at a public meeting or subsequent to the public meeting but prior to the school board's vote on the charter proposal.

Nevertheless, VLS understands that your district is on a short timeline for reviewing and voting on the charter proposal and we have worked as expeditiously as possible to provide a comprehensive response to your questions. In seeking to provide your school district and board with as much information as possible in evaluating the charter proposal, please see the attached written answers, explanations, and other supporting documentation.

We hope that your school board will find the answers, explanations and additional information provided in the attached document helpful in its review of the charter proposal for ILVCS@FRV.

Thank you again for your time and consideration.

Virtual Learning Solutions



Sharnell Jackson, President

Enclosure

The following documents are included in these responses:

- Virtual Learning Solutions' Responses to Questions from Geneva Community Unit School District 304
- Illinois Virtual Charter School at Fox River Targeted Student Population
- Widely Publicized Critique of Virtual Schools Seriously Flawed
- Brookings Institution Report on NECP Report
- K12 Inc. 2013 Academic Report
- Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners
- Demystifying Virtual Special Education

RESPONSES TO QUESTIONS FROM GENEVA COMMUNITY UNIT SCHOOL DISTRICT 304

Questions Raised at a Public Meeting held at 7:00 p.m. on Monday, April 8, 2013
At Williamsburg Elementary School
1812 Williamsburg Avenue, Geneva, IL 60134

1. **Will you target your recruitment efforts at any specific student population? The description seems to include every type of student. Do you have any data to indicate that the District is not meeting the needs of the target population?**

Please see attached document "Illinois Virtual Charter School at Fox River Valley Target Population."

2. **How would your proposed school work for families with working parents?**

Please see attached document "Illinois Virtual Charter School at Fox River Valley Target Population."

3. **How will you accommodate students that don't have regular computer and/or internet access?**

ILVCS@FRV students eligible for free and reduced price school lunches will be eligible to submit a request for a loaned computer and printer/fax/scanner for the duration of his/her enrollment in the school. The school will also provide students who are eligible for free and reduced priced lunches with reimbursement for Internet access in their homes, at a pre-set rate. Eligibility for loaned computers and peripherals and Internet service assistance will be determined each school year. All ILVCS@FRV students may also access the school's web-based curriculum via publicly available Internet such as in public libraries or schools if needed to supplement home access. There will also be a process in place for students who do not qualify for free and reduced price school lunches to request computer and peripheral equipment and ISP reimbursement. This process will be shared through the teacher and the teacher will assist the family in making the request. The ILVCS@FRV Board of Directors will establish school policies on this matter.

4. **What will be your student/teacher ratio for your classes? (Note: the Budget suggests approximately 50 students per teacher (number of teachers/numbers of anticipated student – is that accurate?).**

Student/teacher ratios from a traditional brick and mortar classroom are not comparable to an online school due to the differences between the asynchronous instructional model generally used in the traditional classroom and the asynchronous model generally used in the online instructional model. One of the greatest benefits of the online school is the individualized and flexible instructional model

where teachers are able to pinpoint specific areas of student needs and then work with those students one on one. While students will complete much of their work independently through asynchronous online lessons featuring offline instructional activities, they will also receive direct one on one instruction from teachers and they will also work in small groups and in larger groups comparable to traditional classroom sizes. An example of how student/teacher ratios are not directly comparable in these different instructional models is a high school teacher in the traditional classroom who has a student teacher ratio in a single class of 25:1. While that teacher's student/teacher ratio is reported as 25:1, they may in fact supervise as many as 150 students each day during their six periods of instruction. With the aforementioned in mind, ILVCS@FRV K-8 general education teachers will supervise 50 students and high school general education teachers will serve 40 students.

- 5. Section 27A-7(3) of the School Code requires "a description of and address for the physical plant in which the charter school will be located" provided that the space doesn't actually need to be rented at the time of the application so long as two possible spaces are identified. You have identified two possible locations in Lisle for the administrative offices. However, there is no description of that site (i.e. number of conference rooms, offices, classrooms, student meeting rooms). Can you explain why?**

The locations identified as potential locations for the administrative offices are raw spaces that can be quickly built out to meet the space and design needs of the ILVCS@FRV administrative staff.

- 6. Page 64 of the application states that "ILVCS@FRV does not need a brick and mortar facility to educate its students. Students will study in libraries, community centers, at home and other locations of their choosing... Teachers will also meet students at public locations such as public libraries, to provide direct face-to-face instruction to students when necessary." Is this an ideal meeting space, is it really the responsibility of public libraries to provide this space for you free of charge and is it appropriate to have teachers meeting with students with or without parents at these public sites?**

The ILVCS@FRV program is one that is being replicated based on successful models in 33 other states. Meeting locations for student / parent / teacher face-to-face interactions may occur in the students' home or public locations agreed upon by the parents, students, teachers and administrative staff. ILVCS@FRV teachers and staff will adhere to policies established by the ILVCS@FRV Board of Directors regarding student teacher interactions at face to face meetings.

- 7. How would the lack of a brick and mortar building affect students' extracurricular activities or do you envision those functioning strictly in an on-line capacity as well?**

Our extracurricular activities will focus on developing a strong sense of "community" among our students. We plan to offer a school council, a community service club, and additional clubs depending on student interest (e.g. Arts, Debate, Chess, Computer and Network Repair, Robotics, Model United Nations, etc.).

ILVCS@FRV will determine initial student interests and ideas for additional clubs by a survey distributed as part of orientation activities or during summer and fall welcome meetings and calls. Prior to enrollment parents will have opportunities to attend informational meetings and will be made aware of the types of extracurricular activities that will be available. It is normal for new schools to wait for student interest before making a final decision on what extracurricular programs the school plans to

offer. Establishing a sense of school community is a high priority of Illinois Virtual Charter School @ Fox River Valley and is an important part of a successful online school in just the same way as in a traditional school.

Sports and/or performing arts programs will not be offered to our students. While ILVCS@FRV is a perfect match for many students, no student will be required to attend ILVCS@FRV and parents may make a choice to send their child to a school that offers a sports and/or performing arts program. If the resident district approves, ILVCS@FRV would be willing to negotiate student participation in extracurricular activities during the contract negotiation phase. However, approval of the charter application is not dependent on the district agreeing to offer any services to the charter school. In addition, the independent learning program offers students the ability to complete their lessons 24/7 thus allowing students and families considerable flexibility to pursue non-school activities of their interest that may only be available during the traditional school day. Full-time online schools commonly serve students whose interests demand non-traditional work and training schedules (e.g. Olympic athlete trainees, actors, etc.).

In addition, unlike most other schools, ILVCS@FRV's students will be able to connect with K12 students around the world in robust online extracurricular programs via K12 International Clubs. K12 offers more than 100 online clubs for students in grades K thru 12 across the categories listed below:

- Language Arts/History Clubs
- STEM (science/technology/engineering/math)
- World Languages and Interests
- Music/Art/Dance Clubs
- College and Career
- Success Builders
- Impact Your World
- Quiz Bowls
- Hobbies

Within K12 clubs students have opportunities for leadership, friendship and opportunities to explore topics of new interests and sharpen their edge in areas they naturally excel. Clubs meet one to two times each month.

Throughout the year K12 gives students the opportunity to showcase their talents. Each year thousands of students compete in one or more of their competitions. Currently K12 offers contests via:

- Quiz Bowls
- STEM Competition
- Art Contest
- Spelling Bees
- Poetry Contest
- Music Showcase
- Winter Essays and Gingerbread house building.

K12 offers summits for students that help them further develop talents in leadership and create skills that help them succeed. Students can take advantage of a variety of special online workshops.

The administration will survey the families and teachers at least once a year on the success of the clubs and events and gather feedback for future planning.

- 8. Charter Schools are required to comply with Illinois' compulsory attendance laws and requirements of a minimum of 176 pupil instructional days, yet you state in your application that there is no set daily schedule with regular classroom periods. Doesn't this lack of a physical site present a fundamental issue for adhering to Illinois' compulsory attendance laws?**

This model is currently in use in Illinois in another online public charter school which is complying with Illinois compulsory attendance laws. Student attendance at ILVCS@FRV will be recorded using a variety of methods including, but not limited to, time spent completing lessons in the Online Learning System (OLS), completion of offline instructional activities, completion of lessons, computer log in time, and student participation in web-conferencing classroom activities. The ILVCS@FRV Board of Directors will adopt school attendance policies that adhere to the Illinois School Code.

- 9. Your means for tracking student attendance seem to require, to a great extent, that "(coaches" (i.e. parents) report student attendance data. Is that accurate and if so, is it appropriate and how will you ensure that the parents are reporting it accurately? How will students with two working parents be accommodated?**

ILVCS@FRV will keep an accurate record of student attendance on a daily basis. Using K12 generated reports, teachers and administrators will verify and confirm the recorded attendance and will comply with applicable Illinois state requirements. They will do this by checking participation metrics such as student login data; lessons, assignments, projects and assessments completed; kmail (K12's internal email system) and phone records; and student participation in synchronous and asynchronous instruction. ILVCS@FRV will maintain accurate daily attendance records that are sufficient to file claims under Section 18-8 of the School Code. Learning coaches are usually parents or guardians, but can be any caring adult that the parent or guardian designates to ensure student success. Learning coaches will be expected to partner with teachers via phone, email, synchronous sessions using platforms such as *Blackboard Collaborate*, or in person to ensure students are on track and in line with the expectations set by the school.

- 10. How do you plan to evaluate student performance beyond the individual assessments described in your proposal?**

- a) What timeline do you have for meeting the standards you set?**

Improvement is a continuous process. Student baseline data will be reviewed and appropriate growth and proficiency targets set.

- b) What procedures will you use to take corrective action if the standards are not being met?**

A school improvement process will be followed. This will include a comprehensive needs assessment (multiple data sources reviewed, students ranked) and goals in each content area written. Each goal will include objectives, strategies, activities, and resources needed. The school improvement plan is also continuously reviewed against the data to ensure the plan's effectiveness.

- c) **Do the students take final exams or any testing that would require administrative/teacher oversight? How will that be handled?**

Student courses include final, or end of course exams. These do not require face to face administration. State exams or other testing may require face to face testing. This requirement of the program is communicated to parents and students. Tests that require face to face administration are done in the following manner: students' residences are mapped using a special testing data base, facilities no more than one hour from each student's home are rented, school staff act as site leads and proctors for each site, and administer tests. All state required testing protocols including training and test security are followed.

11. Who else did you consider besides K12 to operate the school?

Members of the Virtual Learning Solutions board were familiar with K12 Inc. through their work with charter schools in the Chicago Public Schools. Members of the VLS board conducted their own personal research and visited with individuals familiar with online learning and identified K12 as the leader in the field of online education. K12 was one of only a small group of companies capable of providing the Board with a complete array of services including both online and offline educational materials, computer hardware, technical support, teacher training and professional development specific to online learning, special education, ELL, student enrollment services, and more.

- a) **To what extent will parents, teachers, or community members participate in the governance of the school? Will they serve on the governing board?**

Parents, teachers, and community members can hold direct leadership positions and influence the management of the school by serving on the ILVCS@FRV Board of Directors. The Board sets policy and provides governance and oversight on ILVCS@FRV's academic, extracurricular, finance, personnel, daily business, and legal matters. Parents, teachers, and community members who are not members of the Board are actively encouraged to attend Board and other ILVCS@FRV meetings and to participate on ad-hoc committees appointed to address specific issues.

Parents and teachers will help to continuously evaluate the operation and governance of the school both online and offline. ILVCS@FRV will survey them online annually to determine their satisfaction with their overall experience. Criteria of the survey will include the curriculum, instruction, Online School, administration, support, quality of materials, student progress, student attitude towards learning, communication, and interaction with other ILVCS@FRV students and parents.

- b) **It appears that the Agreement locks the Board into use of K12 programming for a minimum of 10 years and, in the event that the Board terminates the agreement during that 10 year period, is it prevented from using other programs and services for 18 months following the termination. If the Board feels that K12 is not providing a sufficient level of programming during that initial 10 year period, isn't it limited in its response? If the Board were to terminate the Agreement with K12, how do you propose educating your students during those 18 months?**

The Services Agreement has not yet been negotiated. Completion of the Services Agreement between the charter school and the education management organization typically comes after the charter application is approved but before the charter contract is executed. The terms of the Services Agreement are generally subject to review by the authorizer before the charter contract is executed.

12. Do you have any evidence of support for your proposal from parents, students, community members, or business leaders in the community?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Target Population."

13. How do you respond to the findings in the 2012 report from the National Education Policy Center that appear to show:

- a) **Math scores for students at schools run by K12 are 14 to 36 percent lower than scores for students in those states who do not attend a K12-run school.**
- b) **Reading scores across grades 3-11 appear to be lower than state averages.**
- c) **The on-time graduation rate for students in K12-run schools is 49.1 percent.**

The NEPC report was seriously flawed and contained numerous inaccuracies. K12 provided a comprehensive response to the report found here: http://www.k12choice.com/images/stories/K12_Response_to_NEPC_1.pdf (Also see attachment to this document)

Recently, Matthew Chingos, a fellow in the Brookings Institution's Brown Center on Education Policy, published an analysis of NEPC's methodology in its report and concluded that NEPC used "flawed" and "misleading" performance measures. You can read the analysis here: <http://educationnext.org/questioning-the-quality-of-virtual-schools/> (Also see attachment to this document)

NEPC is not some neutral, independent think-tank, staffed by non-partisan academic experts. NEPC has earned its reputation as the de facto research and policy arm of the unions – the interest groups that are advocating against charters, virtual charters, and school choice. They have a long history of pumping out reports, backed by incomplete data and dubious methodologies that trumpet the policy and political views of unions and other special interests.

NEPC's website acknowledges funding from the National Education Association.

K12 measures individual student academic gains using a nationally-norm referenced test. In most cases, students show positive academic gains relative to the national norm group. Additionally, the longer students are enrolled in the K12 program, the better they perform on state assessment tests. All of this information, and more, can be found in K12's 2013 Academic Report found here: <http://www.k12.com/sites/default/files/pdf/2013-K12-Academic-Report-Feb6-2013.pdf> (Also see attachment to this document)

14. What is K12's current average student graduation rate? Please provide trend data for the past 5 years.

K12 does not calculate an average student graduation rate across the public schools it is contracted to manage. Graduation rates are calculated by states at the state level and reported as required by each state.

15. What is K12's retention rate, meaning what percentage of students who enroll in K12 actually graduate from a K12 school?

First a clarification: K12, like other online course providers, sells its courses to both public and private schools (domestically and internationally) as well to individuals directly. When K12 is hired to provide additional services to a school, students enroll in that school and not in K12. As such, K12 does not calculate, the percentage of students who start with a school in any grade and eventually graduate from that school. Limited data from K12-managed public schools is available on the percent of students who start with a K12-managed public school in 9th grade and who graduate on-time four years later, if they choose to stay enrolled in the school for all four years. This data is described below.

Colorado Virtual Academy:

92 percent of students who started in 9th grade and stayed until 12th grade graduated in four years in spring 2012. The remaining 8 percent are on track to graduate in spring 2013.

Arizona Virtual Academy:

Of the students who started with AZVA as 9th graders and stayed until 12th grade:

Students who graduated 2010 had a graduation rate of 89%. (18 students)

Students who graduated in 2011 had a graduation rate of 97%. (39 students)

Students who graduated in 2012 had a graduation rate of 91%. (43 students)

Wyoming Virtual Academy:

100 percent of 12th graders who started as 9th graders are on track to graduate this year (first graduating class)

16. FINANCIAL QUESTIONS

- a) **It appears from the budget that you contemplate receiving \$8,000 per student. Is that how much are you seeking in funding from the District per student?**

VLS, in its application, notes that its approximate cost per student will be \$8,000 or 84% of a district's per capita student tuition. This percentage was based on an approximate district per capita student tuition of \$9,524. However, VLS recognizes that each of the 18 school districts has a different per capita student tuition rate. As a result and in order to ensure as equitable process as possible, VLS will adjust this percentage, as needed, based on a district's actual per capita student tuition in order to reach a per student cost of approximately \$8,000.00 per student. However, the percentage, pursuant to Section 27A-11(b) of the Charter Schools Law must be not less than 75% or more than 125% of the district's per capita student tuition.

i) What happens to the \$8,000 (or whatever figure is charged) if the student leaves the school after completing only part of the year? Do you return it to the home District if the student re-enrolls in a traditional school in the District?

Under Section 27A-11 of the Charter Schools Law, pupils enrolled in a charter school are included in the pupil enrollment of the school district in which the school district resides for general state aid claim purposes. Therefore, regardless of whether a student is enrolled in ILVCS@FRV or a traditional school in the district, that student will be counted in the district's claim for GSA filed pursuant to Section 18-8 of the School Code. If the student moves out of ILVCS@FRV back into a traditional school mid-year, then VLS will only receive a proportionate amount of the per-pupil funding level for that student as specified in the VLS charter agreement. For example, if VLS' per pupil funding level is \$8,000, and a pupil completes 40% of the school year at ILVCS@FRV and then re-enrolls in a district traditional school, VLS would only receive \$3,200 for that pupil for that particular school year. VLS will report enrollment and attendance through the ISBE Student Information System (SIS), which will allow the "true-up" of all figures impacting per-pupil funding to VLS. If ILVCS@FRV is jointly authorized by all 18 districts, each district will pay its per-pupil funding amounts to VLS in quarterly installments, as required by Section 27A-11(b) of the Charter Schools Law. If ILVCS@FRV is authorized by the Commission, then VLS' per-pupil funding will be paid directly by ISBE, as described in Section 27A-9(f) of the Charter Schools Law.

ii) Why are there no revenues budgeted for Special Education? The agreement between K12 and VLS requires funds from any source to be included in Program Revenues (See K12/VLS contract, Section 2.3)

ILVCS@FRV will comply with all state and federal requirements for providing a comprehensive special education program for our students. The initial draft budget did not include special education revenues as we were not clear on the level of special education funding available to the school. The final budget approved by the Board of Directors will include projections for special education revenue.

iii) Will K12 provide the District with financial records showing how much it spent to educate each District student each year?

Pursuant to Section 27A-5 of the Charter Schools Law, each charter school must have an annual audit of its finances conducted by an outside independent contractor and by December 1st of every year, each charter school must submit to ISBE a copy of its audit and a copy of the Form 990 the charter school filed that year with the IRS. VLS, if authorized by the school districts, will also provide a copy of this annual audit to the school districts.

b) What is the "Administrative and Oversight" fee in the budget and why does it increase \$600,000 per year?

The "Administrative and Oversight" fee is the 15% management fee of program revenues charged to the school by K12. This fee includes the salaries of all administrators employed by K12 who will be assigned directly to support ILVCS@FRV at the school's administrative office. The fee also covers regional and national support services provided to the school by K12. The projected annual increase is based on projected growth in student enrollment.

c) How much of the amounts classified as "Teacher Cost" will be paid to K12?

Approximately 10% of the “Teacher Cost” will be paid to K12. The fee covers support from the K12 Educator Group, the cost of teacher online curriculum, classroom and teacher support tools for the teacher, and teacher materials which include a complete set of all materials provided to the students.

i) How were the teacher salary and benefits figures calculated?

ILVCS@FRV Number of Teacher FTE x Avg Salary (example for Year 1 below):

	FTE	Avg Salary	Total
Reg Ed K8	14.0	\$ 49,964	\$ 699,496
Reg Ed HS	8.0	\$ 47,937	\$ 383,496
Spec Ed K8	2.5	\$ 40,922	\$ 102,305
Spec Ed HS	1.5	\$ 40,922	\$ 61,383
Advisor HS	2.0	\$ 40,000	\$ 80,000
counselor K8	2.5	\$ 51,030	\$ 127,575
counselor HS	1.0	\$ 51,030	\$ 51,030
			\$ 1,505,285

d) How much of the amounts classified as “Student Cost” will be paid to K12?

Approximately 96% of the Student Cost will be paid to K12 and include curriculum, books and materials, computers & printers, and Scantron/Study Island.

e) Why is there no budget amount for a Family Support Coordinator for the first two years of the proposal?

As with any public school, staffing is determined by both student enrollment demands and compliance with state requirements. ILVCS@FRV enrollment projections in Years 1 and 2 do not justify a full-time position for Family Support Coordinator. These responsibilities can be met by other staff or by regional support services. We project adding this position in Year 3.

f) How much of the amounts classified as “Student and Family Services” will be paid to K12?

None of the Student and Family Services amount will be paid to K12.

g) Why are the “Benefits and Taxes” amounts missing the first year, and then estimated at 23% thereafter? 23% of what?

During the 1st year of operations, the registrar, special education coordinator and family support counselor functions may be handled by K12 regional support staff, therefore, there are no salaries or benefits/taxes included in Year 1. During the 2nd year of operations, the salaries and benefits/taxes for

the special education coordinator and registrar positions are added. And in Year 3, the family support counselor position is added as well. These are subject to change based on student enrollment and board policy.

ADDITIONAL SPECIAL EDUCATION QUESTIONS

Here is a list of questions regarding services for special needs students.

1. What is your plan for the provision of special education services to charter school students?

We have attached a document to these responses titled "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners." In addition to that document, we have responded to specific questions below.

a) Why does your budget reflect no cost for a Special Education coordinator in Year 1?

ILVCS@FRV will staff accordingly based on student enrollment. K12 will provide regional support services to cover the responsibilities of a Special Education coordinator should the student enrollment not necessitate a full-time paid coordinator in Year 1. All staff providing these services will hold appropriate licensure. It is projected that the student population will justify a full-time position in Year 2.

b) How did you arrive at the budget figure for special education costs?

Based on further review of the average SPED population from K12 Inc.'s other virtual schools as well as the average SPED populations in the 18 districts serving ILVCS@FRV, the ILVCS@FRV Board, for planning purposes, is assuming that 11.5 percent of the ILVCS@FRV student population will be students with disabilities. The special education budget (based on an average per student cost of \$1,100), will be revised accordingly. Please also see the attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners" for an explanation of the projected ILVCS@FRV students with disabilities.

2. Who is the LEA?

If all 18 districts approve the ILVCS@FRV charter application, each of the 18 districts would be the "LEA." The school's Board of Directors will work with the districts and with ISBE to address how the LEA should be appropriately designated for state and federal programs, consistent with how special education or career and technical education cooperatives are addressed. In the event that charter is authorized by the State Charter Commission, ILVCS@FRV will be the LEA.

3. What is the continuum of services provided if all done on line? How do they meet the least restrictive environment for on-line?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

4. How are related services provided, who determines the need? Who provides in each area? Who pays (Parent/Charter/School district)?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

5. How is ESY determined and offered?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

6. Who is responsible for IEP and re-evaluation?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

7. How do they meet indicator 13 requirements? (Transition planning)

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

8. Who is responsible for compliance? Who monitors? Who is responsible when out of compliance? If state audits, who is responsible?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

9. How are IEP goals monitored and updated for parents? How are IEP meetings held?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

10. How are accommodations done? What if a student needs accommodations that are not offered?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

11. What would a FA/BIP look like for a student?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

12. Do they provide modifications? If so, how do they determine modifications?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

13. What if a student's needs 1-1 support with a support staff?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

14. What about nursing services, if needed?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

15. How would transportation work with a student who has it listed on the IEP?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

16. What if a student needs more assistive technology support?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

17. How do they meet the needs of all areas of disability specifically? (There is concern that you list 'mental retardation', that is no longer)

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

18. How do they handle discipline of a special education or 504 students? Who is responsible for the manifestation determination process?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

19. How do you meet the needs of a student with a 504 plan?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

20. How is the special education personnel claiming done? Who is responsible for it?

The flow of funding for students with disabilities and the staff serving them will depend on whether the charter school is authorized by all 18 school districts or the Charter Commission (if successful on appeal). Pursuant to Section 27A-11(c) of the Charter Schools Law, if the charter school is district-authorized, the proportionate share of State and federal resources generated by such students and staff will be directed to the charter school serving these students by the school district while the proportionate share of moneys generated under other federal or State categorical aid programs shall be directed to the charter school serving students eligible for that aid. Furthermore, if all 18 school districts approve the charter

proposal, VLS will work with the districts and with ISBE to address how the LEA should be appropriately designated for state and federal programs, including IDEA. However, if the Charter School Commission serves as the authorizer of the charter school, the Commission, pursuant to Sections 27A-9 (f) and (h) of the Charter Schools Law, will withhold certain funds otherwise due to the school district and pay such funds directly to the charter school and for the purposes of IDEA, the charter school will be its own LEA. ILVCS@FRV will follow all applicable ISBE requirements for filing of such claims.

21. Who is responsible for entering the students FACT information into IEPoint?

If all 18 districts approve the ILVCS@FRV charter application, each of the 18 districts would be the "LEA" and the charter school will work with the districts and with ISBE with regard to state and federal programs such as special education including entering ILVCS@FRV special education student information in district and state reporting systems. In the event that the charter is authorized by the State Charter Commission, ILVCS@FRV will be the LEA and will be directly responsible for following all applicable state and federal regulations regarding special education students including entering student information into state reporting systems.

22. Who is responsible for a due process or mediation?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

23. What about providing IAA if a student needs the assessment?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

24. Why is there no staffing overview for special education staff or administration in the proposal? What are the required certifications for the staff?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

25. How do you meet the requirements of response to interventions for child find of SLD?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

26. Why is there no budget line item for the first year of special education coordinator?

ILVCS@FRV will staff accordingly based on student enrollment. K12 will provide regional support services to cover the responsibilities of a Special Education coordinator should the student enrollment not necessitate a full-time paid coordinator in Year 1. All staff providing these services will hold appropriate licensure. It is projected that the student population will justify a full-time position in Year 2.

27. How do you meet the social emotional learning standards for all students?

ILVCS@FRV will comply with the social/emotional learning standards included in the Illinois Learning Standards for grades K-12. ILVCS@FRV teachers and staff will provide supplemental instruction and curriculum to meet these standards. The ILVCS@FRV staff will:

- provide students in grades K-12 individual and small group social emotional growth activities to explore their academic and developmental concerns with the ultimate goal of each student improving academically. (e.g., friendship, bullying/cyberbullying, etc.);
- offer two K12 Career Education courses (Reaching Your Academic Potential and Achieving Your Career and College Goals) in which students, with a good deal of self-reflection, explore their options for life after high school and implement plans to achieve their goals and an elective course called Family and Consumer Science which relates strongly to building positive and strong relationships within a family unit; and
- evaluate additional curriculum (e.g., *Skillstreaming in Early Childhood* and *Skillstreaming the Adolescent*) to supplement the K12 curriculum, including curriculum recommended and in use by school districts in Illinois. K12 will complete an alignment of these curricula to the Illinois Learning Standards applicable to social/emotional learning prior to a decision being made to adopt them.

28. What is the percentage of current special education students that you are serving?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

29. How are services provided and needs met for students that are considered homeless?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

30. What are the costs to districts that currently have this type of program for special education students?

Please see attached document "Illinois Virtual Charter School at Fox River Valley Services for Students with Disabilities and English Language Learners."

ILLINOIS VIRTUAL CHARTER SCHOOL @ FOX RIVER VALLEY
TARGETED STUDENT POPULATION

Illinois Virtual Charter School @ Fox River Valley (ILVCS@FRV) will provide new and exciting educational opportunities to students and families of 18 school districts in the region. In accordance with 105 ILCS 5/27A-4(e), local school boards will be presented with the option of jointly issuing the charter as a single shared charter school. If any of the school districts deny the application, the proposal will be appealed to the State Charter School Commission. The 18 selected school districts in the Fox River Valley serve approximately 250,000 students in grades K-12 and are as follows:

1. School District U-46
2. Indian Prairie School District 204
3. Plainfield Community Consolidated School District 202
4. Community Unit School District 300
5. Valley View Community Unit School District 365U
6. Naperville Community Unit School District 203
7. Oswego Community Unit School District 308
8. East Aurora School District 131
9. St. Charles Community Unit School District 303
10. Community Unit School District 200
11. West Aurora School District 129
12. Batavia Public School District 101
13. Geneva Community Unit School District 304
14. DeKalb Community Unit School District 428
15. Yorkville Community Unit School District 115
16. Kaneland Community Unit School District 302
17. Sycamore Community Unit School District 427
18. Central Community Unit School District 301

While the Charter Schools Law does not specify a system that charter schools must follow to verify that students registered in the charter school are actual residents of the claimed district, Section 27A-11 of the Charter Schools Law does require each charter school to (i) determine the school district in which each pupil who is enrolled in the charter school resides, (ii) report this aggregate number to each subject school district; and (iii) to maintain accurate daily attendance records that are sufficient to file claims under Section 18-8 of the School Code. Section 27A-9(f) of the Charter Schools Law includes similar requirements for charter schools authorized by the Commission.

ILVCS@FRV will be structured to effectively serve at-risk students who are at risk of dropping out, are credit deficient, have been retained or recommended for retention, have never been proficient in the Illinois Standards Achievement Test (ISAT), have attended multiple schools, or are simply interested in enrolling in an online learning environment. ILVCS@FRV may also be an attractive option for students who find the regular brick and mortar classroom moves too fast while, conversely, some students may enroll in ILVCS@FRV due to the slow pace of their brick and mortar classrooms. Advanced learners at districts which may not offer all the desired

Advanced Placement classes and/or other higher level courses may find ILVCS@FRV to be the ideal educational option. ILVCS@FRV may also be attractive to students with special needs who would find the online education more suitable to their particular individual needs. The online school may also be a viable option for students with special interests such as athletes training for athletic competition, thespians, or musicians. Students with health concerns such as food allergies, homebound, etc., may find the flexibility offered in the online curriculum to be a better fit for their individual needs.

ILVCS@FRV will be open to any grade K-12 child eligible for attendance in the 18 districts. We anticipate that our students will come from diverse backgrounds-similar to the demographics of students attending the 18 districts - special populations of students, such as gifted and talented students, special education students, homebound students, or those who are struggling academically. In order to project the number of students that will enroll, as well as the number of special population students, the Board has used a combination of Illinois state statistics as they apply to the special population of students in the 18 districts, as well as historical enrollment data from K12 managed schools.

For example, to project our students with disabilities population, we looked to the history of K12 managed schools. On a national basis, K12 managed schools generally enroll students with disabilities between 7 – 19 percent of the total school enrollments, with the average school serving 11.5 percent students with disabilities. The 18 districts that we are applying to, according to the SY 2011 Illinois State Board of Education district special education profiles, range in special populations numbers from 10.2 percent of enrollments to 15.9 percent of enrollments. Given the district enrollments and the average K12 managed school special population enrollments, we have conservatively estimated that 11.5 percent of ILVCS@FRV's population will be special needs.

Similarly, to project our English Language Learner population, staff and budget, we estimated that less than 1 percent of our students will be English Language Learners. For this number we went directly to the 18 district ELL enrollments because we recognize that the variance in ELL populations changes drastically state-to-state and in rural vs. urban districts. The source for this data is SY 2010 – 2011 Statistical Report on Bilingual Education Programs http://www.isbe.net/research/pdfs/ell_program_stat_report11.pdf.

The VLS board began looking at districts in the Fox River Valley area which would have a population density sufficient to justify a full-time online school. K12 had provided projections to the board that approximately 0.25% to 0.5% of students enrolled in public school would be interested in enrolling in a full-time online school program. These 18 districts enroll approximately 250,000 students. 0.25% to 0.5% of the students from these districts enrolling in ILVCS@FRV would result in a student body of approximately 625 to 1,250 students during the first three years of the school. This would allow ILVCS@FRV to receive sufficient funding to provide a comprehensive educational program and support services for all students.

K12 has reported receiving approximately 945 inquiries from residents of the 18 targeted districts from January 1, 2012 – November 20, 2012 (please see the Geneva map of inquiries following this document), indicating a high level of interest in virtual learning from parents in

the 18 districts. ILVCS@FRV accepts these inquiries as sufficient proof of community support and interest, the Charter School Law does not contain a requirement that there be “sufficient support” in the community to fill the numbers of seats set forth in the charter school proposal or that 5 local citizens must provide documentation of their support of the charter school. However, Section 27A-8 notes that local school boards may give preference to charter proposals that provide evidence of sufficient support to fill the number of pupil seats which may be demonstrated through a petition in support signed by parents and guardians of students eligible to attend the school or other evidence and information presented at the public meetings before the school board.

The Board has also looked to K12 managed schools historical trends to develop enrollment growth projections. Generally, the highest growth rates being in the first years of operation and gradually decreasing growth rates as grades are added and the school has been in operation for a few years. Given this, ILVCS@FRV is anticipating enrollment growth of 500 students per year for the first 5 years (the budget reflects these number) as follows:

- Year 1: 1,000
- Year 2: 1,500
- Year 3: 2,000
- Year 4: 2,500
- Year 5: 3,000

ILVCS@FRV expects these numbers to taper after 5 years and grow at a rate of approximately 250 new students per year. Section 27A-7 of the Charter Schools Law requires that the charter proposal specify the “minimum and maximum number of pupils to be enrolled in the charter school.” ILVCS@FRV’s application meets this requirement by stating that it does not have any such limits, given the nature of the school. Nothing in the Charter Schools Law states that the charter proposal must state the minimum and maximum number of pupils for each district, in a multi-district charter school.

The charter application of ILVCS@FRV complies directly with the intent of the charter school law section 27A-2(c): It is the intent of the General Assembly to create a legitimate avenue for parents, teachers, and community members to take responsible risks and create new, innovative, and more flexible ways of educating children within the public school system. The charter school law does not require an applicant to prove that there are indications that a District is not meeting the needs of the target population.

Parental involvement is essential to the success of students participating in an online program. Parents will be expected to partner with teachers via phone, email, synchronous sessions using platforms such as *Blackboard Collaborate*, or in person to ensure students are on track and in line with the expectations set by the school. ILVCS@FRV parents will be expected to be proactive, to contact teachers, specialists, and other parents to solve problems, to give feedback, or pass on ideas and insights to the school community. Where possible, the school also asks that parents volunteer their time and effort on behalf of the school—and to suggest, help organize, and participate in field trips, other educational outings, and social events. ILVCS@FRV may not be the perfect fit for every family and no family has to choose to enroll in ILVCS.

At ILVCS@FRV, the fundamental role parents will play is to support their child's learning and to help continuously evaluate ILVCS@FRV's operation, governance, and instructional program. Parents will be asked to support school-wide initiatives, participate in school activities, and be committed to support the school's goal for every student to reach his/her full academic potential. The school will offer support through regular monthly parent training, speakers, and modeling. Sessions will focus on: reading and helping children improve reading comprehension; essential skills for grammar and writing; motivating struggling learners; focus on reluctant writers; essential note-taking skills; numbers and math concepts in the real world; and supporting students as they complete homework. While teachers will be leading these activities at school each day, we believe parents who wish to be engaged with their child's learning need to be trained in the school's practices. We will maintain a balance between on-site training for parents who can come to the school and will ensure that all sessions have a corollary online webinar which can be accessed live (synchronously) or can be viewed as a recording (asynchronously). K¹² is the nation's leader in developing web-based trainings for teachers and parents. We plan to use the web conferencing tool *Blackboard Collaborate* for web-based training.

In addition:

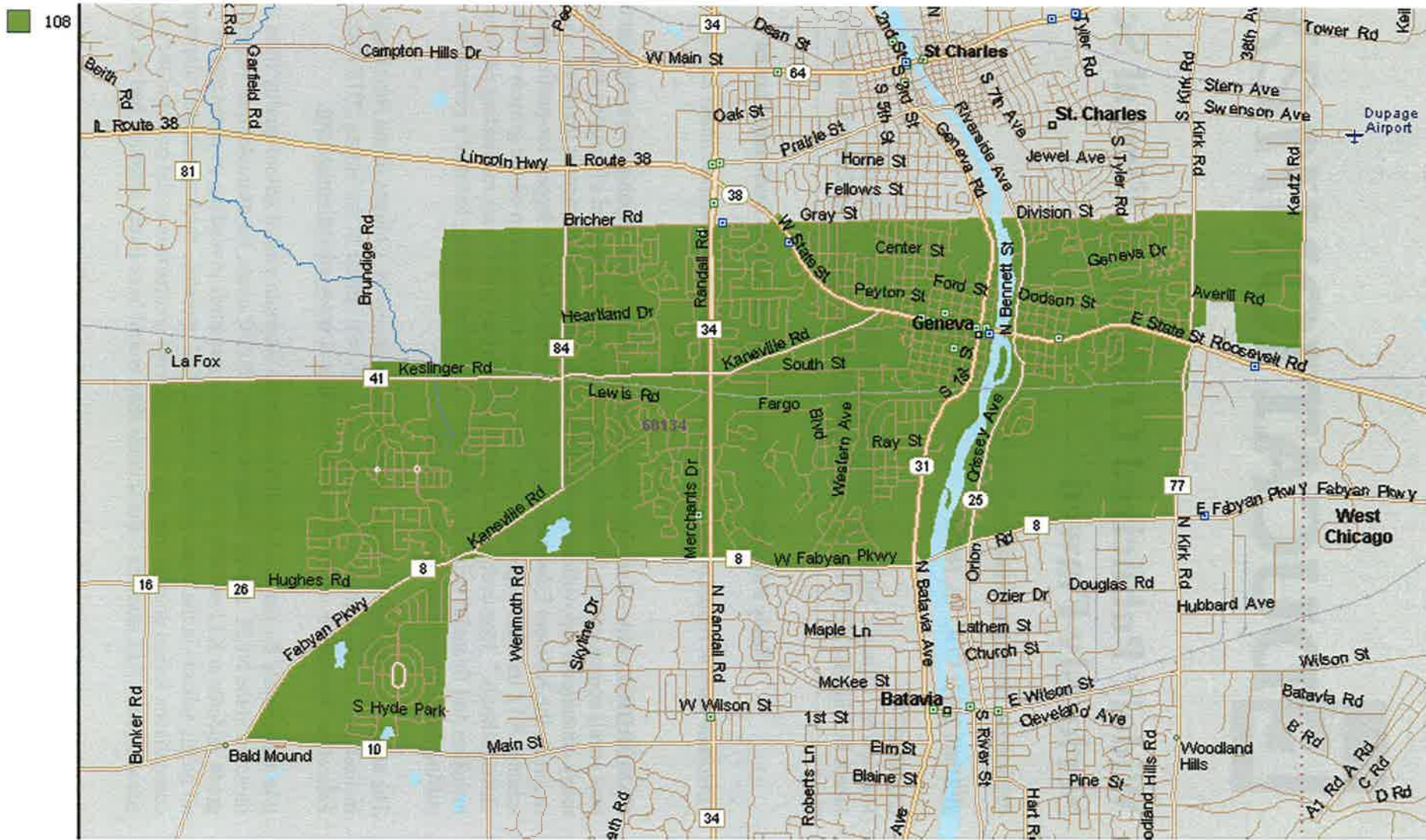
- Parents can be encouraged to hold a direct leadership position and influence the management of the school by serving on the ILVCS@FRV Board. The Board sets policy and provides governance and oversight on ILVCS@FRV's academic, extracurricular, finance, personnel, daily business, and legal matters.
- Parents who are not members of the Board are actively encouraged to attend Board and other ILVCS@FRV meetings and to participate on ad-hoc committees appointed to address specific issues.
- Teachers will initiate regular conferences and conversations with parents about their child's progress and also about parents' needs and concerns about the operation of the school. Parents are free to contact teachers, specialists, and other parents to solve problems, give feedback, or pass on ideas and insights to the school community.
- Parents will help to continuously evaluate the operation and governance of the school both online and offline. ILVCS@FRV will survey parents online annually to determine their satisfaction with their overall experience. Criteria of the survey will include the curriculum, instruction, Online School, administration, support, quality of materials, student progress, student attitude towards learning, communication, and interaction with other ILVCS@FRV students and parents. Parents may supply critiques and/or endorsements regarding their experience at ILVCS@FRV.

Throughout the school year, the principal, other administrators, and teachers will account for contributions that parents and community members have made to the business and governance of the school and communicate this to the Board and the school community through the school website, in print reports and in face-to-face meetings. New opportunities for parents and community members to contribute will always be considered.

Geneva Community Unit School District 304

Inquiries by Zip Code

<u>School District</u>	<u>Zip Code</u>	<u># of Inquiries</u>
Geneva CUSD 304	60134	108





Widely Publicized Critique of Virtual Schools Seriously Flawed

By *External Relations, Education Next* 01/10/2013

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Widely Publicized Critique of Virtual Schools Seriously Flawed

Evidence used in report on K12 Inc. presents misleading information about how much students learn

CAMBRIDGE, MA—Full-time virtual schools, which have expanded over the past decade and now enroll approximately 250,000 students, have attracted a level of scrutiny that is given to many educational innovations, particularly when a for-profit element is involved. A recent report by the National Education Policy Center (NEPC) on the largest for-profit operator of these schools, K12 Inc., has urged states to “slow or put a moratorium on the growth of full-time virtual schools.” However, a new analysis shows that NEPC uses misleading performance measures and financial criteria to discredit K12, thereby failing to make a persuasive case for stifling the virtual school sector’s growth.

The analysis of the NEPC report, prepared by Matthew M. Chingos of the Brookings Institution’s Brown Center on Education Policy, will appear in the Spring 2013 issue of *Education Next* and is currently available online at www.educationnext.org.

It is not possible for parents or policymakers to ascertain virtual school quality from the data included in the NEPC report, Chingos writes. NEPC notes, for example, that 70 percent of 8th-grade students at K12 schools met proficiency standards in reading, as compared to 77 percent in all public schools in the same states in which K12 operates. Such statewide “snapshot” comparisons leaves unexamined the more relevant comparison to the scores at the neighborhood schools of the K12 students—the schools they would have likely attended had the choice of a

full-time virtual school not been available. Moreover, it provides inadequate information as to whether the virtual students have backgrounds similar to the students with whom they are being compared.

The report says that K12 schools spend more on instructional costs but less on teacher salaries and benefits, and more on administration but less on administrator salaries and benefits. It refers to these differences as “cost advantages” and “disadvantages.” But Chingos points out that K12 schools receive an average of \$7,393 in public revenue per student, 37 percent less than the district school average of \$11,708. To call that a cost advantage, he says, “is like telling a poor person that he has a ‘cost advantage’ relative to a wealthier individual.”

The report under review is “Understanding and Improving Full-Time Virtual Schools,” by Gary Miron and Jessica L. Urschel, July 18, 2012, available at:
<http://nepc.colorado.edu/publication/understanding-improving-virtual>

About the Author

Matthew M. Chingos is a Fellow in the Brookings Institution’s Brown Center on Education Policy. He is available for interviews.

About Education Next

Education Next is a scholarly journal published by the Hoover Institution that is committed to careful examination of evidence relating to school reform. Other collaborating institutions are the [Program on Education Policy and Governance](#) at Harvard University, part of the Taubman Center for State and Local Government at the Harvard Kennedy School, and the Thomas B. Fordham Foundation. For more information about *Education Next*, please visit: www.educationnext.org.

Questioning the Quality of Virtual Schools

NEPC report on K12 uses flawed measures of school performance

Gary Miron and Jessica L. Urschel, "Understanding and Improving Full-Time Virtual Schools: A study of student characteristics, school finance, and school performance in schools operated by K12 Inc.," National Education Policy Center, School of Education, University of Colorado-Boulder (July 2012)

Checked by Matthew M. Chingos

Proponents of school choice have sought for at least two decades to expand the education options available to families who lack the financial means to move to a neighborhood with high-quality public schools or to pay private-school tuition. Forty-one states and the District of Columbia now allow the founding of charter schools, which enrolled just over 2 million students in 2011–12, or about 4 percent of students nationwide, more than triple the number a decade earlier. Some states have voucher-type programs that enable children to use public funding to attend private schools, and some districts allow students to attend a traditional public school other than the one in their neighborhood.

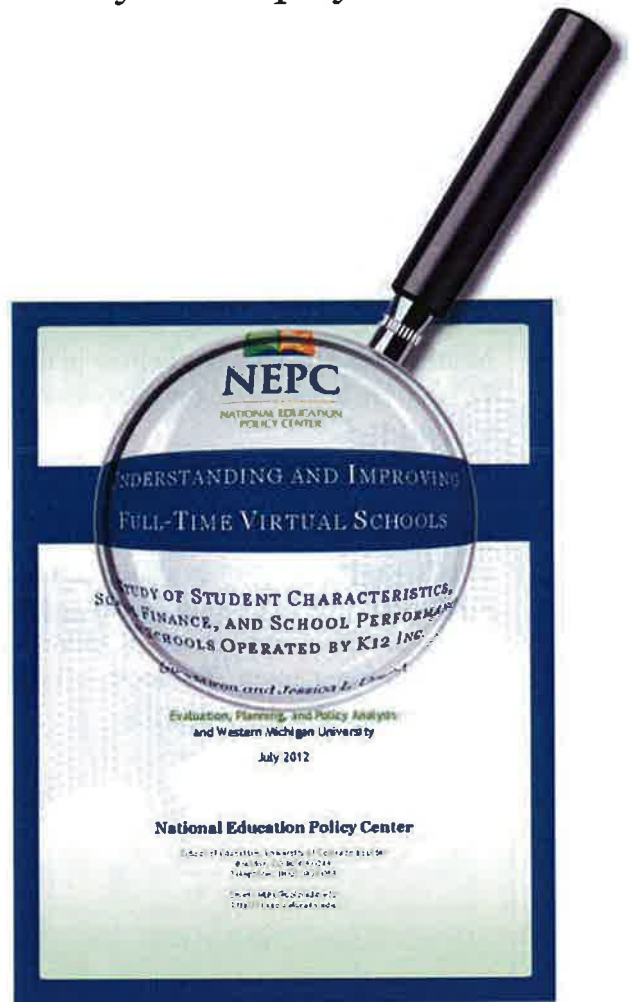
Families certainly have more education options for their children than they did 20 years ago, but the growth of high-quality alternatives to the neighborhood school has often been constrained by geography: a student may not live within a reasonable distance of a desirable charter school or may lack reliable transportation to a school of choice if the district does not provide it. In rural communities, it may not make financial sense

to have more than one school, and even populous areas may not have enough students to support a range of schools targeted at students with different needs and interests.

The potential to eliminate such geographic constraints on school choice at both the course and school levels may lie in digital learning. For instance, a student at a small high school that does not have enough students to justify offering an Advanced Placement course in physics can now take a course through an online provider if her school permits and funds such opportunities. In 31 states, students can enroll in a full-time virtual school, often from anywhere in the state, free of limitations based on geography or the physical constraints of a building.

Full-time virtual schools have gone from barely a blip on the radar screen a decade ago to enrolling approximately 275,000 students in 2011–12, according to one estimate. The schools have attracted the kind of scrutiny that most

new innovations receive before they have an established track record of success (or fail and die out). The fact that many virtual schools are operated by for-profit education management organizations (EMOs) has surely contributed to the degree of scrutiny, prompting such publications as a recent report by the National Education Policy Center (NEPC) on the largest operator of these schools, K12 Inc.



check the facts

NEPC REPORT CHINGOS

The NEPC report presents data from a variety of public sources on a portion of the schools operated by K12 Inc. (referred to henceforth as “K12”), including 48 full-time virtual schools that served more than 65,000 students in 2010–11. The report contains some useful descriptive information on the population of K12 schools across the country but is ultimately of little use to policymakers or researchers. The NEPC report uses badly flawed measures of school performance that provide little information about how much students learn as a result of attending K12 schools. Consequently, it is unclear how to interpret the report’s comparisons of school finances without knowing whether K12’s schools are performing well, poorly, or in between.

The NEPC Report

Written by Gary Miron and Jessica Urschel, NEPC’s July 2012 report, “Understanding and Improving Full-Time Virtual Schools,” is billed as a “systematic review and analysis of student characteristics, school finance, and school performance of K12-operated schools.” These three sections of the report use publicly available data to compare K12-operated schools with all public schools in the same states.

The report first examines students’ demographic characteristics using data from the 2010–11 school year. Compared to all students in the same states, students at K12-operated schools are more likely to be white (75 vs. 55 percent), less likely to be Hispanic (10 vs. 28 percent), and about equally likely to be black (11 percent). K12 students are modestly less likely to participate in the federal free or reduced-price lunch program (40 vs. 47 percent), roughly as likely to be classified as having a learning disability (9 vs. 12 percent), and much less likely to be English language learners (less than 1 vs. 14 percent). K12 students are disproportionately enrolled in the middle grades rather than in the elementary or high-school grades.

The NEPC report’s analysis of revenues and spending in 2008–09 is limited to seven K12 schools in five states (representing approximately 60 percent of K12 enrollment nationwide) due to data constraints. The available data indicate that this subset of K12 schools received an average of \$7,393 in public revenue per student, which is 20 percent less than the charter school average (\$9,258) and 37 percent less than the district school average (\$11,708) for the same states. K12 schools spend more on instructional costs but less on teacher salaries and benefits, and more on administration but less on administrator salaries and benefits. The NEPC

Policymakers need to know how well the students at virtual schools do relative to how they would have done if the virtual schools didn’t exist.

report refers to these differences as cost advantages and disadvantages. For example, the fact that K12 schools spend \$715 per student less on support services than public schools in the same states is interpreted as a “cost advantage” for the virtual schools.

Finally, the NEPC report summarizes a number of measures of what it calls “school performance.” In 2010–11, 28 percent of K12 schools made Adequate Yearly Progress (AYP) under the federal No Child Left Behind accountability law, compared to 52 percent of schools nationwide. In the same year, only 19 percent of K12 schools rated by state education agencies (7 out of 36) received satisfactory grades. Many

of these ratings reflect the fact that K12 students are less likely to score at the “proficient” level or above on statewide assessments, with differences (compared to the state average) varying by grade from 2 to 11 percentage points in reading and 14 to 36 points in math. High-school students at K12 schools have an on-time graduation rate of 49 percent, compared to 79 percent at schools in the same states.

Measuring School Quality

The NEPC report paints a dismal picture of student learning at K12-operated schools, but the fatal flaw of the report is that the measures of “performance” it employs are based primarily on outcomes such as test scores that may reveal more about student background than about the quality of the school, and on inappropriate comparisons between virtual schools and all schools in the same state. What parents and policymakers need to know about a school is how much its students learn relative to what they would have learned at the school they would otherwise have attended. In the case of virtual schools, policymakers need to know how well the students at those schools do relative to how they would have done if the virtual schools didn’t exist.

The measures used in the NEPC report—whether schools make AYP, state accountability system ratings, the percentage of students that score proficient on state tests, and high-school graduation rates—are at best rough proxies for the quality of education provided by any school. Using these metrics to compare one group of schools to another is as potentially misleading as inferring that private schools are better simply because their students score higher than their public-school counterparts on the National Assessment of Educational Progress.

Rigorous efforts to measure school quality focus instead on the growth in

individual students' scores on standardized tests from one year to the next. These "value-added" measures are subject to some of the same problems, but by focusing on what students learn over the course of the year, they are a significant improvement over a simple average test score (or, worse yet, the percentage of students that score above an arbitrary "proficiency" threshold). These measures can be adjusted for student background characteristics. However, such adjustments are particularly challenging in the case of virtual schools, because their students may be less likely to participate in some of the programs that are used to measure student backgrounds, such as the federal lunch program.

In addition to using poor performance measures, the NEPC report makes highly questionable comparisons between K12 students and all students in the same state. Parents don't choose between a virtual school and any school in the state, but rather between a virtual school and the schools in the vicinity of where they live. A credible measure of the effectiveness of a virtual school would compare the achievement growth of students at that school to the performance of students in the schools those students would have attended otherwise. These comparison schools may look very different from the average school in the state, especially if families are most likely to choose the virtual option when their traditional options are unsatisfactory.

Measures of school performance based on carefully constructed comparisons of student achievement growth, and other important outcomes, such as high-school graduation and college enrollment rates, require student-level data that are not publicly available. Most states now have such information in their longitudinal databases, but no published studies have used these data to compare the achievement growth of students at virtual schools with demographically similar students at carefully selected comparison schools.

Research that painstakingly tries to separate out the actual effects of schools clearly has value, but it is important to bear in mind that, in the absence of random assignment of students to schools (such as occurs via charter school lotteries), families that choose for their children to be educated in their home (through virtual schools) are likely to be very different from other families. The parents of virtual-school students need to provide (or arrange for) supervision of their children during the school day. These families may use virtual schools

The NEPC report makes highly questionable comparisons between K12 students and all students in the same state.

as a form of home-schooling, or as a way to provide stability for students whose parents frequently relocate, for example.

Assembling descriptive information about the students attending virtual schools is a necessary first step to designing such careful comparisons. The NEPC report provides some basic demographic information, such as race/ethnicity, and data on participation in programs, such as free and reduced-price lunch and special education. These data are a useful starting point, but may be confounded by comparisons to statewide averages instead of to the other schools in these students' neighborhoods as well as the differences in program participation discussed earlier. A useful addition would be data based on surveys of parents with children enrolled in virtual schools and in their brick-and-mortar counterparts.

Comparing Finances

The NEPC report presents information comparing the finances of a subset of K12-operated schools with other schools in the same states, but it is hard to interpret the spending data without good information on the performance of K12 schools. If a rigorous study found that K12 schools produced equivalent (or superior) learning outcomes to traditional schools, then it would be useful to determine whether the virtual schools were able to achieve the same (or better) outcomes at lower costs. But the NEPC report contains no information that can be used to accurately measure the effect of K12 schools on how much their students learn.

The comparison of specific categories of expenditures is also difficult to interpret, in large part due to the fundamentally different instructional and operational models of virtual and brick-and-mortar schools. It is misleading to refer to all differences in spending as "cost advantages and disadvantages," when many of them reflect choices made by schools. The unsurprising fact that virtual schools do not spend much on transportation or food services likely reflects a true cost advantage of the virtual model. But differences in spending on teacher salaries as compared to student support services are not necessarily cost advantages or disadvantages, but rather decisions made by the school.

Describing differences in expenditures in this way is also confounded by differences in the overall amounts of funding provided to virtual and traditional schools. Unless states' school-finance formulas are perfectly calibrated to reflect costs, variations in spending between groups of schools will reflect both differences in costs and differences in available funding. Describing reduced spending on various categories of expenditures as cost advantages when overall spending levels differ is like telling a poor person that he has a "cost advantage" relative to a wealthier individual.

check the facts

NEPC REPORT CHINGOS

Describing the different models of education offered by virtual and traditional schools, and the implications for different categories of costs, would certainly be a useful endeavor. For example, how much can student-teacher ratios be increased, and at what cost savings, by leveraging technology in the virtual education model? But the NEPC report's conclusion that virtual schools have a cost advantage because they spend less money, when they receive less money, is simply a tautology. The publicly available data do not allow one to calculate the profits made by for-profit education providers such as K12.

The NEPC report recommends that schools be provided with funding based on the costs of educating students. This is sensible to the degree that funding is adjusted to reflect the challenge of educating certain kinds of students, such as those with special needs. But a broader policy that ties funding to costs creates perverse incentives for schools to drive up costs in order to increase their public funding. A better solution is to provide the same allocation to all schools that serve similar student populations, and then allow them to compete on quality. If parents can choose among schools and new schools can enter the market, then schools that provide a subpar education in order to increase profits would be driven from the market by higher-quality providers.

Policy Implications

Full-time virtual schools, in which students learn primarily from their own homes, clearly are not for everyone. Even after their recent enrollment growth, only one-half of 1 percent of public-school students in the U.S. attend full-time virtual schools. The key question for policymakers is whether virtual schools should be among the choices available to families deciding how best to educate their

children. The NEPC report argues they should not be, calling for states to "slow or put a moratorium on the growth of full-time virtual schools." But policymakers only control the growth of enrollment in virtual schools when they decide whether or not to allow them to exist and what cap, if any, to put on their enrollments. Once those decisions are made, enrollment in virtual schools is mostly up to parents.

The success or failure of virtual schools therefore depends on the ability of policymakers and parents to evaluate their quality. Policymakers need to know whether a given virtual school meets some minimum standard so as to be acceptable as a choice for parents dissatisfied with their traditional options. Parents need to have information on which to base decisions about what school is best for their child. It is simply not possible to make these sorts of decisions with the data in the NEPC report. For example, the report tells us that 70 percent of 8th-grade students at K12-operated schools met proficiency standards in

reading, as compared to 77 percent in all public schools in the same states. But we have no idea what the scores are at the neighborhood schools of the K12 students, much less what the actual effect is of attending one school or another.

The NEPC report gets one important point right: the need for better information on school quality, especially when it comes to nontraditional schools. Acknowledging that some of the measures it uses to judge the quality of K12 schools are "inadequate or inappropriate," the report calls for states to develop new and better instruments. Some states, such as Florida, already incorporate measures of student learning growth into their accountability metrics. But much more sophisticated measures will be needed to allow policymakers and parents to adequately judge the quality of the expanding diversity of education options.

Matthew Chingos is a fellow in the Brookings Institution's Brown Center on Education Policy.



"I hacked into the school computer and changed all my grades. Then the school hacked in to my computer and deleted all my games!"

CARTOON / RANDY GLASBERGEN



2013 K¹² Academic Report



Rising to the Challenge...Day-by-Day

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This report contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We have tried, whenever possible, to identify these forward-looking statements using words such as "anticipates," "believes," "estimates," "continues," "likely," "may," "opportunity," "potential," "projects," "will," "expects," "plans," "intends" and similar expressions to identify forward looking statements, whether in the negative or the affirmative. These statements reflect our current beliefs and are based upon information currently available to us. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause our actual results, performance or achievements to differ materially from those expressed in, or implied by, such statements. These risks, uncertainties, factors and contingencies include, but are not limited to: our potential inability to further develop, maintain and enhance our products and brands; the reduction of per pupil funding amounts at the schools we serve; reputation harm resulting from poor performance or misconduct by operators in any school in our industry and in any school in which we operate; challenges from virtual public school or hybrid school opponents; failure of the schools we serve to comply with regulations resulting in a loss of funding or an obligation to repay funds previously received; discrepancies in interpretation of legislation by regulatory agencies that may lead to payment or funding disputes; termination of our contracts with schools due to a loss of authorizing charter; failure to enter into new contracts or renew existing contracts with schools; inability to recruit, train and retain quality teachers and employees; and other risks and uncertainties associated with our business described in the Company's filings with the Securities and Exchange Commission. Although the Company believes the expectations reflected in such forward-looking statements are based upon reasonable assumptions, it can give no assurance that the expectations will be attained or that any deviation will not be material. All information in this release is as of February 7, 2013, and the Company undertakes no obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.

K¹²'s award-winning curriculum and services have been used by almost 500,000 students in 85 countries and six continents.

Letter from the CEO

Highlights:

- **K¹² is leading the transformation to individualized learning**, which aims to customize instruction to meet each student's unique capabilities, interests, and needs.
- K¹²-managed public schools are **the most "public" of public schools**, open to every child based on choice, not geographic location or economic means.
- **Online learning, as it achieves mainstream acceptance, faces new challenges as it seeks to help a greater variety of students.** K¹² is quickly adapting to challenges, including a growing population of academically at-risk students, students with special needs, high mobility rates, and the complexities of measuring academic progress under these conditions.
- In K¹²'s early years, students in K¹²-managed public schools scored at or near state averages on widely used standardized assessments. In recent years, however, as the number of academically at-risk students in K¹²-managed public schools has increased sharply, standardized test scores have skewed below state averages. We estimate that **from 50% to 70% of students now entering our largest schools did not achieve proficiency in math on state exams they took in the year before enrolling in a K¹²-managed public school, and up to 40% did not achieve proficiency in reading.** Moreover, **in many K¹²-managed public schools, about half of the students taking state-required tests are in their first year in a K¹² program**—thus, their scores reflect their previous educational experience more than their brief time in a K¹²-managed public school.
- K¹² believes that widely used standardized assessments suffer serious limitations as measures of progress in an individualized learning environment. We submit that **a more accurate method for measuring student performance is the progress a student makes over the course of a school year**, also known as a "growth measure," which can best be captured by using adaptive testing. For the 2011–2012 school year, students in K¹²-managed public schools, in aggregate, achieved **97% of the norm group gain in math and 196% of the norm group gain in reading** based on the results of the Scantron Performance Series™ online computerized adaptive test.
- **As a leader in the industry, K¹² is deploying its resources to address the challenges facing individualized learning and to drive continuous improvement through innovation, investment, and partnerships.** To date, K¹² has invested more than \$320 million in innovative curriculum, technology, learning systems, and teacher support. K¹² is seeking to partner with states, districts, and parents to improve academic performance and boost graduation rates.



Realizing the Promise of Technology-Enabled Individualized Learning

Since its founding more than a decade ago, K¹² has been inspired by the belief that technology can allow any child to obtain a high-quality education regardless of location or economic circumstances. As K¹² has grown, we have embraced the potential of technology to enable the transformation to truly individualized learning. We believe the industry is reaching an exciting inflection point, and day-by-day, K¹² is working to rise to the challenge. The purpose of this report is to provide a clear-eyed view of our progress, areas where improvement is still needed, and efforts we are taking to close the gap.

The promise of technology-enabled individualized learning focuses on:

Providing customized learning experiences, differentiated according to individual needs, not to a few but at scale.

Although it has long been possible to offer specialized programs to a few students, new technologies allow many more students than previously imaginable to learn more efficiently and effectively. Innovative adaptive learning technologies can monitor student progress and incorporate a range of instructional options to allow students to follow different paths and maximize academic success. The tools and methods of adaptive learning can help students proceed at an optimal pace, overcome obstacles, and pursue special interests. K¹² is working to implement adaptive learning technologies across our growing curriculum portfolio, which currently includes more than 700 courses and titles to meet a range of capabilities, from advanced learners to struggling students, including multiple levels of core high school courses; a full suite of world language courses; electives in the sciences, technologies, arts, and humanities; and Advanced Placement® (AP), remediation, and credit recovery courses.

Making excellent teaching available to any school and any child, regardless of geographic location.

In the 2012-2013 school year alone, K¹² has trained more than 1,200 full- and part-time, state-certified teachers hired by K¹²-managed public schools. Teachers are critical to the success of students in online learning, and K¹² enjoys the advantage of choosing from a wide array of highly qualified teachers. Schools in which K¹² helps recruit and hire teachers have documented an average of more than 40 applications for every teaching position. We consider the more than 4,000 K¹²-trained, full- and part-time, certified teachers in our managed public schools to be among the finest instructors in the nation.

In the 2012–2013 school year alone, K¹² has trained more than 1,200 full- and part-time, state-certified teachers hired by K¹²-managed public schools.

Delivering more for less. On average, K¹²-managed public schools deliver a quality education for approximately 60% of the national average per-pupil expenditure. K¹²'s ability to marshal corporate capital allows us to invest resources deliberately and accountably in innovative delivery methods, and to make the most of economies of scale. For example, we employ technology to help keep down materials costs by offering virtual labs and by creating online books that can be instantly updated. We also make the most efficient use of instructional time by allowing teachers to focus on the needs of individual students rather than classroom management or lesson preparation. These efficiencies will





be enhanced with the coming transition to the Common Core State Standards, with which our curriculum is already largely aligned. Under Common Core, resources once spent on revising curriculum for different states can be redirected toward investment in more innovative products and remediation technologies.

K¹² and its charter school and school district partners are leading the transformation to individualized learning, with curriculum and services used in 85 countries on six continents, including more than 50 physical sites. Our courses are offered in full-time online schools, blended schools, traditional classrooms, pre-kindergarten classrooms, and homeschool environments. We now serve more than 110,000 full-time students in public schools managed by K¹² in 33 states and the District of Columbia. These K¹²-managed public schools are open to every child based on choice, not geographic location or economic means. For most students, K¹²-managed public schools are the only public school alternative available.

Challenges Facing Online Education

All major innovations—from computers to e-commerce to cell phones—face challenges as they evolve and approach mainstream acceptance. Online learning is no exception. As the nation's largest provider of technology-enabled individualized learning, K¹² is rapidly adapting to many challenges, including the following:

A Growing Academically At-Risk Population: In K¹²'s early years, academic performance in K¹²-managed public schools was largely within norms as measured by state assessment tests. Recently, however, the number of families choosing to enroll their children in K¹²-managed public schools has increased rapidly, and many of those children are academically at-risk—that is, they are one or more years

behind grade level, according to state test scores or other data. In the larger K¹²-managed public schools that we have analyzed, academic performance for incoming students is well behind grade level. We estimate that as many as 50% to 70% of new students did not achieve proficiency in math on state exams taken in the year before enrolling in a K¹²-managed public school, and up to 40% did not achieve proficiency in reading. K¹²-managed public schools are also being chosen by large numbers of high school students who are not on track for on-time graduation—in one sampling of these schools, approximately 40% to 60% of incoming 10th, 11th, and 12th graders were credit deficient upon enrollment.

Transience and Mobility: Research has shown that moving from one school to another can impede learning as a

We now serve more than 110,000 full-time students in public schools managed by K¹² in 33 states and the District of Columbia.

student adjusts to the new school.¹ This adjustment period also applies to students who are new to K¹²-managed public schools. Even as students are adjusting to the online learning environment, they are often required to take mandatory state standardized assessments. In K¹²-managed public schools, typically half of students taking state-required tests in the spring timeframe are in their first year in a K¹² program, and more than 70% have been with the program less than two years. Thus, the students' scores reflect their previous educational experience more than their relatively

¹ *Student Mobility*, Retrieved January 11, 2013, at <http://www.edweek.org/ew/issues/student-mobility/>

brief time in a K¹²-managed public school. For students who have recently enrolled in a K¹²-managed public school, their performance on standardized assessments reflects a momentary “snapshot in time” of their level of academic attainment upon or soon after entry, rather than the effect of their limited time in a K¹²-managed public school.

Appropriate Measurement: Typical assessment and performance measures, such as criterion-referenced tests and non-adaptive norm-referenced tests, are limited in their

The number of families choosing to enroll their children in K¹²-managed public schools has increased rapidly.

ability to measure the academic success of schools with large numbers of students entering far behind grade level. Such assessments do not account for the time required to remediate academic deficiencies. The tests simply confirm, year after year, that a student remains behind grade level, without accounting for the incremental progress that the student may be making toward grade level. For students who fall well behind grade level, remediation takes time. For example, a sixth-grade student entering at a fourth-grade level would have to learn at a rate of 1.5 years annually to catch up by 10th grade—a daunting task for all but the most gifted students. Even boosting a student’s annual progress to 85% of grade level would be a remarkable achievement, but most criterion- and norm-referenced models of standardized testing are not designed to measure that incremental improvement.

Student Engagement: Brick-and-mortar schools and online public schools both face the challenge of unengaged, unprepared students. As K¹² develops varied instructional

As K¹² develops varied instructional models to meet the needs of different students, we are specifically implementing programs to increase student engagement.

models to meet the needs of different students, we are specifically implementing programs to increase student engagement. We are improving and expanding our curriculum, training teachers on how to engage students more successfully in an online environment, and creating pathways to help students become more responsible learners. Indeed, we feel that, for many students, technology-enabled individualized learning has the potential to become even more engaging than a traditional brick-and-mortar classroom.



Improving Measurement

For complex reasons (including, as discussed above, growing populations of academically at-risk students, as well as high mobility and transience), K¹²-managed public schools now often fall into the lower half of performance when measured by widely used standardized assessments. These assessments, however, suffer serious limitations as measures of progress in an individualized learning environment. We believe that a more accurate method for measuring student performance is the progress a student makes over the course of a school year, also known as a “growth measure,” which can best be captured by using adaptive testing. This approach accounts for students who enroll at different levels of proficiency in the same grade during a school year, and focuses on annual gains instead of static proficiency standards at a given point in time. Computer-administered adaptive tests can dynamically adjust the difficulty of questions based on students’ previous answers, thus quickly and precisely honing in on a student’s ability and progress, and eliminating the need for separate tests for multiple grade levels.

Beginning with the 2008–2009 school year, K¹² has evaluated the progress of students in K¹²-managed public schools by using the Scantron Performance Series online computerized adaptive tests, which we administer to all students in grades 3–10 at the beginning and end of each academic year. The Scantron assessments allow us to measure our students’ gains longitudinally compared to a large, nationally normed group.

We are pleased to see many states moving to growth models to measure school and student achievement. For example, the Smarter Balanced Assessment Consortium, one of the two groups developing tests for the Common Core State Standards, has reported that they plan to use a computerized adaptive test, which promises to be a better measure of academic growth than the standardized assessments currently used in many states.

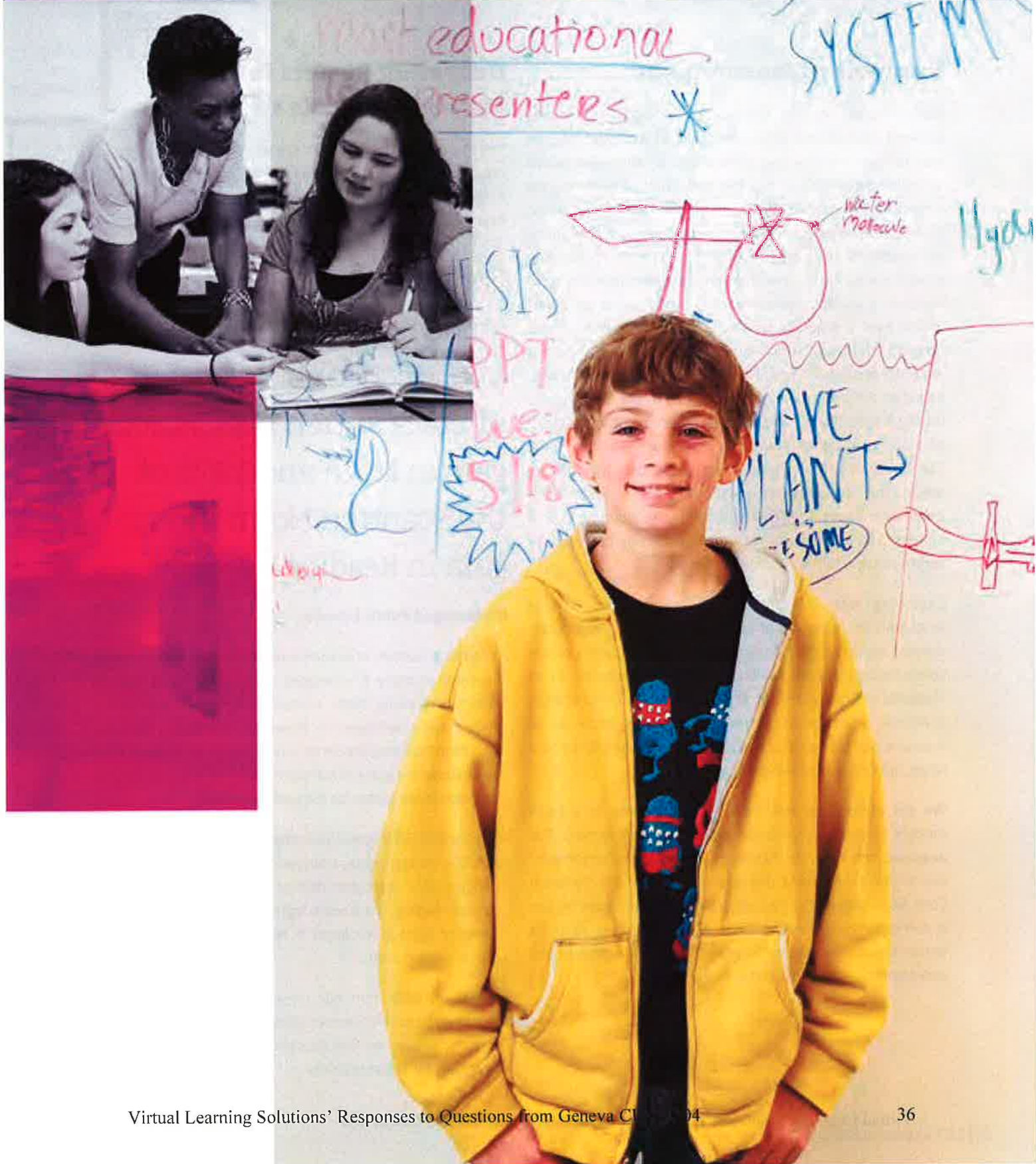
Delivering Results in K¹²-Managed Schools

The remainder of this report explains K¹²’s efforts to assess results in K¹²-managed schools, primarily our managed public schools, as measured by Scantron data. Some of the key conclusions from this data are summarized below.

For the 2011–2012 school year, students in K¹²-managed public schools achieved 97% of the Scantron Norm Group gain in Math and 196% of the Scantron Norm Group gain in Reading.

K¹²-Managed Public Schools

- The rising number of academically at-risk students choosing to enroll in many K¹²-managed public schools has had the effect of skewing these schools’ standardized test scores below state averages. In these same schools, however, Scantron Performance Series scores demonstrate gains close to or above the gains of norm groups in math and reading for all grade levels tested for the past three years.
- For the 2011–2012 school year, students in K¹²-managed public schools, on aggregate, achieved 97% of the Scantron Norm Group gain in math and 196% of the Scantron Norm Group gain in reading. Gains were higher than the Norm Group in seven of eight grade levels in reading, and in four of eight grade levels in math.
- Based on data from our top-enrolling resident districts, the longer students remain enrolled in K¹²-managed public schools, the better the students do compared to overall averages for those districts.





K¹² Private Schools

- Students in the K¹² International Academy, a tuition-based private school managed by K¹², do extremely well when compared to Scantron national norms, which we surmise is attributable in part to the commitment and engagement demonstrated by families willing to pay tuition.
- For the 2010–2011 school year, K¹² International Academy students achieved gains higher than the national norm group in all eight grade levels assessed in reading and mathematics.
- Although we are working to improve our data on these schools and the factors behind this performance, we believe that the success of this school demonstrates the power of the technology-enabled individualized learning model for highly engaged students.

Working to Advance Individualized Learning

As an industry leader, K¹² is investing and applying its resources to systematically address the challenges facing providers of individualized learning. We aim to drive continuous improvement of the model through partnership, investment, and innovation.

Raising Academic Performance: K¹² is committed to delivering a high-quality education to every child we serve. Using individualized education as the underlying framework, we are continuously seeking to improve academic performance. Our goal is to maximize all students' academic progress while they are enrolled in a K¹²-managed school. For those who remain enrolled through their high school years, we aim to see them graduate prepared for the next step of their choice, whether college or career. We are seeking to partner with states in the effort to provide the data, systems, and processes needed to ensure that

no student falls through the cracks. To lead our efforts to boost academic performance, we are engaging a new Chief Academic Officer who will benefit from the wisdom of our distinguished Education Advisory Board for the 2012–2013 academic year.

Working to Boost Graduation Rates: More than a decade into the 21st century, one of the most tragic failures of American education is that nearly one quarter of students never graduate from high school. A 2009 study found that in the major school systems serving the nation's 50 largest cities, the aggregate high school graduation rate was only 53%.² This failure is the result of many factors, both social and educational, including the “one-size-fits-all” model of

More than a decade into the 21st century, one of the most tragic failures of American education is that nearly one quarter of students never graduate from high school.

education, which can be alleviated in part by offering more choices for students, including online schools. Although online public schools have been criticized for their graduation rates, such criticism fails to account for the very brief time that most online schools have had to help remediate students who enter with serious deficits. We believe that online learning presents a tremendous opportunity to close the graduation gap over time. For example, older students who are unlikely to re-enter a full-time brick-and-mortar classroom among younger peers can “recover” credits and complete their high school diplomas by taking online

² http://www.americaspromise.org/~media/Files/Our%20Work/Dropout%20Prevention/Cities%20in%20Crisis/Cities_In_Crisis_Report_2009.ashx

classes in highly flexible learning environments that meet their individual needs. Such an option is offered by one K¹² partner, the Youth Connection Charter School (YCCS) in Chicago, which enrolls high school students who have previously dropped out. The YCCS Virtual High School, one of the YCCS campuses and managed by K¹², has graduated more than 90% of the eligible senior class for each of the past three years.

K¹² has invested more than \$330 million in innovative curriculum, technology, learning systems, and teacher support.

Investing in 21st-Century Teachers and Solutions: K¹² has invested more than \$330 million in innovative curriculum, technology, learning systems, and teacher support. In particular, we are investing in the science of improving education. Our world-class subject-matter experts, instructional designers, and educational innovators benefit from the volumes of data generated by the more than 110,000 full-time students in our system. With this data, we learn how our students learn, and then, building on our more than 10 years of expertise in online learning, we craft cutting-edge solutions to meet the challenges of individualized learning. K¹² is among the leaders in implementing adaptive learning systems, which allow students to follow different paths to academic success. K¹² continually conducts pilots aimed at identifying more effective approaches to online learning. Successful pilots are offered to all K¹²-managed public schools to encourage the rapid adoption of best practices.

Developing Multiple Pathways: To meet the needs of our growing academically at-risk population, we are working to create differentiated offerings and instructional models. We are investing extensively in enhanced remedial instruction, focused support programs, and specialized teaching practices across K¹²-managed public schools. Areas of investment and innovation include the following:

- **Academically At-Risk Programs** designed specifically to optimize educational service delivery. These programs will have curriculum, courses, teachers, and guidance services specifically for students who are behind grade level and seek to catch up.
- **Remediation Products** for students behind grade level, including MARK¹² Reading, designed to help students who are behind in reading make accelerated progress in coming up to grade level, and other products that assess and deliver customized curricula to address student needs.
- **Remediation Services** involving teacher interventions with students behind grade level, as well as programs such as the National Math Lab, which showed promising results in its 2011–2012 pilot school year.

Engagement Programs: K¹² is pursuing several pilot programs designed to get unengaged students back on track, capitalizing on our outstanding teachers, content-rich curriculum, and the power of the technology-enabled individualized pedagogical model. Initial results are promising, and we expect these results to get better every year. We continue to work with cognitive scientists and experienced educators to “crack the code” on what makes learning come alive for all types of students, even those chronically unengaged students for whom our current online individualized pedagogical approach may not be appropriate. We foresee a time in the not-too-distant future when an algebra course is as engaging as a good video game.



Research on Measurement: K¹² is developing plans to invest in collecting additional data, especially from K¹²-managed public schools. We are implementing growth studies, matched pair studies, and longitudinal studies, and we are gathering results from various pilots and remediation initiatives. We have retained independent third-party researchers to recommend how we might achieve better results in K¹²-managed public schools, and to determine why these schools are not doing as well as desired on some current gains assessments compared to performance on Scantron measurements. K¹² is working to collect additional data on entering students to help us create even more detailed profiles of the students we serve, both short- and long-term. We are also exploring tracking studies to measure outcomes over time, such as college graduation and employability. Knowing the students' entry points and learning pathways before matriculation will allow us to customize each student's program more efficiently and effectively.

Maintaining High Satisfaction: Many parents turn to online schools, including K¹²-managed public schools, as a limited-time solution to address a specific learning or family issue. Once these parents perceive the issue as "solved," they put their children back in the local school, and the result is that online schools experience relatively high departure rates. Nevertheless, despite this frequent turnover, and despite our substantial increase in academically at-risk students, K¹² has maintained consistent retention rates over the past five years by focusing on delivering an individualized experience for every student and improving our offering every year. These efforts allow K¹² to attain high student and parent satisfaction rates, as measured by annual user surveys. We believe improvements in our offering have also enabled us to maintain stable retention rates in the face of a changing student population.

Looking Ahead

Technology-enabled individualized learning is still in its early stages. Achieving its full promise will demand prodigious investment, perseverance, innovation, hard work, and partnership. To engage young people today to commit to a challenging educational program will require extensive investment in products with the sophistication, creativity, and interactivity of the best video games. Improving performance will require state governments and school districts to commit for the long haul and provide the full resources, information, and cooperation that online schools need. Parents and students will need to invest the time and effort to adhere to Individualized Learning Plans. Given the rapid pace of technological advancements, we anticipate that a focused investment of financial and human resources will lead to remarkable results in the next decade.

We want to give every child, regardless of geographic location or economic circumstances, the opportunity to succeed academically. Over time, our goal is to offer a full continuum of options that make individualized learning the norm, not the exception, and ultimately for academic performance in K¹²-managed schools to exceed that of traditional schools. New educational technologies will soon touch every child in the world. Some children will use these new technologies in the traditional classroom, some will take a few online courses, and some will enroll full time in an online school. Students who drop out of high school will be able to complete their education in an online setting that offers flexibility and engagement while still maintaining rigor. Through extensive investment in advancing adaptive learning technology, developing engaging interactive lessons, and improving online teaching practices, our mission is to see the promise of individualized learning fulfilled—and we will not rest until the dream of a great education for every child becomes a reality.

Sincerely,

Ronald J. Packard



**“It’s Incredible to See
the Change in Mollie.”**

“By the time Mollie was in fourth grade, she was testing right where she needed to be—at grade level—and even slightly above the national average!”

Mollie, a hearing-impaired child, is given a new lease on learning at the Idaho Virtual Academy. Here is her story:

“My daughter Mollie had always struggled in school because of hearing difficulties. Through the years, we’d gotten help for her hearing impairment, but problems remained.

“Mollie qualified for an Individualized Education Program—IEP—at her public school. However, even with that help, during first through third grades, she never tested at grade level on state tests—she came in ‘Below Basic.’ Her reading indicator tests also came in ‘Below Basic’ level, or ‘at-risk.’ By the end of third grade, she scored at third grade/fifth month in her state test.

“I wanted Mollie to repeat third grade. Moving her on would only put her further behind. But the principal and Mollie’s IEP team resisted. They said she wouldn’t be helped if she were held back. A school psychologist even said Mollie was ‘functionally retarded,’ and based on a form about Mollie’s behavior and concentration, she said I could take that sheet of paper to any doctor to get her a prescription for ADD/ADHD medication.

“I didn’t like where this was headed, so I decided to make a change. I’d heard about K¹² through a friend. When I asked them about allowing Mollie to repeat the third grade, they said it wouldn’t be a problem, so I enrolled her in the Idaho Virtual Academy (IDVA). Being able to put her in a tuition-free school and still have access to services really helped us as a family.

“Working one-to-one with Mollie has been extremely helpful for her academically. If something is too difficult and I can tell she hasn’t learned it yet, we don’t have to rush on to the next thing. I can review the subject with her until I’m sure she understands it. And her teacher, IEP specialist, and speech therapist communicate with each other, which helps us all support Mollie the best way possible.

“By the time Mollie was in fourth grade, she was testing right where she needed to be—at grade level—and even slightly above the national average! Now she’s in fifth grade, and her assessments are going so well, she may not require an IEP any longer.

“On a personal level, it’s incredible to see the change in Mollie. She had become withdrawn in public school because she knew she was behind the other kids. She was afraid to make mistakes and wasn’t willing to try or to learn new things. Now, Mollie’s confidence is up. She’s a visual learner, so she likes the online games and the way the K¹² curriculum is interactive. Her favorite subject is art. She loves the online program and especially loves the hands-on assignments, like making masks.

“As she makes her way toward high school, my hope for Mollie is that she’ll always have a sense of curiosity and a love of learning. At IDVA, she’s developing tools for success that she can hold on to.”

What is K¹²?

Highlights:

- K12 Inc. is the nation's leading provider of technology-powered, individualized education solutions for students in pre-kindergarten through high school.
- K12 provides states, districts, and schools the ability to offer students the broadest array of options for learning in a flexible, individualized, and innovative way. K12 provides online curricula, technology, and academic services to public and private schools and districts, traditional classrooms, blended school programs, and directly to families.
- The K12 Full-Time Program integrates award-winning curriculum based on cognitive science and the power of interactivity with hands-on materials and a state-of-the-art learning platform providing convenient, anywhere, anytime access.
- The K12 Full-Time Program is offered through K12 partner public schools in more than two-thirds of the states and the District of Columbia, and through online private schools serving students in all 50 states and around the world.
- Our public school partners include statewide, regional, and local schools, through which we provide students a full continuum of options from full-time online school to full-time brick-and-mortar school using online curricula.
- Many of our public school partners are K12-managed public schools, where K12 provides full operational and academic management of the schools under contract with a school district or an independent, not-for-profit board.

K12 and Its Charter School and School District Partners Are Leading the Transformation of Today's "One-Size-Fits-All" Education System to One of Individualized, Child-centered Learning that Focuses on Each Student's Unique Capabilities, Interests, and Needs.

Like all innovations, this transition will not happen overnight, and K12 is rapidly responding to challenges as the industry approaches mainstream acceptance. Completing this transformation and realizing the full potential of online learning are jobs that curriculum, technology, and service providers like K12 can achieve only in partnership with school districts and communities, state governments, administrators, teachers, parents, and students.

We believe the industry is reaching an exciting inflection point, and day-by-day, K12 is working to rise to the challenge. The purpose of this report is to provide a clear-eyed view of our progress, areas where improvement is still needed, and efforts we are making to close the gap.

K12 Inc. (NYSE: LRN) is the nation's leading provider of technology-powered individualized education solutions

for students in pre-kindergarten through high school. K12 empowers states, districts, and schools to offer their students the broadest array of options for learning in a flexible, individualized, and innovative way. K12 provides online curricula, academic services, and online learning solutions to public and private schools and districts, traditional classrooms, blended school programs, and directly to families. K12 offers the most comprehensive array of individualized learning solutions, enabled through an extensive portfolio of online curricula. The K12 family of curricula, which is described in more detail in the following chart, currently includes the following:

- Full-time curriculum for pre-K-12
- Part-time/supplemental online courses for K-12
- World language curricula for grades 3-12
- Credit recovery courses for high school
- Prescriptive learning and remediation for grades K-12



Full-Time Programs

Fully online or blended programs that support the full range of full-time learning models

Instruction and curriculum tailored to different grade levels

Integrated award-winning curriculum, systems and services

Online Curriculum

Nearly 700 courses and titles across multiple academic levels—Foundations to AP

Over 45 electives and 19 AP courses

Deep STEM offering

World languages covering Elementary, Middle, and High School, including AP

Middlebury College world language expertise

Credit Recovery

Courses designed and optimized for credit recovery, with ELL support, additional audio and pre-teaching of vocabulary

Cover a broad range of subjects, including language arts, math, science, social studies and electives

Prescriptive Learning

Individualized assessments and remediation/acceleration at the topic, skill, and state standard level for core K-12 courses

Summative, formative & adaptive assessments for RTI

5,500 lessons and over 200,000 content objects tightly aligned with state and national standards

Pioneering adaptive reading remediation

Even broader than the K¹² portfolio are the ways in which our curriculum, programs, and services are being used to empower individualized learning across the entire spectrum of online models. As described by Gregg Vanourek and referenced in *Keeping Pace 2012*,³ online programs may be defined across numerous criteria or dimensions. For example, online programs may be full-time, meaning students engage completely in online learning for their comprehensive schooling experience, or the online programs may be supplemental programs, allowing students to take one or more online course(s) in addition to their traditional course load. Regarding “where” learning takes place, online schooling programs may be “consumed” by students at home, at school, or through a combination of these. When some degree of online learning,

whether full- or part-time, is delivered fully or in part at school or another supervised physical location away from home, with some student control over delivery, pacing, or pathing, this is commonly referred to as “blended learning.”⁴

“Comprehensiveness” and “Location” are just two of the various dimensions by which we can classify online learning programs. Although the permutations of technology-enabled individualized programs are too numerous to name here, the following are some examples of the innovative online learning models making a difference in the lives of students in K¹² partner schools across the country.

³ *Keeping Pace with K-12 Online Learning: An Annual Review of Policy and Practice (2012)*, retrieved January 7, 2013, from <http://kpk12.com/cms/wp-content/uploads/KeepingPace2012.pdf>

⁴ *Classifying K-12 Blended Learning*, Innosight Institute, May 2012, retrieved January 7, 2013, from <http://www.innosightinstitute.org/innosight/wp-content/uploads/2012/05/Classifying-K-12-blended-learning2.pdf>

Full-Time Programs

Full-Time Online School (Location: Home)

A comprehensive program in which students receive all of their instruction online at home, supported by state-certified teachers.

Examples: Most K¹² Virtual Academies, IQ Academies, Insight Schools, District-run Virtual School Programs

Full-Time Blended School (Location: Home/Learning Center)

A comprehensive program in which students receive their primary instruction online. Students conduct their online learning at home and, in part, at a learning center or school-based facility, where they benefit from face-to-face teacher support and student interaction.

Examples: Hoosier Academies, Arizona Virtual Academy with YMCA Learning Centers, YCCS Passport Dropout Recovery Program on a community college campus, District-run Virtual School Programs with adjunct learning centers

Full-Time FLEX School (Location: Learning Center)

A comprehensive program in which students receive their primary instruction online. Students conduct their online learning entirely at a learning center, where they benefit from face-to-face interaction with teachers and other students.

K¹² Flex Academies

Part-Time Programs

Blended Courses

This model typically includes an on-site facility such as a learning/computer lab in a traditional school or at a satellite campus where students can take one or more online courses in addition to their traditional courses.

Examples: K¹²'s portfolio of nearly 700 online courses and titles include core courses across multiple levels from Foundations to AP

Blended Classroom

In this model, a classroom or computer lab can be set up to deliver differentiated instruction, using online curriculum for supplemental remediation or enrichment as a complement to traditional classroom-based learning for a given course. Online assessments can be used to identify student progress, and deliver targeted prescriptive content to address skill gaps or deliver advanced material.

Example: Prescriptive learning support delivered via A+ Learning System by K¹²

Credit Recovery

A program that provides schools and districts with a cost-effective and flexible way to help high school students pass courses and receive credits they need to stay on track for graduation. Unit-level assessments measure mastery of critical concepts, allowing students to bypass topics they previously mastered, so that they can focus on more difficult topics missed the first time around.

Example: 18 credit recovery courses by Aventa Learning by K¹²

Summer School

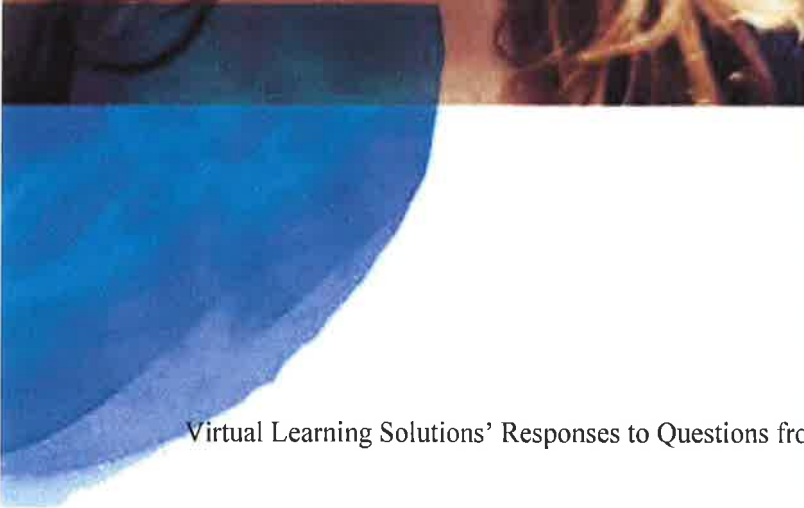
A wide range of options from credit recovery to core courses, world languages to electives, may be offered in online or blended settings.

Example: K¹² original credit and credit recovery courses available through public and private school partners and directly to families.

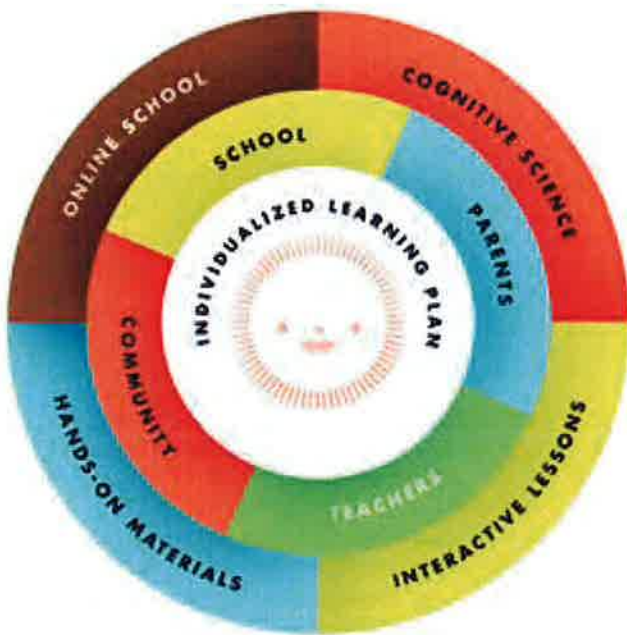
World Language Academy

Online world language courses can augment schools' and districts' language portfolios, making it economically feasible to offer new languages or levels to even small numbers of students. Availability of certified language instructors provides flexible solutions for difficult-to-staff courses.

Example: K¹²'s world language courses and programs provided in partnership with Middlebury Interactive Languages



The Full-Time K¹² Program ("The K¹² Program")



The K¹² Program embodies an integrated approach that starts with award-winning, best-in-class curriculum and adds hands-on materials and a state-of-the-art learning platform to optimize students' full-time learning experiences in fully online or blended environments. Around these pieces, we wrap proven educational services and K¹² community programs designed to help students engage and succeed in online learning. In turn, our school partners provide supportive teachers and administrators who are committed to individualizing education for every student. K¹² provides specialized training, tools, and ongoing support for these teachers and administrators. The K¹² Program is continually researched and refined, leveraging best practices gleaned from K¹²'s deployments of full-time schooling programs in more than two-thirds of the states. It's an approach and a formula that's been tested and refined across hundreds of thousands of students, and we look forward to continuing

to optimize the K¹² Program for all types of students and all types of online learning models.

Curriculum

The K¹² curriculum is rooted in extensive research about how children learn, along with best teaching practices, and provides students access to innovative technology and engaging content and interactivity, including animations, interactive games, video, and text. In the lower grades, we also carefully integrate the online experience with hands-on materials. Subject matter is carefully sequenced from one grade to the next, so that students build new knowledge on the strong foundations of what they've already learned. A single course often takes the K¹² team a full year or more to develop.

The K¹² Program starts with award-winning, best-in-class curriculum and adds hands-on materials and a state-of-the-art learning platform.

The result is a rigorous curriculum portfolio considered the "gold standard" in online learning, with nearly 700 courses and titles and tens of thousands of online lessons, enhanced by a vast number of engaging multimedia components, including Discovery® videos.

The core principles behind K¹² courses include the following:

- **Cognitive Science:** K¹² bases its curriculum on a deep understanding of how students learn in order to optimize student engagement. Based on that understanding, the K¹² curriculum is built around what students need



to know in any given discipline: the “Big Ideas,” or core underlying concepts within each subject that are essential for mastery. These ideas are later reinforced through more sophisticated lessons, so that every lesson builds on prior learning. Practice helps cement the learning process.

For example, waves are a core idea in science and a key to understanding modern physics. We introduce the “Big Idea” of waves as early as fourth grade, in the study of oceans and sound. We build on this early introduction, grade by grade, so that, by the time students take a high school physics course, the complex wave concepts of quantum mechanics are much more accessible.

Our approach unlocks mastery for students across the whole learning spectrum.

This proven approach can be summarized by the following formula: Big Ideas + Consecutive Down Payments + Practice = Content Mastery. We believe mastery should be possible for all kinds of children (not just gifted ones), and our approach unlocks mastery for students across the whole learning spectrum, helping advanced students move swiftly ahead while allowing struggling students to pause and practice more before moving on.

- **Standardized Content:** Since inception, K¹² has built its core courses in English Language Arts (ELA), Mathematics, Science, and History on a foundation of rigorous standards, while closely following the guidance for “must-have” content formulated by the Core Knowledge Foundation. For this reason, the K¹² curriculum was already well positioned

to satisfy the requirements of the Common Core State Standards (CCSS) when they were published in June 2010. Since then, existing courses have been modified to fully align to CCSS, and new courses have been built with full alignment to standards.

National assessments reflecting the CCSS are now being prepared by two national consortia: the Smarter Balanced Assessment Consortium (SBAC) and the Partnership for Assessment of Readiness for College and Careers (PARCC). Their current plans call for the rollout of these high-stakes assessments in the 2014-2015 school year. Sample assessment items released by the consortia in 2012 show exemplary sophistication through the use of built-in adaptivity, interactivity, and staged or scaffolded internal progression within a single question. K¹² is well positioned to prepare students for such assessment items, because the digital interactive assets and activities within our lessons for the past 10 years have used interactive structures similar to those now seen in the sample items.

- **Interactive Lessons:** The power of interactivity is one of the greatest advantages of a technology-driven education, and K¹² uses interactivity to engage students’ minds and to help develop curiosity, subject mastery, and a passion for learning.

K¹² uses interactivity to engage students’ minds and to help develop curiosity, subject mastery, and a passion for learning.

We use engaging, interactive content to illustrate and explain concepts when a printed page is too one-dimensional, and use printed or hands-on materials when they are instructionally most appropriate. Lessons and courses are created by a team of more than 140 curriculum developers and interactive experts who employ best practices for online instruction, including animations, games, video, and effective online design.

We also seek to help pioneer educational technologies, such as adaptive learning, which adjusts to each student's unique needs, tying assessment to intelligent content delivery in real time. Our Math+ series for grades K-5 features adaptive activities designed to help each student master concepts and skills before moving on. Math+ is also packed with engaging graphics, learning tools, and games.

Our high school science courses include realistic virtual labs that emulate almost every aspect of real-world labs and the scientific method of trial, error, and discovery. An interactive periodic table in Chemistry becomes a gateway to more in-depth information, turning a dry topic into dynamic exploration. Many high-level courses include interactive "concept maps" that serve as useful outlines and a means to regularly check knowledge and progress.

Hands-On Materials

In grades K-8 (and in some cases in high school), online lessons are integrated with a variety of hands-on materials including specially designed textbooks and workbooks, classic literature, CDs, microscopes, seeds, magnets, paints and clay, and so much more. This mix of online and hands-on materials caters to multiple learning styles and enables us to use the most effective ways to teach different concepts. A substantial amount of learning, especially by the youngest children, takes place away from the computer. In higher grades, K¹² is moving more toward digital materials, such as e-books and our innovative virtual science labs that help prepare 21st-century students for 21st-century workplaces.

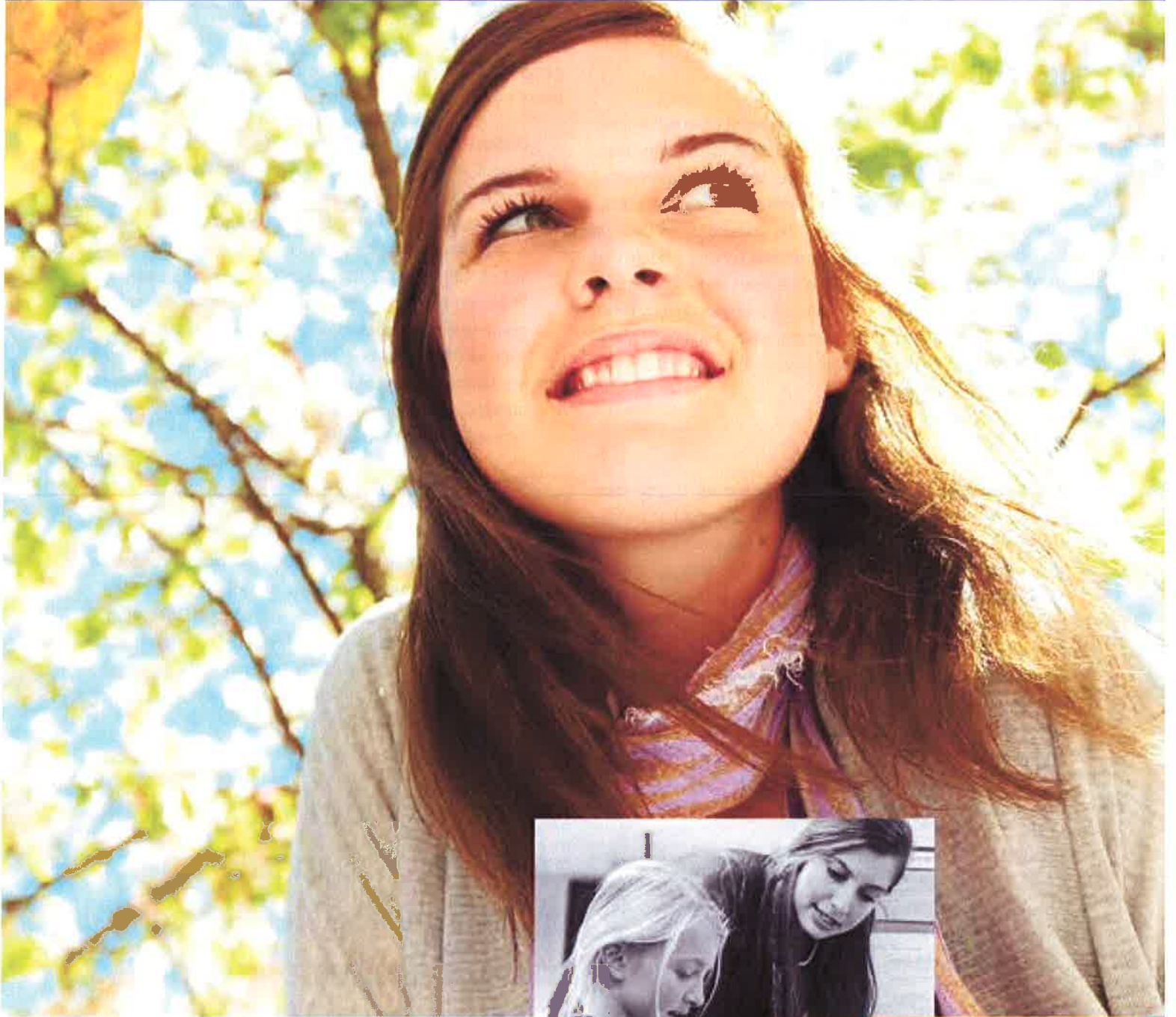
Online School

Students and parents can access our Online School (OLS) at any time—and from anywhere in the world, wherever an Internet connection exists. Students use the Online School to access their daily lessons, which include all the information and resources required for successful completion. Students can also:

- Submit their assignments directly online
- Monitor their lesson completion against expected progress
- Participate in live, teacher-led web classes and interactive discussions
- Connect with their teachers, and reach out for extra help whenever needed
- Experience our many online clubs and virtual field trips

Students and parents can access our Online School (OLS) at any time—and from anywhere in the world, wherever an Internet connection exists.

Built-in planning and progress tools allow parents to easily schedule or view lessons online, log attendance, monitor student progress, and interact with teachers. A progress dashboard shows which lessons have been completed, and which ones require more work.



K¹² Full-Time Partners

Today, K¹²'s curriculum and services are being used in full-time online schools, blended schools, traditional classrooms, pre-kindergarten classrooms, and home school environments. Specifically, the K¹² Program is offered through K¹² partner public schools in more than two-thirds of the states and the District of Columbia, and through private schools serving students in all 50 states and 85 countries. We are now serving more than 110,000 full-time students in public schools managed by K¹² in 33 states and the District of Columbia, which equates to more than one million online semester courses that will be delivered over the 2012-2013 school year.⁵

Public Schools

K¹²'s full-time public school partners are all tuition-free schools where learning takes place at least in part at home, but unlike homeschooling, teachers guide the instruction, and students adhere to the same state testing, school accountability, and attendance policies of traditional brick-and-mortar public schools. K¹²'s full-time public school partners are all non-profit schools, operated by public school districts or independent 501(c)3 boards, where K¹² is under contract to provide products (e.g., curriculum) and/or services to the school. These schools offer either fully online or blended learning programs, and offer such programs to students on a statewide or regional/local basis. These **full-time public schools** fall into the following categories:

- **Statewide Managed Schools:** Most of these schools offer fully online programs, though some offer elements of the blended model with opportunities for face-to-face learning. Most of the **K¹² Virtual Academies, Insight Schools, and iQ Academies** fall into this statewide category.
- **Regional or Local Schools:** These schools primarily serve students from a regional or local area, due to the school's affiliation with a local school district and/or the availability of face-to-face learning opportunities that require

geographic proximity to learning centers. Examples of these types of schools include the following:

- **District-Run Partner Schools:** K¹² works with many school districts to offer full-time online schooling programs that use K¹² curricula and technology, along with consultation and support. School districts may use K¹²'s suite of integrated services or may add their own set of supporting features and services for students. These programs may encompass K-12, or only certain grade levels, and may offer unique programs of study, such as STEM (Science, Technology, Engineering, and Mathematics). These programs may be fully online or blended, leveraging district facilities to offer face-to-face learning opportunities.
- **Blended Learning Schools:** These schools have physical facilities, or learning centers, where students come together face-to-face to participate in the learning process. The split of time between home and learning center varies by school. **The K¹² Flex Academies** are blended learning schools that offer the K¹² online program in a brick-and-mortar setting. In K¹² Flex Academies, students receive the powerful combination of a fully individualized online education with on-site teacher support.

K¹²'s curriculum and services are being used in full-time online schools, blended schools, traditional classrooms, pre-kindergarten classrooms, and home school environments.

⁵ Company's Form 10-Q for the quarter ended December 31, 2012 as filed with the Securities and Exchange Commission.



Private Schools

In addition to full-time public school programs, K¹² also offers its own **full-time private school options** that allow us to serve students in locations where an online public school is not yet available. Currently, students across the United States and in more than 80 countries worldwide attend one of K¹²'s three online private partner schools:

- **The K¹² International Academy**, meeting the diverse needs of students in more than 80 countries who have a full range of post-secondary goals
- **The Keystone School**, a pioneer in implementing distance learning nearly 40 years ago, provides flexible format options
- **The George Washington University Online High School**, one of the nation's premier online high schools—a unique partnership between the renowned George Washington University and K¹² that offers a selective college preparatory program.

In the United States, these private schools serve students using a fully online program. In some non-U.S. locations throughout the world, K¹² International Academy offers opportunities for blended learning at local learning centers and/or partners' brick-and-mortar facilities.

Currently, students across the United States and in more than 80 countries worldwide attend one of K¹²'s three online private partner schools.

K¹²-Managed Public Schools

Many of our public school partners establish an extensive relationship with K¹² to provide not only curriculum, technology, services, and support but also program management and oversight of students' end-to-end academic experience to ensure the online learning program is operated in the manner in which it was designed. In contrast, in district-run partner schools using K¹²'s online curriculum, technology, and services, the districts oversee management of the online program and students' end-to-end academic experience. The results included in this report will primarily focus on K¹²-managed public schools, where we enjoy the privilege and responsibility of overseeing the students' entire academic experience under the guidance and authority of each school's non-profit board or district leadership. All of the K¹²-managed public schools are schools of choice, meaning that no students are required to attend these schools and that all parents proactively choose to enroll their students in the schools.



“Maybe I Am Smart!”

“When he does the work,
his confidence grows,
and he knows he can do
it but has to work hard.”

It took years for the Taylor family to finally find a school that could work for their son, Billy, who struggled with a learning disability. After a string of disappointing public and private schools, it was actually Billy himself who finally found the right school when they relocated from Minnesota to Oregon in 2010.

“Billy struggles with reading and writing and has a severe challenge spelling,” said Bill Taylor. “When he was finally diagnosed as a special education student, it was too late—he had given up on education, teachers, school, and his peers who harass kids like Billy.”

During their move to Oregon, Billy mentioned to his parents that he had learned about K¹² from advertisements and said he would like to try online education. “Billy opened up to us during the trip and finally told us everything—more than we knew—about the harassment at school,” said Bill. “We were skeptical of online education, so we investigated it. We really liked the program and discovered it was rigorous. We knew we had the time and ability to do it...Billy really talked us into it,” he laughed.

When the Taylors researched Oregon Virtual Academy (ORVA), they thought it would be a good fit to help Billy overcome his disabilities. They were right. Billy completed fifth grade, and for the first time in his life, he passed a state test.

“It’s a cascade in reverse,” explained Bill. “He was at such a low point because nothing was going right, and now he realizes he can do the work ...it’s moments when he said to me, ‘Maybe I am smart’ and ‘thanks for not giving up on me’ that reinforce that you have to be an advocate for your child, and find the right school that works for him.”

Now in eighth grade, Billy has consistently met or exceeded yearly assessment tests over the years, especially in reading where he has the most difficulty. “We have seen a tremendous improvement in his reading level scores, which are now so much higher than when he was in school in Minnesota. In fact, he is reading above grade level,” said Bill.

A former teacher and strong advocate of public education, Bill noted that the ORVA public school education is rigorous, but Billy can take his time on subjects he struggles with until he masters the lessons. “When he does the work, his confidence grows, and he knows he can do it but has to work hard. Plus, his attitude has changed, and he has a new friend he met when we attended a school picnic.

“When you see it all come together after being at such a low point and desperate, it’s a tremendous feeling. Now, Billy is looking forward to high school at ORVA,” said Bill.

How K¹² Is Realizing the Opportunities in Online-Enabled, Individualized Learning

Highlights:

K¹² and its charter school and school district partners are realizing many of the opportunities offered by online-enabled, individualized learning within K¹²-managed public schools, including the following:

- Offering a first-class education to students from a diverse range of backgrounds, drawing largely from public school populations and serving a growing proportion of economically disadvantaged students.
- Providing personalized, differentiated learning with Individualized Learning Plans for every student.
- Attracting, recruiting, and training qualified, certified teachers—more than 4,000 in all—and making their expertise available even to geographic areas that otherwise might have trouble attracting teachers.
- Improving measurement and accountability by making mastery of subjects the true measure of success for children—and the strongest basis for ensuring accountability on the part of educators.

Offering Any Child a High-Quality Education, Regardless of Geographic Location or Economic Circumstances

K¹² has a singular focus: to allow any child, anywhere, to enjoy a high-quality, individualized education, thus enabling every student to reach his or her true, personal potential regardless of geographic location or economic circumstances.

As public schools of choice, K¹²-managed public schools enroll students from a diverse range of backgrounds. Online public schools are indeed the most “public” of all public schools, because they are open to all children, regardless of background. Often online public schools are the only other choice a parent has when the local public school isn’t working for his or her child. In contrast, many highly ranked school systems, located in upscale neighborhoods, are “public” in name only, as merely a small fraction of families in the United States can afford to buy homes in these neighborhoods.

Because online classrooms are not limited by geography, students from remote rural areas of the state, students from the suburbs, and students living in the inner city come together in the same online classrooms, transcending every

boundary of geography and socioeconomic status.

K¹² families share the desire for individualized instruction that maximizes their children’s potential, but are otherwise very diverse. Examples of the types of students K¹² attracts include, but are not limited to, the following:

- students whose needs aren’t met in a “one-size-fits-all” traditional classroom due to different paces and styles of learning;
- students from families with safety and social concerns about their local school;
- students with health concerns or disabilities who are underserved in traditional classrooms;
- students with geographic or travel constraints; and
- student athletes and performers who are not able to attend regularly scheduled classes.



Our individualized learning approach allows students to optimize their academic performance and, therefore, their chances of achieving their goals.

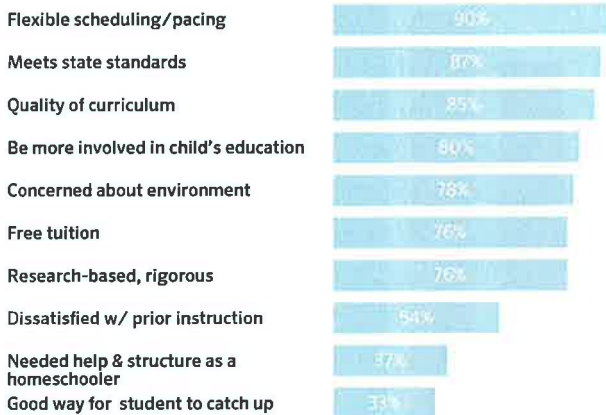
The K¹² student population has evolved in many ways over the years as interest in and acceptance of individualized online education have grown. Based on annual enrollment survey data, we know most new K¹²-managed public school students come from a traditional public school setting and were not schooled at home before enrolling. K¹²-managed public schools serve the entire spectrum of students,

including gifted students and special education students across all disability categories.

Surveys of parents conducted by the K¹² research team in the spring of 2012 indicate that parents enroll their children in K¹²-managed public schools for many reasons. The top reason cited by parents is the flexible pacing and scheduling enabled by these schools—reflecting our commitment to individualized education. Also highly cited were the quality of the K¹² curriculum, the highly qualified teachers in the schools, and the free tuition.

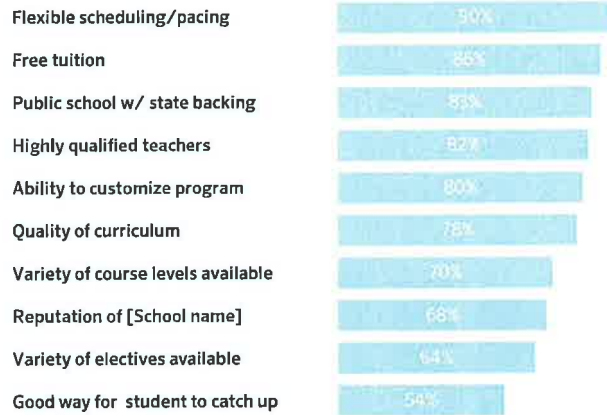
Reasons Cited by Parents for Choosing a K¹²-Managed Public School

Top 10 Reasons K-8 Virtual Academy Parents* Select K¹²-Managed Public School



Top 2 Box *scores on a 1-5 scale where 1 is "does not describe at all" and 5 is "describes perfectly."
 * Source: Spring 2012 Satisfaction Surveys with Virtual Academy K-8 parents (n=5,201)

Top 10 Reasons HS Parents* Select K¹²-Managed Public School



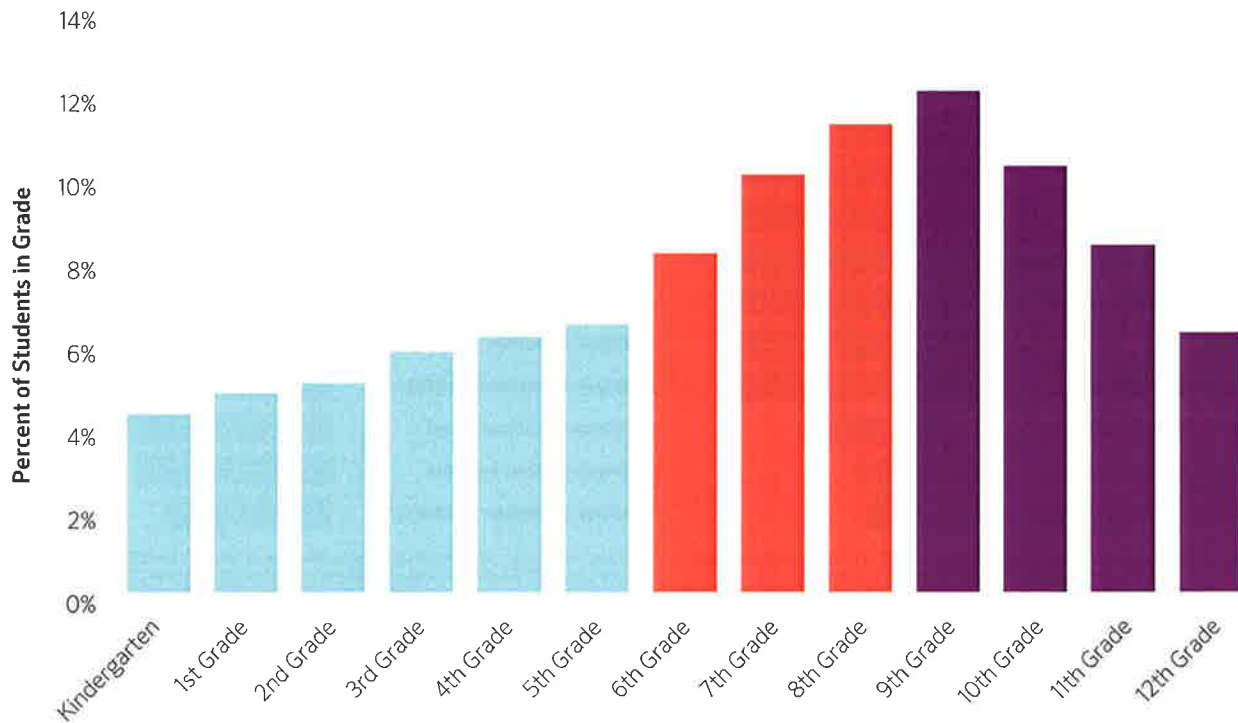
Top 2 Box * scores on a 1-5 scale where 1 is "does not describe at all" and 5 is "describes perfectly."
 * Source: Spring 2012 Satisfaction Surveys with HS parents from Virtual Academies, IQ Academies, and Insight Schools, and 91 students in grades 6-8 in Insight and IQ Academy Schools. Total K¹² HS percentages are weighted averages of 3 surveys based on HS parent population proportions as of May 2012. (n=3,973)

Grade Distribution: High School Has the Highest Concentration of Students

As of Fall 2012, High School (grades 9-12) comprises the largest sub-segment of K¹²-managed public school students (37% of total student population), followed by Elementary (grades K-5, 33%), and, finally, Middle School (grades 6-8, 30%). This distribution represents a change over time, as the first K¹²-managed public schools opened in the 2001-2002 school year with only grades K-2 and expanded to higher grades in the following years. The K¹²-managed public

schools graduated their first senior class in 2007. High School is now the largest and the fastest growing of the sub-segments, which is significant because, as noted in later sections, many high school students enroll academically behind grade level and with insufficient credits, leaving limited time to “catch up” to achieve an on-time graduation.

Grade Distribution of K¹²-Managed Public School Students, Fall 2012





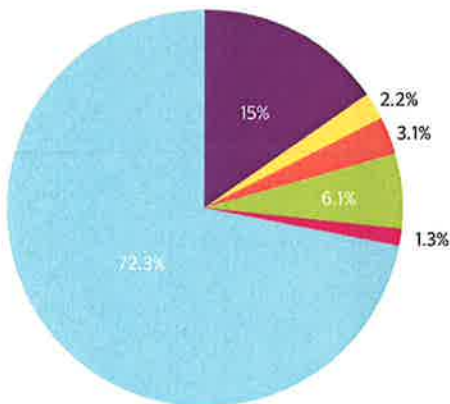
Student Race: A More Diverse Population

More students from minority backgrounds are enrolling in K¹²-managed public schools than in earlier years. Although African American enrollment roughly mirrors that of the general public school population, Hispanic and Asian students remain under-represented.

Previous Schooling: Drawing from the Public Schools

The majority of students (grades 1-12) enrolling in K¹²-managed public schools come directly from traditional (brick-and-mortar) public schools.

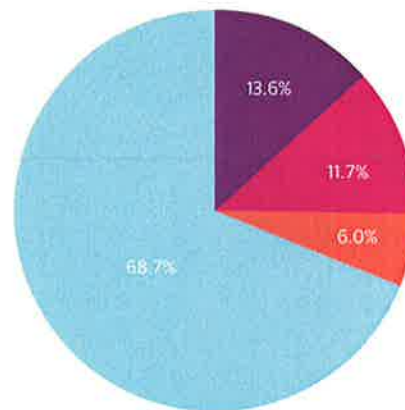
Racial Composition of K¹²-Managed Public School Students, Fall 2012



Based on 122,452 students in grades K-12

- African American/Black
- American Indian/Alaskan Native
- Asian/Pacific Islander
- Hispanic
- Multi-racial
- White

Prior Year Schooling of K¹²-Managed Public School Students, Fall 2012



Based on 116,866 students in grades 1-12

- Public School
- Homeschool
- Other/Not in School
- Private School





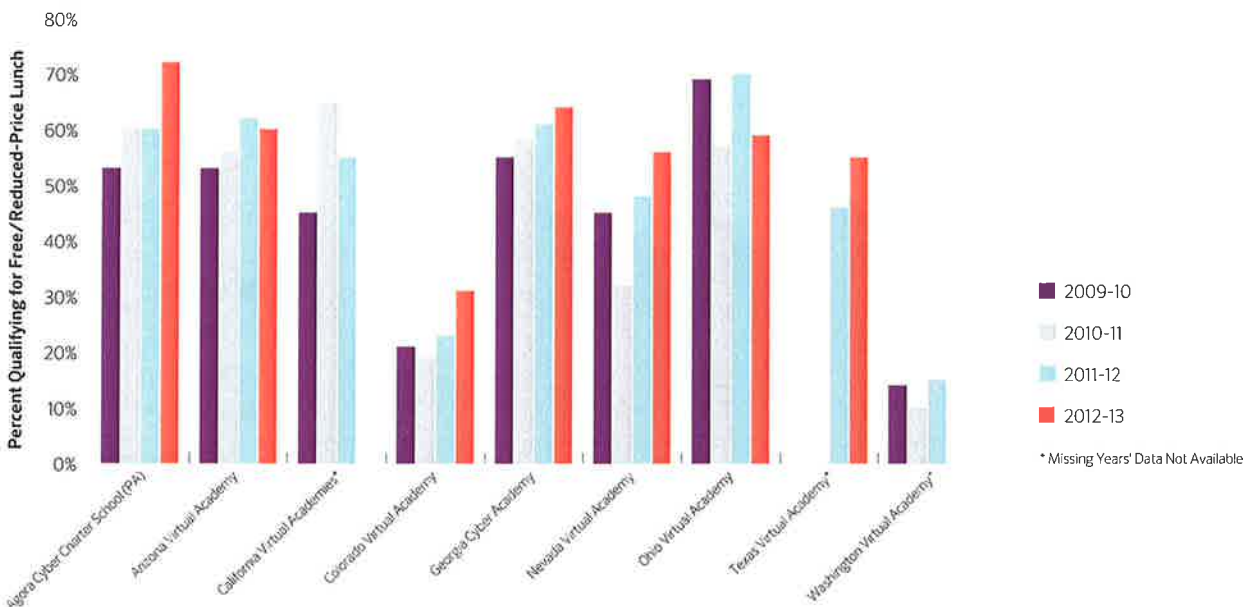
Household Income: Serving More Economically Disadvantaged Students

Since the 2009–2010 school year, K¹²-managed public schools have experienced an increase in the number of economically disadvantaged students enrolling in the schools. In the public school system, students qualifying for free and reduced-price lunches are considered economically disadvantaged. The following chart shows the percentage of students eligible for free and reduced-price lunches in the largest K¹²-managed public schools for the last four school years. These nine schools comprise 67% of the enrollment for all K¹²-managed public schools as of December 2012. The

U.S. Department of Education reports that, in the 2010-11 school year, the national average of students qualifying for free and reduced-price lunches was 48%.⁶

Since K¹²-managed public schools do not actually provide lunches to students, parents may believe that there is no tangible benefit in providing the school with their income information. For this reason, the percentage of students qualifying for free and reduced-price lunches in the schools may be under-reported.

Percent of Students Qualifying for Free/Reduced-Price Lunches in the Largest K¹²-Managed Public Schools



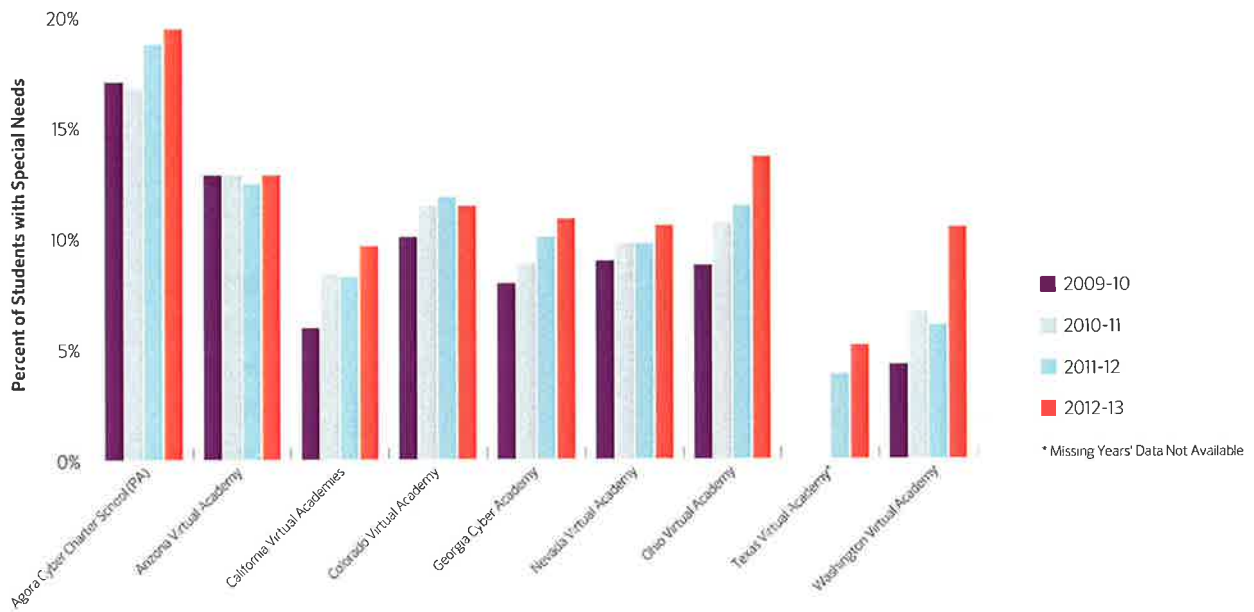
⁶ http://nces.ed.gov/pubs2012/pesschools10/tables/table_07.asp

Students with Disabilities: Growing Faster than National Average

Online public schools are no different from traditional public schools in their requirement to serve students with disabilities. K¹²-managed public schools have seen an increase in the number of enrolled students with disabilities since the 2009–2010 school year, and currently serve more than 10,000 students with disabilities. The overall percentage of students with disabilities in K¹²-managed public schools is slightly lower than the national average (12% across the largest K¹²-managed public schools for the 2012–2013 school year compared with approximately 14%

nationwide), but in many of the K¹²-managed public schools, the rate has been increasing faster than the national average, which suggests that there is growing acceptance of the ability of online schools to meet the needs of students with disabilities. The following chart shows the percentage of students with disabilities served in the largest K¹²-managed public schools over the past four school years. These nine schools comprise 67% of the enrollment for all K¹²-managed public schools as of December 2012.

Percent of Students with Disabilities in the Largest K¹²-Managed Public Schools





Students with disabilities in K¹²-managed public schools are more likely to be classified as autistic, emotionally disturbed, or “other health impaired,” which includes ADD and AD/HD, and less likely to be classified as having a speech or language impairment, when compared to the overall public school population of students with disabilities.⁷

Students with disabilities who enroll in K¹²-managed public schools are served in accordance with applicable federal and state regulations, including Section 504 of the Rehabilitation Act of 1973, the Individuals with Disabilities Educational Act and subsequent amendments, and the Americans with

A free and appropriate education is provided to students with disabilities in accordance with their Individualized Education Programs (IEPs).

Disabilities Amendment Act. A free and appropriate education is provided to students with disabilities in accordance with their Individualized Education Programs (IEPs). K¹²-managed public schools offer necessary accommodations by procuring the technology and other services required in the student’s IEP to aid the student in navigating through his or her courses. Further, K¹²’s experience making web-based content more accessible to students with disabilities includes incorporating audio and video enhancements into the courses and using comparable alternatives to accommodate various disabilities, such as using text equivalents and various forms of assistive technology.

All materials also meet the requirements of the National Instructional Materials Accessibility Standards (NIMAS).

K¹² believes that it takes a complete team of professionals to serve a student with a disability to ensure academic success. Thus, frequent and relevant synchronous and asynchronous communication between all parties, including the student, parent, general education teacher, special education teacher, and related service providers, is achieved through phone conferencing, notes, e-mails, and web conferencing tools

Providing customized learning experiences, differentiated according to individual needs, not to a few but at scale

K¹²’s guiding principle is to teach the individual, not the masses. Although most schools have personalized programs for students with special needs, very few would consider differentiated approaches for every student. Yet the Individualized Learning Plan (ILP), based on each student’s background, previous education, abilities, and aspirations, is an integral element of the K¹²-managed public school program.

The development of the ILP is a collaborative team process. Typically, the key people—the student, parents, teachers, advisors, and counselors (in higher grades)—are involved. Often led by the teacher, the team creates a unique plan for each child, designed to organize and properly sequence a student’s coursework while articulating his or her academic strengths and challenges. For high school students, the ILP expands beyond academic objectives to include post-secondary goals for college and/or a career.

A crucial element of the ILP is the unique assessment testing administered in K¹²-managed public schools. Students are given age-appropriate assessments at the start of the school

⁷ The National Center for Education Statistics, 2009–10, retrieved January 10, 2013, at <http://nces.ed.gov/programs/coe/figures/figure-cwd-l.asp>

year to identify strengths and challenges. These assessments include, but are not limited to, the Scantron Performance Series tests in reading and math, the Dynamic Indicators of Basic Early Literacy Skills (DIBELS), K¹² proprietary assessments, and other third-party products. In the high school grades, other indicators may be used, including student transcripts, SAT/ACT scores, prior state test scores, and end-of-course (EOC) exams. ILP goals ensure that students focus not only on the areas in which they have learning deficits, to bring the students up to grade level in those areas, but also on the areas in which they are already strong and may want to deepen their knowledge. The schools include, but go beyond, state testing, with a focus on fine-tuning exactly what each child needs. Ongoing testing is administered, as needed, to ensure each child is making progress toward goals.

ILP goals ensure that students focus not only on the areas in which they have learning deficits, but also on the areas in which they may want to deepen their knowledge.

Making excellent teaching available to any school and any child—regardless of geographic location

The challenge of finding and retaining qualified teachers is a real one for much of America, but it is especially acute for inner-city and rural schools. According to the American Association of School Administrators, 41% of districts with fewer than 250 students found it difficult to attract teachers, and 17% found it hard to retain them.⁸ Individualized online learning offers a solution to that challenge.

Today, K¹²-managed public schools boast more than 4,000 K¹²-trained full- and part-time teachers.

Unlike a traditional school, teachers in K¹²-managed public schools do most of their work remotely, rather than in the classroom—making location irrelevant and ensuring the availability of their expertise to geographic areas that otherwise might have trouble attracting certified and highly-qualified teachers. Today, K¹²-managed public schools boast more than 4,000 K¹²-trained full- and part-time teachers.

Like their counterparts in traditional schools, state-certified teachers in K¹²-managed public schools are involved in all facets of the instructional experience. Teachers establish ILPs, monitor progress and attendance, provide direct instruction and targeted intervention when needed, review and grade student work, and answer questions posed by students and learning coaches.

⁸ http://blogs.edweek.org/edweek/walt_gardners_reality_check/2012/07/a_closer_look_at_the_teacher_shortage.html



The flexibility accorded by the online medium, along with ongoing assessment, allows instruction to be far more individualized, and, in particular, enables teachers to intervene effectively when students are struggling.

The quality of teaching at K¹² partner schools is underscored by

Unlike other online curriculum providers, K¹² thoroughly establishes expectations and holds students accountable for these learning objectives.

surveys showing that 91% of K¹²-managed public school parents are satisfied with their child's K¹² teacher(s).⁹

Improving measurement and accountability

The true measure of success for children—and the strongest basis for ensuring accountability on the part of educators—is mastery of subject matter. Individualized online learning is well suited to measure whether a young person has truly achieved learning objectives and to allow him or her to progress to subsequent goals only as mastery is demonstrated.

Unlike other online curriculum providers, K¹² thoroughly establishes expectations and holds students accountable for these learning objectives. The major focus in lower grades is on a mastery-based approach to skills and knowledge. In upper grades, we use a more traditional grading system.

Most important, assessment is a critical aspect of our individualized approach: Instead of driving “teaching to the test,” as is increasingly the case with most assessment methodologies applied in public school systems, assessment in the K¹² Program is designed to enable teachers and parents to know how much progress a child is actually making and thus to enhance learning.

Delivering more for less

Online education provides an extraordinary opportunity to resolve a major challenge facing all public schools: to deliver more services and better outcomes at equal or lower costs for taxpayers. Online schools offer the opportunity to make students and teachers more productive while reducing the need for expensive brick-and-mortar facilities.

On average, public schools managed by K¹² deliver a quality education for approximately 60% of the average spent per student nationally in traditional public schools. We expect these efficiencies will be even more pronounced with the implementation of the Common Core standards, as limited resources will no longer have to be spent on revising curriculum standards for every state, and can, therefore, be repurposed to invest in even more innovative products and remediation technologies.

On average, public schools managed by K¹² deliver a quality education for approximately 60% of the average spent per student nationally in traditional public schools.

⁹ Top 3 Box scores on a 1-7 scale where 1 is very dissatisfied and 7 is very satisfied. Source: Spring 2012 Satisfaction Surveys with Virtual Academies K-8 and high school parents, iQ K-8/high school parents, and Insight Schools high school parents. Total K¹² K-12 percentages are weighted averages of all four surveys based on parent population proportions as of May 2012.

**“You could say
that Agora saved
my daughter’s life.”**

“My kids get everything they need from Agora. It has been working wonders for them. I love the teachers because they take time for all of the kids.”

“My daughter Alexis was having problems in school. They tested her to see if she could get the extra help she needed for reading, and because she was 2 points above [remedial level], they wouldn’t give her the help.

“She was getting bullied because the kids found out she couldn’t read well. They would call her names and push her down. I went to the school to deal with this, but nothing was done. The next day, my daughter came home crying with her pants ripped and a gash in her knee. That was the last straw.

“A friend of my mother had told her how well his kids were doing in school with Agora/K¹². It took me no time to look it over and get Alexis started the following year. When we enrolled, I told them what was going on with her reading. The teachers at Agora saw right away that she needed help and made sure they addressed it.

“She is still behind a little bit but is improving so much. She went from F’s in her old school to A’s and B’s with Agora in half a school year.

“You could say that Agora saved my daughter’s life. She loves to get up for school now. Before, I would have to put her on the bus kicking and screaming.

“I decided to put my son Drew in Agora, too. He does very well in all of his subjects and loves that the teachers make it really fun to learn.

“My kids get everything they need from Agora. It has been working wonders for them. I love the teachers because they take time for all of the kids. They make sure to get them the help they need.

“My hope for both of my kids is to be all they can be, and Agora is helping them get there. Agora really does put the kids first.”

The Challenges Facing Online Schools

Highlights:

As K¹² leads the transformation to individualized learning, we are working to develop awareness of and solutions for the critical challenges facing online learning, including the following:

- A growing academically at-risk population, defined as students who are one or more year(s) behind grade level, with up to 50% to 70% of students in K¹²-managed public schools in this category upon enrollment;
- High transience and mobility, as a large percentage of students in K¹²-managed public schools are in their first or second year of enrollment in the schools;
- Appropriate measurement, as the “snapshot in time” view of proficiency is not an accurate reflection of the academic growth of a child, and the relative assessment of student growth using criterion-referenced tests (CRTs) is problematic, especially in the individualized learning context.

A Growing Academically At-Risk Population

Academic Performance Before Enrolling in a K¹²-Managed Public School: A growing number of students enrolling in K¹²-managed public schools are identified as academically at-risk, meaning that they are one or more year(s) behind grade level. It is not surprising that many incoming students are behind grade level, as we saw in the school year 2012-2013 enrollment survey that 54% of high school parents and 33% of K-8 parents view this school option as a good choice for their students to “catch up.”

Because state data systems and processes have often not caught up to the increased mobility of students nationwide, in the vast majority of states where we manage schools, there is no centralized process to obtain prior achievement data for new students. The “old school” method of faxing a “records request” to the previous school and then waiting to receive copies of student paperwork in the mail containing

report cards, transcripts, and test scores is still the primary method used by schools across the country to obtain vital information about a student’s academic history when a student transfers from one public school to another. For schools with large numbers of new students each year, this process is onerous, and can cause a delay in identifying academically at-risk students in their new school settings.

For this report, K¹² has approached the issue of the incoming student performance in two ways. The first is to look at the prior year test scores of incoming students, to determine what percentage of students were deemed “Not Proficient” before enrolling in a K¹²-managed public school. As measured by a state’s standardized accountability test, a student scoring “Not Proficient” is assumed to be below grade level. The data for a sampling of K¹²-managed public schools are shown in the following table. The pattern is



clear—large percentages of incoming (new) students in the 2011-2012 school year, especially older incoming students, were categorized as “Not Proficient” on state tests in the 2010-2011 school year. These data also draw attention to the fact that student performance is not just an issue for

the K¹²-managed schools but also for the states at large, although in the majority of cases, the average of K¹² incoming students is actually more than five points below the average in their respective state as shown in the following table—a phenomenon referred to as the “proficiency gap.”

“The Proficiency Gap”

Percentage of New Students in K¹²-Managed Public Schools in Fall 2011 Scoring “Not Proficient” on State Exams in Spring 2011 Compared to State Averages

MATH

	Grades 4-5	Grades 6-8	Grades 9-12
Colorado Virtual Academy n=1073	31%	51%	73%
Colorado Statewide n=415429	32%	45%	63%
DIFF	-1 pt	+6 pts	+10 pts
Arizona Virtual Academy n=2680	38%	49%	64%
Arizona Statewide n=491649	39%	44%	73%
DIFF	-1 pt	+5 pts	-9 pts
Oklahoma Virtual Academy n=975	35%	42%	41%
Oklahoma Statewide n=243447	33%	35%	31%
DIFF	+2 pts	+7 pts	+10 pts
Texas Virtual Academy n=2752	30%	36%	46%
Texas Statewide n=2561422	13%	19%	22%
DIFF	+7 pts	+17 pts	+24 pts

READING

	Grades 4-5	Grades 6-8	Grades 9-12
Colorado Virtual Academy n=1102	29%	34%	42%
Colorado Statewide n=415274	31%	29%	30%
DIFF	-2 pts	+5 pts	+12 pts
Arizona Virtual Academy n=2542	24%	18%	31%
Arizona Statewide n=486447	28%	24%	55%
DIFF	-4 pts	-6 pts	-24 pts
Oklahoma Virtual Academy n=974	24%	32%	29%
Oklahoma Statewide n=247504	35%	33%	16%
DIFF	-11 pts	-1 pt	+13 pts
Texas Virtual Academy n=2755	19%	18%	20%
Texas Statewide n=2563932	15%	12%	8%
DIFF	+4 pts	+6 pts	+12 pts

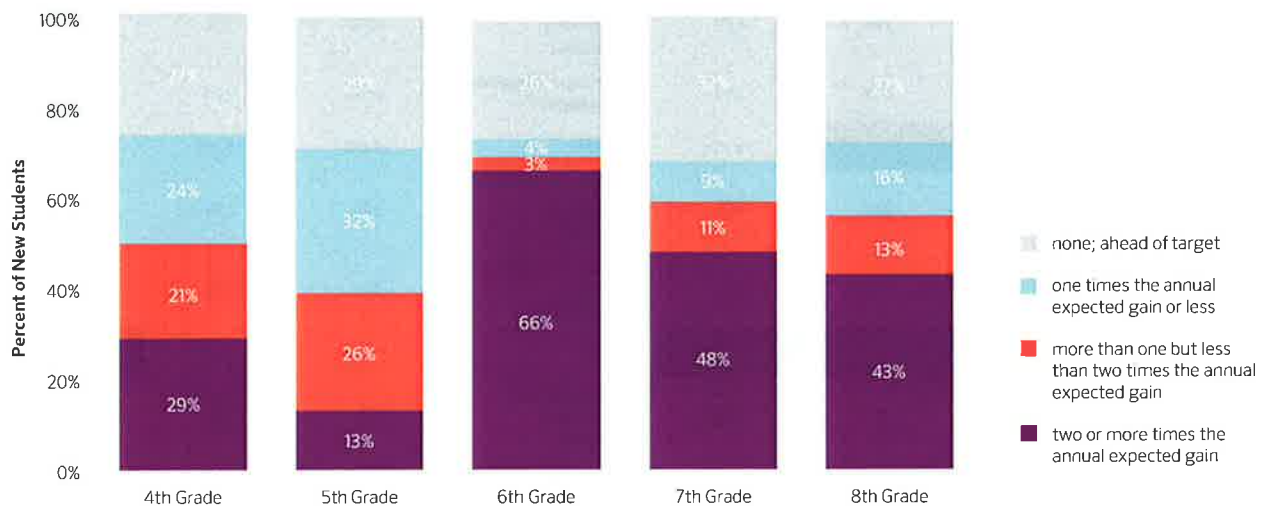
Because prior year state test score data are not available for all students, either because the new school had difficulty obtaining the information from the prior school or because the student was not enrolled in a public school in the given state in the prior year, another way that K¹² has approached looking at the incoming academic achievement of students is through a sophisticated equating exercise. In three of K¹²'s largest statewide partner schools mentioned below, K¹² worked with a third-party research firm to equate Scantron Performance Series test scores with scores on the state tests. From this equating, we were able to determine what a student would need to score on the Scantron Performance Series test to be reasonably certain that the student would score "Proficient" on the state test for his or her grade in either Reading or Math. The number of points needed for a student to maintain "Proficiency" from one grade level to the next in a subject area is the expected annual gain.

Lastly, using a student's fall Scantron scores, we were able to determine how much growth a student would need to realize to score "Proficient" on the state exam in the spring.

K¹² was able to determine that the majority of new students in the Ohio Virtual Academy, the Agora Cyber Charter School (Pennsylvania), and the California Virtual Academies would have to make two or more times the expected annual gain during the school year to be deemed "Proficient" on the spring administration of the state standardized tests. Based on these findings, it is reasonable to assert that between 50% and 70% of these students were not academically "Proficient," or at grade level, before enrolling in the K¹²-managed public school.

The following charts demonstrate the findings from the equating study for the 2011-2012 school year:

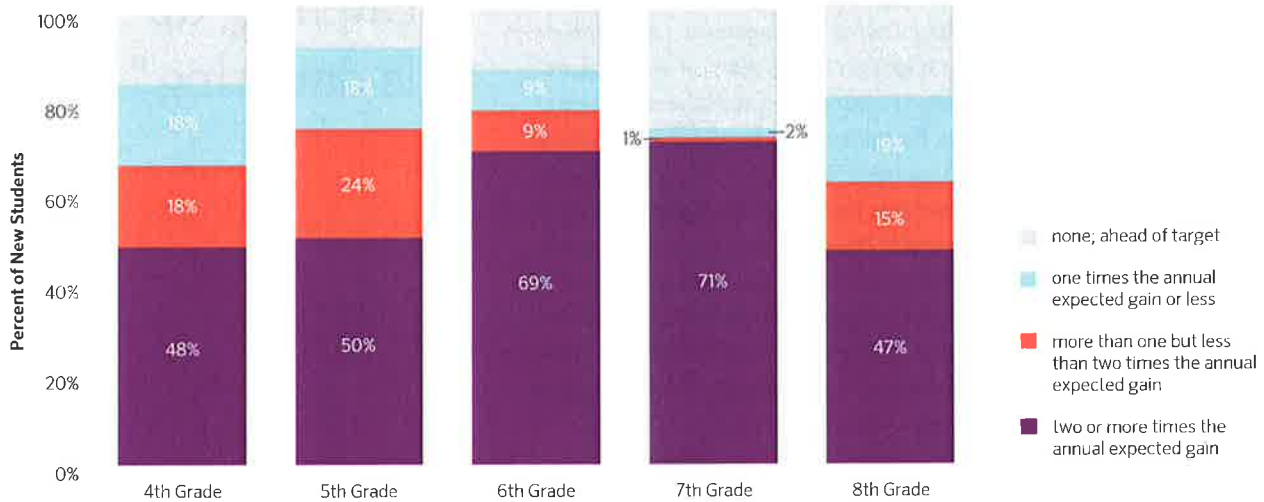
Annual Gain* Required by New OHVA Students in SY2011-2012 to be "Proficient" in Math on the Ohio Achievement Assessments (OAAs) in Spring 2012



*Annual gain is the academic gain a student must make during the school year to remain at the "Proficient" level from one grade level to the next.

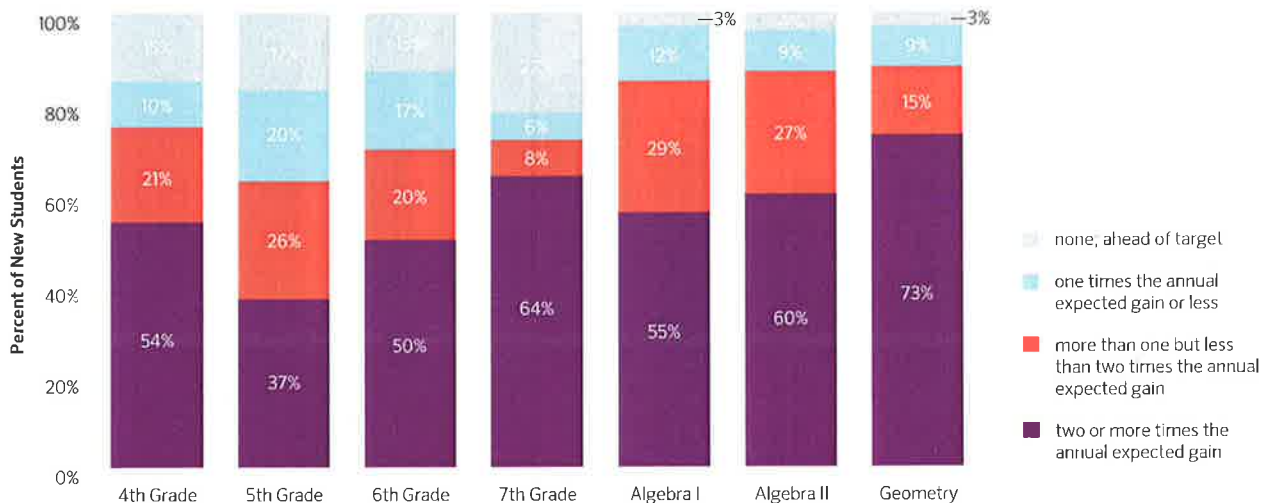


Annual Gain* Required by New Agora Students in SY2011-2012 to be "Proficient" in Math on the Pennsylvania System of School Assessment (PSSA) in Spring 2012



*Annual gain is the academic gain a student must make during the school year to remain at the "Proficient" level from one grade level to the next

Annual Gain* Required by New CAVA Students in SY2011-2012 to be "Proficient" in Math on the California Standards Tests (CSTs) in Spring 2012



*Annual gain is the academic gain a student must make during the school year to remain at the "Proficient" level from one grade level to the next

Limited data are available on how schools perform nationally on “catching up” students who are behind academically, but a recent study by Mathematica Policy Research and the Center on Reinventing Public Education indicates schools managed by the highest-performing Charter Management Organizations appear to be producing three years of growth in two years, or an average of one and a half years of growth per year.¹⁰ However, even at that rate, the task of catching up is daunting. For example, the following graphic depicts the plight of “Jason.” Starting in first grade, Jason managed to learn at a rate of only 0.7 years of growth per school year. In any given year, this slower rate of growth may not seem devastating. However, by the end of 7th grade, Jason is performing only at the 5th-grade level—two years below grade level. If Jason changes schools at the start of his 8th-grade year, joining, for example, a K¹²-managed public school, and begins to gain the equivalent of 1.5 years of growth per school year (more than double his prior rate of learning), Jason will still not be performing at grade level until the end of his 11th-grade year, a full four years later.

“The task of catching up is daunting.”



¹⁰ Charter-School Management Organizations: Diverse Strategies and Diverse Student Impacts, retrieved January 11, 2013, at http://www.mathematica-mpr.com/publications/pdfs/education/crmo_final_updated.pdf

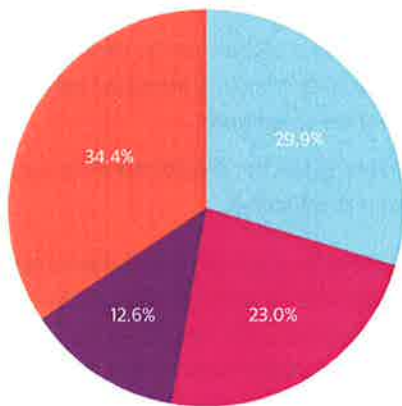


Transience and Mobility

To date, online public schools have tended to experience significant mobility among students, an issue also affecting K¹²-managed public schools. We believe that a large percentage of student mobility can be explained by parents who are looking for a temporary education solution for their children.

As illustrated in the following chart, of parents enrolled as of October 2012 who stated in their enrollment survey that they had an idea of how long they would keep their children enrolled in a K¹²-managed public school, almost a third indicated that they intended to keep their children enrolled for one year or less, while more than half indicated they intended to keep their students enrolled for two or fewer years.

Parent Expectations for Length of Enrollment in K¹²-Managed Public School, Fall 2012

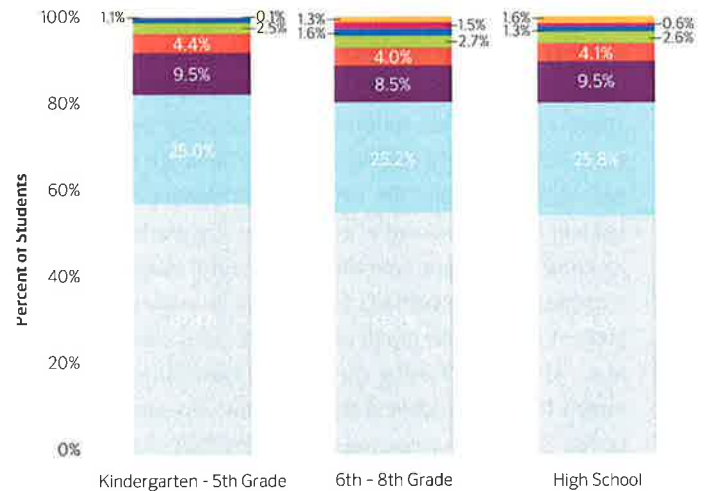


Excludes "Don't Know" responses from 29.5% of enrolling K¹²-Managed Public School parents.

- 1 year or less
- 2 years
- 3 years
- More than 3 years

These expectations, along with the continued rapid growth of students, are borne out in actual tenure in K¹²-managed public schools, where more than 80% of students across all grades are in their first or second years with the school as of Fall 2012.

Student Tenure in K¹²-Managed Public Schools, Fall 2012



- 8th or more
- 6th Year
- 4th Year
- 2nd Year
- 7th Year
- 5th year
- 3rd Year
- 1st Year

There is significance to these figures. Experience in brick-and-mortar schools indicates that children need time to adjust to a new school environment. This is likely to be the case for the transition from brick-and-mortar to virtual schools as well. Moreover, it is clearly more difficult for K¹² to help young people with remediation if they are with us for only a limited period.

Appropriate Measurement: The question of school assessment and standardized testing in general has been a contentious one for some time for all public schools. The rapid growth, high mobility, and large proportions of academically at-risk students in online public schools make tools commonly used to measure school and student performance especially problematic. Students enter K¹²-managed public schools at highly varied starting points and have very different learning environments and educational values.

For these reasons, several types of tests currently in use are largely inadequate in assessing and comparing online schools and traditional institutions:

- **Criterion-Referenced Tests (CRTs)** are intended to measure how well a student has learned a specific body of knowledge and skills. In education, CRTs are designed to determine whether a student has learned enough of what was taught to be considered proficient or to have mastered the content. These are the most common tests currently being used in state accountability testing systems. CRTs are different for each grade level and are designed to measure how much a student knows versus what a student in that grade is expected to know. They are typically paper-based assessments, or, if online, they are typically fixed forms, to ensure that every student in a specific grade and subject takes the exact same test. For a low-achieving student, the fixed nature of the test means that the student is likely to know very little about the tested content. Further troubling is the fact that educators of this student will not be able to glean vital information from the test results about what this student actually does know and at what level the student begins to struggle, because the test data will indicate only that the student knows very little grade-level content. Some educators use the term **standards-referenced tests** to refer to a slight hybrid of the CRT where performance levels are defined (e.g., Basic, Proficient, and Advanced). The goal of the standards-referenced test is to ensure that students are tested on specific content standards but that students also achieve specific performance levels on the test overall. For this report, we use the CRT designation as including standards-referenced tests with performance levels.

- **Norm-Referenced Tests** are designed to sort and rank students and to compare test takers to each other, and are not to be used to determine whether students have met standards. Norm-referenced tests are typically built to measure those content standards common across the national education market. Norm-referenced tests are also designed to produce a normal or bell-shaped distribution of scores that can meaningfully be interpreted as percentile ranks. These tests are more precise in the middle of the distribution and less precise at the extremes (both low and high ends). In addition, norm-referenced tests assess where each student lies relative to other students in the same grade who participated in the standardization or norming research study, not to a pre-defined proficiency level. As a result, a percentile rank does not indicate what a student is expected to know.

- **Gains from Static CRTs**, a method increasingly used by states, attempt to impute learning gains relative to the previous year's test results. Although a potential improvement from the standards-based CRT model, the methodology is too imprecise to assess gains by students below grade level, because the tests used to calculate the gains are the grade-level CRT tests on which many academically at-risk students may not be able to show much, if any, knowledge of the tested objectives. In addition, for any state accountability test, it is very difficult to estimate the exact grade-level achievement of very low- or very high-achieving students based on their test scores, because the measurement error is greater at the ends of the grade-level score continuum.

- **Adaptive Gains** tests, in contrast, are computer-administered exams that dynamically adjust the difficulty of questions based on a student's previous answers. These tests have the following advantages:

- They can hone in on a student's ability quickly and precisely and eliminate the need for separate tests for multiple grade levels.
- Annual academic growth for a student can be measured by calculating how much a student's score increased between the start and the end of the school year.
- Gains can be aggregated by teacher and compared by score ranges or by demographic categories.

K¹² feels strongly that adaptive testing is the best measurement model for K¹²-managed public schools, with their high growth rates and student mobility, but also for all public schools, as this testing provides the most accurate and precise measure of achievement at any point in time for every student whether below, at, or above grade level, and focuses on growth instead of on proficiency at a point in time.

Accordingly, as discussed in the next section, K¹² has chosen to evaluate the progress of its students using the Scantron adaptive test, which we administer to each student in grades 3 through 10 at the beginning and end of each school year, allowing us to measure our students' gains compared to a large, nationally normed group.

**“This experience
has taught our
children that they can
accomplish anything.”**

“You get to school at home, work at your child’s ability level, enjoy the benefits of a public school backing you, and so much more.”

“Our children have attended public and charter schools. Both experiences were problematic in one way or another and different for each child. No matter how many meetings we had with teachers, principals, or even parents, it seems that it really is a difficult task in those environments to focus on one child’s needs.

“As you can imagine, with four kids who are as unique in their learning abilities as they are (aren’t all children?), the idea of leaving a traditional brick-and-mortar environment for a highly involved, one-on-one learning plan was daunting. But we had to find another answer—and chose Arizona Virtual Academy (AZVA) to take our kids to the next level.

“Not only have our children maintained Honor Roll status, but also our kindergartner has tested into the second grade with this program! There is no way a ‘regular’ school environment would’ve been able to cater to a high flyer like this. In addition, we had no idea where our kids needed extra help until AZVA. That’s not because we aren’t involved parents (we absolutely are), but now we work with them on a very close level.

“With AZVA, you’re provided all the tools, books, classes, and teachers you need to comfortably pull away from what society has told us is the only way to teach our kids. AZVA is the best of both worlds for families. You get to school at home, work at your child’s ability level, enjoy the benefits of a public school backing you, and so much more.

“I think this experience has taught our children that they can accomplish anything they put their minds to. What a great gift to our kids. I can’t wait to see how they do in their lives because of the years we’ve spent with AZVA.”

The K¹² Student Report Card: Delivering Results

Highlights:

- K¹² believes that the best method for measuring student performance is the progress a student makes over the course of a school year, also known as a “growth measure,” which can be captured by using adaptive testing.
- For the 2011–2012 school year, students enrolled in K¹²-managed public schools, on aggregate, made 97% of the Scantron Norm Group gain in math and 196% of the Scantron Norm Group gain in reading.
- K¹²-managed public schools have generally demonstrated gains very close to or above the gains of the Scantron Norm Group in math and reading for all grade levels tested for the past three years.
- The longer students have been enrolled in a K¹²-managed public school, the better the students perform on state exams relative to their student peers with shorter tenures.
- K¹² is not seeing the same level of success with external gains models that are now being used in some states, and thus, we are actively engaged in research to analyze why our Scantron gains scores do not always correlate to the states’ gains scores.

K¹² Has Chosen to Evaluate the Progress of Its Students Using the Scantron Performance Series Assessments, Which We Administer to Each Student at the Beginning and End of the Academic Year. This Decision Has Been Made for a Range of Reasons:

- **The advantages of adaptive tests in the individualized learning context:** As discussed previously, adaptive tests are especially appropriate for the individualized learning context, where students advance at their own pace, and an increasing number of students enter behind grade level in attainment. Adaptive tests focus on growth and eliminate uneven starting points, while focusing on gains/mastery instead of on proficiency at a given point in time. In addition, because adaptive tests measure mastery, K¹² can and does use adaptive tests as a powerful element of its individualized learning program.
- **A large, nationally normed group:** Use of Scantron allows K¹² to measure the gains of students in partner schools compared to a large, nationally normed group. The Scantron Norm Group is based on user norms for grades 2 through 10 for math and reading who took the Scantron Performance Series Exam in Fall of 2005 and again in Spring of 2006. The group was assembled by Scantron to provide clients, typically districts and schools, with a means by which to compare the performance of their own students. The Norm Group represents national population levels in the area of ethnicity, gender, and geographic region.¹¹
- **Ability to administer in a web-based environment:** Scantron assessments are computer-administered tests that are Internet-based, which is critical given that the majority of our interactions with students take place over this medium. When K¹² was evaluating adaptive testing products for implementation in K¹²-managed public schools, the Scantron Performance Series was the only web-based product available, which was vitally important, given the online school model.
- **Continuity:** Continuity with a test is critical for meaningful comparisons across schools and to measure progress for individual students. K¹² has been using the Scantron series since the 2008-2009 school year and, thus, has several years of data to support the finding that K¹² students continually perform at or above the Scantron Norm Group in Math and Reading. In addition, it provides school leaders with a goal and a standard

¹¹ Scantron Performance Series Technical Report, 9th Ed., October 2010, p. 70



to measure the attainment of that goal. When the Scantron assessments were selected for use in K¹²-managed public schools, these assessments were the only computer adaptive test available online that allowed us to measure students' gains longitudinally compared to a large, nationally normed group. Although at least one new online computer adaptive test is now available, we continue to use the Scantron assessments for consistency of measures across the school years.

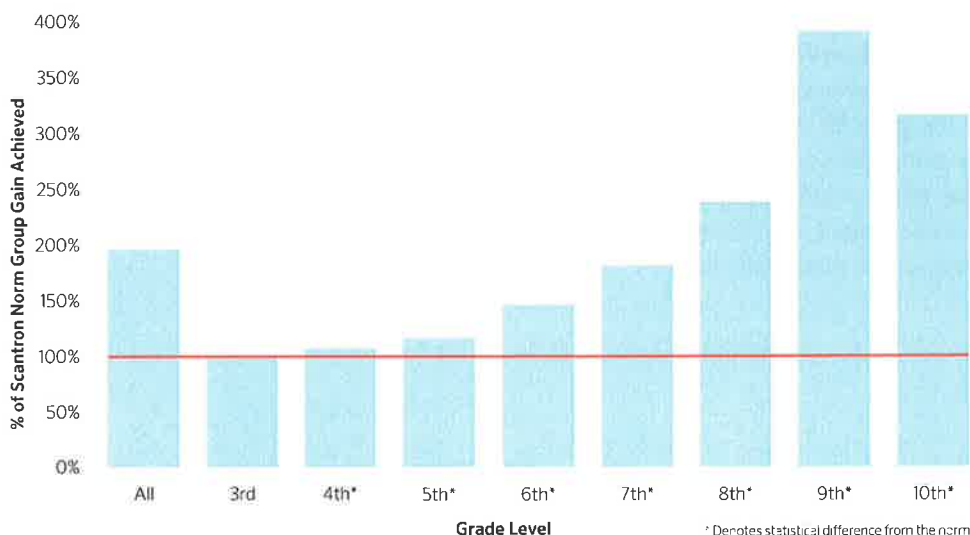
Student Gains on Scantron Tests Are Generally Near or Above Scantron Norms

In the fall of 2011, and again in the spring of 2012, approximately 38,700 K¹²-managed public school students in grades 3-10 took the Scantron Performance Series tests in Math and Reading. These online, adaptive assessments were implemented to determine annual growth for students in K¹²-managed public schools and to inform teachers of students' strengths and challenges in the fall so that, by spring, strengths could be built upon, and challenges could be remedied. The Scantron Performance Series assessments provide K¹²-managed public school leaders and teachers with student data that they don't often get from prior year cumulative files or test scores.

The following charts provide a summary of K¹²-managed public school students' gains in terms of the percentage of Scantron Norm Group gain achieved. Only students who are enrolled for a full academic year and take the fall and spring tests within the designated Scantron Performance Series testing windows are compared with the normed group data. A percent gain of 100% represents the exact gain of the Scantron Norm Group. In instances when K¹²-managed public school students achieve higher gains than the Scantron Norm Group, the percentage of the Scantron Norm Group gain achieved is greater than 100%, and in instances when K¹²-managed public school students achieve lower gains than the Scantron Norm Group, the percentage of the Scantron Norm Group gain achieved is less than 100%.

As can be seen in the following chart, K¹²-managed public schools did very well in Reading gains for the 2011-2012 school year, with an overall achievement of 196% of the Norm Group gain. Grade 3 was the only grade not achieving at least 100% of the Norm Group gain, at 98%, though this difference was not statistically significant. The gains in all other grades were above 100% of the Norm Group gain and statistically significant.

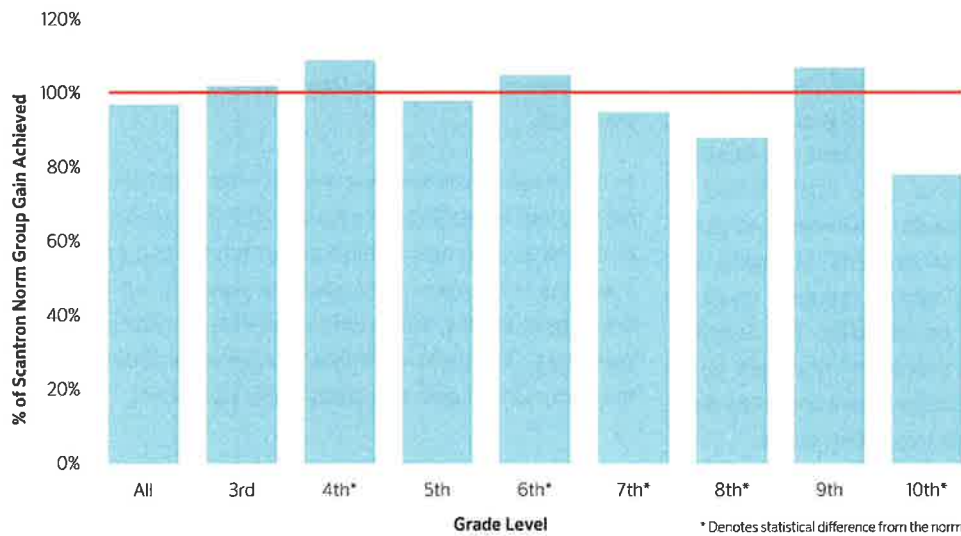
K¹²-Managed Public Schools Percent of Scantron National Norm Group Gain Achieved in Reading, School Year 2011-12



In Math, K¹²-managed public schools achieved 97% of the Norm Group gain across all grades for the 2011-2012 school year. The gains in grades 3, 5, and 9 were not statistically significant from the Norm Group gain. The gains for grades 4 and 6 were above the Scantron Norm Group gain and

were statistically significant. In grades 7, 8, and 10, the K¹²-managed public school gains were below the Scantron Norm Group, and the difference was statistically significant.

K¹²-Managed Public Schools Percent of Scantron National Norm Group Gain Achieved in Math, School Year 2011-2012



Based on the 2011-2012 school year Scantron data for K¹²-managed public schools, we believe that, overall, the schools are doing an excellent job with student growth in Reading. The data for Math are less positive, however, especially in grades 7, 8, and 10, where the gains of K¹²-managed public schools were significantly below the Scantron Norm Group. As discussed later in the report, math instruction and growth is a specific area of improvement focus for K¹²-managed public schools, especially in the middle and high school grades.

Appendix A contains more detailed information on the results presented above, including Scantron scale scores for the fall and spring testing administrations in K¹²-managed public schools. The Appendix also contains details about the analysis to determine statistical significance.

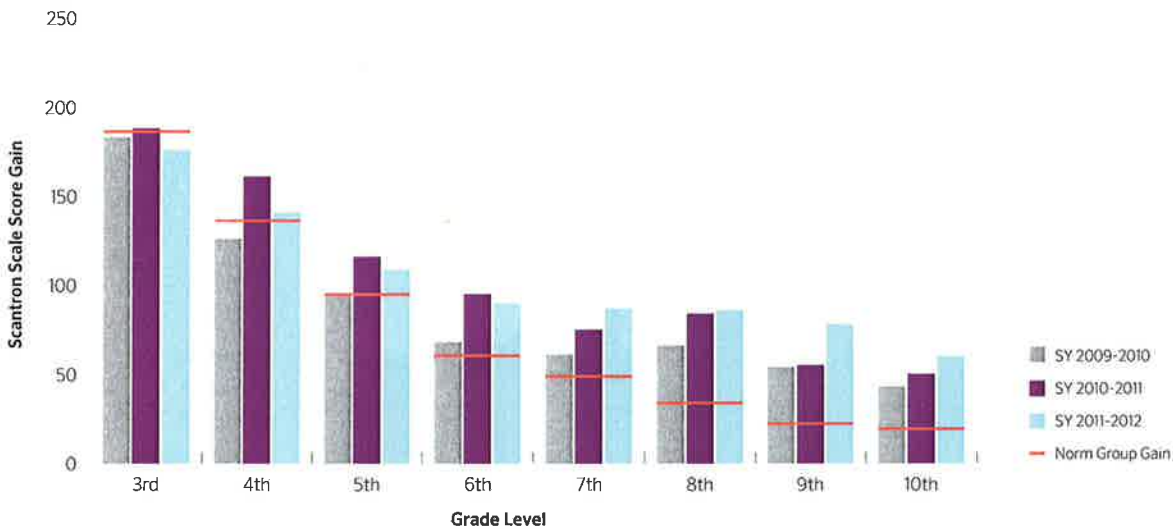


Year-Over-Year Gains Show Positive Trend in Grades 7-10 Reading; More Improvement Needed in Math

In addition to comparing the gains of students enrolled in K¹²-managed public schools for each school year with the Scantron Norm Group gains, we also analyze the K¹² gains year-over-year, to determine if any major changes, either positive or negative, warrant further study. The following charts show K¹²-managed public schools' gains in the 2009-2010, 2010-2011, and 2011-2012 school years.

In reading, our scores have remained at or above the Norm Group for the past three school years. Although we saw a slight drop in gains for grades 3, 4, 5, and 6 for the 2011-2012 school year, the gains were still significantly above the Norm Group for grades 4, 5, and 6, and they were not statistically different from the Norm Group in Grade 3. We are pleased with the increase in Reading gains for grades 7, 8, 9, and 10 for the 2011-2012 school year, as students tend to be more academically at-risk the older they get. We believe that the improvement in the Reading gains for the older grades indicates our improvement in providing remediation to this group of students.

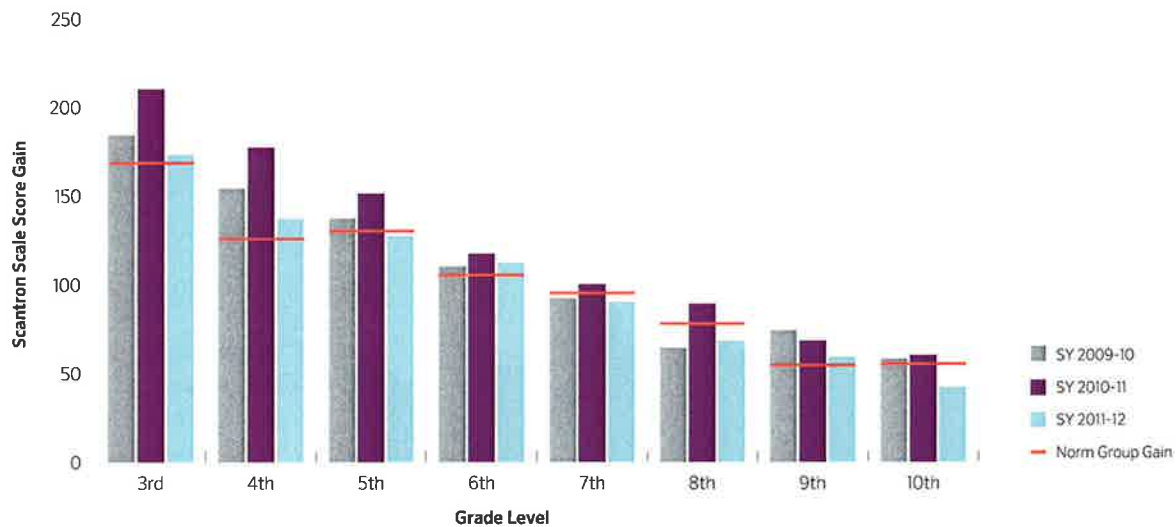
K¹²-Managed Public Schools Year-Over-Year Scantron Gains in Reading Compared to the National Norm Group School Years 2009-2010, 2010-2011, and 2011-2012



In math, our year-over-year Scantron gains show more mixed results than in Reading. After most grades saw an increase in gains for the 2010–2011 school year, the gains for 2011–2012 decreased in every grade, although K¹²-managed public schools are statistically below the Norm Group only in grades 7, 8, and 10, as described above. The cause of the decrease in gains for the 2011–2012 school year is not known with any certainty, but for the 2012–2013 school year, K¹²-managed public schools are working to increase the focus on remediation with better data systems and tracking of student progress in the K¹² Online School (OLS) and in third-party assessment and remediation tools.

The Scantron Performance Series gains for each K¹²-managed public school for the past three school years (2009–2010, 2010–2011, and 2011–2012) are contained at the end of this report. Group sizes under 10 are not reported.

K¹²-Managed Public Schools Year-Over-Year Scantron Gains in Math Compared to the National Norm Group School Years 2009-10, 2010-11, and 2011-12



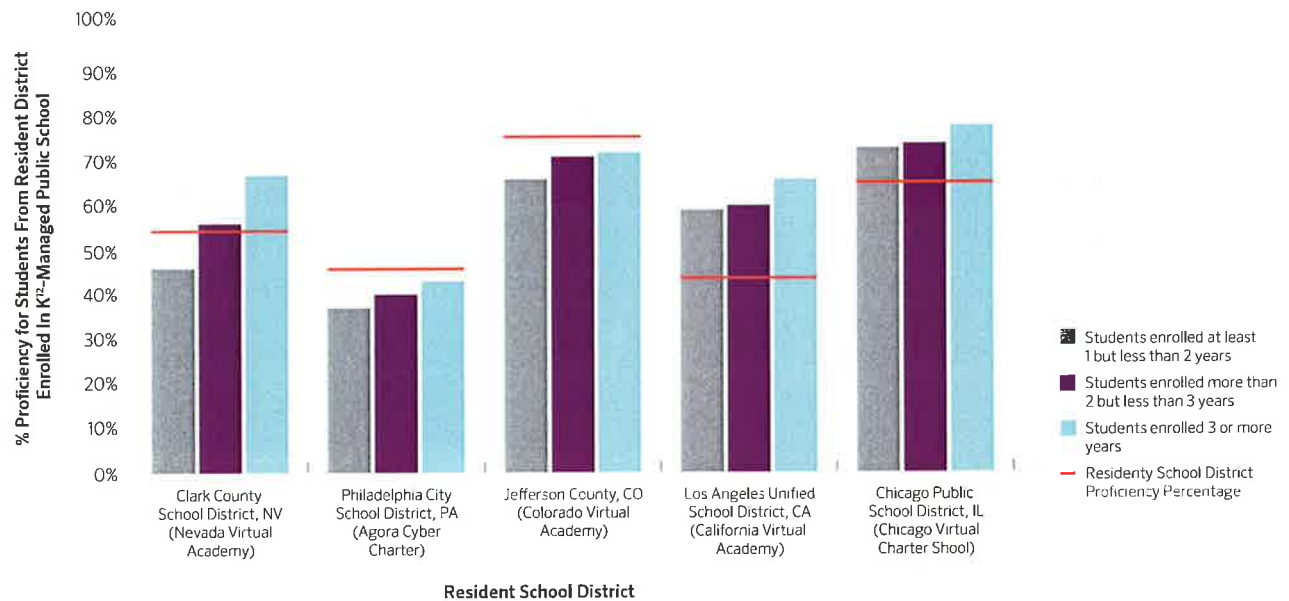


Longer-Tenured Students Perform Better on State Tests

As explained in an earlier section of this report, we do not believe that static criterion-referenced tests (CRTs) are the best way to measure the academic success of students enrolled in K¹²-managed public schools. For students who have been enrolled in a school for a relatively short period, as is the case with a large percentage of students in K¹²-managed public schools, CRTs say more about the performance of the prior educational setting of the student

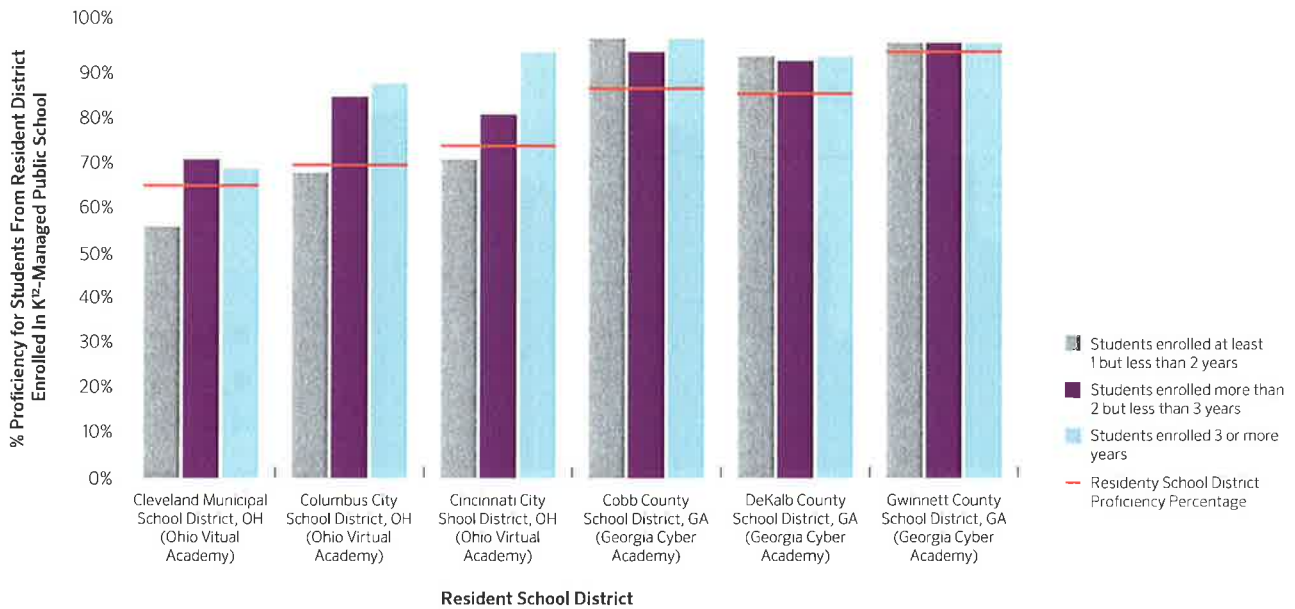
than the current setting. When we compare state test proficiency percentages of students from the resident districts where the largest numbers of students enroll in K¹²-managed public schools, we see an encouraging trend: The longer students have been enrolled in a K¹²-managed public school, the more likely the students are to be "Proficient" on state exams relative to students with shorter tenure, and the better the students perform compared to students enrolled in their resident districts.

Higher Rates of "Proficiency" on State Exams for Students with Longer Tenure – Reading School Year 2010-2011

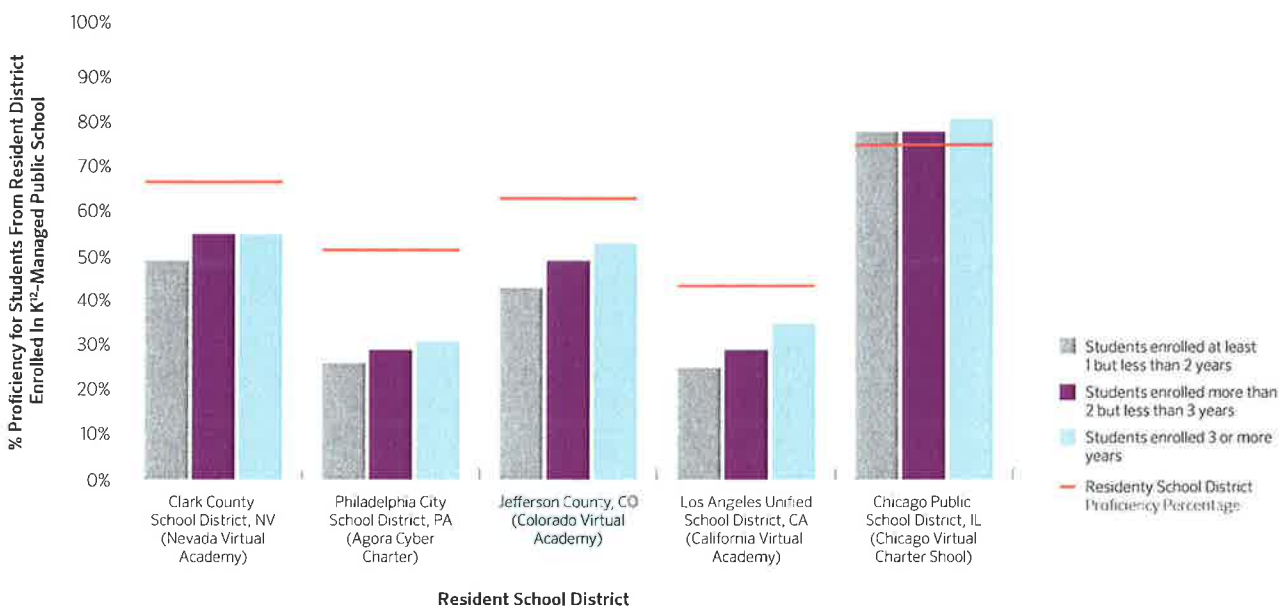




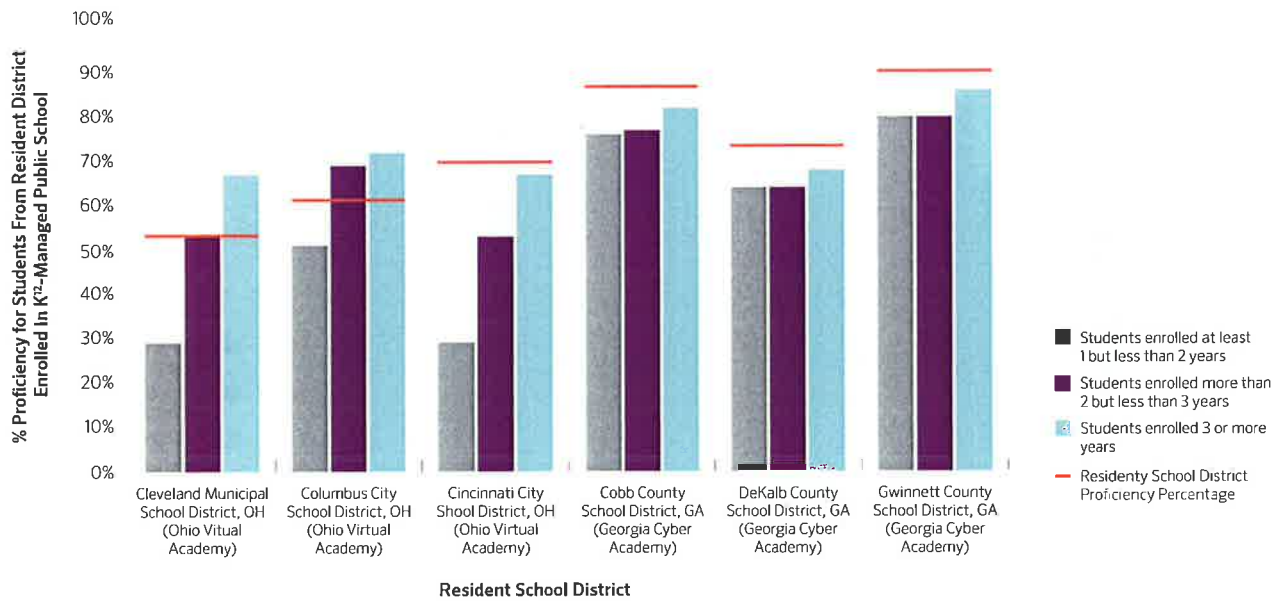
Higher Rates of "Proficiency" on State Exams for Students with Longer Tenure - Reading School Year 2010-2011



Higher Rates of "Proficiency" on State Exams for Students with Longer Tenure - Math School Year 2010-2011



Higher Rates of "Proficiency" on State Exams for Students with Longer Tenure - Math School Year 2010-2011



Although we find these results encouraging, we are not satisfied with the achievement of our students, especially in math. Although it is obvious from the data presented above that students are enrolling with severe deficits in the area of math, K12's goal is

to develop curriculum and programs that can "catch students up" until they are performing at or above grade level. Later in this report, we will discuss the initiatives we are undertaking to improve math achievement in the schools we manage.



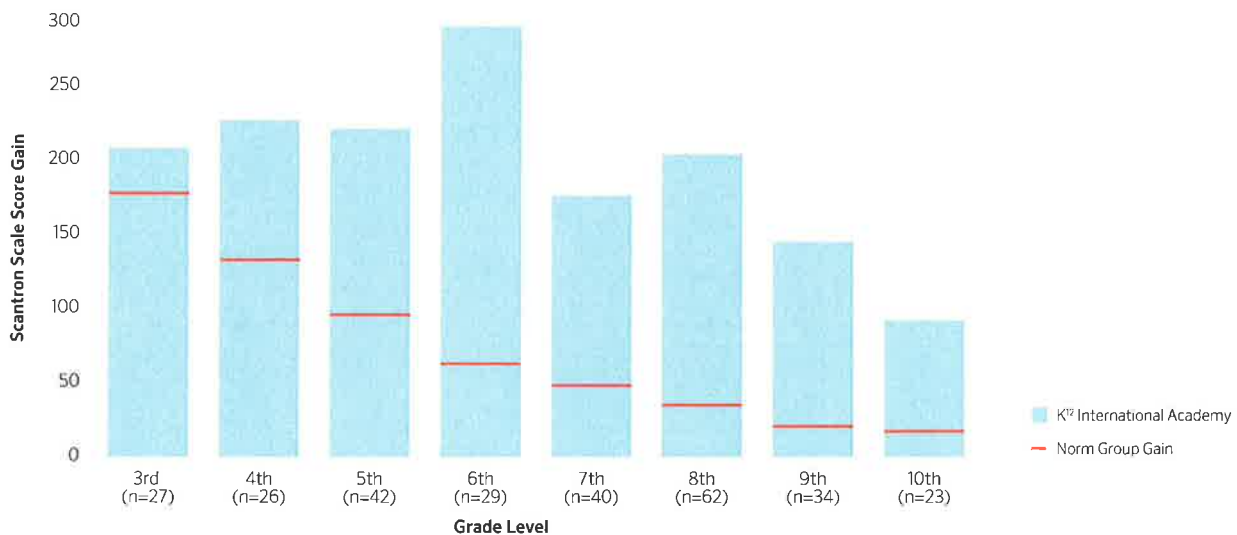
K¹² International Academy Students Show Significantly Higher Gains than the Norm Group

The Scantron Performance Series tests are also given to students in the K¹² International Academy, a tuition-based private school managed by K¹². Students in the K¹² International Academy perform significantly above the Scantron Norm Group, which we believe is attributable in part to the commitment and engagement demonstrated by families willing to pay tuition to attend the school. For the 2010–2011 school year, K¹² International Academy students achieved gains higher than the national norm in all eight grade levels assessed in reading and math, as can be seen in the following charts. The data from the K¹² International

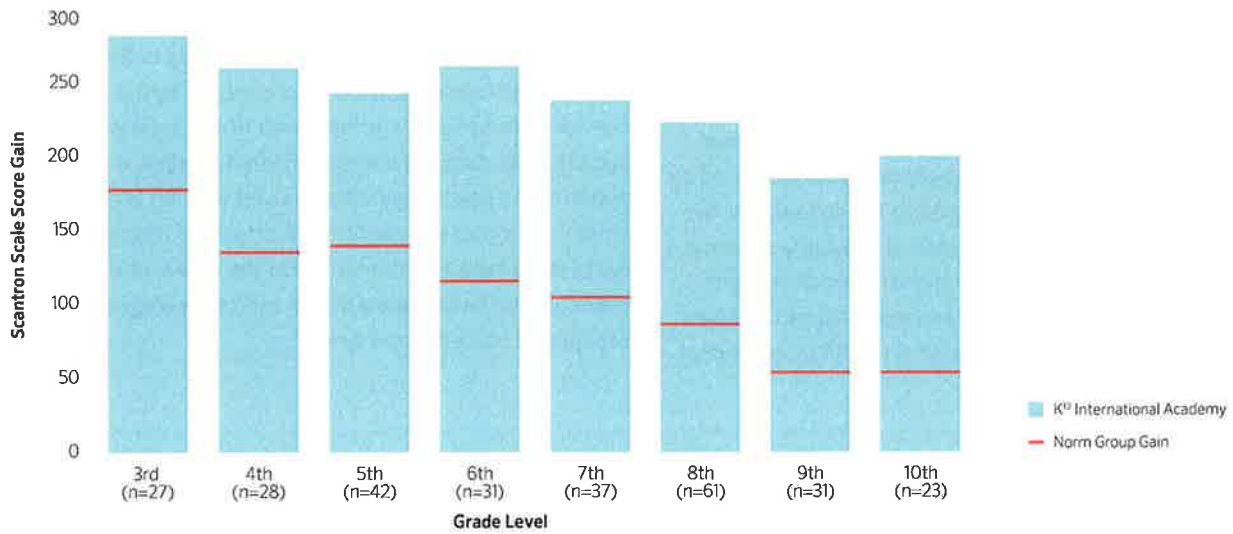
Academy are from a relatively small sample of enrolled students, though we believe it is representative of the larger school population.

While we work to perform further studies on the factors underlying the academic success of students in the K¹² International Academy, we are encouraged by the results thus far in demonstrating the power of the technology-enabled individualized learning model for highly engaged students. As described in the next section, K¹² is pursuing research and pilots to confirm the effects of engagement and to determine whether and how the power of the individualized pedagogical model can be leveraged to get disengaged students on track.

K¹² International Academy Scantron Performance Series Gains Compared to the National Norm Group in Reading School Year 2010–2011



**K¹² International Academy Scantron Performance Series Gains
Compared to the National Norm Group in Math
School Year 2010-2011**





K¹² Model Scores Well in Kindergarten Study

During the 2011–2012 school year, K¹² partnered with Knowledge Universe to provide academic content to select kindergarten classrooms in their KinderCare® centers, a collaboration that provided further confirmation of the power of the K¹² individualized learning model to boost engagement and achievement.

K¹² provided teachers with comprehensive start-up curriculum training and monthly ongoing support sessions, and all classrooms were equipped with SMART® Boards for K¹²'s online interactive activities and received K¹² books and materials for hands-on activities. This partnership sprang from the successful piloting of the K¹² curriculum by two KinderCare centers, one in Reston, Virginia, and the other in Vancouver, Washington, during the 2010–2011 school year. In the second year of the partnership, K¹²'s Math+ Blue (Kindergarten), Language Arts Blue (Kindergarten), KCS Science Modules, Kindergarten Art, and Kindergarten Social Studies courses were used by more than 200 students in 18 classrooms. The centers were located across nine states: New Jersey, Virginia, Connecticut, Pennsylvania, Massachusetts, Michigan, Texas, Illinois, and Washington.

For the 2012–2013 school year, the number of centers using K¹² in the kindergarten classroom has increased from 18 to 34.

Anecdotal evidence from teachers indicated enhanced student engagement and achievement, as well as increased parent enthusiasm. Quantitative evidence confirming this conclusion was provided by the TerraNova™, a multiple-

choice standardized norm-referenced achievement test used in schools and districts across the country. The TerraNova scores in math and reading showed an overall mean grade-level equivalent score of 1.4 in centers using K¹² for one year and a score of 1.7 in centers using K¹² for two consecutive years. This means that kindergarten students in mathematics and reading for programs using K¹² were achieving above grade level. Those students who were enrolled in centers using K¹² for one year had an average achievement level consistent with first-grade students in the fourth month of the school year. Kindergarten students in schools that had used K¹² for two years had an average achievement level consistent with first-grade students in the seventh month of the school year.

For the 2012–2013 school year, the number of centers using K¹² in the kindergarten classroom has increased from 18 to 34.

Improvement Needed in Preparation for Post-Secondary Education

K¹²-managed public schools have graduated more than 8,000 students since the first graduating class in 2007. Using a service provided by the National Student Clearinghouse, K¹² is able to track student enrollment in post-secondary institutions after graduation from a K¹²-managed public school. The National Student Clearinghouse provides coverage of collegiate enrollment from more than 3,300 participating post-secondary institutions in the U.S., which collectively account for more than 96% of all student enrollments in U.S. higher education institutions, including two-year, four-year, graduate, public, private, trade, and vocational schools.

Data from the National Student Clearinghouse indicate that 40% of 2011 high school graduates from K¹²-managed public schools enrolled in a post-secondary education program within one year of graduation. This percentage is significantly lower than a comparable statistic issued by the U.S. Bureau of Labor Statistics in October 2011, which states that 68.3% of 2011 high school graduates were enrolled in colleges and universities.¹²

¹² *College Enrollment and Work Activity of 2011 High School Graduates*, retrieved January 10, 2013, from <http://www.bls.gov/news.release/hsgec.nr0.htm>

Although we are not satisfied with the post-secondary matriculation rates for students in the school year immediately following high school graduation, we are encouraged that the rate increases to 51% of students enrolled in a post-secondary education program for students within two years of graduation. As will be discussed later in this report, K12 is actively working on increasing the rate of students enrolling in post-secondary education after high school graduation.

K12 also believes the relatively low post-secondary participation rate of K12-managed public school students when compared to national averages may reflect a greater concentration of academically at-risk high school students in K12-managed public schools than in the nation overall. Approximately 40% to 60% of incoming 10th, 11th, and 12th graders in a sampling of K12-managed public schools were credit-deficient upon enrollment.

For students who choose to continue with their education after graduating from high school, the majority choose to attend in-state, public, two-year institutions. For students graduating from 2007 to 2011 who were actively enrolled in a post-secondary institution as of August 2012: 82% were enrolled in-state, compared to 18% out-of state; 83% were attending public institutions, compared to 17% enrolled in private institutions; and 62% were enrolled in two-year institutions, compared to 38% in four-year institutions.

Graduates of K12-managed public schools have been accepted into hundreds of post-secondary institutions, including the following colleges and universities, as indicated by K12-managed public schools Senior Survey data and data from the National Student Clearinghouse on post-secondary enrollment:

American University
 Arizona State University
 Brigham Young University
 Brown University
 California Institute of the Arts
 Carnegie Mellon University
 Case Western Reserve University
 Colorado State University
 Columbia University
 Cornell University
 DePaul University
 Drexel University
 Duke University
 Georgia State University
 Grand Canyon University
 Hamline University
 Kent State University
 Miami University of Ohio
 Minnesota School of Business
 Minnesota State University
 New York University
 Northern Arizona University

Northwestern University
 Ohio State University
 Pennsylvania State University
 Rhode Island School of Design
 Rice University
 Rocky Mountain College
 of Art and Design
 San Francisco State University
 Savannah College of Art and Design
 Spelman College
 St. Cloud State University
 Stanford University
 Sweet Briar College
 The Juilliard School
 Tulane University
 U.S. Air Force Academy
 University of California, Berkeley
 University of Arizona
 University of California, Davis
 University of California, Irvine
 University of California, Los Angeles
 University of California, San Diego

University of California, Santa Barbara
 University of California, Santa Cruz
 University of Colorado, Boulder
 University of Colorado, Denver
 University of Dayton
 University of Georgia
 University of Michigan
 University of Minnesota, Twin Cities
 University of Nevada, Las Vegas
 University of Nevada, Reno
 University of North Carolina,
 Chapel Hill
 University of Northern Colorado
 University of Oxford, UK
 University of Pittsburgh
 University of Southern California
 University of Utah
 University of Virginia
 Vassar College
 Villanova University
 Wake Forest University

For a more extensive list of post-secondary institutions where K12-managed public school graduates have been accepted and/or enrolled since 2009, visit K12.com/graduates.

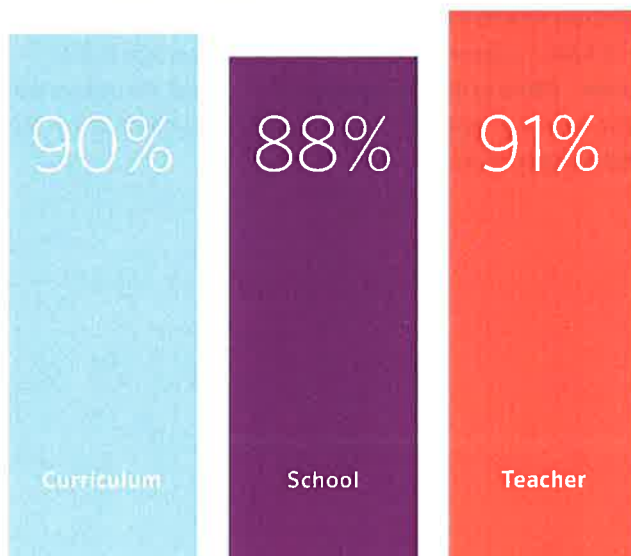


Parent Surveys Show High Levels of Satisfaction

Although parent satisfaction is not a direct confirmation of school performance, the fact that parents and guardians can choose K¹²-managed public schools does provide a meaningful indication of whether they believe these schools benefit their children. In K-8 and high school parent and high school student satisfaction surveys of enrolled families from May 2012, 88% of parents indicated they were satisfied with their K¹²-managed public school by rating their satisfaction as a “5,” “6,” or “7” on a scale of 1 to 7. Parents believe their children have benefitted from the experience and curriculum, are satisfied with their schools, are likely to re-enroll and recommend their schools, and rate teachers highly.

Parents Are Satisfied with the K¹² Program

K¹²-Managed Public Schools K-12 Parent Satisfaction

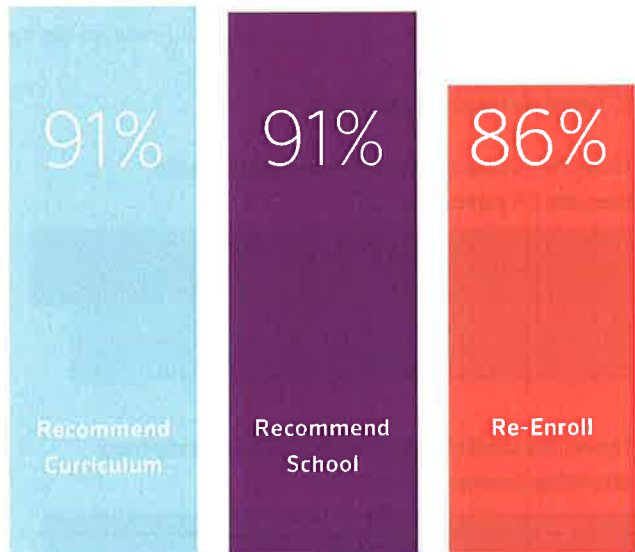


Top 3 Box scores on a 1-7 scale where 1 is “Very dissatisfied” and 7 is “Very satisfied.”

Source: Spring 2012 Satisfaction Surveys with Virtual Academies K-8 and HS parents, IQ 6-8 and HS parents, and Insight Schools HS parents. Total K¹² K-12 percentages are weighted averages of all 4 surveys based on parent population proportions as of May 2012.

Q: How would you rate your overall satisfaction with [School Name]/curriculum/teacher this year? (n=9,174 in 4 surveys)

K¹²-Managed Public Schools K-12 Parent Loyalty



Top 3 Box scores on a 1-7 scale where 1 is “Very unlikely” and 7 is “Very likely.” Source: Spring 2012 Satisfaction Surveys with Virtual Academies K-8 and HS parents, IQ 6-8 and HS parents, and Insight Schools HS parents. Total K¹² K-12 percentages are weighted averages of all 4 surveys based on parent population proportions as of May 2012.

Q: Based on your experience, how likely are you to recommend [school name]/curriculum to a friend or family member? (n=9174 in 4 surveys)

Q: Based on your experience, how likely are you to enroll your student or other students in [School Name] next year? (n=9174 in 4 surveys)

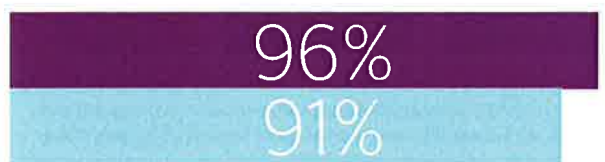
In the K¹² Virtual Academies (data not available for Insight Schools or IQ Academies), parents and high school students rated the impact of the school and the K¹² curriculum highly.

K¹² and School Experience

I have/My student has benefitted academically from the K¹² curriculum



I have/My student has benefitted academically from attending [school name]



Impact of K¹² Curriculum

The K¹² curriculum is helping me/my student prepare for future success



The K¹² curriculum has had a positive impact on me/my student



■ K-12 Parent ■ High School Student

Although parents are satisfied with K¹²-managed public schools, they do, as indicated earlier in the report, experience a high degree of mobility. We believe this mobility reflects three factors:

- the institutions’ status as schools of choice—their very purpose is to ensure that students are not restricted to an environment that is not working for them,
- their academic rigor and time commitment—exit survey findings indicate that the number one reason students depart K¹²-managed public schools is that the program is “too time-consuming.”
- families’ use of online schools, as indicated in K¹² surveys, as a limited-time solution to address a specific learning or family issue. Again, more than half of high school parents and a third of K-8 parents view K¹² schools as a “good way to catch up.”

Nevertheless, K¹² is constantly looking at ways to improve retention, including programs that better serve families who are new to a home-based learning model or who may not have a supportive or available learning coach in the home. Pilots to improve engagement, which we believe will also have a positive effect on retention, are described in the following section.

Source: Spring 2012 Virtual Academy K-8 and HS parent and HS Student Spring Satisfaction Surveys (Weighted Average for K-12 Parents)
 Q. Do you agree with the following statements?
 Scale: Yes/No [“Don’t Know” responses excluded from base]

“I couldn’t ask for a better high school experience.”

“Insight School of California – Los Angeles has been a perfect fit for me. It truly is the best school I have ever attended.”

“Online schooling at Insight School of California – Los Angeles has helped me reach my greatest learning potential. By being allowed to learn things my way, I am able to understand the material fully. Because of this, I have received straight A’s, which is better than what I received at my old brick-and-mortar high school.

“The quality of the courses has contributed to my outstanding grades because the courses are not confusing at all. They teach you the material in detail and let you be interactive with it, as well. My favorite subject is English. I love reading and analyzing the art of literature and words. The course is great because it incorporates a lot of reading and creativity in the assignments.

“Another way online school has helped me is it gives me the freedom to make my own schedule. My old school was restrictive. It didn’t allow for a flexible schedule. Outside school, I love fitness, I play the piano, and I sing. When planning my daily schedule, I make space for all of these activities along with my studies. The flexible schedule of my online school gives me the freedom to complete all these things during my day. In addition, I can focus on schoolwork more effectively because I am not overwhelmed.

“In addition, the teachers at my school have been wonderful. They are helpful in explaining the expectations of an assignment, and they give details when explaining the course material. I can easily contact them if I have a question. I believe that the teachers are more relaxed, which, in turn, helps me to be more relaxed.

“Insight School of California – Los Angeles has been a perfect fit for me. It truly is the best school I have ever attended, and I couldn’t ask for a better high school experience.”

What K¹² Is Doing to Advance Individualized Education

Highlights:

As a leader in the industry, K¹² is marshalling its resources to systematically address the challenges facing individualized learning and drive continuous improvement of the model:

- K¹² has set ambitious goals for student progress and desires to partner with states, school districts, parents, and students themselves to advance young people toward graduation and college and career readiness in the global economy. To lead our efforts to improve performance, we have announced two important new developments: the hiring of our new Chief Academic Officer, who brings outstanding credentials and expertise across the entire education establishment from pre-K to grad school, and the expanded Education Advisory Board for the 2012-2013 academic year.
- K¹² has also invested more than \$330 million in groundbreaking curriculum, technology, learning systems, and teacher support.
- As its academically at-risk population continues to expand, K¹² is also investing extensively in differentiated offerings and models to meet the specific needs of these students.
- The company is continually creating pilot programs to address the challenge of engagement, a factor critical not only to student success but also to improving retention rates across K¹²-managed public schools.

Just as K¹² Is Leading the Industry in Realizing the Opportunities Presented by Online Education to Transform the Education System, We Are Out Front in Confronting the Challenges Posed by the Transition.

To this end, K¹² has invested more than \$330 million in groundbreaking curriculum, technology, learning systems, and teacher support. We're putting our scientific expertise and professional resources to work to create product enhancements, curriculum updates, remediation efforts, pilot programs, and other instructional innovations. In particular, we feel a strong responsibility to help academically at-risk students succeed, and are investing in a range of remediation efforts to benefit them.

Our team of world-class cognitive experts and education innovators is taking advantage of the volumes of data generated by the more than 110,000 full-time students in our

K¹²-managed public schools to learn more about how they learn, and we are combining that information with our more than 12 years of expertise in online learning to craft cutting-edge new solutions for students in K¹² partner schools.



Raising the Bar for Performance

K¹² is committed to improving academic progress and performance in K¹²-managed public schools. Using individualized education as the underlying framework for education delivery, and working in partnership with states, school districts, and parents, K¹²'s goal is to see all students benefit academically while enrolled in a K¹²-managed public school, and, depending upon how long students remain enrolled in the school, graduate from high school prepared for the next step of college and/or a career.

Specifically, K¹² has set ambitious goals for the academic progress and performance of all students in K¹²-managed public schools who are actively engaged in the Individualized Learning Plans developed to address the students' specific learning needs:

- For students who enter below grade level, accelerate the rate of learning to a pace faster than what was experienced in the prior educational setting, working to catch them up over time
- For students who enter at or above grade level, make one year or more of progress for each year they are enrolled in a K¹²-managed public school
- Advance every high school student along the path to high school graduation during the time the student is enrolled in a K¹²-managed public school
- Graduate all high school students ready for college and/or career

We understand that these goals are ambitious, but they are the sine qua non for students to succeed as adults. That's why we are committed to partnering with states, school districts, parents, and students themselves to advance students toward graduation and college and career readiness in the global economy:

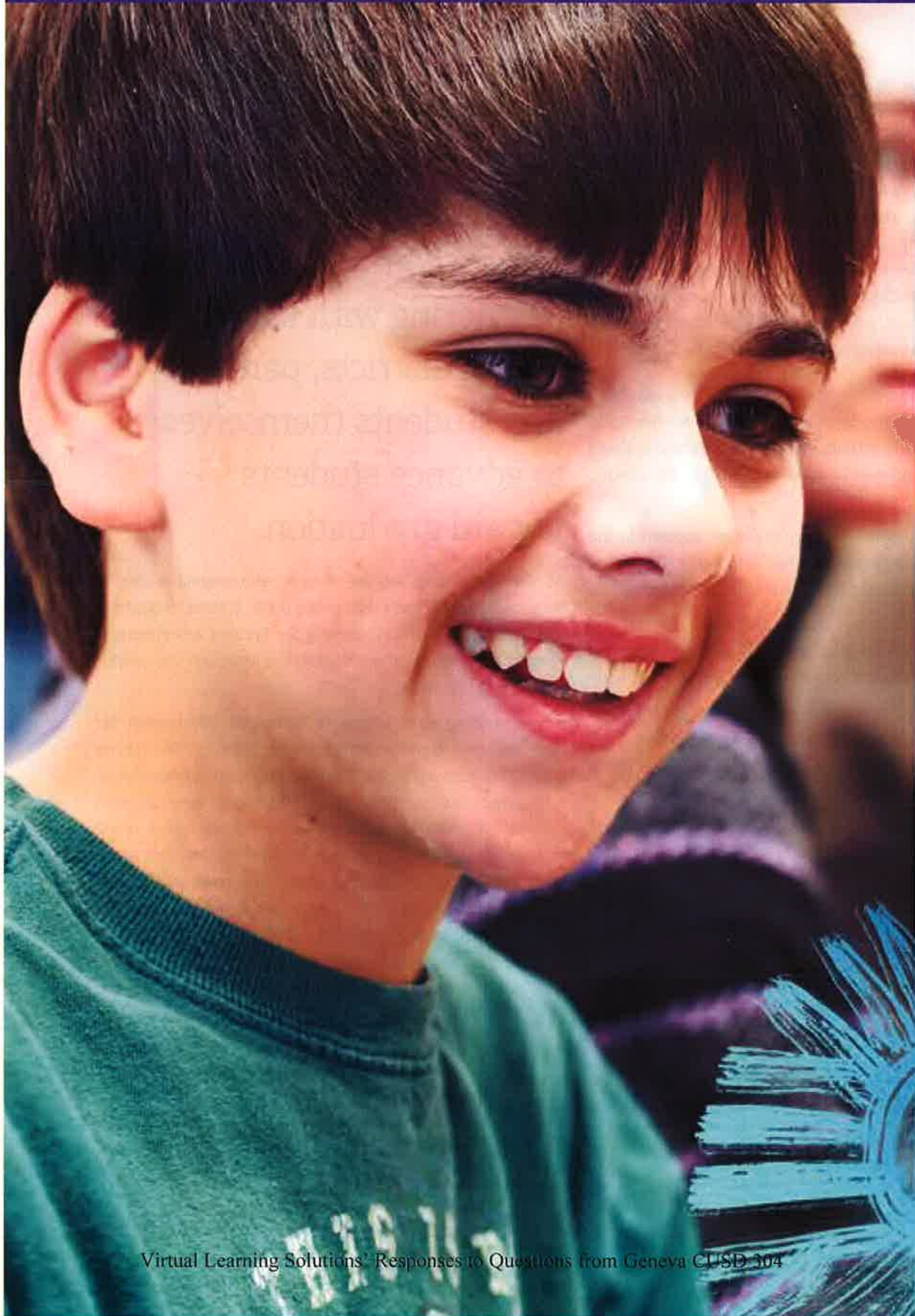
We make it clear from our initial discussions with prospective families that achieving these goals depends on the willingness

of students and their parents to fulfill their commitments under K¹²'s Individualized Learning Plans—a concept we call “fidelity to plan.” We continually emphasize to all parties involved that students cannot be successful in an online learning setting if they are unwilling to engage with the online program.

We are committed to partnering with states, school districts, parents, and students themselves to advance students toward graduation.

At the same time, we are actively encouraging states to become better partners with online public schools throughout the educational process, providing the systems and processes needed to ensure that no students fall through the cracks, including the following:

- **Providing easy access to transcript information for students transferring to a new school.** Not having accurate transcript information for students immediately upon enrollment can cause placement delays or, even worse, incorrect placements for students that result in students taking courses that do not advance them toward high school graduation. Transcript information for all students should be tracked at the state level so that schools do not need to rely upon receiving transcript information directly from students' prior schools, since such information is often not sent in a timely manner. Schools should also not be forced to rely on student- or parent-supplied information regarding prior course-taking history, as the information is often incomplete and/or inaccurate.





- **Providing longitudinal data on state test results for enrolled students.**

Very few states make prior years' test scores available to schools from a central database, even though almost all states have access to this information. Students' prior years' test data are a key piece of students' educational history that can help ensure that students are provided with Individualized Learning Plans that best meet the students' needs. As with transcript information, schools should not have to rely upon receiving prior years' test data from students' prior schools since data are often not sent in a timely manner, and especially since these test data are already tracked at the state level, and systems could easily be developed to make this information available to schools immediately upon a student's enrollment.

- **Creating processes by which schools are allowed to place students in the optimal educational setting in a timely manner.**

Once it is determined that a student is not actively engaging in an online program, and the school has done all that it can reasonably do to reach out to the student and attempt to engage him or her, an online public school must be able to return the student to a traditional educational setting. In many states, online public schools are not able to withdraw students and return them to their resident districts and schools.

Extensive Investments in 21st-Century Instructors and Solutions

As a private entity, K¹² has the capability to make investments in the quality of instruction and in product innovation far beyond that of the public education system. In all, K¹² has invested more than \$330 million in teacher support, innovative curriculum, technology, and learning systems. These and ongoing investments encompass the following:

Teacher Training and Development: Realizing that excellent instruction is at the heart of any successful school, K¹² has invested heavily in training and preparing teachers to work in fully online and blended learning environments. For example:

- The Virtual National Teacher Training (VNTT) program was developed by K¹² to ensure that teachers in K¹²-managed public schools are given the tools they need to be effective instructors with the K¹² Program. Although more than 99% of teachers in K¹²-managed public schools are state-certified and highly-qualified, as defined by the No Child Left Behind Act of 2001, many have not previously taught in an online environment. Using best practices culled from the iNACOL Standards for Quality Online Teaching, VNTT consists of approximately 40 hours of content delivered

K¹² has invested heavily in training and preparing teachers to work in fully online and blended learning environments.

in an online setting that prepares teachers to teach in an online environment, including modules on creating teacher presence in an online environment, using tools to effectively engage online learners, and delivering high-quality synchronous instruction.

- K¹² also offers an extensive catalog of continuing professional development for teachers, including more than 600 modules covering topics such as Communication in Online Learning, Assessment at a Distance, Differentiated Instruction, and Quality Online Teaching.
- K¹² will conduct research to identify the powerful practices of our highly effective teachers, those teachers whose students earn 1.5 years of growth for one year's worth of instruction based on the Scantron results. These practices will be reviewed against the iNACOL Standards, and if we identify additional standards from these powerful practices that would help our teachers become more effective, we will incorporate these standards into the VNTT program. In addition, we will routinely audit our faculty to ensure that they are employing these practices.

Curriculum Innovation: Despite having a full suite of kindergarten through 12th-grade curriculum, the K¹² curriculum team continues to invest in improving the curriculum to make it as effective and engaging as possible. Using a proprietary content and learning management system, K¹² has raised the bar in educational technology with the capability to create true adaptive learning, with the goal of delivering the right content at the right time, based on individual student need.

Students who quickly master content may proceed at an accelerated pace or go deeper in a given content area, while students experiencing difficulty may be provided with alternative teaching approaches, extra practice, and teacher interventions as needed. The technology of adaptive learning, still in its early stages, holds great promise for customizing the sequence, pace, and depth of

instruction to maximize each student's individual potential. Although various educational providers are beginning to implement adaptive learning technologies, K¹² is favorably positioned to take the greatest advantage of the emerging technologies. We have developed a comprehensive range of content, sophisticated instructional tools, and an extensive support network, all of which are necessary to realize the full promise of adaptive learning.

The technology of adaptive learning holds great promise for customizing the sequence, pace, and depth of instruction to maximize each student's individual potential.

Because K¹² is involved with every aspect of the learning cycle encompassing curriculum development, implementation of the instructional model, teacher training and support, and student assessment, we are able to carefully monitor all parts of the cycle for needed improvements. As we identify areas for improvement, as technology changes and allows for better tools, and as cognitive science provides new insight into how students learn, we update our curriculum and offerings to take advantage of our latest learnings.



Recent curricular investments include the following:

General Innovations and Features

- **Distribution channels.** Mobile apps translate instructional and practice materials for distribution on new devices.
- **Games.** Games embedded within curriculum and available as stand-alone apps allow students to practice for fluency in fundamental topics ranging from math and science facts to developmental reading.
- **Media, interactivity, and video.** Augmented audio, animation, and interactivity in second-generation courses focus specifically on topics where research shows that students often stumble. Multiple media channels allow for multiple modes of instruction, more complete worked examples, a much wider range of immediate feedback (for correct and incorrect answers), and greater supplementary explanation.
- **Assessment preparation and review.** A new suite of interactive engines designed specifically for self-testing, review, and exam preparation is launching initially in our portfolio of Advanced Placement® (AP) exam reviews. These have been designed to eventually function for courses at all levels and in all subject areas across the bell curve of students, and are meant to be especially helpful for students working independently or who need special assistance in structuring their review efforts.
- **Projects.** Problem- and project-based instructional models embodied in new math and science electives tie learning tasks directly to real-world applications following the guidance of the 21st-Century Skills initiative and leading STEM frameworks.
- **Stranding and Modularity.** Coherent but separable English Language Arts strands for grammar, literature, phonics, writing skills, and handwriting allow students and teachers to accelerate in certain ELA topics while moving more slowly in others to customize the pace for individual student needs. Similar stranding in our K-4 Social Studies curriculum allows similar flexibility. In our new Pre-K curriculum, analogous modularization permits maximum flexibility for differing implementations, allowing classes

and students to restructure and change pace as necessary for individualized needs.

Product- and Subject Area-Specific Innovations

English Language Arts

- **Grammar Guides.** An online comprehensive grammar reference guide for elementary and middle school enables students to access grammar topics outside the students' regular coursework for self-help. A clear and amusing style makes the guide especially appropriate for struggling students.
- **Models of success.** New sample papers modeling various skill levels help students understand how to move up the ladder to more successful output.
- **Writing.** Compiled tips and strategies specifically for reluctant writers assist learning coaches in coaxing students to work through the writing process.

Mathematics

- **Manipulable digital tools.** New multi-purpose digital interactives represent the abstractions of mathematics graphically, in initial instruction and in students' eventual practice. These are designed for first presentation and subsequent re-use by students and teachers, in solo and group sessions, synchronously or asynchronously.
- **Worked examples.** A new array of fully worked and partially worked examples provides special support for academically at-risk students.
- **Feedback.** Customized and immediate feedback is given for correct and incorrect answers. Immediate feedback is especially helpful for academically at-risk students.

Science

- **Labs.** In Biology, Earth Science, Chemistry, Physics, and Forensic Science, an expanded array of lab options now augments materials-based, paper-based, and video-based labs with virtual labs. New Field Study labs reflect STEM and 21st-Century Skills guidance by tying science topics to students' real-world context.

Developing Multiple Pathways:

As the academic and psychosocial needs of the students in our partner schools increasingly diversify, we are working to create differentiated offerings and models to meet these varied needs. In addition to students who may be at-risk for academic failure, we recognize that we have a large group of students who are not “one size fits all” when it comes to learning style and preferences. For example, some students prefer synchronous instruction, attending live

K¹² seeks to meet the needs of all types of learners, creating learning environments where all students feel comfortable, yet challenged.

online classes with direct instruction, while others prefer to work on their own, attending teachers’ office hours, as needed, to have their questions answered.

K¹² seeks to meet the needs of all types of learners, creating learning environments where all students feel comfortable, yet challenged, and where all students have clear pathways to academic success. Specifically, we are investing extensively in enhanced remedial instruction, programs, and teaching practices across K¹²-managed public schools and engaging in pilot programs aimed at improving academic gains and increasing engagement across all the populations of students.

Each school year, K¹²-managed public schools engage in pilot programs designed by K¹² to study the efficacy of

specific programs in the online schools. Pilot programs are selected based on the belief that the programs can have profound, positive effects for students who are not experiencing success with the online model as it currently exists. Pilot programs are carefully designed so that the effects of the pilots can be isolated and measured. Pilot programs that show positive results are evaluated for continuation. In some instances, the programs may be run in pilot phase for multiple years to confirm prior results and to improve implementation. In other cases, pilot programs may be deemed so successful that they move out of the pilot phase after one year and are rolled out on a larger scale across K¹²-managed public schools. If a pilot program does not demonstrate success and it is concluded that the program will not have the desired effect even with further modification, the pilot is discontinued.

Innovative pilots aimed at improving academic performance include the following:

The Insight Program

The Insight program is designed to address the needs of the increasing number of high school students coming in who are severely credit-deficient or are experiencing life circumstances placing them at risk either of not graduating with their cohort or of dropping out of school. Efforts pursued in various Insight Schools include the following:

- Employment of social worker-type employees to help students secure resources essential for addressing psychosocial needs that may inhibit the students’ ability to focus on academics.
- A lower ratio of students per advisor, allowing increased support and interaction with students whose personal challenges may also compromise engagement with academic work.
- Use of a block-scheduled approach to assigning courses to



address credit deficiencies; block schedules allow students to focus on fewer courses at a time while allowing a late-starting student to complete more courses during a school year, thus closing the credit gap.

- Use of Aventa by K¹² Credit Recovery and the A+nywhere System by K¹², two powerful curricular tools, to identify a student’s academic deficiencies and provide targeted remediation and credit recovery.
- 24/7 tutoring to support the many academically at-risk students with life circumstances that require the students to complete their academic work at odd hours of the day when not all teachers are available for support.

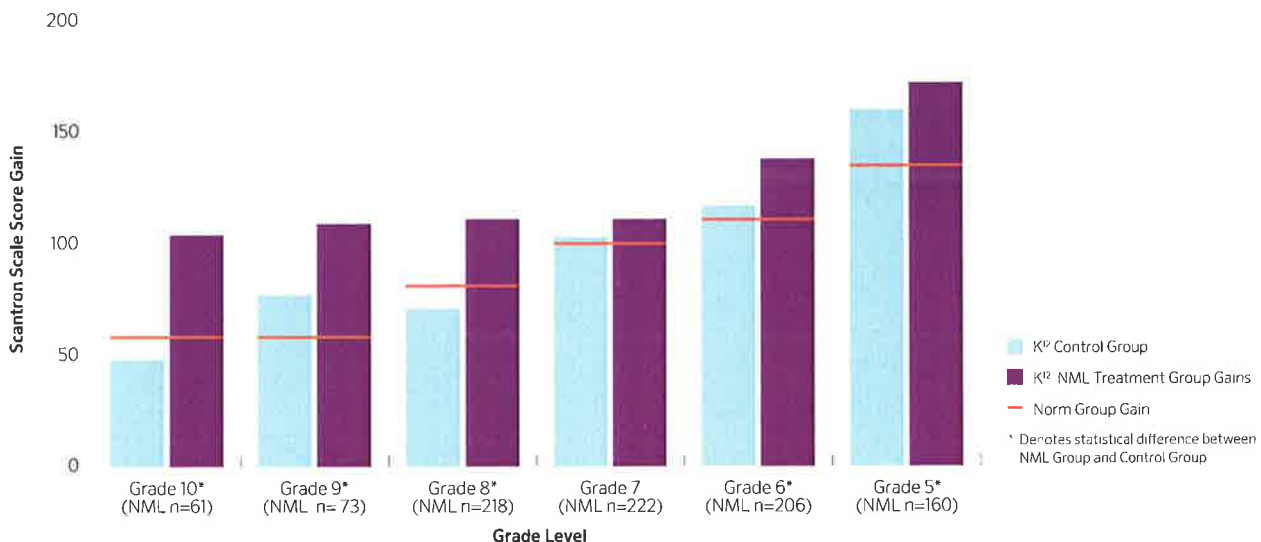
With the recent appointment of a new Director of At-Risk Programs, we expect the model for supporting academically at-risk students will continue to be developed and refined for the 2013–2014 school year.

K¹² National Math Lab

National Math Lab (NML) is an innovative program aimed at addressing students’ weaknesses in math—not only a K¹² concern but also a national concern. Designed by a team of curriculum and instruction specialists at K¹², in cooperation with school leaders from K¹²-managed public schools, and launched as a pilot at the beginning of the 2011–2012 school year, NML provides twice the usual coverage of math instruction to students in grades 5–10 who are identified as academically at-risk in math. In addition to the students’ regular math coursework, students attend targeted synchronous mathematical instruction provided by highly trained math teachers four days per week. NML sessions are offered many times throughout the day and are designed to meet students where they are, provide remediation, and, over time, bring them up to grade level.

A controlled study for the 2011–2012 school year found that students in grades 5, 6, 8, 9, and 10 with consistent attendance at NML classes experienced significantly higher gains on the Scantron Performance Series assessment in Math than a control group that was offered only the standard math program.⁸

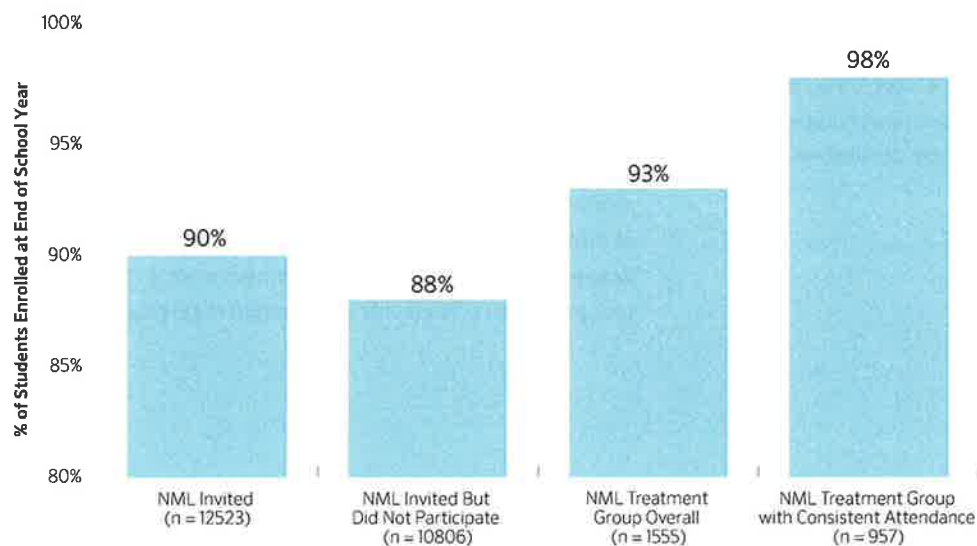
K¹² National Math Lab Pilot Scantron Gains for NML Group vs Control Group School Year 2011–2012



Participation in NML was also positively correlated with sustained enrollment in K¹²-managed-public schools. Ninety-three percent of students who accepted the invitation to join NML stayed enrolled in their school from the time they started with NML through the end of the school year, compared to 88% of students who were invited to NML but declined the invitation. The correlation

between NML participation and sustained enrollment was even more dramatic for those with consistent attendance at NML sessions.¹³ Ninety-eight percent of students with consistent attendance at NML remained enrolled in their schools from the time they joined NML through the end of the school year.

NML Pilot Sustained Enrollment Comparison School Year 2011-2012



As a result of the 2011-2012 National Math Lab pilot findings, NML is no longer in "pilot" status and has been expanded to serve a greater number of students across K¹²-managed public schools for the 2012-2013 school year.

¹³ Consistent attendance at NML is defined as attending at least 70% of NML classes for at least two of the three 8-week NML sessions offered for the 2011-2012 school year.



Synchronous Instruction Pilots

Beginning with the 2010–2011 school year, the Ohio Virtual Academy (OHVA) and Agora Cyber Charter School (Agora) teams have engaged in a series of synchronous instruction pilots aimed at improving passing and retention rates. These pilots include the following:

- **Fully Synchronous Instruction Pilots at OHVA and Agora:**

In the 2010–2011 school year, the OHVA and Agora teams tested the effects of daily online synchronous instruction for high school students in Pre-Algebra and Physical Science at OHVA and Algebra II at Agora, the latter on a volunteer basis. The impact of regular synchronous instruction in the math and science courses positively affected student course averages, course passing rates, assignment submission rates, and student retention rates. In addition, at OHVA evidence suggested a ‘halo’ effect: Passing rate increases were also seen in the history and English courses of students in the synchronous pilot group.

- **OHVA Cohort Academy Pilot:** Also during the 2010–2011 school year, OHVA pursued a “Cohort Academy” pilot for high school students enrolling after the start of the school year, who historically had struggled to acclimate to the online environment. The pilot placed randomly selected late enrollees in an “Academy,” in which core subjects were taught fully synchronously by a group of teachers assigned solely to Academy students. The teachers ramped up academic requirements gradually to avoid overwhelming the students. Students in the Cohort Academy demonstrated better academic performance and a higher retention rate than a control group.

- **OHVA STAR Program:** The Synchronous Teaching Achieves Results (STAR) Program provided four days per week of synchronous instruction in math and language arts during the 2011–2012 school year for approximately 600 students in grades 4–6 considered at risk of not passing state tests. Although overall results were inconclusive, some improvement was seen in student retention in grades 5 and 6, along with gains in achievement that were inconsistent across

the grade levels. This program will be further monitored for effectiveness during the 2012–2013 school year.

- **Agora Synchronous Session Program:** New for the 2012–2013 school year, this revised synchronous program requires new and/or struggling Agora students to attend daily live lessons for the first 30 days of enrollment on either Monday–Wednesday–Friday or Tuesday–Thursday schedules. Teachers directly lead students through the daily sessions to model appropriate use of courses, ensure fidelity to intended instructional methods, reduce teacher planning time, and encourage students to set aside sufficient time for regular lessons. After the initial 30-day period, students who have demonstrated an understanding of the level and regularity of effort required to succeed in online courses are no longer required to attend the two- or three-day-per-week sessions.

Students in the Cohort Academy demonstrated better academic performance and a higher retention rate.

Block Scheduling

During the 2011–2012 school year, several K¹²-managed public high schools piloted block scheduling, generally assigning students three courses to complete in a nine-week period. This instructional model creates academic momentum and helps some students make up deficient credits by enabling them to better focus their efforts and time. We learned that block scheduling can positively affect student achievement and retention, although students in some courses—such as math and world languages—benefit from extended periods of exposure to sequential content. A number of schools refined their approach to block scheduling in the 2012–2013 school year based on 2011–2012 results.





Engaging All Learners

As has already been mentioned several times in this report, student engagement in the online model is essential to the success of K¹²-managed public schools. We believe that student engagement is an essential factor in driving academic performance, reducing turnover, and promoting higher retention across K¹²-managed public schools. K¹² is continually creating pilot programs to address the critical area of engagement, with promising results:

Intake/On-Boarding Pilot at the Arizona Virtual Academy (AZVA)

The Arizona Virtual Academy Intake Program assigned each new 2010–2011 student and family to a staff member who ensured that the student received proper orientation to AZVA programs and provided documentation to the student's teacher on completion of required performance assessments. Students who completed the intake program had a higher rate of retention than those not participating, with significantly greater improvement for high school students. AZVA has continued to refine the Intake Program since its pilot year, and as of the 2012–2013 school year, all new students participate in the Intake Program.

Home Visit Program at Agora

To build stronger relationships between teachers, students, and learning coaches during the 2010–2011 school year, teachers conducted a home visit before the first day of school for all new students and within the first 30 days of school for returning students. Teachers were able to see the student's work space and learning environment and conduct literacy screenings when applicable, promoting a stronger bond and providing an opportunity for teachers and the school to have a more holistic understanding of each student and learning coach at the earliest point ever, relative to prior school years. Although there was no control group and a small number of students opted out of the home visit,

retention at Agora was significantly higher for the students who received home visits during the school year. Home visits have continued in Agora since the 2010–2011 school year, with the responsibility for the visits transitioning to the Agora Family Coaches, whose role is to support students and learning coaches and to help families create positive environments for learning.

Parents are provided an opportunity to connect with other parents, volunteer in the classrooms, or attend social or educational workshops.

Community Days at California Virtual Academy (CAVA)

Developed seven years ago and expanded with each subsequent school year, CAVA's Community Days provide support to students and their families at local sites, generally located within 45 minutes of their homes. During the 2010–2011 school year, nine California Community Day sites served nearly 10% of CAVA's K–8 students. Participating students meet at the Community Day site one day each week for three and a half hours and enjoy a range of educational opportunities, including direct instruction in math and language arts. Parents are provided an opportunity to connect with other parents, volunteer in the classrooms, or attend social or educational workshops created especially for them. Although a controlled pilot was not conducted, students participating in Community Days typically demonstrate a higher rate of retention than those not participating.

Student and Family Support Teams at Georgia Cyber Academy (GCA)

During the 2010–2011 school year, Georgia Cyber Academy developed a team of seven Family Support Liaisons—physically located across the state—and a Family Resource Coordinator to help reduce the number of disengaged students and provide a more comprehensive support plan for potentially “at-risk” students. Support included

The initiative led to the retention of 64% of all teacher referrals made, and overall retention for the 2010-2011 school year increased by 3%.

everything from addressing technology issues to connecting families with local homeless shelters, counselors, or other psychosocial support services. The initiative led to the retention of 64% of all teacher referrals made, and overall retention for the 2010–2011 school year increased by 3%. The program has been expanded, and further improvements to the process have produced even better results.

Reward and Incentive Programs at Texas Virtual Academy (TXVA)

To evaluate the effect of an online motivational rewards program on student achievement and engagement, a controlled study

was conducted at TXVA during the 2010–2011 school year with students in grades 5, 8, and 9. Students were awarded points for meeting progress and attendance goals set by the school and for completing additional achievement-focused targets. Students could redeem these points for badges, prizes, or donations to charitable organizations. Findings from this study did not indicate that the rewards program had an impact on higher retention or on behaviors conducive to higher academic achievement. As a result of the pilot, K¹² advised schools not to invest in this program until an effective process for conducting an online motivational rewards program could be determined.

Advisor Pilot at Georgia Cyber Academy (GCA)

During the 2011–2012 school year, GCA studied the impact of a lower student-to-advisor ratio on engagement and achievement. Although engagement and achievement improvements were not significant, the study yielded several valuable findings: 1) advanced scheduling of 1:1 meetings with students is more effective than random calls, 2) advisors should be freed from administrative tasks not related to connecting with students, and 3) staff activities should be monitored to ensure fidelity to the prescribed advisory model.

Online Mentoring

During the 2011 spring semester, K¹² tested whether connecting students with online mentors who worked in students’ fields of interest would increase engagement and post-secondary planning. Students received elective credit for working through online college and career curriculum with their mentors. Before/after attitudinal surveys found that the more motivated a student was to participate, the more likely he or she was to explore new career options, to learn how to apply to college, and to report an increase in self-efficacy. The program’s early success led to another iteration of the pilot during the 2012–2013 school year.



The High School Individualized Learning Plan (HS ILP) Process

The 2012-2013 school year High School Individualized Learning Plan (HS ILP) process strengthens and codifies essential components of the HS ILP by providing templates for communication with parents and students, best-practice staffing models, implementation training, and centralized tracking mechanisms to measure how well high schools are implementing HS ILPs for each student. Further, this process leverages Pathfinder, an online college- and career-planning tool that provides a range of resources: four-year course plan; goal chart; skills, values, and interests inventories; college search engine; and scholarship search engine.

We believe the robustness of the 2012-2013 process should ultimately lead to improved retention, achievement, graduation, and college matriculation rates.

College and Career Workshops

For the 2012-2013 school year, K¹² is offering weekly workshops for students and parents on college and career planning. These hour-long, online workshops—offered live and via recording—provide a comprehensive education on how to prepare for and apply to college, as well as exposure to career industry professionals. Sessions are regularly attended by middle school and high school students, reflecting the keen interest in post-secondary planning among students of expanded ages. K¹² will measure short-term satisfaction metrics and long-term graduation and college matriculation rates of those participating in this program.

High School Pillars Campaign

In Fall 2012, K¹² rolled out a campaign to help the K¹²-managed public schools adopt five “High School Pillars” developed by a diverse team of school leaders to drive student engagement, achievement, and retention: A

Clear Sense of One’s Purpose; Holistic Plan for Success; Responsive, Relevant Learning Experience; Data-Driven Achievement; and Committed Culture & Community. Satisfaction surveys of students and their parents in Fall 2012 provided baselines for a follow-on survey planned for Spring 2013 to measure the degree to which K¹²-managed high schools are embodying a culture defined by the pillars. The Fall 2012 results show a correlation between schools’ pillar scores and the prior year retention rates, indicating that school culture is an important element of student engagement and retention.

Family Cohort Pilot at Ohio Virtual Academy (OHVA)

OHVA developed a pilot to reduce learning coach burdens for families by streamlining communication and reducing the number of staff members interacting with coaches in families with three or more K-8 students enrolled. Teachers supporting large families also prepared a master schedule to prevent conflicts. The response was positive, and retention was slightly higher for those families participating in the pilot than for those in the general K-8 population at OHVA.

For the 2012-2013 school year, K¹² is offering weekly workshops for students and parents on college and career planning.

Boosting Graduation Rates

K¹² believes strongly in the potential of individualized education to increase high school graduation rates.

Individualized education can address two key factors contributing to the large number of dropouts:

- Some students give up when, after failing several courses, they realize that they cannot graduate from high school on a normal four-year schedule. Because No Child Left Behind penalizes a school equally for students who don't graduate high school in four years as it does for students who drop out, schools have not had an incentive to help students graduate high school after a fifth, six, or even

For the past three years, more than 90% of the eligible senior class of YCCS Virtual High School has successfully graduated.

seventh year. We believe incentives should be changed so that high schools are not penalized for students who graduate on an extended timeframe; in fact, some states have been approved for such a change through the NCLB waiver process. By offering high school students who are at risk of dropping out an extension of the graduation timeline, we can help them achieve the "transcript repairs" that are not available in most brick-and-mortar schools due to inflexible scheduling of courses across a rigid four-year period.

- Students who would otherwise be "on track" experience traumatic life changes, such as teenaged pregnancy or homelessness, which cause the students to drop out of school short of graduation. For these students, dropout recovery programs can be a promising way to earn a diploma and get their lives back "on track."

K¹², in partnership with Chicago Public Schools' Youth Connections Charter School, launched YCCS Virtual High School in 2009. YCCS Virtual High School is a K¹²-managed public blended learning program that gives students between the ages of 18 and 21, who previously dropped out of the Chicago Public School system within two years of graduation, a chance to re-enroll in school and earn a high school diploma. Students are required to attend classes for three hours a day at the YCCS Virtual High School Learning Center at Malcolm X College and are required to complete two additional hours of schoolwork each day either in a virtual setting somewhere else or at Malcolm X if they prefer. The flexible schedule allows students who work full time, need childcare, etc., to attend school around their daily lives, while the site-based program also gives students the daily face-to-face psychosocial support they may need to overcome their challenges and remain enrolled in school. For the past three years, more than 90% of the eligible senior class of YCCS Virtual High School has successfully graduated.

**“Alec is learning at
his own pace,
in his own way.”**

“Alec is happy again. Through the school’s social outings, Alec has made more friends than he has ever had. And these are real friends.”

“My son Alec attended public school, where he usually did well, earning all A’s. But when he entered junior high school—it was a nightmare. There were too many unsupervised kids, and Alec had an awful time trying to learn anything. He didn’t fit in with the children who were popular—and really, I didn’t want him to fit in with them. The environment was really hard on Alec, and he lost who he was. He started retreating into this shell, and it scared me. He was always so happy and outgoing.

“I learned about Nevada Virtual Academy (NVVA) and decided to give it a try, hoping online schooling would be a better fit for Alec. And I’m happy to say, he has flourished since the very first month. Alec is excited about learning again. He’s improved his Scantron scores amazingly since the beginning of the year. He’s not distracted by other students, and he doesn’t worry about what they’re saying or might do to him. He sleeps well again, and he isn’t afraid when Sunday night comes, anticipating what might happen to him at school on Monday.

“Alec is happy again. Through the school’s social outings, Alec has made more friends than he has ever had. And these are real friends. I’m proud of his relationships with them. He’s in the National Junior Honors Society, and has even been chosen as Student of the Month. I’m seeing my outgoing kid again.

“I want Alec to be happy in whatever he decides to do with his life, and to be happy with who he is. I feel NVVA allows him to do that. This program helps him to excel wherever he can and to learn more slowly if he needs to. I believe in not overburdening a child, and this program agrees with my thinking. Alec is learning at his own pace, in his own way, and I feel that’s helping him flourish.”

Conclusion

As this report underscores, technology-powered individualized learning is indeed at an inflection point as this type of learning drives a full-scale transformation of our education system, and K¹² is leading the industry in realizing the opportunities that exist for individualized learning and in addressing the challenges that are part of such an important transition. Partnering with states, districts, parents, and students, K¹² is committed to making the vision of an individualized education a reality, by:

- creating a model for the industry with the broadest array of options across the individualized learning spectrum, providing an extensive portfolio of online curricula, academic services, and online learning solutions to public and private schools and districts, traditional classrooms, blended school programs, and directly to families;
- building a state-of-the-art learning platform on the principles of cognitive science, outstanding standardized content, the power of interactivity, and convenient, anywhere, anytime access;
- realizing the opportunities presented by online learning to provide a high-quality education for children in any economic circumstance or geographic location, provide differentiated learning experiences at scale, make excellent teaching available to any school and any child, improve measurement and accountability, and deliver more for less;
- addressing critical challenges, including a growing academically at-risk population, appropriate measurement, high mobility, and student engagement; and
- investing hundreds of millions of dollars in state-of-the-art curriculum and learning technology from games to new media and other digital tools; recruitment and training of 21st-century teachers; remedial products and interventions, including multiple learning pathways for at-risk students; and efforts to increase retention, maintain high satisfaction, and increase student engagement.

Although the challenge of a rising number of academically at-risk students has caused some K¹²-managed public schools' standardized test scores to fall below state averages, these schools are delivering results: The Scantron Performance Series scores demonstrate gains close to or above the Scantron Norm Group for all grade levels tested for the past three years in Reading and Math. State-by-state details are broken out in the following section.

We recognize that we have a long way to go. Moving forward, K¹² is seeking to partner more closely than ever with states, districts, parents, and students to realize the full promise of individualized learning. We're committed to rising to the challenge, day-by-day, on behalf of the students, families, districts, school boards, and educators who put their trust in us.

Academic Report Cards Spring 2012



Agora Cyber Charter School

Grades Served: K-12

Total Student Enrollment: 9057

Website: <http://www.k12.com/agora>

% Students Eligible for Free/Reduced Priced Meals:

69%

% Students Eligible for Special Education Services:

19%

% Students Enrolled at Testing who were New in 2011-2012:

57%

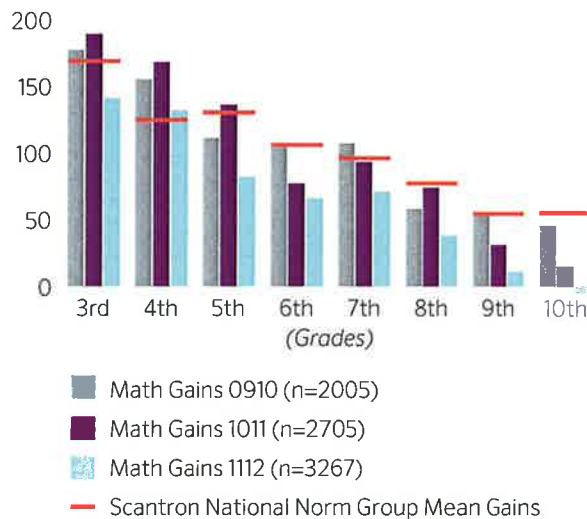
% Students who are Minority:

40%

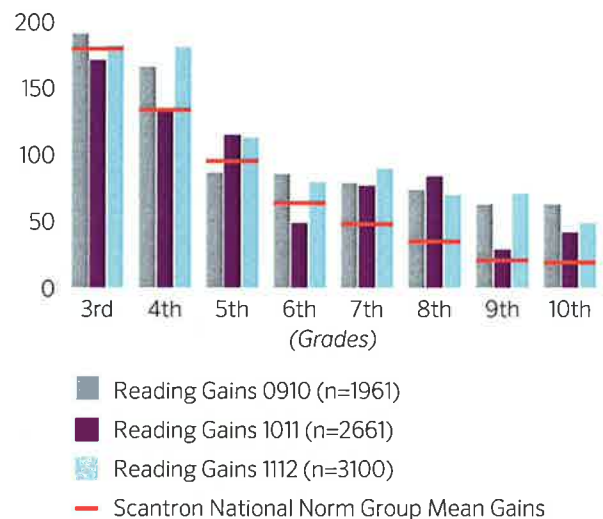
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Alaska Virtual Academy

Grades Served: K-8

Total Student Enrollment: 166

Website: <http://www.k12.com/akva>

% Students Eligible
for Free/Reduced
Priced Meals:

44%

% Students
Eligible for Special
Education Services:

5%

% Students Enrolled
at Testing who were
New in 2011-2012:

88%

% Students
who are
Minority:

30%

Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Grade-level group sizes are too small to report.



Arizona Virtual Academy

Grades Served: K-12
 Total Student Enrollment: 4889

Website: <http://www.k12.com/azva>

% Students Eligible for Free/Reduced Priced Meals:

59%

% Students Eligible for Special Education Services:

12%

% Students Enrolled at Testing who were New in 2011-2012:

57%

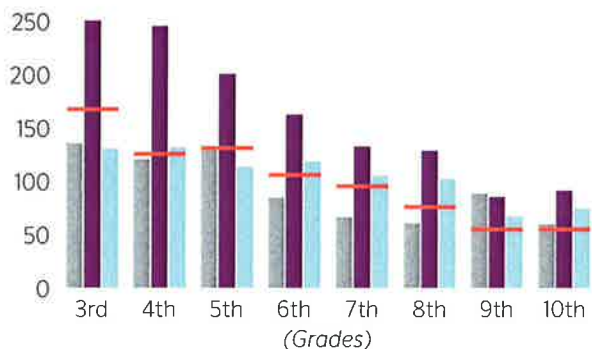
% Students who are Minority:

31%

Scantron Performance Series Gains

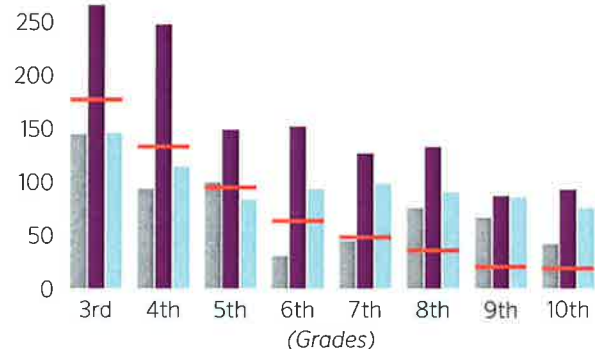
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Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



- Math Gains 0910 (n=2161)
- Math Gains 1011 (n=2069)
- Math Gains 1112 (n=2267)
- Scantron National Norm Group Mean Gains

Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group



- Reading Gains 0910 (n=2161)
- Reading Gains 1011 (n=2090)
- Reading Gains 1112 (n=2266)
- Scantron National Norm Group Mean Gains



Arkansas Virtual Academy

Grades Served: K-8

Total Student Enrollment: 489

Website: <http://www.k12.com/arva>

% Students Eligible for Free/Reduced Priced Meals:

59%

% Students Eligible for Special Education Services:

13%

% Students Enrolled at Testing who were New in 2011-2012:

35%

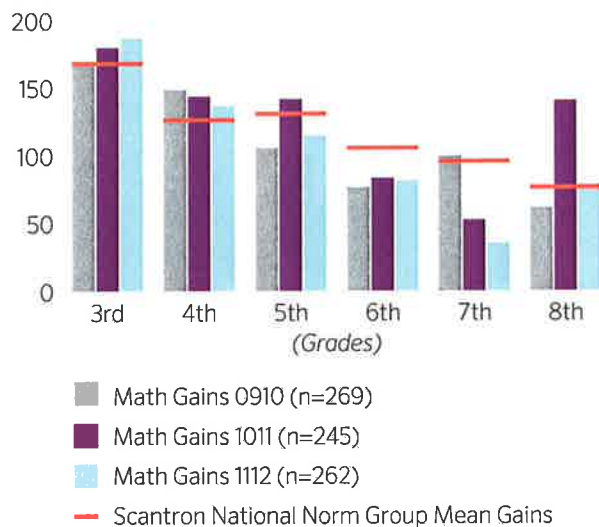
% Students who are Minority:

17%

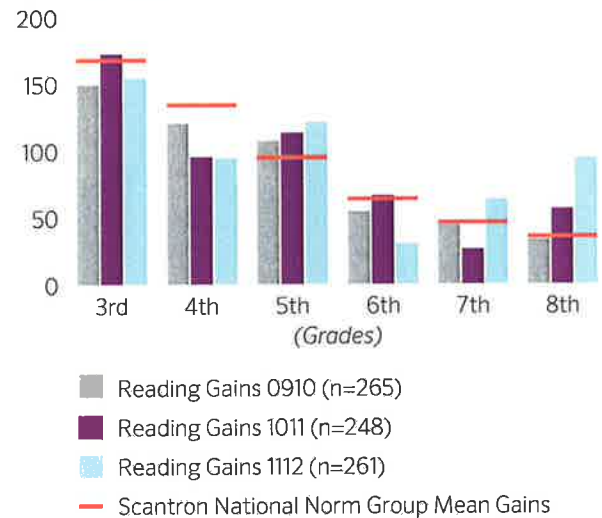
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Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





California Virtual Academies

Grades Served: K-12
 Total Student Enrollment: 13082

Website: <http://www.k12.com/cava>

% Students Eligible for Free/Reduced Priced Meals:

54%

% Students Eligible for Special Education Services:

9%

% Students Enrolled at Testing who were New in 2011-2012:

50%

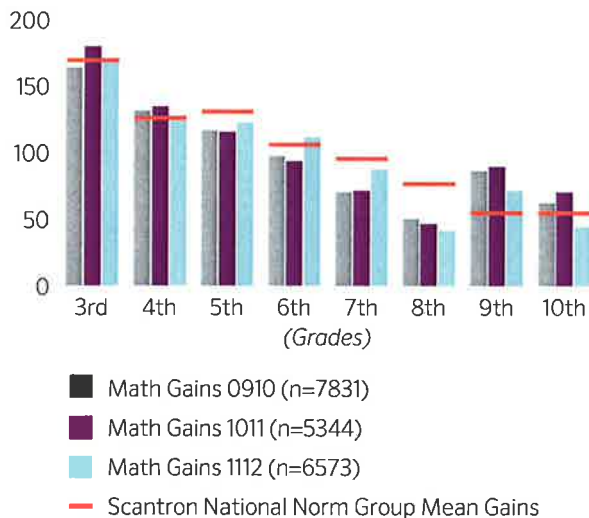
% Students who are Minority:

47%

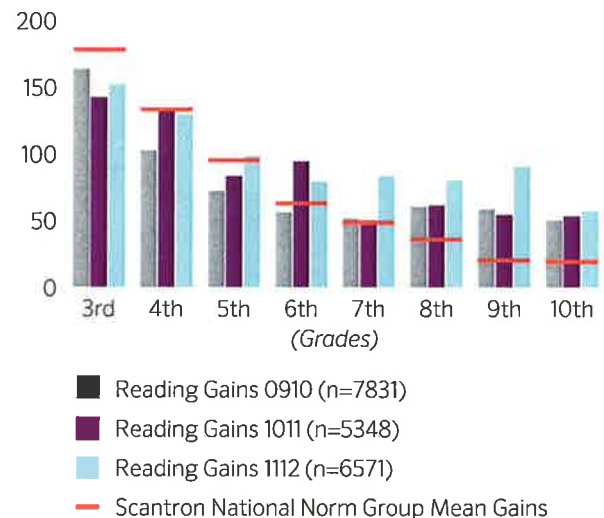
Scantron Performance Series Gains

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Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Chicago Virtual Charter School

Grades Served: K-12
 Total Student Enrollment: 565
 Website: <http://www.k12.com/cvcs>

% Students Eligible for Free/Reduced Priced Meals:

61%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

32%

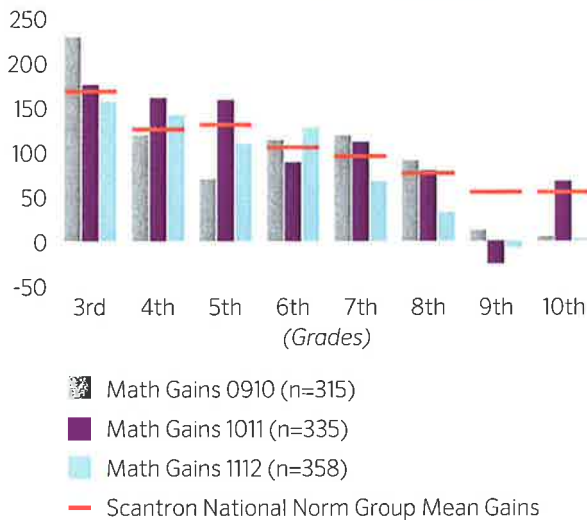
% Students who are Minority:

81%

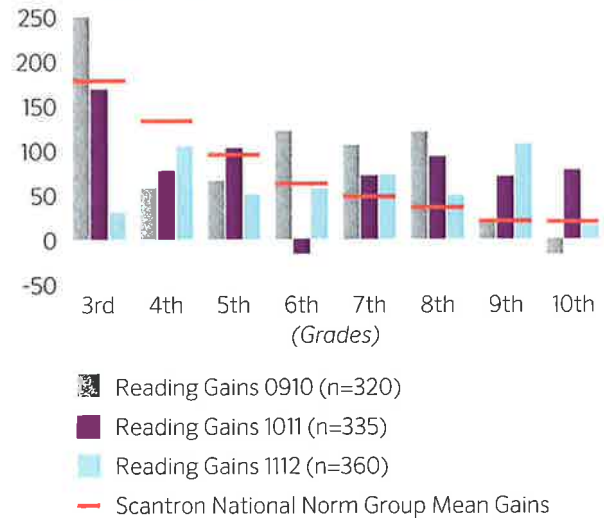
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Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Colorado Virtual Academy

Grades Served: K-12
 Total Student Enrollment: 4057

Website: <http://www.k12.com/cova>

% Students Eligible for Free/Reduced Priced Meals:

31%

% Students Eligible for Special Education Services:

12%

% Students Enrolled at Testing who were New in 2011-2012:

51%

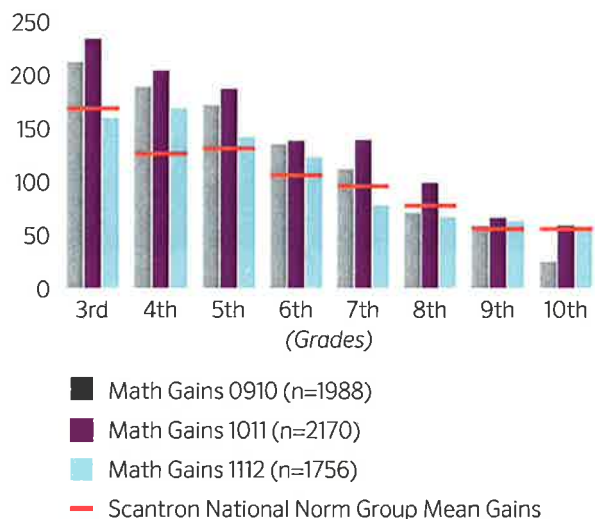
% Students who are Minority:

22%

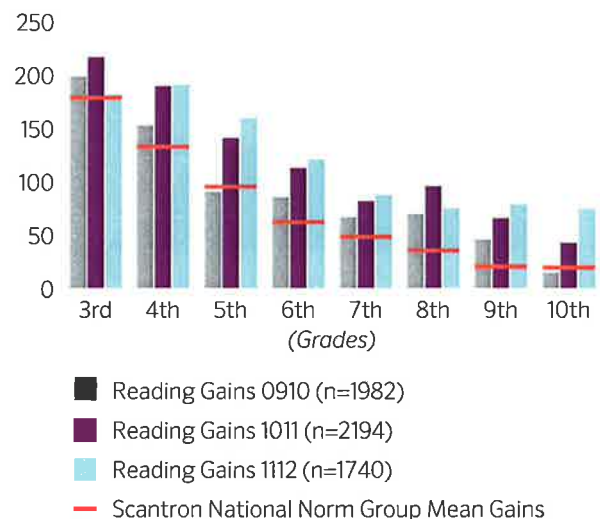
Scantron Performance Series Gains

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Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Community Academy Public Charter School Online

Grades Served: K-8

Total Student Enrollment: 95

Website: <http://www.k12.com/capcs>

% Students Eligible
for Free/Reduced
Priced Meals:

40%

% Students
Eligible for Special
Education Services:

12%

% Students Enrolled
at Testing who were
New in 2011-2012:

47%

% Students
who are
Minority:

81%

Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Grade-level group sizes are too small to report.



Georgia Cyber Academy

Grades Served: K-11

Total Student Enrollment: 8757

Website: <http://www.k12.com/gca>

% Students Eligible for Free/Reduced Priced Meals:

62%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

54%

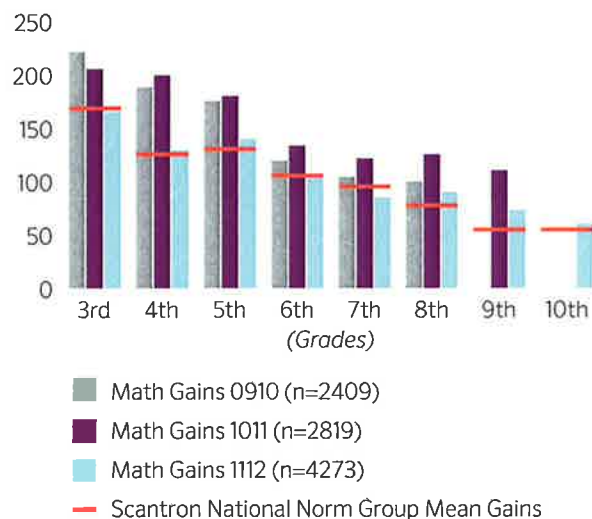
% Students who are Minority:

41%

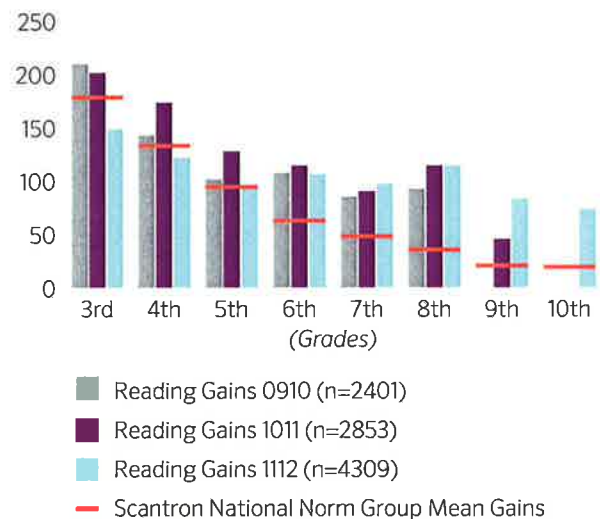
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group



NOTE: Differences in N sizes tested on Scantron Performance Series gains, as reported below, and all school population, as reported above, may be explained by the fact that students must be enrolled in grades 3-10 and test by October 31 to be included in these reports. Further, they must also test in the spring, not before May 1.



Hawaii Technology Academy

Grades Served: K-12

Total Student Enrollment: 830

Website: <http://www.k12.com/hta>

% Students Eligible for Free/Reduced Priced Meals:

Not Reported

% Students Eligible for Special Education Services:

4%

% Students Enrolled at Testing who were New in 2011-2012:

46%

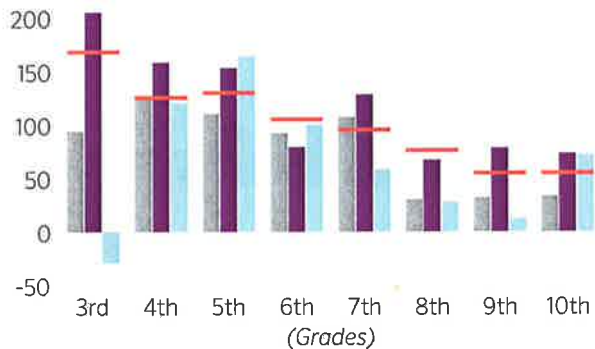
% Students who are Minority:

61%

Scantron Performance Series Gains

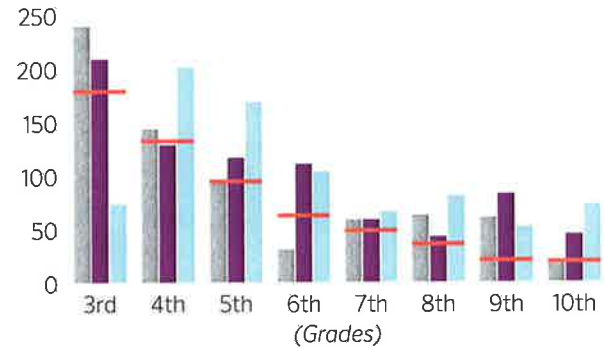
Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



- Math Gains 0910 (n=252)
- Math Gains 1011 (n=493)
- Math Gains 1112 (n=485)
- Scantron National Norm Group Mean Gains

Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group



- Reading Gains 0910 (n=1961)
- Reading Gains 1011 (n=2661)
- Reading Gains 1112 (n=3100)
- Scantron National Norm Group Mean Gains



Hoosier Virtual Academies

Grades Served: 1-10 (VPS),
K-12 (Indy), K-8 (Muncie)
Total Student Enrollment: 2548

Website: <http://www.k12.com/ha>

% Students Eligible
for Free/Reduced
Priced Meals:

38%

% Students
Eligible for Special
Education Services:

11%

% Students Enrolled
at Testing who were
New in 2011-2012:

61%

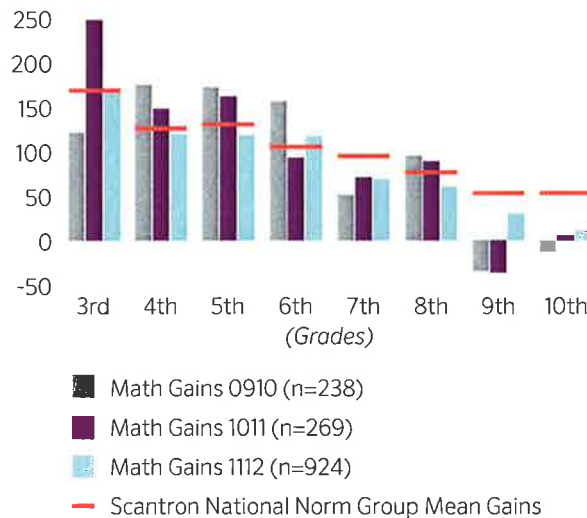
% Students
who are
Minority:

18%

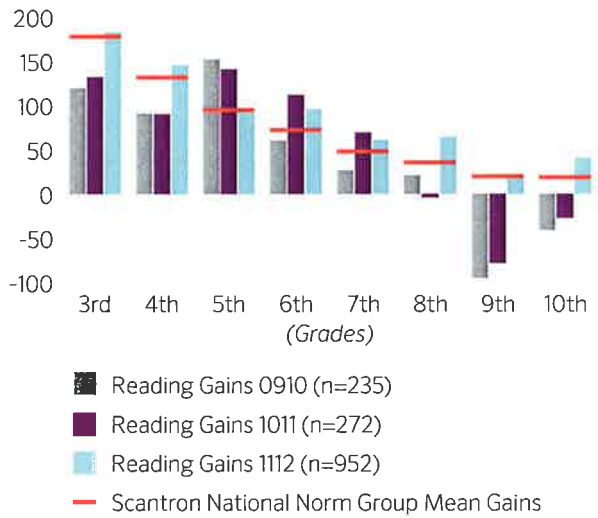
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

**Scantron Performance Series™ MATH Gains:
SY 11-12 compared to the Scantron National Norm Group**



**Scantron Performance Series™ READING Gains:
SY 11-12 compared to the Scantron National Norm Group**





Idaho Virtual Academy

Grades Served: K-12
 Total Student Enrollment: 2875

Website: <http://www.k12.com/idva>

% Students Eligible
 for Free/Reduced
 Priced Meals:

63%

% Students
 Eligible for Special
 Education Services:

10%

% Students Enrolled
 at Testing who were
 New in 2011-2012:

47%

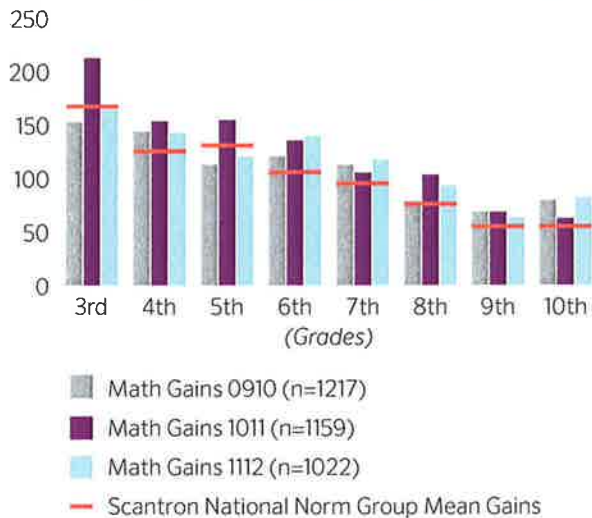
% Students
 who are
 Minority:

12%

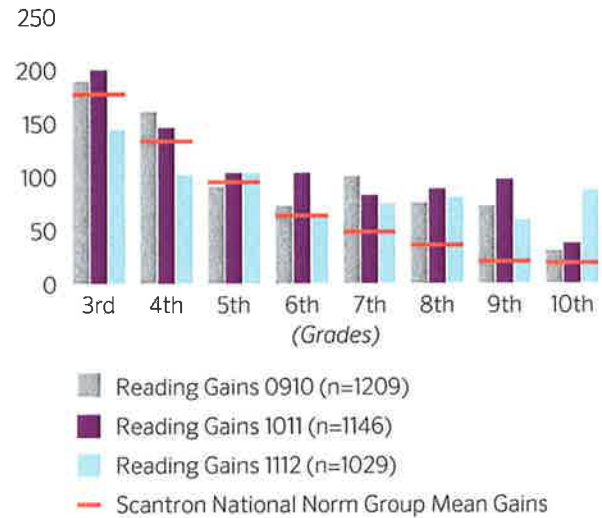
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Insight School of Colorado

Grades Served: 7-12

Total Student Enrollment: 582

Website: <http://co.insightschools.net>

% Students Eligible
for Free/Reduced
Priced Meals:

Not
Reported

% Students
Eligible for Special
Education Services:

6%

% Students Enrolled
at Testing who were
New in 2011-2012:

73%

% Students
who are
Minority:

28%

Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Grade-level group sizes are too small to report.



Insight School of Kansas

Grades Served: 7-12
 Total Student Enrollment: 304
 Website: <http://ks.insightschools.net>

% Students Eligible for Free/Reduced Priced Meals:
Not Reported

% Students Eligible for Special Education Services:
11%

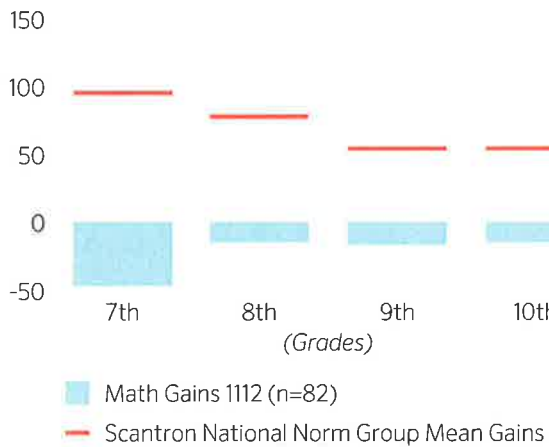
% Students Enrolled at Testing who were New in 2011-2012:
55%

% Students who are Minority:
55%

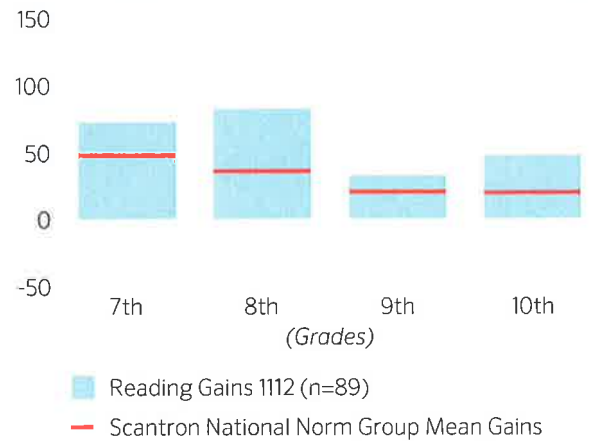
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Insight School of Minnesota

Grades Served: 9-12

Total Student Enrollment: 403

Website: <http://mn.insightschools.net>

% Students Eligible
for Free/Reduced
Priced Meals:

Not
Reported

% Students
Eligible for Special
Education Services:

11%

% Students Enrolled
at Testing who were
New in 2011-2012:

73%

% Students
who are
Minority:

16%

Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Grade-level group sizes are too small to report.



Insight School of California–North Bay

Grades Served: 9-12

Total Student Enrollment: 250

Website: <http://ca.insightschools.net>

% Students Eligible
for Free/Reduced
Priced Meals:

32%

% Students
Eligible for Special
Education Services:

13%

% Students Enrolled
at Testing who were
New in 2011-2012:

69%

% Students
who are
Minority:

42%

Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Grade-level group sizes are too small to report.



Insight School of Washington

Grades Served: 9-12
 Total Student Enrollment: 1750

Website: <http://wa.insightschools.net>

% Students Eligible for Free/Reduced Priced Meals:

Not Reported

% Students Eligible for Special Education Services:

9%

% Students Enrolled at Testing who were New in 2011-2012:

57%

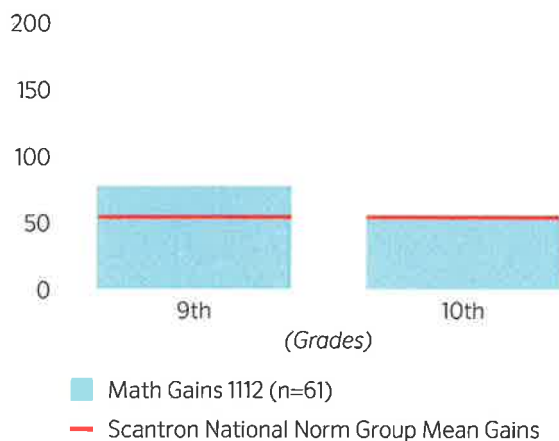
% Students who are Minority:

25%

Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Lawrence Virtual High School

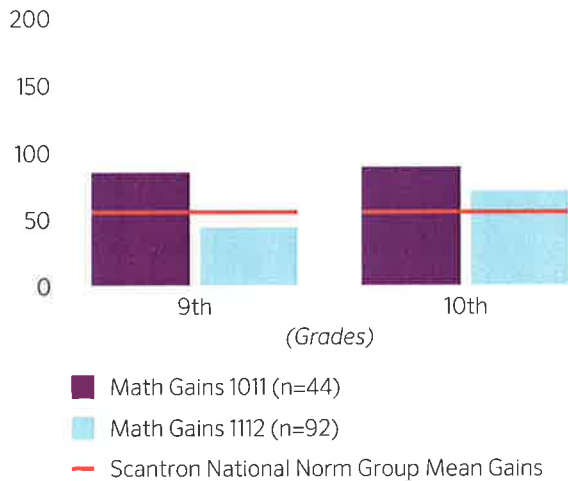
Grades Served: 9-12
 Total Student Enrollment: 156
 Website: <http://www.k12.com/lvs>

% Students Eligible for Free/Reduced Priced Meals:	% Students Eligible for Special Education Services:	% Students Enrolled at Testing who were New in 2011-2012:	% Students who are Minority:
10%	12%	80%	21%

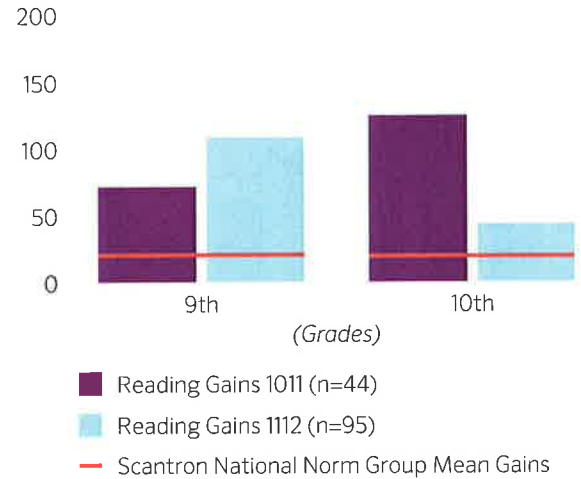
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Louisiana Virtual Charter Academy

Grades Served: K-11

Total Student Enrollment: 1130

Website: <http://www.k12.com/lavca>

% Students Eligible for Free/Reduced Priced Meals:

63%

% Students Eligible for Special Education Services:

13%

% Students Enrolled at Testing who were New in 2011-2012:

100%

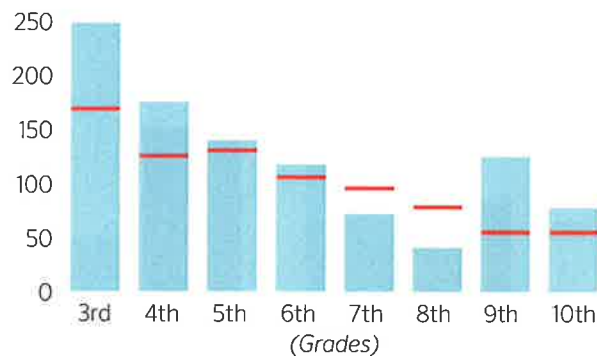
% Students who are Minority:

23%

Scantron Performance Series Gains

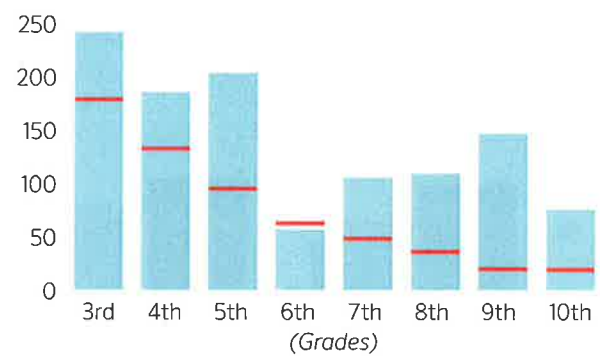
Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Math Gains 1112 (n=444)
 Scantron National Norm Group Mean Gains

Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group



Reading Gains 1112 (n=433)
 Scantron National Norm Group Mean Gains



Massachusetts Virtual Academy @ Greenfield

Grades Served: K-8

Total Student Enrollment: 450

Website: <http://www.k12.com/mava>

% Students Eligible for Free/Reduced Priced Meals:

45%

% Students Eligible for Special Education Services:

4%

% Students Enrolled at Testing who were New in 2011-2012:

60%

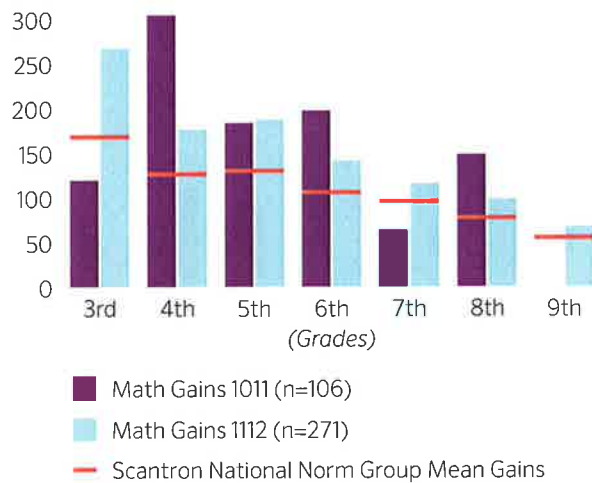
% Students who are Minority:

29%

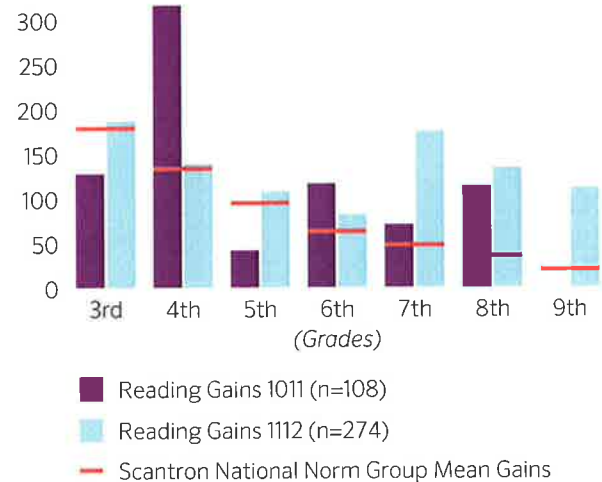
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Michigan Virtual Charter Academy

Grades Served: K-12

Total Student Enrollment: 727

Website: <http://www.k12.com/mvca>

% Students Eligible for Free/Reduced Priced Meals:

71%

% Students Eligible for Special Education Services:

7%

% Students Enrolled at Testing who were New in 2011-2012:

61%

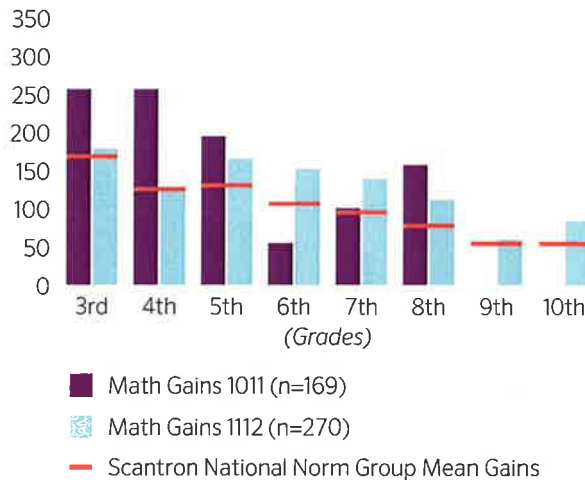
% Students who are Minority:

31%

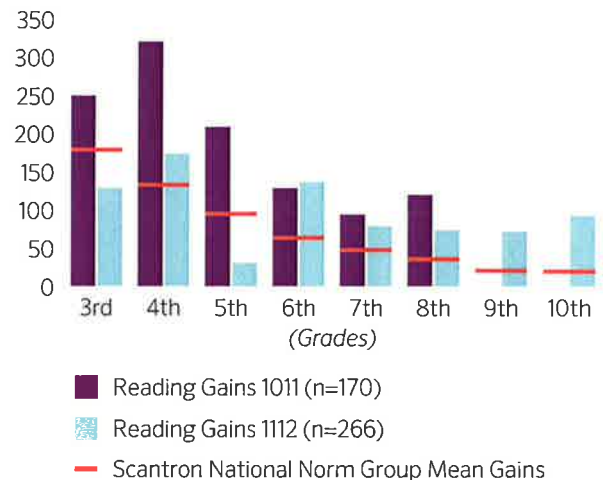
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Minnesota Virtual Academy

Grades Served: K-12

Total Student Enrollment: 1896

Website: <http://www.k12.com/mnva>

% Students Eligible for Free/Reduced Priced Meals:

3%

% Students Eligible for Special Education Services:

9%

% Students Enrolled at Testing who were New in 2011-2012:

45%

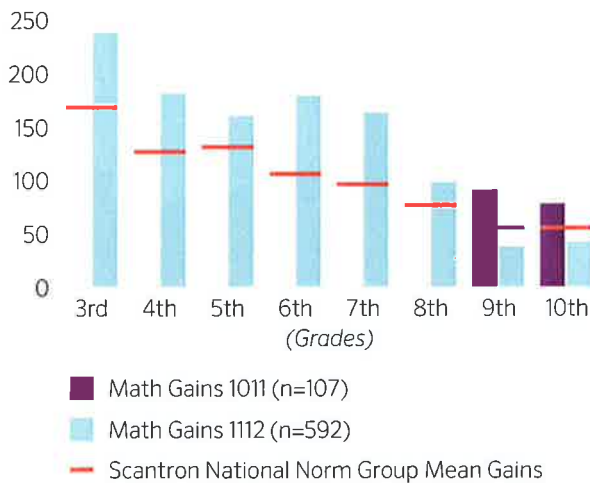
% Students who are Minority:

21%

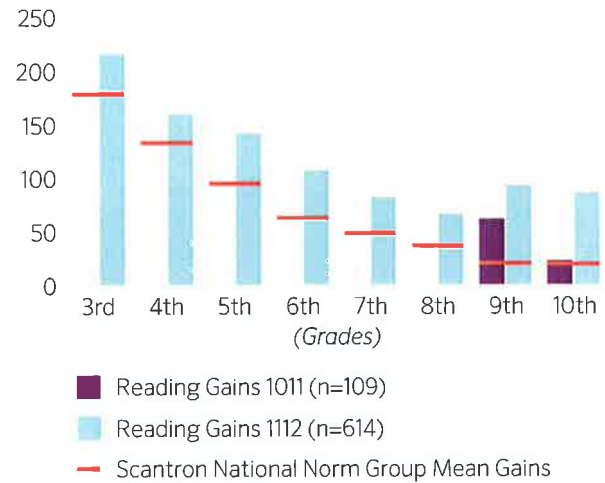
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Nevada Virtual Academy

Grades Served: K-12
 Total Student Enrollment: 4005

Website: <http://www.k12.com/nvva>

% Students Eligible for Free/Reduced Priced Meals:

52%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

58%

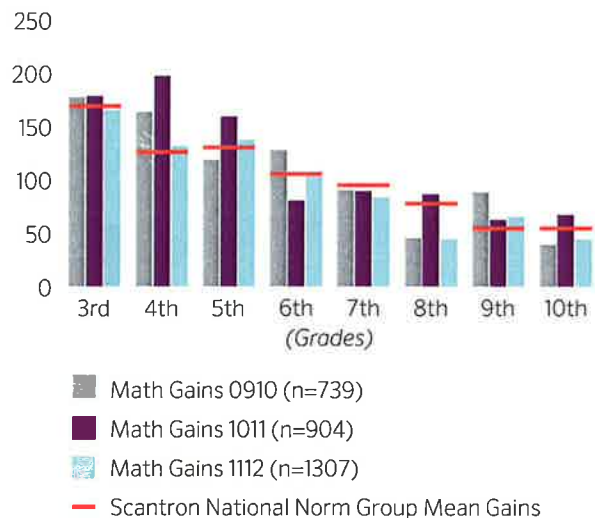
% Students who are Minority:

31%

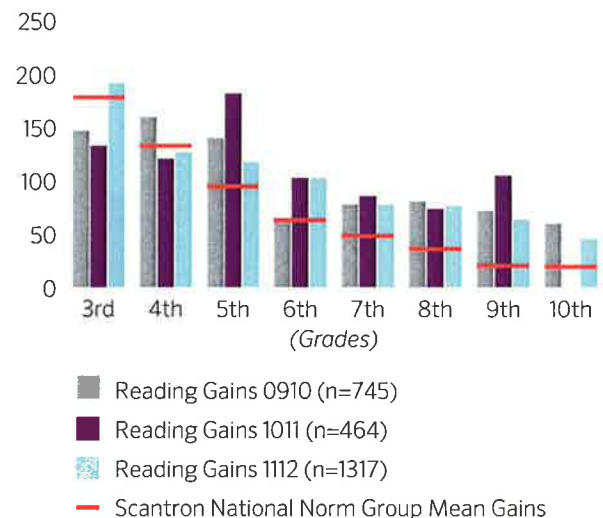
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Ohio Virtual Academy

Grades Served: K-12

Total Student Enrollment: 11875

Website: <http://www.k12.com/ohva>

% Students Eligible for Free/Reduced Priced Meals:

69%

% Students Eligible for Special Education Services:

13%

% Students Enrolled at Testing who were New in 2011-2012:

49%

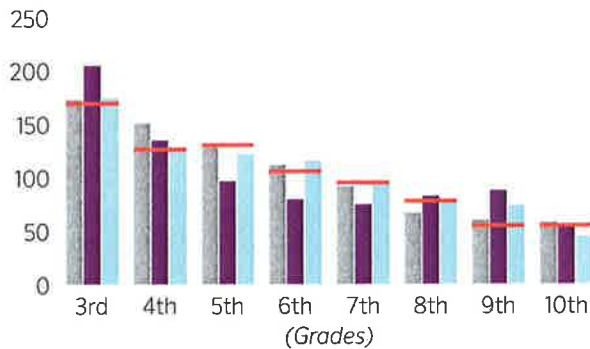
% Students who are Minority:

21%

Scantron Performance Series Gains

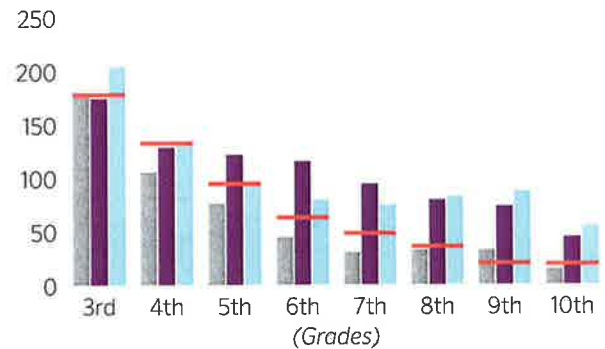
Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



- Math Gains 0910 (n=4286)
- Math Gains 1011 (n=4016)
- Math Gains 1112 (n=5312)
- Scantron National Norm Group Mean Gains

Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group



- Reading Gains 0910 (n=4253)
- Reading Gains 1011 (n=4756)
- Reading Gains 1112 (n=5321)
- Scantron National Norm Group Mean Gains



Oklahoma Virtual Charter Academy

Grades Served: K-12
 Total Student Enrollment: 1632

Website: <http://www.k12.com/ovca>

% Students Eligible for Free/Reduced Priced Meals:

58%

% Students Eligible for Special Education Services:

4%

% Students Enrolled at Testing who were New in 2011-2012:

69%

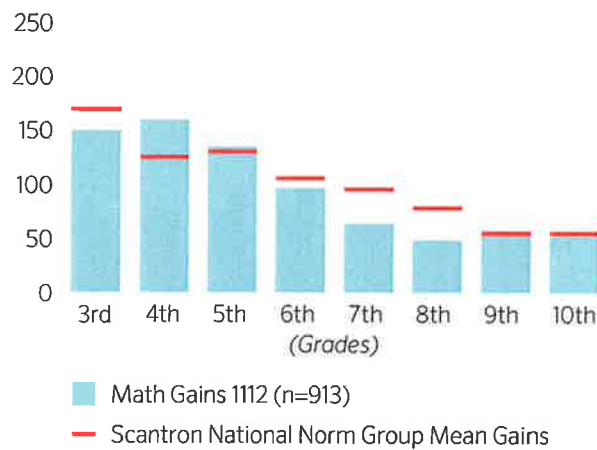
% Students who are Minority:

10%

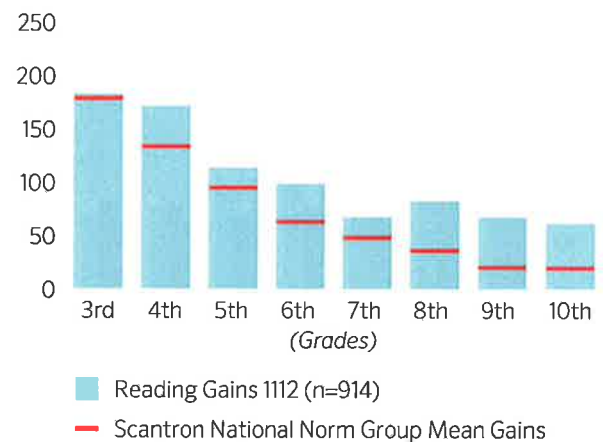
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Oregon Virtual Academy

Grades Served: K-11
 Total Student Enrollment: 1361
 Website: <http://www.k12.com/orva>

% Students Eligible for Free/Reduced Priced Meals:
60%

% Students Eligible for Special Education Services:
13%

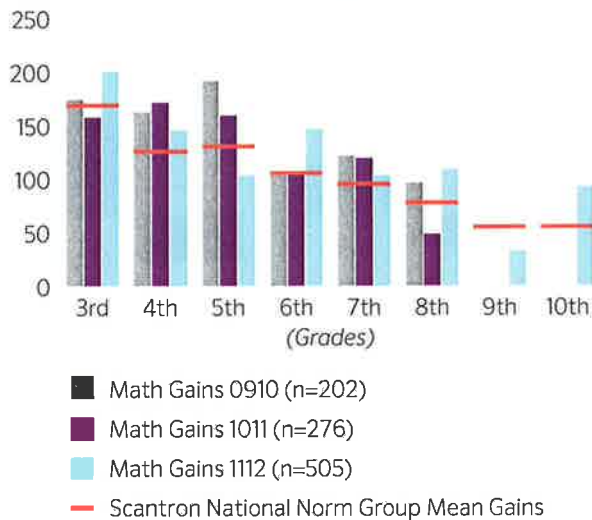
% Students Enrolled at Testing who were New in 2011-2012:
72%

% Students who are Minority:
14%

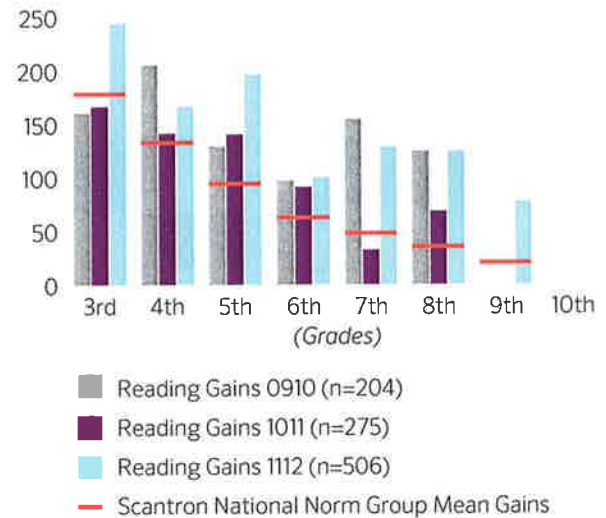
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





San Francisco Flex Academy

Grades Served: 9-12

Total Student Enrollment: 158

Website: <http://www.k12.com/sfflex>

% Students Eligible for Free/Reduced Priced Meals:

39%

% Students Eligible for Special Education Services:

11%

% Students Enrolled at Testing who were New in 2011-2012:

72%

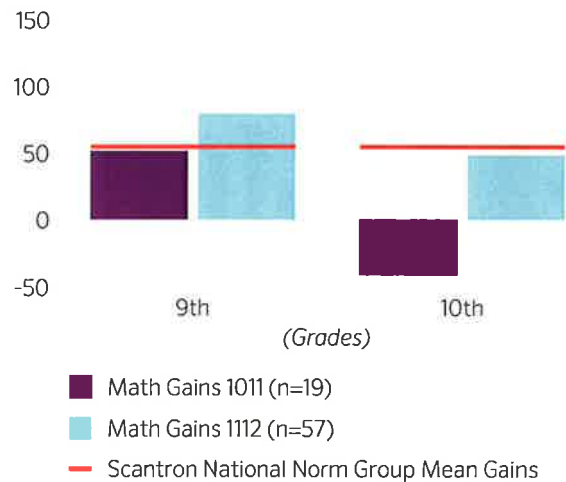
% Students who are Minority:

72%

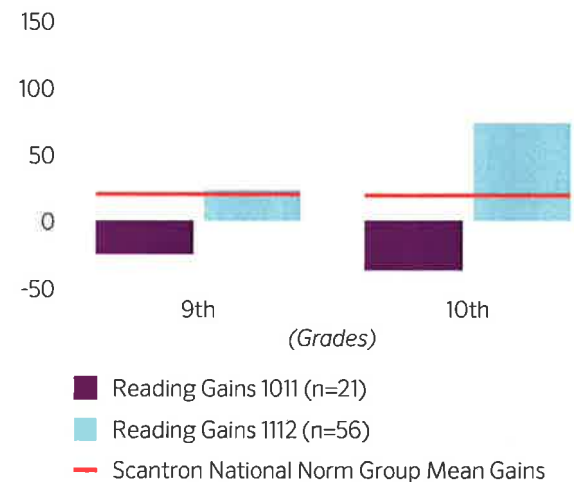
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Silicon Valley Flex Academy

Grades Served: 6-12

Total Student Enrollment: 135

Website: <http://www.k12.com/svflex>

% Students Eligible for Free/Reduced Priced Meals:

27%

% Students Eligible for Special Education Services:

15%

% Students Enrolled at Testing who were New in 2011-2012:

95%

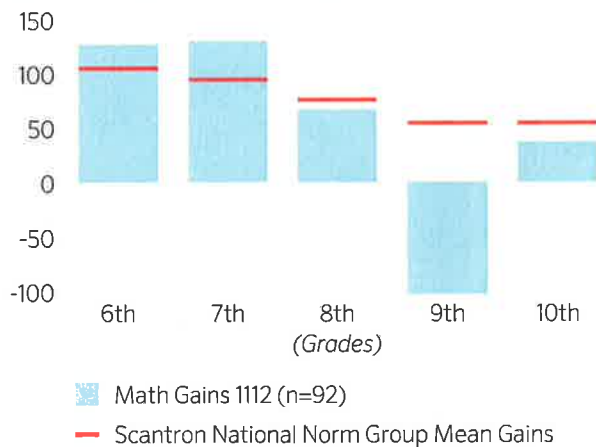
% Students who are Minority:

39%

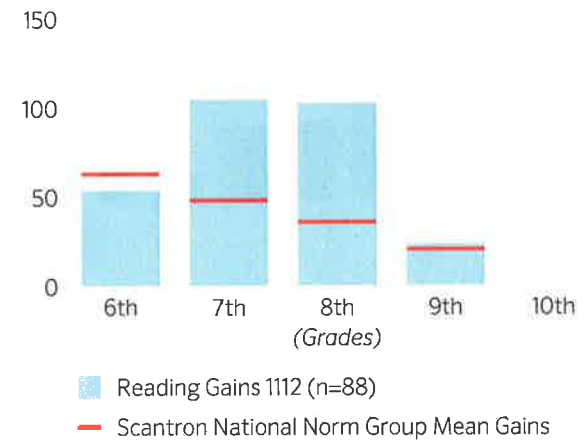
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





South Carolina Virtual Charter School

Grades Served: K-12
 Total Student Enrollment: 2876

Website: <http://www.k12.com/scvcs>

% Students Eligible for Free/Reduced Priced Meals:

48%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

58%

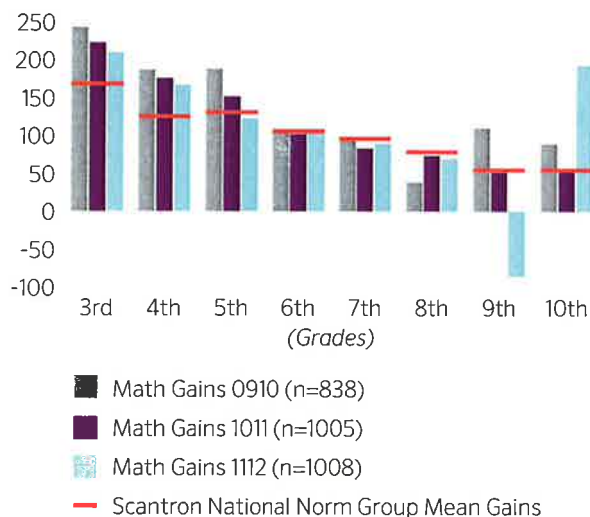
% Students who are Minority:

23%

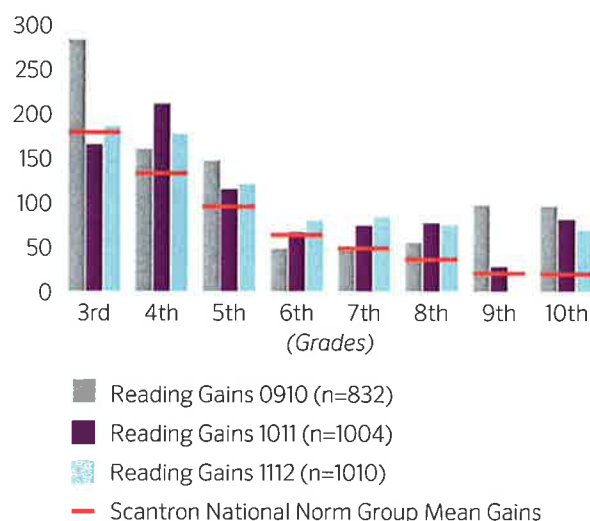
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Tennessee Virtual Academy

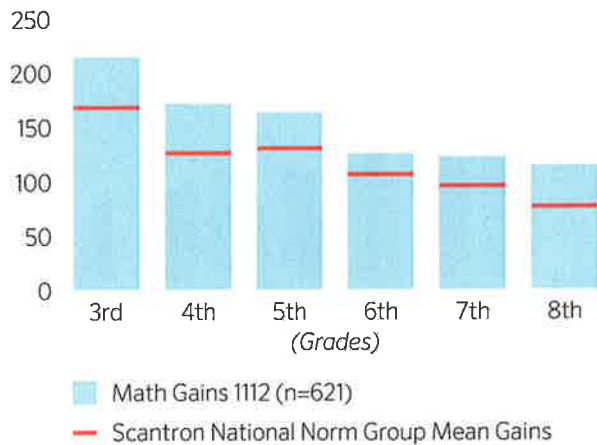
Grades Served: K-8
 Total Student Enrollment: 1932
 Website: <http://www.k12.com/tnva>

% Students Eligible for Free/Reduced Priced Meals:	% Students Eligible for Special Education Services:	% Students Enrolled at Testing who were New in 2011-2012:	% Students who are Minority:
62%	10%	100%	18%

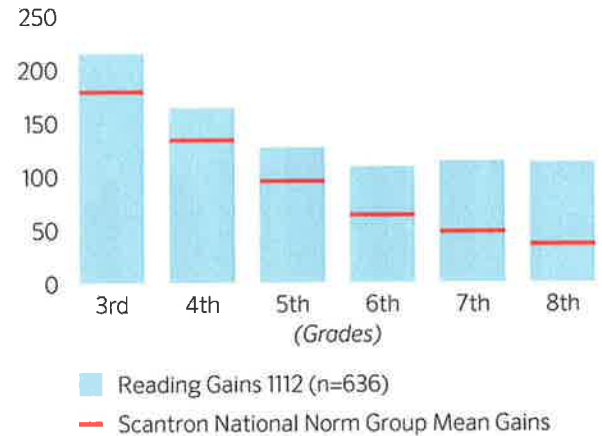
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Texas Virtual Academy

Grades Served: 3-12

Total Student Enrollment: 3492

Website: <http://www.k12.com/txva>

% Students Eligible for Free/Reduced Priced Meals:

42%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

62%

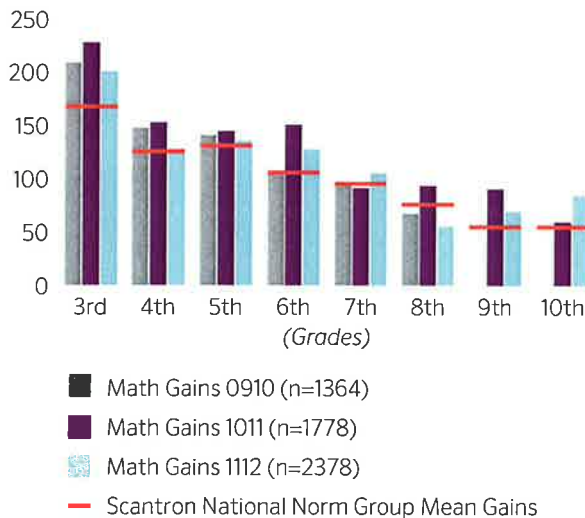
% Students who are Minority:

47%

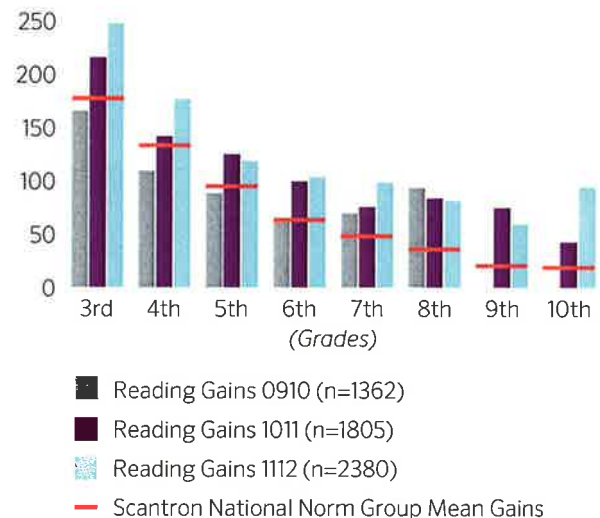
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Utah Virtual Academy

Grades Served: K-12
 Total Student Enrollment: 1977
 Website: <http://www.k12.com/utva>

% Students Eligible for Free/Reduced Priced Meals:
52%

% Students Eligible for Special Education Services:
14%

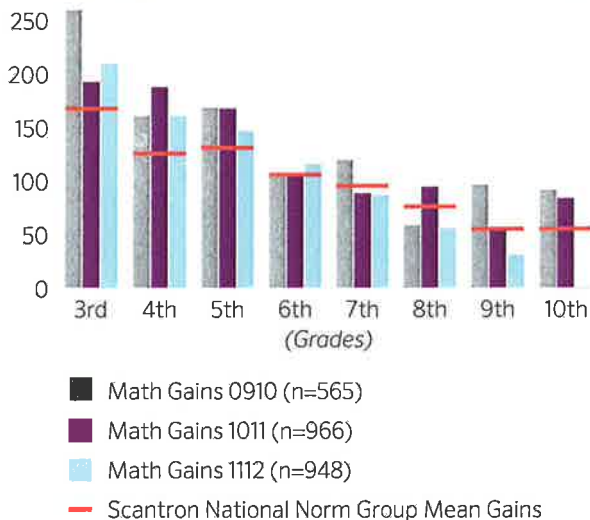
% Students Enrolled at Testing who were New in 2011-2012:
56%

% Students who are Minority:
10%

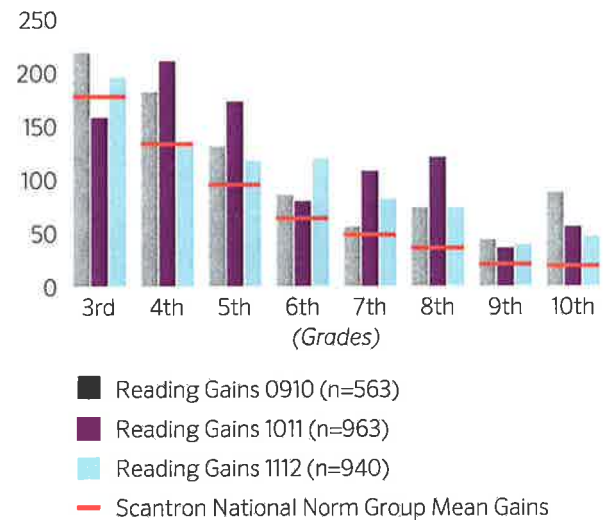
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Virginia Virtual Academy

Grades Served: K-8
 Total Student Enrollment: 447

Website: <http://www.k12.com/vava>

% Students Eligible for Free/Reduced Priced Meals:

25%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

39%

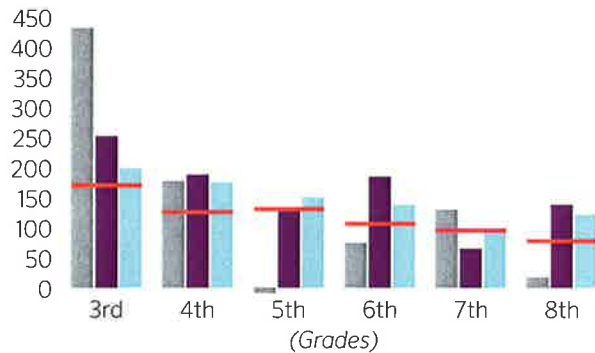
% Students who are Minority:

37%

Scantron Performance Series Gains

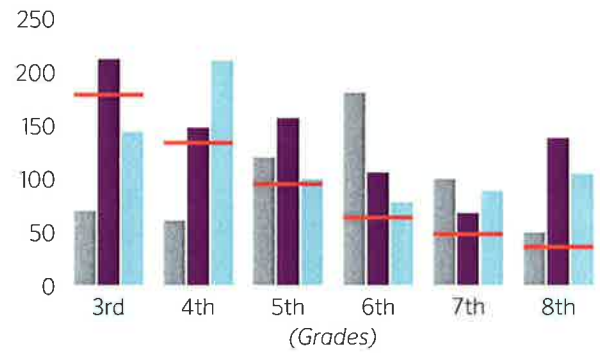
Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



- Math Gains 0910 (n=42)
- Math Gains 1011 (n=229)
- Math Gains 1112 (n=275)
- Scantron National Norm Group Mean Gains

Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group



- Reading Gains 0910 (n=40)
- Reading Gains 1011 (n=229)
- Reading Gains 1112 (n=274)
- Scantron National Norm Group Mean Gains



Washington Virtual Academies

Grades Served: K-12
 Total Student Enrollment: 3967
 Website: <http://www.k12.com/wava>

% Students Eligible for Free/Reduced Priced Meals:

14%

% Students Eligible for Special Education Services:

10%

% Students Enrolled at Testing who were New in 2011-2012:

52%

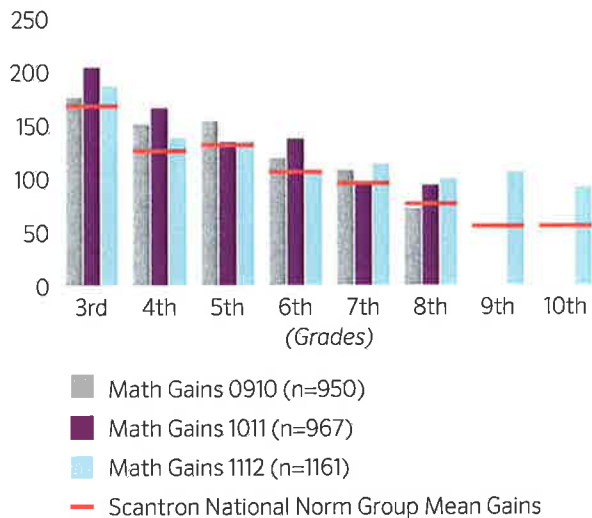
% Students who are Minority:

24%

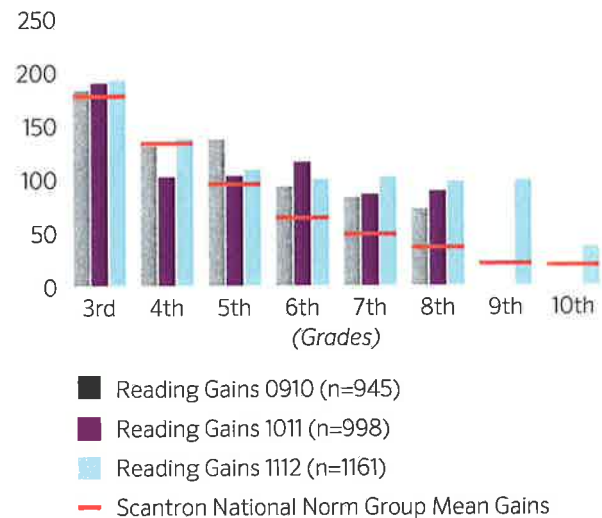
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Wisconsin Virtual Academy

Grades Served: K-12
 Total Student Enrollment: 905

Website: <http://www.k12.com/wiva>

% Students Eligible for Free/Reduced Priced Meals:

12%

% Students Eligible for Special Education Services:

9%

% Students Enrolled at Testing who were New in 2011-2012:

52%

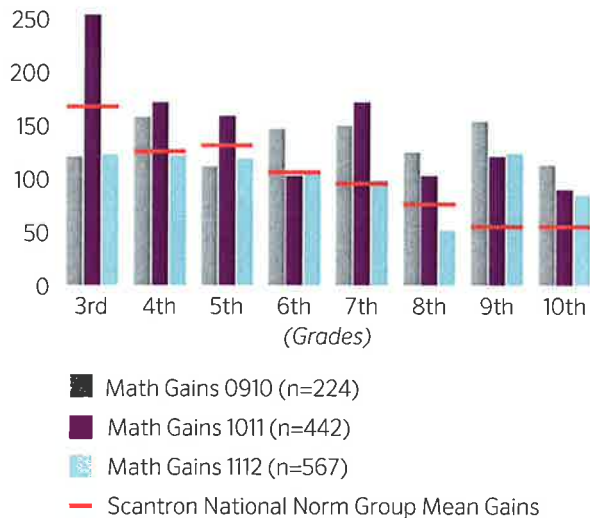
% Students who are Minority:

17%

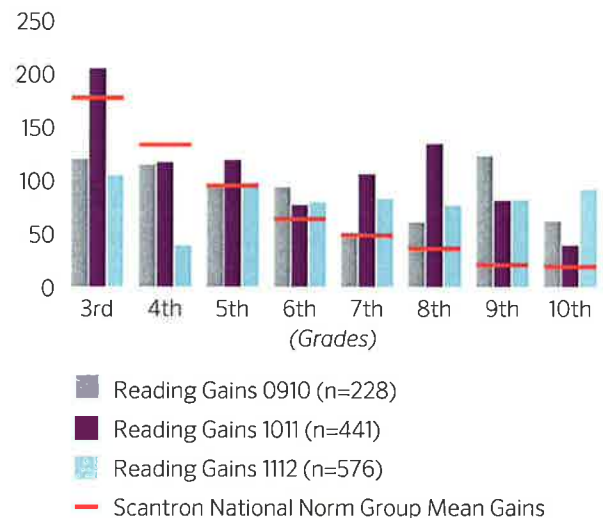
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





Wyoming Virtual Academy

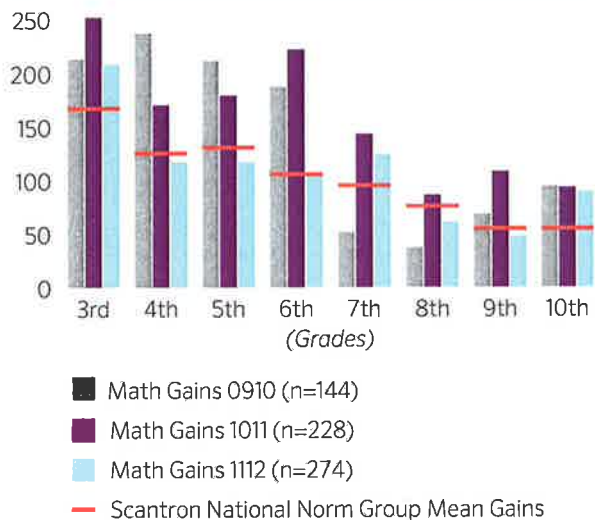
Grades Served: K-12
 Total Student Enrollment: 627
 Website: <http://www.k12.com/wyva>

% Students Eligible for Free/Reduced Priced Meals:	% Students Eligible for Special Education Services:	% Students Enrolled at Testing who were New in 2011-2012:	% Students who are Minority:
18%	12%	57%	15%

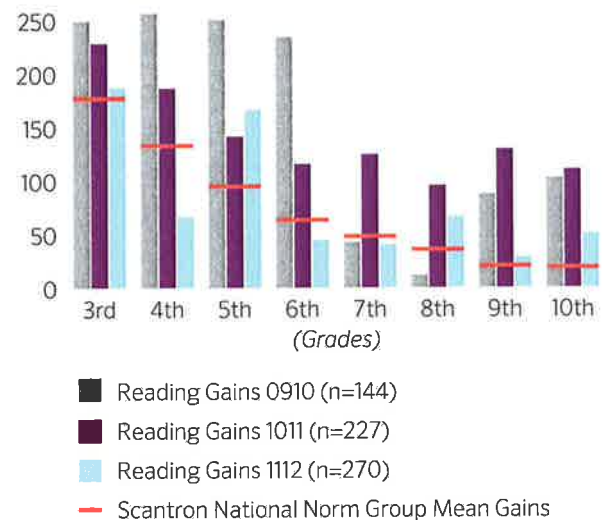
Scantron Performance Series Gains

Students in grades 3-10 in K¹²-managed public schools take the Scantron Performance Series exam as a means to determine annual growth from fall to spring. The charts below compare the K¹²-managed school's gains to those of the Scantron National Norm Group.

Scantron Performance Series™ MATH Gains: SY 11-12 compared to the Scantron National Norm Group



Scantron Performance Series™ READING Gains: SY 11-12 compared to the Scantron National Norm Group





YCCS Virtual High School

Grades Served: 9-12

Total Student Enrollment: 115

Website: <http://www.k12.com/yccs>

% Students Eligible
for Free/Reduced
Priced Meals:

99%

% Students
Eligible for Special
Education Services:

10%

% Students Enrolled
at Testing who were
New in 2011-2012:

95%

% Students
who are
Minority:

99%

Scantron Performance Series Gains

YCCS primarily has 12th-Grade students and adult learners. There is no Scantron National Norm Group for this age group.



APPENDIX A – Scantron Scale Score Data and Significance Determination

Table 1 shows the 2011-2012 school year Scantron Performance Series mean Fall and Spring scale scores for K¹²-managed public school students by grade level, as well as the difference, which represents the mean gain for students from fall to spring. Scantron provides the observed gains from fall to spring for its Norm Group, a group that reflects national ethnic, regional, and gender diversity trends. Students' performance, for this report, is compared to the performance of the Scantron Norm Group. In instances where K¹²-managed public school students achieve higher gains than the Scantron Norm Group, the percent of Scantron Norm Group gain achieved is greater than 100%.

Table 1. Grade-Level Gains in Mean Scale Score from Fall 2011 to Spring 2012

Row Labels	Student count	Mean Fall 2011 scale score	Mean Spring 2012 scale score	Mean Gain in group	Average of % of Scantron Norm Group gain achieved
Math	38781	2640	2739	99	97%
3rd Grade	3956	2341	2514	173	102%
4th Grade	4222	2460	2597	137	109%
5th Grade	4801	2544	2671	127	98%
6th Grade	5464	2619	2731	112	105%
7th Grade	6027	2695	2785	90	95%
8th Grade	6478	2750	2818	68	88%
9th Grade	4128	2806	2864	58	107%
10th Grade	3705	2849	2892	42	78%
Reading	38727	2929	3030	101	196%
3rd Grade	3922	2586	2762	176	98%
4th Grade	4187	2735	2876	141	107%
5th Grade	4795	2837	2946	109	116%
6th Grade	5494	2930	3020	90	146%
7th Grade	6035	2997	3084	87	181%
8th Grade	6418	3038	3123	86	238%
9th Grade	4172	3099	3177	78	391%
10th Grade	3704	3143	3203	60	316%

Statistical Significance of Scantron Gains

Using the Scantron Performance Series Technical Report, a study was conducted to determine if the gains by students in K¹²-managed public schools were significantly different from those in the Scantron Norm Group. A one-sample t-test was conducted to compare the K¹² Scantron gains with the Scantron Norm Group gains.

In Reading, the gain scores of students in grades 4-10 were significantly higher than the gain scores of students in the Scantron Norm Group. The gain scores of students in Grade 3 were not significantly different from the gain scores of students in the Scantron Norm Group (see Table 2).

Table 2. Reading Gain Comparison

Grade Level	3		4*		5*		6*		7*		8*		9*		10*	
	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group
Average Gain	176	179	141	132	109	94	90	62	87	48	86	36	78	20	60	20
Standard Deviation	261	156	239	148	208	139	200	130	186	119	179	123	164	123	158	117
N	3950	2586	4219	2964	4837	2398	5531	4161	6074	2165	6447	1733	4209	894	3731	503

*The difference between the two average gain scores is significant at p=.05

The findings showed that in math, the gain scores of students in grades 4 and 6 were significantly higher than the gain scores of students in the Scantron Norm Group. The gain scores of students in grades 3, 5, and 9 were not significantly different from the gain scores of students in the Scantron Norm Group. Students in grades 7, 8, and 10 had significantly lower gain scores than those of the Scantron Norm Group (see Table 3).

Table 3. Math Gain Comparison

Grade Level	3		4*		5*		6*		7*		8*		9*		10*	
	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group	K ¹²	Norm Group
Average Gain	173	169	137	126	127	130	112	106	90	95	67	77	58	54	42	55
Standard Deviation	196	95	181	97	175	104	166	101	164	106	163	105	156	109	158	120
N	3985	3084	4254	3822	4842	2841	5499	4431	6063	3718	6506	2125	4162	1022	3731	504

*The difference between the two average gain scores is significant at p=.05



**Illinois Virtual Charter School @ Fox River Valley
Services for Students with Disabilities and English Language Learners**

SPECIAL EDUCATION

Students with disabilities will be served in accordance with federal and state regulations including Section 504 of the Rehabilitation Act of 1973, the Individuals with Disabilities Educational Act and subsequent amendments and the Americans with Disabilities Amendment Act. A free and appropriate education will be provided to students with disabilities in accordance with their Individualized Education Programs (IEPs). ILVCS@FRV will also comply with Title IX of the Education Amendments of 1972 (Title IX), which requires that schools receiving federal funds provide equal access to school programs and extracurricular activities to students who might be, are or have been pregnant.

ILVCS@FRV is responsible for the identification, IEPs, evaluation, monitoring, reevaluation, and compliance for all students with disabilities. The authorizer of the charter school is responsible for oversight of the charter school, which includes a charter school's compliance with special education laws and regulations, as noted above. If all 18 districts approve the ILVCS@FRV charter application, each of the 18 districts would be the "LEA" and the charter school will work with the districts and with ISBE with regard to state and federal programs such as special education including entering ILVCS@FRV special education student information in district and state reporting systems. In the event that the charter is authorized by the State Charter Commission, ILVCS@FRV will be the LEA and will be directly responsible for following all applicable state and federal regulations regarding special education students including entering student information into state reporting systems.

The 504 plan and process will be managed by the appointed party at the school, typically an administrator or guidance counselor. All teachers who support the student with the 504 plan will be aware of the requirements in the plan. Students will be provided the support as deemed appropriate in their 504 in all settings – outings, state testing locations, virtual classroom, etc.

Child Find

During the enrollment process all families will answer a series of online questions as a first effort for Child Find and all records for incoming students will be reviewed for Child Find flags. By reviewing records of all enrolling students, ILVCS@FRV will find already identified students and flag students who may not have been previously identified. In addition, interviews with parents by the general education teachers will include appropriate probing questions. Finally, teachers will be working with students in Class Connect sessions, viewing daily progress, and be trained on indicators of concern from these sessions as well as benchmark testing (Scantron).

In an effort to determine the number of students with disabilities that ILVCS@FRV can expect to serve, and to estimate a reasonable budget, the Board has looked at data from K12 Inc.'s other virtual schools. On a national basis, K12 schools' students with disabilities' enrollments vary from 7 – 19 percent of the total school enrollments, with an average of 11.5 percent. In addition, the Board also considered the SPED populations in the 18 subject districts which range from 10.2 – 15.9 percent. The ILVCS@FRV Board, for planning purposes, has therefore assumed

that 11.5 percent of the ILVCS@FRV student population will be students with disabilities and will budget accordingly for the school's special education program. Across the K12 managed schools, K12 serves students in all disability categories, including: autism, serious emotional disturbance, traumatic brain injury, deafness/hearing impaired, specific learning disability, intellectual disabilities, multi-handicap, other health impaired, physical disability, speech/language and blind/visual impairment.

Evaluation

When Child Find screening indicates that a student may be eligible for special education services, ILVCS@FRV will seek parental consent to conduct an evaluation. "Evaluation" means procedures used to determine if a child has a disability and the nature and extent of the special education/related services that the child requires. The evaluation will be completed by a multidisciplinary team which includes the general education teacher, other qualified professionals who work with the child and the legal guardians/parents. The report generated from the evaluation will make a recommendation about a student's eligibility for special education services that must be agreed upon by the appropriate team members. Parents may request an evaluation if they suspect their child has a disability. Evaluations will be completed face to face in most circumstances. Data from virtual assessments (Scantron, etc.) may be included in the complete evaluation.

ILVCS@FRV will use a three-tiered Response to Intervention (RtI) and all students will be served appropriately based on their placement within these tiers. Our three-tiered process is based on national guidance from RtI Network and the federal guidance on RtI. Supplemental programs have not yet been selected for Tier II/Tier III. Depending on the placement tier, the data points could come from Scantron, DIBELS, K12 tests/quizzes and other supplemental intervention tools including but not limited to items such as AimsWeb, etc. Parents have the right to request an independent educational evaluation. When requested by parents, ILVCS@FRV must provide them with information about where an independent evaluation may be obtained. The school will not require completion of the RtI tiers prior to initiating an evaluation. It is feasible that the student will be moving through the RtI tiers and have the supportive interventions within these tiers during the evaluation process and that data may become part of the evaluation. The school will complete all initial evaluations within the 60 day timeline, regardless of whether the student is moving through the RtI tiers or not.

Individualized Education Programs

ILVCS@FRV believes that the IEP is a working document that is to be amended to reflect the student's current academic and functional performance. The IEP will be reviewed at a minimum of once per year and upon evaluation/re-evaluation, the IEP will be amended as needed for the coming school year.

All identified students with a disability will have an Individualized Education Program (IEP) meeting upon enrollment with the appropriate team members in attendance. Members of the IEP team may include parent(s), the student, general education teacher(s), special education teacher(s), school administrator(s), evaluation personnel, and others with knowledge or special expertise about the student. The appropriate notices/invitations will be issued to the team that addresses the online nature of the school setting.

The IEP will include a statement of the student's current level of academic and functional performance, and how the student's disability affects his/her ability to progress through the general education curriculum; a statement of measurable goals; and a statement of educational services, program modification and support necessary for the student to be involved in the general education coursework, including assistive technology. The means for learning and demonstrating proficiency will be aligned to the Illinois Learning Standards. Assessment accommodations or alternative instruction procedures will be based on the goals in the student's IEP. If the student requires IAA per an IEP team decision, the school stands willing to provide the necessary support including meeting the needs of the alternate assessment.

In order to help secondary students with disabilities, ILVCS@FRV will review transition plans beginning at age 16, or earlier if needed, based on student needs and will incorporate the plan into the student's IEP. Within the K12 platform, students have access to Career Builder tools which include learning styles inventories, career exploration assessments and career exploration tools. These online tools allow students with disabilities to pinpoint functional and career exploration needs. ILVCS@FRV will develop relationships with community partners (vocational rehabilitation centers, etc.) to ensure community partners are part of the transition planning team. The school will ensure all parties, including the student and any applicable outside agencies, will be invited/included in IEP meetings where transition planning is to be discussed.

In order to serve our students who meet the federal homeless definition, ILVCS@FRV will have a homeless liaison and policy that identifies the necessary support for this population. In the virtual environment it might include a laptop, wire card, bus passes, access to facilities that have Internet access, phone cards to contact teachers and administrators, and more.

Least Restrictive Environment, Services and Staff

ILVCS@FRV will provide a continuum of services/support for students with disabilities based on their individual needs as defined in their IEPs while ensuring all students are served in the least restrictive environment (LRE) possible. Students with disabilities will participate in the general education program to the greatest extent possible. Due to the ability of the student to access the general education web-based curriculum at any time, the student receiving special education services or programs within the general education classroom is not missing any general education instruction unless a student were participating in related services at a contractor's office.

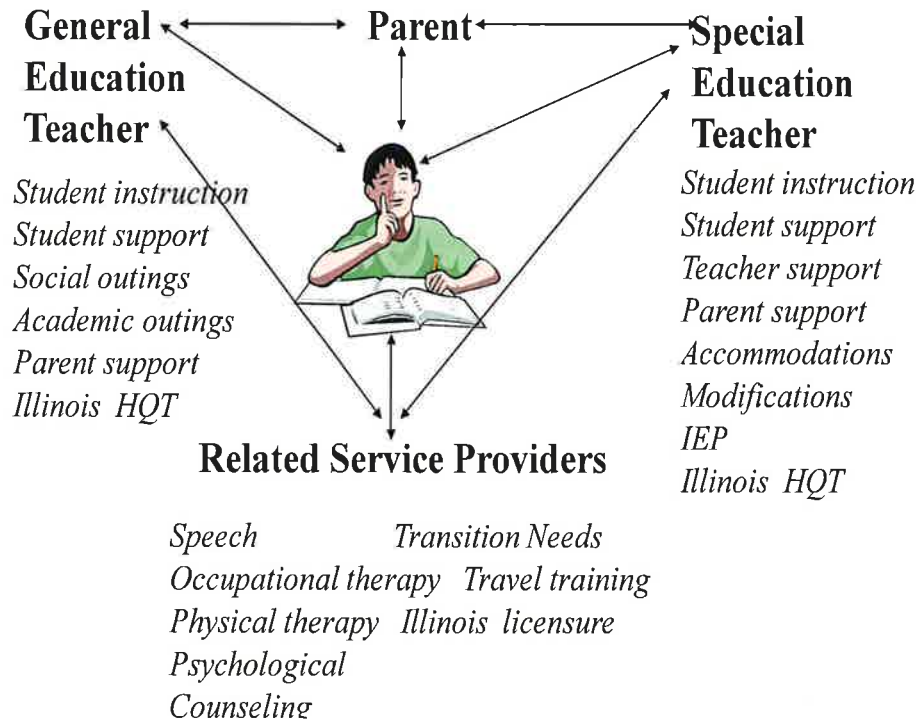
The ILVCS@FRV special education teacher will support students with disabilities and provide specially designed instruction through synchronous and asynchronous contact which may include phone conferencing, email, and direct "real-time" interaction through web-conferencing tools. With web conferencing, the special education teacher/general education teacher can provide real time support to the student and assessment of progress towards IEP goals. Parent education can also be effectively delivered using web conferencing. All special education staff will be required to have current, state licensure and we prefer that they have 3+ years' experience in a brick and mortar school. The frequency, time, duration of this support is determined by each student's individualized needs and defined in their IEP.

The individualized support of the teachers providing direct instruction and support through web-based tools allows for personalized support throughout the school day. Teachers further individualize instruction to students by providing robust instructional feedback on the assignments they grade and return to students. Teachers examine data from computer-scored assessments to identify areas where individuals and groups of students have failed to achieve mastery of course material. Teachers are able to provide accommodations to all students, based on their individual learning styles.

To the extent of their abilities, students with disabilities will fully participate in all general education classroom activities with their classmates including outings and field trips. The school will offer virtual outings which encourage online communication in a safe, secure environment as well as educational face to face outings. In addition, the K12 platform has had great success in implementing online social skills groups – including same aged peers – using social skills supplemental materials such as Social Skills Builder and more. If these supportive services are not sufficient we may contract with outside agencies in the student’s community to provide similar services (such as we would for any related service).

ILVCS@FRV believes it takes a community to educate all students and as such, will provide professional development to the entire school community on best practices in serving students with disabilities including child find responsibilities, effective interventions and supports for specific areas of weakness detected in struggling students, IEP team participation and responsibilities, implementation of Section 504 plans, and other related topics.. The general education staff will be as skilled in accommodating lessons/quizzes/activities for students as the special educators are. In addition to professional development for the school staff, ILVCS@FRV will ensure the contracted related service providers (speech, OT, PT, etc.) are fully embraced in the school community, are a valued member of the IEP team and are well versed on the unique nature of this school. The following illustration depicts this team model.

Model of Virtual Special Education Services



A staffing overview (org chart) can be provided if requested. Special education staffing ratios are challenging to determine prior to the school's application process. In an effort to determine the first year staffing and budget, ILVCS@FRV has used a combination of K12's historical special population enrollments and the ratios found in the State of Illinois.

In addition to a well trained staff, ILVCS@FRV will be able to access the special programs team at K12 Inc. This team includes the Northern Region Special Programs manager and the national Director of Special Programs. These experts have years of experience in serving students with disabilities – both in the brick and mortar setting and virtual setting. These best practices and eye for compliance from the specials programs team will be provided to the school staff and onsite/off site support and monitoring will be provided by these educators as well.

Related services needs are determined by evaluations (initial/re-evaluation) and included in the student's IEP, which will indicate frequency, time and duration of such services. These services will be provided by licensed therapists and/or nurses in the State of Illinois who meet the required background check, have the appropriate liability insurance and experience/licensure required for serving school aged students. Most therapists will be contractors of the school and will have the school approved contract in place. Payment to the therapists will be made by

school funds and are not the responsibility of the parent. Therapy may be delivered in home, online, face-to-face, or the parent may provide transportation to a contracted therapy agency within a reasonable distance of their home. Therapists that provide face to face service will be located in areas of geographical convenience for the families. Parents would be reimbursed for their mileage if this were to occur.

The following list contains various therapies that may be delivered to students with special services required as part of their IEP:

- Mobility training
- Adaptive therapy
- Assistive technology evaluations
- Counseling services,
- Psychological services
- Speech and Language Services
- Occupational Therapy
- Physical Therapy
- Transportation (when required by a student's IEP)
- Interpreter services for the deaf or hard of hearing

Progress Oversight and Compliance

Oversight and compliance monitoring in a distance learning setting is assured through many means including detailed monitoring of student progress and achievement both in the general education curriculum and on IEP goals through work sample collection, synchronous instruction and assessment, and assessment data collected through the online school by a highly qualified general education teacher, and file review and monitoring of timelines by ILVCS@FRV's special education team. This level of oversight and consistent tracking of progress, or lack of progress, toward IEP goals will be used, in part, to determine possible extended school year (ESY) needs for students with disabilities. Specific ESY services will be determined by the IEP team but could include a continuation of related services during the assigned 'break' timeframe as well as supportive services from the special education teacher on specific IEP goals. Charter schools are required to provide extended school year (ESY) services if a student's IEP team determines, on an individual basis, that the services are necessary for the provision of Free and Appropriate Public Education (FAPE). The team may consider regression and recoupment, but these are not the sole criteria for determining eligibility for ESY services.

IEP goals and progress toward goals will be provided to the parents on a quarterly basis. The progress toward goals will be obtained/monitored by the special education teachers using the online school, work samples and results of Class Connect sessions. IEP meetings will be held virtually, in most cases. If the parent requests a face to face meeting or if the IEP team determines that a face to face meeting is necessary, the meeting will be held at a location convenient for the family.

Virtual IEP meetings will be held using our web based classroom tool (*Blackboard Collaborate*) where the draft IEP can be shared on the screen, all agreed upon changes to that draft can be made live time with all viewing those changes, all will have the ability to speak and respond to each other and then the permanent product (final IEP) will be printed and mailed to all applicable

parties. If requested or if the IEP team determines that a face to face IEP meeting would be necessary, the required IEP team members will travel to a location convenient to the parent/student.

One on one support can be provided through virtual instruction using the *Blackboard Collaborate* tool (sessions referred to as “Class Connect Sessions”). If the IEP team determines that this is not sufficient, para-professionals may be provided in the home environment.

Assistive Technologies, Accommodations, and Modifications

The primacy of computer technology in a virtual school elevates the need for provision of assistive technology by the school. Virtual Learning Solutions’ partner, K12 Inc., has served thousands of students with disabilities over 11 years using assistive technology tools. The school will provide the necessary assistive technology support to the student based on his or her IEP. ILVCS@FRV expects to regularly use various forms of augmentative communication devices which include pointers, specialized mice and switch activated scanning tools. Any student in need of these devices will receive an evaluation to determine what is most applicable to the virtual setting.

Other assistive technology products that have been used by K12 in the past and may be considered for students enrolled in ILVCS@FRV include:

Name of Product	Description of Product
Read&Write Gold	Jump drive that reads the OLS/LMS
Dragon Naturally Speaking	Types what is spoken
Social Skills Builder	On-Line social skills program
Inspiration Grades 6-adult	Tool to visualize, think, organize and learn
Kidspiration K-5	Explore and understand words, numbers and concepts
Brain Builder	Program geared toward building working memory

Accommodations and modifications can be provided throughout the online and offline platform and materials. Students may require a variety of accommodations and/or modifications and use assistive technology and resources such as NIMAC/Bookshare. Accommodations and modifications for students with disabilities are determined by the IEP/IEP team. Modifications may include limiting the expected response from the student, or type of response from the student, alternate or modified grading scales, alternate quizzes/tests, supplemental but supportive curriculum responses in lieu of the provided K12 curriculum responses, and more.

Specific examples of how assistive technology is used for accommodations and modifications can be pointed to when reviewing ways in which K12 has worked with visually impaired and

deaf students attending other K12 managed schools. K12 Inc. managed schools currently serve 47 students with vision impairments and 82 students with hearing impairments. Low vision to no vision and minimal to severe/profound hearing loss are included in these numbers. Assistive technology accommodations and modifications used to serve visually impaired and deaf students include screen readers which will read all text on all platforms to ensure the student does not miss online instruction. Offline instruction materials may be provided in an accessible format which would include items such as relief maps, talking calculators, CCTV's and/or Braille text, as needed. This same population may require orientation and mobility training which would also be provided. Students are also able to use closed captioning features available in both the web based platform as well as videos, and other media. Necessary support from audiologists, speech/language pathologists, etc. would also be included as part of the supportive team serving this student.

Below is a checklist that outlines accommodation and modification tools that our teachers may use to serve specific needs. This is not inclusive of all possible accommodations or modifications.

Accommodations and Modifications Checklist

Student: _____ Grade: _____ Teacher: _____
Age: _____ Birth date: _____ Date of Report: _____

Textbooks and Curriculum

Books

- Provide alternative books with similar concepts, but at an easier reading level. (low level high interest novels – can be found at local libraries or Amazon)
- Provide audiotapes of textbooks and have the student follow the text while listening (NIMAC/Bookshare)
- Use peer readers (can be done in Blackboard Collaborate sessions)
- Use marker to highlight important textbook sections (screen readers such as Read&Write Gold will do this)
- Develop with student/learning coach index cards to record major themes.
- Provide the student with a list of discussion questions before reading the material.
- Give page numbers to help the student find answers when asking comprehension questions
- Provide books and other written materials in alternative formats such as Braille or large print.

Curriculum

- Shorten assignments to focus on mastery of key concepts (for HS – make sure subject specific teachers are aware of this)
- Shorten spelling tests to focus on mastering the most functional words.
- Substitute alternatives for written assignments following IEP recommendations
- Specify and list exactly what the student will need to learn to pass. Review this frequently with all parties.
- Modify expectations based on student needs (e.g., “When you have read this chapter, you should be able to list three reasons for the Civil War.”).
- Give alternatives to long written reports (e.g., write several short reports, preview new audiovisual materials and write a short review, give an oral report on an assigned topic).
- Prompt learning coach and/or student to keep workspaces clear of unrelated materials.
- Use alternatives to crossword puzzles or word finds

Instruction and Curriculum

Directions

- Use both oral and printed directions. Screen readers should read the print directions on line
- Give directions in small steps and in as few words as possible.
- Number and sequence the steps in a task.
- Have student repeat the directions for a task.
- Provide visual aids.
- Show a model of the end product of directions (e.g., a completed math problem or finished quiz).
- Time/transitions
- Help learning coach to alert student several minutes before a transition from one activity to another is planned
- Provide additional time to complete a task.
- Allow extra time to turn in homework without penalty (with subject specific teachers awareness)

Handwriting

- Use worksheets that require minimal writing or modify existing worksheets for this
- Use fill-in questions with space for a brief response rather than a short essay.
- Omit assignments that require copying, or let the student use a voice over tool to dictate answers.

Grading (all with general education teachers' support/awareness)

- Provide a partial grade based on individual progress or effort.
- Use daily or frequent grading averaged into a grade for the quarter
- Weight daily work higher than tests for a student who performs poorly on tests.
- Mark the correct answers rather than the incorrect ones.
- Permit a student to rework missed problems for a better grade.
- Average grades out when assignments are reworked, or grade on corrected work.
- Use a pass-fail or an alternative grading system when the student is assessed on his or her own growth.

Tests

- Go over directions orally.
- Teach the student how to take tests (e.g., how to review, to plan time for each section).
- Provide a vocabulary list with definitions.
- Permit as much time as needed to finish tests.
- Have test materials read to the student, and allow oral responses.
- Divide tests into small sections of similar questions or problems.
- Use recognition tests (true-false, multiple choice, or matching) instead of essays.
- Allow the student to complete an independent project as an alternative test.
- Give progress reports instead of grades.
- Grade spelling separately from content.
- Provide possible answers for fill-in-the blank sections (answer bank)

Math

- Allow the student to use a calculator without penalty.
- Group similar problems together (e.g., all addition in one section).
- Provide fewer problems on a worksheet (e.g., 4 to 6 problems on a page, rather than 20 or 30).
- Require fewer problems to attain passing grades.
- Use enlarged graph paper to write problems to help the student keep numbers in columns.
- Provide a table of math facts for reference.
- Have learning coach tape a number line to the student's work space
- Read and explain story problems, or break problems into smaller steps.
- Use pictures or graphics.

Other

- Check progress and provide feedback often in the first few minutes of each assignment.
- Place a ruler/notecard under sentences being read for better tracking.

- ___ Introduce an overview of long-term assignments so the student knows what is expected and when it is due.
- ___ Break long-term assignments into small, sequential steps, with daily monitoring and frequent grading.
- ___ Have the student practice presenting in a small group before presenting to the class.
- ___ Sequence work, with the easiest part first.
- ___ Provide study guides and study questions that directly relate to tests.
- ___ Draw arrows on worksheets, BBC sessions to show how ideas are related, or use other graphic organizers such as flow charts.

Behavior and Discipline

If a student with disabilities has a behavioral need, ILVCS@FRV staff will implement a Functional Behavioral Assessment (FBA) and a Behavioral Intervention Plan (BIP). The IEP team will consider, when appropriate, strategies including positive behavioral interventions, strategies and support to address that behavior through the IEP process.

Discipline concerns are fewer in an online environment than a traditional brick and mortar but when there are instances that involve school intervention, ILVCS@FRV will follow the federal guidelines and reconvene the IEP team. Questions posed to the team would include: Was the student's behavioral intervention plan followed? Is an additional FBA required? Was the behavior in concern a manifestation of the student's disability? If the behavior warrants suspension, no student with a disability will be suspended for more than 10 days. If a manifestation determination meeting is required, the school leader along with the application IEP team members will convene a meeting to discuss/determine the appropriate action.

The FBA or BIP would look very similar to a traditional FBA/BIP but address behaviors that are seen more often in a virtual environment (completion of work, timeliness to synchronous sessions, etc.).

Personnel Claiming

The flow of funding for students with disabilities and the staff serving them will depend on whether the charter school is authorized by all 18 school districts or the Charter Commission (if successful on appeal). Pursuant to Section 27A-11(c) of the Charter Schools Law, if the charter school is district-authorized, the proportionate share of State and federal resources generated by such students and staff will be directed to the charter school serving these students by the school district while the proportionate share of moneys generated under other federal or State categorical aid programs shall be directed to the charter school serving students eligible for that aid. Furthermore, if all 18 school districts approve the charter proposal, VLS will work with the districts and with ISBE to address how the LEA should be appropriately designated for state and federal programs, including IDEA. However, if the Charter School Commission serves as the authorizer of the charter school, the Commission, pursuant to Sections 27A-9 (f) and (h) of the Charter Schools Law, will withhold certain funds otherwise due to the school district and pay such funds directly to the charter school and for the purposes of IDEA, the charter school will be its own LEA. ILVCS@FRV will follow all applicable ISBE requirements for filing of such claims.

For more information on Special Education in Virtual Environments, please see the Attachment titled: *Demystifying Special Education in Virtual Charter Schools*.

ENGLISH LANGUAGE LEARNERS

ILVCS@FRV Board will adopt comprehensive ELL/ESL policies that adhere to all Illinois standards. ILVCS@FRV's ELL/ESL program will strive to prepare and equip bilingual, bicultural, and biliterate students to meet their needs and ensure academic success. In addition to each student's Individual Learning Plan, identified ELLs will have a Student ELL Plan, as required. Providing students with a learning environment that offers appropriate curriculum and instruction which promotes strong listening, speaking, reading and writing skills will ensure success. ILVCS@FRV will employ appropriately licensed ELL or bilingual teacher(s) for the ELL-identified students.

Professional development will be provided to all staff on the following: research-based bilingual/multicultural programs and implications for instruction, best practices of English as a Second Language (ESL), English Language Development (ELD), and/or language revitalization programs and the principles of language acquisition.

During the enrollment process all families will answer a series of online questions as a first effort for Child Find including the Home Language Survey (HLS) questions. Children and families with limited English proficiency will be provided translation and interpretation services to the extent needed to help the family understand the enrollment process and enroll the student in school in compliance with the Civil Rights Act of 1964, Title VI, 42 U.S.C. § 2000d et seq. and the Equal Education Opportunity Act, 20 U.S.C. § 1703.

Any positive responses will be routed to the ESL point of contact, an ESL certified teacher or the lead teacher of the ESL team (determined by the number of ESL identified students), for further investigation. These same questions will be verbally asked again by a placement counselor of the parent/legal guardian. Finally, these same questions will be asked after approved enrollment by the general education teacher. All parties asking these questions will be provided professional development on ESL indicators and their obligation in routing positive responses to the appropriate ESL point of contact. Additionally, school records will be requested from the sending district and will be reviewed for ESL indicators such as positive responses on the Child Find query – both during the enrollment process and after approval, a past history of ESL services, native language other than English, etc.

Those students with positive responses to any of the HLS questions will be referred to the ESL point of contact, who will then talk with the family to determine if services were previously received, current language needs of student, review prior school records, including any previous ESL evaluations, program plans and anything additional that may assist the school to determine the next steps needed in the assessment and placement of the student. If deemed appropriate based on positive responses to the HLS questions, steps will be taken to screen and then assess the student to determine eligibility status and develop appropriate ESL Plan. If assessments determine that the student qualifies for ESL services, parent notification and acceptance of services will be provided to the parent/legal guardian prior to implementing services.

A language proficiency assessment (yearly) as well as culminating data on the student's academic performance scores will become part of the components that develop his/her individualized education program. ELL students' yearly progress will be assessed using the ACCESS for ELLs (Assessing Comprehension and Communication in English State-to-State) to determine their English proficiency and when a student will exit from ELL services and supports.

Whether or not ILVCS@FRV will provide a Transitional Bilingual Education (TBE) Program or a Transitional Program of Instruction (TPI) will be determined by the number of ELL students of the same language classification that enroll in the school. Given that the ELL population of all 18 districts combined is 0.6 percent of the districts' total school enrollments, ILVCS@FRV does not expect to enroll more than 20 students of the same language classification at any time. If that assumption is correct, ILVCS@FRV will not be required to offer a Transitional Bilingual Program [SY 2010 – 2011 Statistical Report on Bilingual Education Programs [http://www.isbe.net/research/pdfs/ell_program_stat_report11.pdf]].

ILVCS@FRV does expect to offer a Transitional Program of Instruction and will be prepared to use a variety of ESL programs in order to best meet our student needs. Examples of programs we may use include: Content Area Tutoring; Content Based ESL; Pull out Individual Support; Self-Contained Classrooms; and Sheltered English Instruction.

The ELL teacher(s) can provide support to the students within the distance learning environment by: relating background information and experiences to the students to better grasp a concept; scaffold instruction to aid the students in comprehension; adjusting speech or content; providing project-based learning experiences and necessary visuals; and providing in-classroom modeling of best instructional practices for the general education teachers. If a need is established, ILVCS@FRV will purchase Rosetta Stone or similar WIDA-aligned supplemental ELL products to assist with English language acquisition. Exit criteria for ELL students will be consistent with Illinois State Board of Education requirements.

Regular interactions with English speaking peers will occur frequently in the Class Connect sessions. Teachers will encourage communication – which allows for simultaneous talkers to speak/hear/respond to each other using this platform. Students will be encouraged to participate in school-based outings where teachers are available to encourage and monitor this type of communication. In addition, we will ask our advanced students to participate in social groups with non-native English speakers to act as a mentor and role model for English acquisition.

ILVCS@FRV will provide the necessary translation tools to ensure both the online and offline materials are translated into the native language in question.

All ELL students will be required to participate in the ISAT and PSAT state assessments. Students who have been eligible for ELL language support services for fewer than five years may receive accommodations on either test.

In an ideal situation, ELL students would exit the Transitional Program of Instruction within 3 years, however, at the discretion of the school district and subject to the approval of the child's

parent, a child may continue in that program for a period longer than 3 years. A student may not be transferred out of a TPI prior to his third year of enrollment unless the parents approve the transfer AND the child has received an exam score that reflects a level of English language skills appropriate to his or her grade level.



on implementing special education in charter schools.

SPECIAL REPORT

DEMYSTIFYING SPECIAL EDUCATION IN VIRTUAL CHARTER SCHOOLS

by

Lauren Morando Rhim
Julie Kowal
Public Impact

This *Special Report* is part of the website created for the *Primers on Special Education in Charter Schools*. It is available online at www.uscharterschools.org/specialedprimers

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DEMYSTIFYING SPECIAL EDUCATION IN VIRTUAL CHARTER SCHOOLS

SECTION I: INTRODUCTION

The option of distance learning has been available in secondary and post-secondary education for decades. The evolution of the computer age has facilitated growth in distance learning due to easy access to online programs and the availability of packaged curricula. The growth of the charter school sector dating back to 1991 has created new opportunities for developers interested in creating new online and virtual distance educational opportunities. Yet, for many traditional educators, the notion of online, cyber, or virtual schools is the antithesis of their vision of the meaning of education. Many policy makers, administrators and educators view virtual schools as an oddity of which they know little. Nowhere has the growth in whole virtual school opportunities been as robust as in the charter sector. The opportunity to create new and innovative schools has been a magnet for developers interested in expanding virtual and comprehensive options for K-12 public school students.

Many view virtual schools with reserved puzzlement and the idea of special education and related services in this environment with outright skepticism. Yet, our examination of special education in the virtual environment dispelled many misconceptions about what exactly virtual education is and what opportunities this mode of instruction can provide to students across the spectrum of disability categories.

This special report is a supplement to a series of special education primers created to inform state officials, authorizers and charter school operators about special education in the charter sector.¹ The primer series also provides tools to help these stakeholders build charter school capacity to provide special education and related services. In line with the primers, this supplemental special report is organized in a question and answer format to maximize accessibility of information for the end users. Our goal in developing the report is to demystify special education issues that are unique in the virtual environment by examining issues that are unique to this new but growing sector.

The information presented in the primer reflects our collective knowledge based on our review of the limited but emerging literature on virtual charter schools and interviews with virtual school operators. In addition, we interviewed charter school authorizers and state department of education officials who have direct experience with and knowledge of the provision of special education and related services in virtual schools.

First and foremost, virtual charter schools that operate under a charter granted in accordance with their state charter statute are public schools. Therefore, they are required to abide by the same federal laws pertaining to students with disabilities as their brick and mortar public school peers. However, educating in a virtual environment is a somewhat radical departure from how we typically construct the notion of public schools. Consequently, carefully constructed policies and practice are required to ensure that students with disabilities can access the opportunities afforded in virtual charter schools analogous to their peers.

¹ See www.uscharterschools.org/specialedprimers for the original set of *Primers on Special Education in Charter Schools* developed by the National Association of State Directors of Special Education and related resources on this topic.

SECTION II: VIRTUAL SCHOOLS

The term virtual school potentially has multiple meanings. This section provides a definition of virtual schools and explores various forms of virtual schools, including the focus of this special report on virtual charter schools.

Definition

Many misconceptions about virtual schools arise because the virtual form itself is new, rapidly evolving and referred to by several different terms. “Cyber schools,” “online schools,” “non-classroom-based education,” “technology-assisted project-based instruction (TAPBI),” and “e-learning” all have been used to describe a similar type of online learning environment. For purposes of clarity, the term “virtual school” and specifically “virtual charter school” will be used throughout this document to refer to a wholly public educational organization that offers full-time instruction at the K-12 level at least partially through Internet-based methods, with time and/or distance separating the teacher and learner (Vanourek 2006a; Mueller & Ahearn, 2004; Hassel & Terrell, 2004; Anderson, 2003).

Thus defined, virtual schools should be distinguished from traditional “brick and mortar” schools—traditional schools where instruction is delivered in a public school facility—as well as from several related forms of online and distance learning. For example, several brick and mortar public schools (chartered and traditional) integrate online learning in the conventional classroom setting, “e-learning” in a sense. Distance education programs may also incorporate computer-based instruction, but typically have few if any students enrolled full-time (Vanourek 2006a; Mueller & Ahearn, 2004). Consequently, they are considered supplemental *programs* as opposed to *schools*. Virtual schools incorporate both the distance and online aspects of these programs into complete educational institutions that offer full-time instruction to students at the K-12 level.

Within the world of virtual schools, there is much variation along the range of time and distance as well as the extent of online instruction. With regard to distance, for example, some virtual schools operate entirely remotely, with teachers working from their homes to lead instruction with students who are spread throughout a region or state. Others bring students together in a common facility where they participate in instruction on computers during traditional school hours and teachers monitor progress in person and/or online. Similarly, virtual schooling programs vary tremendously in the amount of time they involve students in computer-based and online learning. Many virtual schools direct their elementary and middle school-aged students to spend only a small portion of their day on the computer and provide the majority of instruction through book reading, science experiments and other activities with materials shipped into the home. Other virtual schools, particularly at the high school level, engage their students primarily in instruction that occurs both on the computer and online (Vanourek 2006a; Anderson, 2003, 2003; Bogden, 2003). When virtual school students receive the majority of their instruction at home, parents are typically very involved in their child’s education, working closely with teachers to implement and tailor lessons for their child.

Finally, virtual schools vary according to how they deliver instruction ranging from asynchronously or synchronously:

- *Asynchronous* instruction occurs when the student is not receiving the instruction simultaneous to when the instructor is delivering it. This type of instruction is typically delivered via course management software, e-mail communications, and electronic discussion groups (Chin, Kinshuk, & Lin, 2004).
- *Synchronous* instruction (also referred to as real-time, live, or simultaneous instruction) occurs when the teacher is delivering content to students at the same time that students are receiving the content. Synchronous instruction that permits real-time interaction between teachers and students more closely resembles the experiences of students in traditional brick and mortar settings than asynchronous (Chin, Kinshuk, & Lin, 2004).

Forms of Virtual Schools and Supplemental Programs

As with distance, time, and form of instruction, virtual schools also vary by their operational structure and legal status. It is difficult to pin down clear types and numbers of each kind of virtual program because the schools and programs evolve rapidly, and states use different and overlapping definitions of virtual education. For instance, the California Department of Education refers to virtual schools as “independent study schools,” but not all of these schools use the Internet to deliver content. Even the most recent data collected on the number of operating virtual schools is outdated, and it is estimated that online learning and virtual schools are expanding at a rate of 30 percent per year (Vanourek, 2006a). In general, however, almost all virtual schools or supplemental programs are operated and overseen by one of the following entities.

Regional Agencies or Consortia of Educational Organizations

These providers—some public, many private—typically broker other providers of curriculum or distribute their own resources and coursework among members (Mueller & Ahearn, 2004; Hassel & Terrell, 2004). In 2007, at least 30 virtual schools were operated by organizations that are national, multi-state, or regional in focus.

State Education Agencies

At the state level, virtual programs typically provide advanced coursework or supplementary services to middle and high school students (Mueller & Ahearn, 2004). As of September 2006, 38 states had either state-led online learning programs or significant policies regulating online education (Watson & Ryan, 2006). In 2004, at least 15 states operated their own virtual schools (Hassel & Terrell, 2004).

Universities

In 2004, at least nine universities provided online learning opportunities to K-12 students (Mueller & Ahearn, 2004). Many of these offer virtual K-12 courses as part of their continuing education programs or independent study programs (Mueller & Ahearn, 2004; Hassel & Terrell, 2004).

Local Public School Districts and Other Local Education Agencies (LEAs)

LEA-based virtual programs are often designed to serve the district’s supplemental or alternative education needs and to provide services to home schooled students. Depending on the scope of course offerings, the programs may or may not constitute a school. In 2004, at least 36 districts operated their own virtual school (Hassel & Terrell, 2004).

Charters Schools

Virtual schools may operate under a charter from a local district, state board, university or other authorizer under the state’s charter school law. The virtual charter school model is the most prolific

form of virtual K-12 schooling, with 162 schools in operation in 2007 (Center for Education Reform, 2007). Arizona, Ohio, and Pennsylvania lead the states in the number of virtual charter schools authorized (Hassel & Terrell, 2004). This form of virtual school is discussed in greater detail in the next section.

Virtual Charter Schools

The largest subset of virtual schools is virtual *charter* schools. Charter schools are autonomous public schools that receive a contract, or charter, from a designated agency—an authorizer—such as a local school board, university, or state board of education within the legal parameters defined by a state charter school law. The charter is typically a legal agreement between the school’s governing body and the authorizer that describes the school’s goals, organization, funding, and autonomy. Many virtual charter school boards subcontract with virtual school providers (e.g., local, regional, or national entities that utilize a whole-school model). In accord with state charter schools laws, independent charter school boards—not the contracted virtual school provider—hold the charter in most states. Virtual charter schools, like traditional charter schools, receive freedom from various rules and regulations in exchange for greater accountability for meeting stated outcomes. Like traditional charter schools, if a virtual charter school fails to meet these outcomes; it may lose its charter and be closed down (Anderson, 2003).

As a subsector of U .S. public schooling, the charter school sector is fairly small (about four percent of all public schools [CER, 2007]) but makes up about 20 percent of all online learning schools (Vanourek, 2006a). In 2006, virtual charter schools comprised about four percent of all charter schools and enrolled about six percent of all charter school students (Vanourek, 2006a).

Potential Advantages and Challenges

Virtual charter schools are largely unknown among many parents and educators and are still widely misunderstood. Through their new modes of instruction, virtual charter schools have the potential to create new modes of delivery, governance and funding of public education. Yet, there is little definitive research regarding these schools. These reforms may improve students,’ parents’ and educators’ opportunities, but they also raise several challenges.

Diversity of students. While virtual charter schools may not appeal to all students, they can provide a learning environment that is appealing to many, especially those students who have been previously underserved by traditional public schools. Families who live in remote areas may also find it appealing to receive instruction at home (Weiss & Neito, 1999); older students with work or extracurricular commitments may opt for virtual schooling due to its more flexible schedule. Students who are unable to attend school regularly due to health, behavioral or emotional problems may also find a good fit with a virtual charter school (Anderson, 2003; Bogden, 2003). In some states, the proportional enrollment of students with disabilities in virtual charter schools is relatively in line with national averages: in Pennsylvania, for example, 12% of students in virtual charter schools in 2001 were enrolled in special education programs, compared to 11.6% nationally according to the most recent national data.²

² The child count data for special education is available in the tables on the IDEAdata.org website. The most recent data as of this writing is for Fall 2005 and is available at https://www.ideadata.org/tables29th/ar_1-10.htm

Individualization. Virtual charter schools may offer a better fit than traditional public schools for many students not only because of their flexible location and schedule, but they may also allow greater opportunity for individualized instruction. Many virtual charter schools offer a wider variety of curricular and instructional options than traditional schools, including online and offline learning with graphics and animation, audio components and interactive exercises. Many school programs can also be personalized to an individual student's pace and ability, allowing them to advance through subjects and grades as quickly or slowly as they need (Anderson, 2003; Bogden, 2003; Vanourek, 2006a).

Parent involvement. Virtual charter schools can provide extensive opportunities for parents to be involved in their child's education—in many virtual settings the student learns exclusively from home. Strong teachers not only provide lesson plans but share pedagogical techniques individually with parents to help facilitate their child's experience. Parents of virtual charter school students tend to be very involved in their child's education on a day-to-day basis (Fulton, 2002; Vanourek, 2006a).

Technology. There can be several advantages to the increased use of technology in the virtual charter school. First, virtual charter schools often supply their students with computers, printers, an Internet connection and other supplies to connect with the online school community. In many cases, this is the first computer in a student's home or is a significant upgrade and allows the entire family access to the Web and other resources (Anderson, 2003; Weiss & Nieto, 1999). Virtual charter schools' use of technology may also enhance students' attention and engagement: many in today's younger generation are extraordinarily comfortable with technology and find it more stimulating than a traditional brick-and-mortar classroom. Finally, many computer-based instructional programs have built-in diagnostic assessments that allow teachers and parents to track progress and provide continuous feedback on a student's knowledge and skills (Vanourek, 2006a; Bogden, 2003; Anderson, 2003).

Accountability. Many critics' primary concern about virtual charter schools is the extent to which they can be held accountable for the quality of their service to students (Anderson, 2003; Bogden, 2003; Hassel & Terrell; Fulton; Vanourek, 2006a). What curricular programs are these schools using? Are their teachers qualified to deliver instruction, separated from their students by space and time? How can we be certain that students are receiving an adequate amount of instruction and that it is the student, and not a parent, doing the work? Like traditional charter schools, virtual charter schools are held accountable to specific outcomes for student learning (e.g., adequate yearly progress under the Elementary and Secondary Education Act now referred to as the No Child Left Behind Act or NCLB). But because the teachers, instructional delivery, and location of virtual charter school is typically quite different from traditional public schools, existing accountability measures often do not "fit" the virtual environment or provide adequate assurance of quality. And in many states, because virtual charter schools are still new, state laws and regulations offer little guidance about how to adapt existing accountability methods to the virtual charter model (Fulton, 2002; Hassel & Terrell, 2004; Watson & Ryan; 2006).

Unfortunately, no rigorous studies are available that compare student learning in virtual charter schools to student learning in traditional public or charter schools. One study conducted in 2000 by the Florida Virtual High School (non-charter) compares student performance in traditional classroom

settings to those in virtual courses taught by the same instructor and found that there were no apparent differences in the grades they earned (Kozma et al., 2000). Aside from this report and anecdotal evidence of performance in virtual charter schools, the majority of what we know about student learning comes from evaluations of distance education and online learning programs. For example, a 2005 meta-analysis of research studies in the online K-12 context found that students in distance education programs performed equally well or better academically in online learning environments than in traditional education programs (Smith et al., 2005). A 2004 analysis by the North Central Regional Educational Laboratory reported similar findings in distance education programs (Cavanaugh et al., 2004). Overall, the existing evidence of performance in virtual charter schools is far from conclusive.

Teacher quality. Virtual charter schools struggle to fill many of the same teaching positions as traditional public schools, such as science, math and special education. But virtual charter schools face the additional challenge of recruiting candidates who can be successful outside the traditional school environment. Virtual instruction differs in several respects from teaching in a typical K-12 classroom: teachers must be comfortable with and skilled in several types of technology; they often work from home or in an office surrounded by other educators rather than students; their relationships with parents typically must be much more hands-on. While still relatively novel, a few teacher preparation and development programs have developed courses specially designed to train teachers in these new technologies and approaches (Vanourek, 2006a; Smith et al., 2005). For instance, Boise State University offers a certificate in online teaching that includes strategies for integrating computers and instructional software into lesson-planning, engaging online learners and facilitating collaborative and interactive online-learning experiences (Boise State University, 2007). There is still concern, however, that virtual charter schools may find it difficult to hire a sufficient number of teachers who can work effectively in their unique environment.

Interpersonal interaction. For some students, the lack of face-to-face interaction in the virtual environment may truly be something lost. Many virtual schools provide social opportunities such as field trips, sports teams and proms and mimic personal interactions through synchronous lessons, audio capabilities and chat sessions. However, it is difficult to replicate the social development that occurs in a traditional classroom environment—in the halls, at lunch and after school. It is still unclear whether virtual charter schools can develop similar opportunities for meaningful social interaction.

Funding. Starting and operating a virtual charter school can be expensive, requiring upfront and ongoing investment in technology equipment, software and other supplies, as well as staffing and program development. Virtual schools must also conduct onsite assessments for end-of-year tests (e.g., state assessments), which require funding for testing sites and personnel. On the other hand, because they typically do not require lease and maintenance of a physical school building, transportation, or food services, virtual schools can cost substantially less than brick and mortar schools. Discussions abound in every state with a virtual charter school about the proportion of education funding they should receive (Anderson, 2003; Bogden, 2003; Vanourek, 2006a). Like traditional schools, virtual schools typically receive funding based on their enrollment, but many states are still working to define average daily “attendance” in the virtual context. States and districts are also still working through their responsibilities when large numbers of previously home-schooled students enroll in virtual charter schools and enrollment crosses traditional school district geographic boundaries (Anderson, 2003; Hassel & Terrell, 2004; Huerta et al., 2006).

Special Education in Virtual Charter Schools

Educating students with disabilities in virtual schools entails not only molding state charter school laws to fit a specialized type of charter school, but also adapting federal and state special education guidelines aimed at providing special education in traditional brick and mortar settings. Two primary points for consideration in virtual charter schools are enrollment of students with disabilities and navigating the intersection of the complex laws and regulations.

Enrollment. Several studies of online programs report that they are a popular option among students who have been underserved in traditional schools, including students with disabilities (Fulton, 2002; Mueller & Ahearn, 2004; PA DoE, 2001; Smouse, 2005; Weiss & Nieto, 1999). Many virtual charter schools are able to offer instructional methods that are attractive to students with various disabilities, such as individualized pacing, frequent and immediate feedback, a variety of presentations formats and personalized instruction. The flexibility of time and space also allows families more control over their child's learning environment, an important consideration for many students (Smouse, 2005).

Despite emerging findings about the popularity of virtual charter schools among students with disabilities, we know very little about the extent to which these students are served in virtual charter schools. In one 2004 study, virtual schools in several states reported enrolling a significant percentage of students with disabilities, though proportionately less than traditional public schools. For example, one school serving 11,700 students reported that 775 were students with disabilities; another served 1,700 students with IEPs out of a total of 18,000. One state reported that approximately 600 students with disabilities were served in virtual schools out of a total of 7,000 (Mueller & Ahearn, 2004). In 2001, a state audit found that total special education enrollment in Pennsylvania's virtual schools was approximately 12 percent of the state's total virtual school population (*Pennsylvania Department of Education, 2001*). National estimates of the number of students with disabilities enrolled in virtual charter schools are unavailable.

The lack of data regarding the number of students with disabilities in virtual charter schools is symptomatic of a larger dearth of research about virtual schools' service to students with disabilities in general. With regard to computer-based and web-based instruction, several older studies suggest that students with disabilities perform better as a result of these methods than in traditional special education environments, in part due to the individualized pacing, frequent and immediate feedback, and personalized instruction possible in the electronic environment (Horton et al, 1989; Anderson-Inman, 1999; Schmidt, 1992, cited in Smouse, 2005). There is no research available that evaluates the success of students with disabilities in virtual as compared to traditional public schools. There is a great need for this type of research and enormous potential to learn from current virtual charter schools where staff tells inspiring stories of success with their special education populations.

Applicable law and regulations. There are no federal education laws specifically addressing special education in virtual schools. Yet, as public schools, virtual charter schools are required to abide by all federal education statutes, including the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act (ADA) and the Fourteenth Amendment of the U.S. Constitution (Griffin, 2002; Rapp et al, 2006). A

virtual charter school's specific responsibilities for carrying out special education requirements depends on its legal status—specifically, whether it falls under the jurisdiction of the local or regional school district or is considered its own local education agency (LEA) by the state. Most virtual charter schools, like many traditional charter schools, function as independent LEAs under state law (Mueller & Ahearn, 2004; Vanourek, 2006b). Consequently, they are responsible for abiding by all special education rules and regulations, including conducting special education student identification and evaluation, developing individual education programs (IEPs) and providing individualized support, curricular modifications and adaptations as well as related services such as occupational, physical and speech therapy (Mueller & Ahearn, 2004; Rapp et al, 2006; Vanourek 2006b).

While virtual charter schools may in many ways be an excellent fit for students with disabilities, it can be challenging to meet state and federal special education requirements in the virtual environment. Virtual school administrators may have had little experience with special education programs and be unaware of the services to which students with disabilities are entitled (Mueller & Ahearn, 2004). In 2006, for example, a state audit revealed that two virtual charter schools in Colorado had failed to assess the needs of their students who had been previously identified as having a disability, failed to develop IEPs for the students and had no documentation of providing related services (Colorado Department of Education, 2006). Related services, particularly occupational and physical therapy, may be especially difficult for virtual charter schools to provide to students spread throughout a wide geographic area (Mueller & Ahearn, 2004; Rapp et al., 2006).

SECTION III: METHODOLOGY

This primer was developed based on a review of existing research; an examination of documents pertaining to virtual schools, and specifically special education in virtual schools; and interviews with individuals with first hand knowledge of virtual schools. We interviewed eight virtual charter school providers and 10 other key informants with immediate working knowledge of how virtual schools are providing services to students with disabilities. Interviews were between 60-90 minutes in length. We conducted most interviews by telephone although we visited two virtual schools to gather in-depth information about how the providers deliver and modify curriculum. During the process of developing the report, we visited two virtual schools to observe teachers instructing students synchronously and asynchronously. Our analyses were driven by the question and answer format used in the original set of *Primers on Special Education in Charter Schools* previously cited (www.uscharterschools.org/specialedprimers).

The key informants were not selected randomly and they are not necessarily representative of the virtual charter sector. Rather, our interviews reflect maximum variation based on our desire to incorporate multiple perspectives related to how these unique schools are addressing special education issues in an effort to demystify the process. Given that the purpose of our inquiry was to develop an understanding of special education in this unique and growing sector, our document review, interviews and observations focused on exploring *how* virtual schools are educating students with disabilities and negotiating the requirements of IDEA. This special report is neither a definitive review of all of the issues related to special education in virtual charter schools nor an evaluation of current practices. When in doubt, stakeholders should defer to state special education and charter schools laws. In some instances, questions may best be addressed by legal experts well versed in the interpretation of specific state statutes.

SECTION IV: CONSIDERING STUDENTS WITH DISABILITIES IN

VIRTUAL CHARTER SCHOOLS

Ensuring that children with disabilities can enroll and succeed in virtual charter schools requires that school operators have a clear understanding of their responsibilities under IDEA and the capacity to provide the required special education and related services. Beyond simply understanding the definition of special education in virtual charter schools, authorizers and charter school operators will need to address the unique educational requirements of students with disabilities. The aspects of these requirements most relevant to virtual charter schools are presented below according to school development, enrollment, individualized education programs, service provision, discipline, transportation, monitoring and accountability, and transitions. It is important to note that virtual charter school operators and/or their special education staff must understand their responsibilities as contained in federal laws such as the IDEA, Section 504 of the Rehabilitation Act and the Americans with Disabilities Act (ADA) as well as any state laws and regulations that govern the implementation of special education in public schools.

Charter School Development and Authorization

Who authorizes virtual charter schools?

State charter school laws dictate who is permitted to grant a charter. Local education agencies (LEAs) are the most common types of authorizers although some states permit state education agencies, institutions of higher education and/or special purpose boards to grant charters. The state of Pennsylvania allows LEAs to grant charters but only the SEA is allowed to grant virtual charters.

Who may apply for and thereafter hold the legally binding charter for a virtual charter school?

Charters are typically awarded to nonprofit charter boards that are legally responsible for upholding the terms of the charter (typically a contract or memorandum of understanding). Most states permit charter boards to purchase a variety of services from external vendors, including whole school management provided by charter management organizations or education management organizations. The charter board is responsible for managing the contract with the service provider in accordance with the charter contract negotiated with their authorizer and both charter school and state procurement laws. There are multiple local, single-school virtual charter schools, but most virtual charter schools purchase their program from regional or national virtual school providers.

What is a Learning Management System (LMS)?

An LMS is the core of most virtual learning environments. It is the platform through which schools provide their content electronically. According to the National American Council on Online Learning (NACOL), “learning management systems include tools that allow parents to view grades, completed or incomplete assignments, teacher feedback, and updates or announcements from teachers (2007, p. 4).

Are virtual charter schools required to abide by the Individuals with Disabilities Education Act (IDEA)?

Yes. All charter schools, regardless of whether they deliver their program in a brick and mortar or virtual environment, are publicly funded schools. They must be free and open to the public, including students with disabilities. Consequently, virtual charter schools must abide by IDEA and related regulations.

Responsibility for educating students with disabilities is outlined in IDEA and varies according to a school's legal identity (i.e., an LEA or part of an existing LEA). The exact nature of a charter school's identity for purposes of special education is relevant because, under federal requirements, an LEA has many more programmatic and financial responsibilities than a school that is part of a larger, multi-school LEA. While the state is ultimately responsible for the education of all its resident children, states delegate responsibility to LEAs. For example, states typically assign the responsibility to their LEAs for providing a free appropriate public education (FAPE). LEA status also influences how funds for special education will flow to the charter school with LEA charter schools receiving most of their funds directly from the state. Virtual charter schools that are part of a local district may have to negotiate with their LEA regarding whether they will receive funds to purchase services or alternatively, the LEA will retain funds and provide special education and related services to students with disabilities who enroll in the school.

Are virtual charter schools required to provide a full continuum of placements to students with disabilities?

A virtual school's responsibility for placement depends on its legal identity under state law and the charter contract. If a virtual charter school is a separate LEA, it is required to provide a full continuum of placements. By contrast, that responsibility lies with the traditional LEA if the charter school is part of that LEA.

Some aspects of the notion of placement are different, however, for virtual charter schools. In traditional public schools, a full continuum of placements ranges from instruction in a general education classroom through a series of settings that represent progressively increasing amounts of time removed from the "general education" location, up to and potentially including a private residential setting. In a virtual environment in which students are typically instructed in their homes, the home is the general education classroom and there are not "removals" for periods of time other than possibly the delivery of related services, such as therapies, in another setting. If a student requires placement in a private day or residential setting, the responsibility of the virtual school depends on the legal identity of that school. For example, if the virtual charter school is part of an LEA, the traditional LEA may be responsible for private placements as it would be for any school in the district.

When creating a virtual charter school, what factors should developers consider related to educating students with disabilities?

Virtual charter schools are required to abide by the same IDEA requirements and related state regulations as traditional brick and mortar charter schools. Any variation in the way these requirements are implemented in a virtual, as opposed to a brick and mortar learning environment, should be described in the charter contract. A state may have specific regulations or policies that

address questions that arise pertaining to educating students with disabilities in the virtual environment.

Similar to all charter schools, virtual charter schools need to integrate the development of a high quality special education program into their initial application. (See Textbox 1). Areas of the application that should incorporate the applicant's plan to include students with disabilities are:

- administration
- curriculum, instruction, and assessment
- enrollment
- specialized personnel (e.g., certified special education teachers, administrators, and related services personnel)
- budget
- facility; and
- transportation

In addition, given the unique nature of virtual schools, developers should consider a host of issues that need special consideration given the manner in which these schools deliver their instructional program. (See Textbox 2)

**Textbox 1: General Issues to Address During the Charter Application Phase
Regarding Educating Students with Disabilities**

- ✓ Plan to evaluate and identify children with disabilities.
- ✓ Plan to develop, review and revise IEPs.
- ✓ Plan to integrate special education into the general education program curriculum and instruction.
- ✓ Plan to deliver special education and related services (e.g., in-house or contract out?).
- ✓ Projected cost of special education program (e.g., percent of operating budget).
- ✓ Plan to access and account for special education funds.
- ✓ Anticipated sources for ongoing legal guidance related to special education.
- ✓ Plan to ensure that the school facility meets the requirements of other related laws such as the Americans with Disabilities Act (ADA) and Section 504.
- ✓ Plan for enrollment/IEP transition procedure.
- ✓ Plan to address student discipline.
- ✓ Plan to handle programming disputes involving parents.
- ✓ Plan to ensure confidentiality of special education records.
- ✓ Plan to purchase services from special education vendors.
- ✓ Plan to secure technical assistance and training; and
- ✓ Plan to maintain confidentiality of all records according to IDEA and FERPA.

Source: Primer for Charter School Authorizers: Special Education Requirements and Including Students with Disabilities in Charter Schools (2004). National Association of State Directors of Special Education.

Textbox 2: Specific Questions to Consider During Application Phase Regarding Educating Students With Disabilities in a Virtual Charter School

- ✓ What type of virtual program will the school offer (e.g., all virtual or hybrid virtual with brick and mortar component, asynchronous or synchronous)?
- ✓ Does the curriculum/provider have established guidance regarding adaptations and modifications for students with disabilities?
- ✓ Will teachers meet students in person before school starts?
- ✓ How will the school identify students who may be eligible for special education and related services given the limited in-person contact?
- ✓ Does the state consider enrollment in a virtual school a change of placement for a student with a disability?
- ✓ When will IEP meetings be held?
- ✓ Where will IEP meetings be held?
- ✓ Will the IEP meetings require specialized technology to accommodate members in different locations?
- ✓ What, if any role, will parents play in delivering the content?
- ✓ How will the school train parents and students with disabilities to use required technology, including specialized equipment to help students with disabilities access online material?
- ✓ What will be the relationship between general education personnel, special education personnel and parents?
- ✓ How will students with disabilities be provided related services (e.g., speech and occupational therapy)?
- ✓ How will students be transported if they need to obtain related services out of their home?
- ✓ How does the school plan to recruit and retain qualified special education and related services professionals willing to work with students in multiple locations?
- ✓ Will the school offer specialized training to prepare teachers to work in a virtual environment?
- ✓ Where will the school administer state assessments and how will the school ensure the facility is appropriate and accessible to students with disabilities?

Enrollment

Do virtual charter schools have to accept students with disabilities?

Yes. As public schools, virtual charter schools are required to maintain open enrollment policies and may not discriminate against students with disabilities in enrollment in accordance with all state charter school laws. If the school is overenrolled, it is required to conduct a lottery to fill spaces.

Are students with disabilities choosing to enroll in virtual charter schools?

There has been virtually no research published regarding the enrollment or education of students with disabilities in virtual charter schools. However, there is some evidence and anecdotal information that

parents of students with disabilities are attracted to the individualized nature of the academic program provided by virtual schools.

Charter school authorizers and operators should anticipate that they will enroll approximately the same proportion of student with disabilities as other public schools (roughly 12%) and plan accordingly. Examples of steps a virtual charter school applicant can take to plan for students with disabilities are to set aside funds for early intervention services, special education teachers and assistive technology.

Who is responsible for ensuring that a virtual school is accessible to a student with a disability?

Virtual schools that operate brick and mortar buildings for staff or students are required to comply with the American's with Disabilities Act (ADA) to ensure that these public spaces are accessible to individuals with disabilities. However, a personal residence where a child attends a public school program is a unique mix of public and private space.

Most students with disabilities presumably live in homes that are accessible to them. Nevertheless, the question of accessibility may arise for a child who experiences a change in mobility. Although subject to state regulations, virtual schools would at a minimum be responsible for ensuring that those elements of the learning environment that the child uses to access his schooling are accessible. In practice, this may include provision of specialized equipment and services such as, but not limited to: assistive technology, physical therapy, occupational therapy and mobility training.

Is there a standard virtual charter schools should strive to meet to ensure that their school is accessible to students with disabilities?

To ensure that the instructional program is accessible to students with a variety of disabilities, operators should follow guidelines regarding universal design for learning (UDL). UDL is a research-based framework for creating instructional programs that are not only accessible to individuals with multiple physical and cognitive disabilities, but also reflect the high standards of programs provided to all students. In order to meet the UDL standards, programs must include:

- multiple means of representation, to give learners various ways of acquiring information and knowledge;
- multiple means of expression, to provide learners alternatives for demonstrating what they know; and
- multiple means of engagement, to tap into learners' interests, offer appropriate challenges, and increase motivation (<http://www.cast.org/>).

A critical aspect of UDL is that programs are initially developed to ensure universal access rather than retrofitted after having been designed without consideration of universality of access.

How do virtual school personnel learn that a child who has enrolled in their school has a disability that qualifies him/her for special education services?

Virtual schools may use multiple means to learn that a student already has an IEP. Virtual schools should request student records for all students who are accepted and enrolled from the student's prior school. It is best practice to obtain a form signed by the parent to send to the former school with that request.

It is important to understand that some parents may be hesitant to provide information about their child's IEP out of fear that they may not be allowed to enroll or because they want to give their child the opportunity to drop the special education label. Given the newness and unique nature of the virtual school, parents may not understand the school's responsibilities related to IDEA. Schools can ask parents to indicate on the application or registration form if their child had an IEP at the previous school. However, such application questions should be written to make certain that the applicant is aware that the information is being requested to ensure that the school can plan to provide services. This is in contrast to language that could communicate that the response regarding a student having an IEP could negatively impact enrollment.

Besides the actual written application/registration process, virtual schools may schedule in-person registration meetings or orientation sessions to provide school personnel the opportunity to meet students prior to the start of school. The general purpose of these meetings is to introduce parents and students to the virtual school. The meetings also provide school personnel with an opportunity to build rapport with new students and their parents. Parents who are not comfortable providing information about their child's disability during the application phase may be more comfortable sharing details about their child's special needs in person.

If the student was home schooled prior to enrolling in the charter school, the parents may inform the school that their child has a disability and received special education, but they may not have paperwork documenting details about the child's disability or the services they have received to date.

Instructional Personnel

What is the definition of a highly qualified teacher in a virtual environment?

The definition of a highly qualified teacher in a virtual environment is the same as it is in a brick and mortar charter school. Furthermore, while parents may play an active role in monitoring delivery of academic content in a virtual charter school, they are not considered their child's teacher. Rather, all students enrolled in virtual charter schools must be assigned to a highly qualified teacher for instruction in the core academic subjects.

The No Child Left Behind Act (20 U.S.C.A. § 6301-6578) defines a highly qualified teacher of a core academic subject as a teacher who has:

- (1) attained a bachelor's degree or better in the subject taught;
- (2) obtained full state teacher certification; and
- (3) demonstrated knowledge in the subjects taught.

NCLB defines core academic subjects as English, reading/language arts, mathematics, science, foreign languages, civics and government, economics, arts, history and geography.

NCLB contains a clause that defers the definition of a highly qualified teacher in a charter school to the definition outlined in the state charter law. Some states do not require charter school teachers to hold state teacher certification. However, charter school teachers in these states must hold a bachelor's degree or higher and be able to demonstrate knowledge of the subjects they teach.

In addition to the requirements of NCLB, IDEA and related state regulations require special education teachers to hold appropriate credentials.

Where do virtual charter school teachers report to work each day?

Unless dictated by state law, individual virtual charter schools determine where their teachers—general and special education—physically work. Some virtual charter schools require all of their teachers to report to a central location to teach, whereas others permit teachers to work from their homes.

Providing teachers with a common central location can foster collegial interactions and build accountability because administrators can easily observe teachers and participate in regular meetings. In contrast, if teachers work at home, they may be more accessible to students from a larger geographic region.

How many students can a teacher in a virtual school teach in a single class?

Public school general education class size is typically dictated by state or district policies. In the absence of such policies, class size is determined at the school level based primarily on enrollment, teacher supply and space availability. Unless otherwise specified in state law, virtual charter schools are subject to state and charter school authorizer policies related to class size.

Special education teacher caseloads may also be dictated by state, district, authorizers or school policies. These policies may outline general parameters about case load or dictate maximum caseloads by particular special education credentials (e.g., teachers of the hearing or visually impaired or teachers of students with severe emotional disturbances).

Do teachers working in the virtual environment need to develop specialized skills?

Yes. Teachers working in virtual schools need to be comfortable using technology to deliver content. In addition, they need to be comfortable working in a nontraditional environment. For instance, teachers may not have the opportunity to interact with colleagues on a day-to-day basis. Furthermore, they need to be comfortable working in close partnership with parents who play a more prominent role in their child’s education than they might in a traditional brick and mortar school.

While not yet commonplace, multiple colleges and universities offer a certificate in online teaching that focuses on preparing teachers to work in a virtual environment (e.g., Appalachia State University, Boise State University, University of California, University of Florida, University of Illinois and University of Wisconsin).

What role do parents play in delivering the content in virtual charter schools?

Children enrolled in virtual schools are assigned a teacher or a course with a teacher analogous to a traditional public school. However, unlike a traditional school, their parent will most likely play a central role in supporting and monitoring the child’s instruction. The parent is not the teacher and not responsible for delivering content. Rather, parents should be considered the equivalent of a paraprofessional or coach responsible for helping teachers deliver the content and individualize lessons as appropriate.

The role of parents evolves as students progress through school. Younger students, especially those students who cannot read and are not computer literate, will need more assistance than older students who may require very little involvement on the part of their parents.

Do virtual schools need to employ related services professionals?

Students enrolled in virtual schools are entitled to related services if these services are determined by the IEP team to be required for the student to access the general education curriculum. Virtual schools may opt to hire full-time personnel or contract with an external provider (e.g., local school district or private provider) to purchase related services.

Virtual schools that serve students dispersed across an entire state will need to plan to establish contacts with related service providers across the state to ensure they can provide services to all of their students with disabilities as outlined in students' IEPs.

Individualized Education Programs

What is an Individualized Education Program (IEP)?

An IEP is a written document that specifies, among other things, the goals, services and supports to which an eligible student with a disability is entitled.

Is an IEP for students with disabilities enrolled in a virtual school different from an IEP in a traditional public school?

Basically, all IEPs are required to conform to the provisions of IDEA and state special education requirements and must outline specialized services that will be provided to a child in order to support their access to the general education curriculum. The IEP for a student in a virtual charter school must describe how the school delivers its instruction and its special education services, so the IEP may appear to be different from an IEP for a child who attends a brick and mortar school. For instance, the IEP may need to more clearly spell out how the student is going to access the curriculum and how the general and special education teachers will collaborate to support the student given that the teachers may not physically go to the same place on a regular basis. In short, the IEP should reflect the virtual school model.

Authorizers may require all charter schools to use a standard IEP form. Absent such requirements, virtual schools may develop their own IEP forms in compliance with IDEA and state regulations.

How do virtual schools determine whether a student needs an IEP?

Virtual schools must follow the same procedures as traditional public schools to determine whether a student needs an IEP. IDEA requires each state to "have in effect policies and procedures to ensure that all children with disabilities residing in the State who are in need of special education and related services are identified, located, and evaluated" [CFR §300.125(a)1(i)]. States develop procedures that their LEAs must follow to carry out these responsibilities. IDEA also clearly establishes that children

who attend charter schools are included in its requirements: “Children with disabilities who attend public charter schools and their parents retain all rights under this part” [34 CFR §300.209].

The charter contract should describe clearly how responsibilities under special education will be met in the charter school. If your charter school is its own LEA for special education, you must follow state procedures just like any other LEA in your state. However, a charter school does not have jurisdiction over a geographical area as most traditional LEAs do, so the actual implementation of Child Find responsibilities by charter schools will differ. Charter schools are responsible for children only when they are actually enrolled in the charter school. It is clear that all charter schools must conduct Child Find activities for their full student population so that children who may need special education are appropriately identified and, if necessary, referred for evaluation. (For more information about Child Find, see CFR §300.125(a)1(i) or <http://www.childfindidea.org>). A state may have developed specific instructions for charter schools with regard to Child Find that the school operator must learn, understand and follow.

Parents and teachers must be given clear information about the procedures that will be followed in charter schools concerning the rights of a child to an evaluation for special education. Parents and teachers must also be fully aware of other services schools provide (e.g., a student assistance team to provide help) prior to a formal special education evaluation referral. Federal and state law and regulations contain numerous specific requirements related to procedural safeguards that should be the subject of appropriate training for teachers, parents and board members.

Every charter school should have clear procedures in place for attending to the needs of a child who is not progressing or is presenting other kinds of problems. Putting such procedures in place should be a part of planning before start-up so that they do not have to be developed in a crisis situation. Given that virtual charter school personnel may have limited in-person contact with students, they will need to ensure that they have created tangible means (e.g., specific formative assessments and a tracking system) to assess how students’ are progressing in order to detect that a child may have a disability that might indicate a need for services under IDEA.

Where do virtual charter schools have their IEP meetings?

IDEA dictates who must participate in IEP meetings, but the law does not prescribe where the meeting must be held. If the charter school has a central office that is geographically proximate to the student and convenient to the other members of the IEP team, the IEP meeting may occur in person at the central office. However, if this is not the case or for other reasons of the convenience of the team members, the meeting may be conducted via a conference call or a video conference call.

Virtual schools can use technology that enables synchronous communication to post their IEP forms online so that meeting participants can collaborate to complete the form, even if they are not physically in the same place. If parents are uncomfortable with technology, the virtual school may need to send a staff member to the student’s home to help the parent participate in the virtual IEP meeting.

After the conference call, participants will need to follow-up with faxes and e-mails to ensure that the paper work is processed with the correct signatures and returned to a secure storage location in accordance with the Family Educational rights and Privacy Act (FERPA).

If a student has an IEP, does enrollment in a virtual school require revision to the IEP?

In general, given the significant change in how instruction is delivered, enrollment in a virtual charter school will require some changes to the IEP. However, the degree to which enrollment changes the IEP depends upon the child's disability and where the student was enrolled prior to the virtual charter school.

Examples of common changes necessitated by the enrollment change include:

- _ removing language regarding specialized classroom seating (e.g., front of room);
- _ modifying language regarding interaction with peers or buddies; and
- _ adding language regarding assistive technology required to support online program.

In addition, students enrolled in virtual schools may not require all the same related services (e.g., specialized daily bus transportation) or may access these services differently (e.g., speech therapist may visit the home or services may be provided via online service). Textbox 3 is a fictitious example of an excerpt of an IEP for a student with a disability who attends a virtual charter school.

Textbox 3: Excerpt from Sample IEP from a Virtual Charter School

“Long-Distance” Virtual Academy Individualized Education Program (IEP)

Step 4: Identify measurable annual goals, including academic and functional goals

Student Progress *(Include a description of how the child’s progress toward meeting the annual goals will be measured and when periodic reports on the progress the child is making toward meeting the annual goals will be provided.)*

Progress will be monitored by the general education teacher and intervention specialist using written samples and data collection charts biweekly. Parents will be informed of progress through the use of data collection tools monthly and district progress reports quarterly.

Step 5: Identify services

Service: Consultation **Initiation date:** 5/15/05 **Expected durations:** 6/24/05

Frequency:(how often) see below

(Identify all services needed for the child to attain the annual goal and progress in the general education curriculum. Services may include specially designed instruction, related services, supplementary aids, or, on behalf of the child, a statement of program modifications, testing accommodations or supports for school personnel).

- Cardy will be in an 5th/6th grade general education virtual classroom and have access to all grade appropriate materials.
- Cardy and the teaching adult will have services of an intervention specialist virtually to address all IEP goals/objectives. Services will be delivered via telephone and/or email to the teaching adult/student for 180 minutes per month to address all IEP goals. The Intervention Specialist will contact the general education teacher via telephone/email 40 minutes per month to encompass all IEP goals. Parent training will be made available a minimum of one time quarterly in a small group session based on area(s) of need.
- Testing accommodations: reader (except reading), scribe (except writing), extended time, calculator, 1:1, clarification of directions.
- Modifications to curriculum include reduced assignment length, modification of requirement, extended time, scribe (except for writing), reader.

Step 6: Determine least restrictive environment

Determine where services will be provided

(An explanation of the extent, if any, to which the child will not participate with nondisabled children in the regular class)

Home environment as school setting of parental choice for the “Long Distance” Virtual Academy

Source: K12 Inc.

Service Provision

If the authorizer is the local school district, what if any role does the authorizer play in provision of services to students with disabilities in a virtual charter school?

The extent of an authorizer's responsibility related to provision of services to students with disabilities who enroll in virtual charter schools ranges from total responsibility to no responsibility. The level of responsibility is determined by the state charter statute that dictates the legal status of charter schools (i.e., part of an LEA or its own LEA) and the subsequent agreement negotiated as part of the charter authorization process.

Aside from actual provision of services, all authorizers have a responsibility to conduct a rigorous authorization process and thereafter develop appropriate monitoring and accountability processes to ensure that they can assess the degree to which the school is meeting the obligations outlined in the charter; including the obligation to provide a free appropriate public education (FAPE) to students with disabilities who enroll in the school.

What is the definition of least restrictive environment (LRE) for a student with a disability in a virtual school?

According to the IDEA regulations, least restrictive environment (LRE) means:

“(i) To the maximum extent appropriate, children with disabilities, including children in public or private institutions or other care facilities, are educated with children who are non-disabled; and (ii) Special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only if the nature or severity of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily [34 CFR §314(2)].”

Although there are a variety of types of virtual schools ranging from 100% in the home, to a hybrid model where students may take some classes in a brick and mortar building, to 100% in a school that delivers instruction online, most students enrolled in virtual charter schools receive their instruction in their home. Consequently, for most virtual schools, the student's home is the least restrictive environment.

How do virtual schools adapt or modify their program to accommodate the unique requirements of students with disabilities?

The core requirement of special education is an individualized education program (IEP) developed to ensure that students with disabilities receive the accommodations, modifications, and specialized services chosen for them on an individual basis by their IEP team. Virtual charter schools are required to provide services as dictated by students' IEP. While acknowledging the need to ensure the delivery of prescribed special education, there are some basic accommodations and modifications not automatically provided to all students in a traditional school environment that are characteristic of education provided in a virtual charter school. They are:

- extended time on lessons and tests;
- flexibility in start and end dates;

- _ continuous means of communication;
- _ opportunities to revise and resubmit;
- _ parent communication of progress;
- _ prepared notes / reviews;
- _ clear rubrics;
- _ appropriate placements by skill levels;
- _ working in a closely supported environment;
- _ varied activity formats;
- _ screen readers and talking browsers;
- _ daily lesson planning with the student; and
- _ just-in-time remediation.

Do virtual charter schools provide specialized equipment to students for use in their homes?

Most virtual schools provide students with a computer, printer, Internet access and a fax machine. Desktop computers are standard, but schools may also provide laptops if students have mobility issues or require use of a computer to accommodate their disability.

Virtual schools are also required to provide a range of assistive technology devices as dictated by students' IEPs.

What are examples of the types of assistive technology devices that virtual charter schools can offer students with disabilities?

Assistive technology is not unique to virtual schools, but the primacy of computer technology elevates the need for provision of assistive technology by the school. Following are a list of assistive technologies that virtual schools may need to utilize:

- _ on-screen keyboards;
- _ grammatical support tools;
- _ Braille embosser and text to Braille conversion;
- _ animated signing characters (signing avatars);
- _ switches;
- _ alternative mouse systems;
- _ word prediction;
- _ accessible online learning tools;
- _ alternative key boards;
- _ display-based personal data assistants; and
- _ voice recognition systems.

There are a variety of online glossaries that describe adaptive technologies and provide other information about these devices. For example, see the Adaptive Technology Resource Center at the University of Toronto (www.utoronto.ca/atrc/reference/tech/techgloss.html) and the Center for Adaptive Technology at Southern Connecticut State University (www.southernct.edu/departments/cat/glossary.html).

Do virtual schools need to allocate resources to training students and parents how to use the technology required accessing the online program?

Yes. Virtual schools typically provide an orientation for students and their parents at the beginning of the year to introduce them to the technology provided. Parents of students with disabilities who require additional assistive technology may require additional training.

What if any are the unique challenges or opportunities that virtual schools experience when developing appropriate special education programs?

Virtual schools use a different mode to provide instruction, but for the most part their responsibilities are very similar to traditional brick and mortar schools when it comes to abiding by the requirements outlined in the federal IDEA and state special education requirements. Similar to the experiences of traditional public schools and brick and mortar charter schools, virtual schools may struggle to recruit and retain qualified special education professionals.

Who typically serves as the “case manager” of a student with a disability in virtual schools?

Virtual charter school special education teachers manage a case load of students analogous to their peers in a brick and mortar school. Depending on individual students’ IEPs, the special education or related services teacher may provide services directly to individual students with disabilities and/or may consult with a general education teacher who has regular contact with the student.

The number of students an individual special education teacher can manage is dependent upon the severity of students’ disabilities and other factors that influence the delivery of services. Some states regulate special education case loads and dictate the maximum number of students with disabilities an individual teacher may manage.

Who provides special and related services (e.g., speech/language services) to students enrolled in virtual schools and how do they do it?

Analogous to traditional public schools, qualified related services personnel provide prescribed related services to children with disabilities who enroll in virtual charter schools. The services may be provided 1) in person at home; 2) at the therapist’s office; or 3) via synchronous or asynchronous online communication.

1) If students reside close to speech therapists and parents are comfortable with the therapist providing the services in the home, the school may arrange for a therapist to provide these services at home.

2) Alternatively, the virtual charter school may make arrangements for the child to be transported to an office outside of their home to receive services. This arrangement requires that the virtual school secure appropriate transportation for the student and possibly the parent and would be described on the IEP as a part of the related services provided by the school.

3) Telepractice, also referred to as teletherapy, is therapy provided to students via electronic communication devices when the student and therapist are not in the same physical location. While still viewed as a relatively emerging field, telepractice may improve students’ access to therapists in fields with shortages (i.e., speech and language) and provide access for students in remote rural locations.

How are nonacademic needs met for students with disabilities (e.g., functional skills, study or organizational skills, behavioral interventions, social skills, etc.) in a virtual environment?

Non-academic needs can be a challenge for virtual charter schools, especially for virtual schools serving students dispersed across a large geographic area. Nevertheless, if the IEP team determines that a child with a disability needs to improve social or other skills, the virtual school is required to provide these services. Examples of these services may be field trips or social functions that require the student to interact appropriately with peers. Virtual schools personnel may organize regular picnics, gathering at local parks, or attendance at cultural events in the community.

Discipline Issues

How do virtual schools address disciplinary issues given their unique environment?

Attending school at home removes many of the situations in which discipline problems arise in traditional brick and mortar schools. If discipline issues should arise for a student with a disability enrolled in a virtual charter school, the school must abide by discipline due process procedures outlined in IDEA. If the virtual charter school is part of a local district, it is typically required to adopt the discipline policies of the district. If the school is its own LEA, it may be extended the authority to develop its own policies and procedures within the broader parameters defined in IDEA.

A discipline issue that may be of particular concern in virtual schools is truancy. Virtual schools should develop policies to document, monitor and report daily attendance. If truancy becomes a problem, the school will need to report the student in the same manner a traditional public school would report issues of truancy.

Can a student be suspended and/or expelled from a virtual school? If so, what about the procedural protections for students with disabilities?

Yes, a child can be suspended or expelled from a virtual school. In the case that a school determines that a child needs to be suspended or expelled from the virtual school, the child would be extended the same procedural protections of any child with a disability in a public school.

What about functional behavioral assessments (FBAs) and behavior intervention plans (BIPs)?

Analogous to traditional public schools, virtual charter schools may need to conduct functional behavioral assessments and behavior intervention plans as needed. The virtual environment does not necessitate different procedures.

Transportation

Are virtual charter schools required to provide transportation to students with disabilities if those students are required to leave their house to obtain supports or services?

Yes. If transportation is part of the student's IEP, the virtual school is required to provide it. The transportation may be provided in a variety of ways. For example, the virtual school can contract with parents to drive their child and reimburse them the cost of the travel or the school may

provide funds for the student to take public transportation or secure private transportation. There are inherent legal liabilities associated with obtaining private transportation. If a virtual school is going to hire a driving service or a taxi cab, school personnel will need to ensure that the child is safe. For example, if the child is traveling alone, additional safeguards for the child, such as checking the fingerprints of the driver, would be necessary.

Thus, if the child requires transportation in order to access related services, the virtual charter schools is required to ensure that the parents can access transportation at no charge. Questions regarding transportation must be guided by a commitment to ensuring that transportation is not a barrier to receiving services and that transportation does not put the child at risk.

Do the transportation responsibilities change depending on the charter school’s catchment area (e.g., local neighborhood versus entire state)?

No. If the student is enrolled in the charter school, the school is required to provide any transportation needed to provide services outlined on the IEP.

Monitoring

What procedures do virtual charter schools implement to monitor the quality of instructional and specialized services provided to students?

Virtual charter schools, like all charter schools, are responsible to their authorizers for implementing their program appropriately for all students enrolled in their schools. In addition, charter schools are included in the monitoring procedures their state must carry out for special education as required by IDEA. The way in which the charter school participates in the state monitoring process depends on the legal status of the charter school (i.e., an independent LEA or part of an LEA).

Virtual school providers may use a variety of processes to ensure that they conform to the requirements of their monitoring entities. Similar to supervising teachers in traditional schools, administrators of virtual charter schools need to supervise teachers using appropriate strategies. The virtual environment provides the added opportunity to monitor teachers’ written work and instruction delivered online. Online computer programs can allow school administrators to monitor the quality and quantity of interactions between teachers and students. Some virtual schools employ lead teachers responsible for providing guidance and monitoring of teachers by content or grade level.

The state of Pennsylvania has developed the Pennsylvania System of Cyber Charter Review (PSCCR) to support and monitor all cyber schools in the state. According to the Department’s website, the goal of the PSCCR instrument is to make “the oversight process one of growth and improved educational quality for all students.” The process is guided by a set of principles (see Textbox 4) and consists of six components which are aligned with the Department’s broader strategic plan and school improvement process:

- data
- focus/vision/mission
- quality leadership

- quality teaching
- artful use of infrastructure
- continuous Learning Ethic

How are charter school authorizers monitoring performance of students with disabilities who enroll in virtual charter schools?

Authorizers should monitor the performance of the students and related data on the operation of the virtual charter school. Examples of practices authorizers are using to monitor special education in charter schools are audits, observations and reviews for renewal of a school’s charter. Also, for an example of an authorizer checklist of some of the items to be monitored related to special education, see Textbox 4.

Textbox 4: Guiding Principles of the Pennsylvania System of Cyber Charter Review

The purpose of the Pennsylvania System of Cyber Charter Review is to enhance student achievement. The Pennsylvania Department of Education engages in responsible oversight of cyber charter schools by ensuring that schools have both the autonomy to which they are entitled and the public accountability for which they are responsible. Cyber Charter Schools are expected to be:

1. High quality cyber charter schools that offer learning opportunities that have a significant impact on the success of all students.
2. Involved in data collection that is an on-going purposeful and systematic process.
3. Making efforts to insure that all stakeholders embrace the use of data.
4. Using data collection and analysis to enhance student achievement.
5. Using objective and verifiable measures of student achievement as the primary measure of school quality.
6. Supportive of parents and students in making decisions to improve the educational programs of the school.
7. Making the well being of students the fundamental value informing all decision-making and actions.
8. Unique in organization and structure reflecting the uniqueness of the students they serve.

Source: Pennsylvania Department of Education (2006). Pennsylvania System of Cyber Charter Review Strong Results For All Learners. www.pde.state.pa.us/charter_schools/lib/charter_schools/PASCCR.pdf

Assessments and Accountability

Are virtual schools required to administer state assessments to students with disabilities?

Yes, virtual charter schools are required to administer the same state assessments as traditional public schools.

Where do virtual charter schools administer state assessments?

Virtual charter schools that do not maintain a brick and mortar school building must secure appropriate sites to administer tests. Examples of places where tests may be administered are: hotel conference rooms, colleges or universities, public libraries, private schools and church conference rooms.

If a student with a disability requires testing accommodations that are not feasible in the testing site, the test may be administered at the child's home. Virtual schools should assign two adults to administer the test to verify the integrity of the testing conditions. As with any adult who works directly with children in a public school setting, proctors most likely need to undergo a background check and be fingerprinted in accordance with state education laws.

Securing appropriate sites and adequately trained test proctors can be a considerable expense for virtual schools and should be part of their budget planning process.

What type of information related to special education must a virtual charter school provide to the authorizer when it is time for renewal of the charter?

This depends on the procedures used by the school's authorizer. For an example of a virtual charter school authorizer's special education checklist, see Text Box 5.

Textbox 5: Authorizer Special Education Checklist (Sims, Rofel, & Coil, 2006)

[Renewal] Eligibility Determination

- Are students able to enroll, regardless of disability or need?
- Does the school have a procedure for providing students with a free and public education in compliance with the Individuals with Disabilities Act (IDEA 2004) and state regulations?
- Are processes established to review the special education needs of enrolling students with Individualized Education Programs (IEP) or Section 504 Plan?
- Are the responsibilities of the IEP team delineated (including who will manage the IEP team process and who will participate on the team)?
- Do the documents meet federal and state requirements:
 - Parent notification of IEP team;
 - State procedural safeguard document;
 - IEP form;
 - Parent consent for evaluation and initial placement;
 - Documentation of evaluation/reevaluation.
- Are processes established to identify students who may have disabilities and who may need special education services (Child Find)?
- Is there an established process for obtaining individual assessments, as needed (educational, psychological, speech/language, etc.) for students requiring evaluation or reevaluation?
- Are special education staff members certified and highly qualified?
- Have plans been established by the school to provide students with related services (speech/language, occupational therapy, physical therapy, etc.) identified on IEPs?
- Are resources identified to provide students with special needs with alternative materials and assistive technology, as needed?
- Are students ensured placement in the least restrictive environment with a continuum of options available?
- Is staff provided with on-going professional development on relevant special education topics?
- Are processes in place to ensure students with special needs participate in all state achievement testing?
- In assessment situations, are all accommodations being made (as identified on IEPs)?
- Are procedures in place to provide parents with information about their child's evaluations, meetings, supports, and progress?
- Does the IEP contain specially designed instruction identified through measurable goals and objectives?
- Do files contain a file review log?
- Do the teacher to student ratio's meet the state requirements?

Source: Developed for NACSA Conference 2006 by Jennifer Sims, National Director of Special Education and Federal Title Programs for K12 Inc., Marjorie Rofel, Director of Special Education for Connections Academy, and Loretta Coil, Team Leader, Special Education for the Ohio Council of Community Schools.

Transitions

What if anything should virtual charter schools do to help students with disabilities transition from a traditional brick and mortar school to a virtual charter school environment?

The transition from attending a traditional brick and mortar school to a virtual school may be relatively seamless for students comfortable with computer technology. Other students and their parents, will need assistance learning about the technology and adjusting to learning in a virtual environment.

Virtual charter schools generally offer orientation sessions for new students and their parents. In addition, they typically employ guidance counselors who are charged with helping students select their course of study.

Students with disabilities who use specialized equipment may need additional assistance with the transition process.

How do virtual charter schools support students with disabilities transition to post-high school education or employment?

IDEA outlines policies and procedures to help students with disabilities to transition from school to work or post-secondary education. Virtual charter schools are required to follow the same procedures as their peers in traditional public and brick and mortar charter schools. Some states have developed specific regulations regarding transition plans and services and authorizers and operators will need to familiarize themselves with these state-specific requirements.

IDEA requires that all public schools develop a transition plan for students with disabilities before their 16th birthday. This may entail assisting the student to access services after graduation such as vocational rehabilitation, job training and placement services, etc. Virtual school operators will need to familiarize themselves with such services in the student's community. If the virtual school enrolls students from the entire state, as opposed to a specific geographic region, it will need to anticipate dedicating resources to such activities on a statewide basis. Parents can be a rich source of information and school professionals will need to work with parents to ensure that transition plans are developed collaboratively.

Technical Assistance

Where can virtual charter schools go for assistance or guidance related to educating students with disabilities in the virtual environment?

State charter school laws and special education rules and regulations are the basis of all policies related to educating students with disabilities in charter schools. Policy makers and practitioners should be familiar with the relevant laws and policy guidance produced by their state department of education. All state departments of education publish information and related policy guidance about special education requirements on their websites.

While the virtual charter school environment is unique, these schools are first and foremost public schools and therefore general guidance related to special education can be a valuable tool that virtual charter school operators should not overlook.

Charter school authorizers can also provide a wealth of information regarding special education rules and regulations although, given the relative newness of virtual charter schools, many authorizers have limited experience with these schools. In these instances, virtual charter school operators should anticipate devoting time to demystifying the idea of a virtual learning environment for their authorizers both during the application stage and once the schools open.

What role can state departments of education or charter school authorizers take to help virtual schools understand their responsibilities and, thereafter, build capacity to educate students with disabilities?

State departments of education and charter authorizers may provide a variety of supports and assistance to help virtual charter schools fulfill their requirements related to IDEA. Given the newness of virtual charter schools, many states have not yet developed such resources. As a default, existing guidance regarding implementation of IDEA should serve as a guide for new virtual charter school operators.

Some state departments of education that also serve as charter school authorizers have taken proactive steps to help virtual charter schools build capacity. For instance, the Pennsylvania Department of Education has developed a Basic Education Circular (BEC) related to virtual charter schools that is available on the state's website (www.pde.state.pa.us/k12/cwp/view.asp?A=11&Q=121873). The Department's website notes that the purpose of the BEC is to provide "guidance for charter schools and school districts." (See Textbox 6.) The BEC includes guidance on every aspect of operating a virtual school ranging from, but not limited to, the application process to oversight, accountability, renewal, attendance, discipline, funding, and special education. The section on special education is relatively short and general, but other aspects of the BEC provide concrete guidance that also applies to educating students with disabilities. For instance, the BEC identifies special education student records and IEPs as one of multiple items that schools should provide to the Department as part of periodic site visits and details the importance of developing safeguard protocols to protect student records. SEA officials reportedly involved a variety of stakeholders in the development of this BEC.

To address emerging policy questions, the state of Colorado formed a task force on special education in online schools. In response to multiple questions about enrollment in virtual charter schools, the task force drafted a flow-chart to track the various decision parents and schools face when enrolling in a virtual charter school. (See Exhibit 1.)

Textbox 6: Excerpt from Pennsylvania Basic Education Circular

The Charter School Law (“CSL”) requires that, upon request, assistance must be provided to charter schools and cyber charter schools to address the needs of students with disabilities. Because there has been confusion about what “assistance” the CSL requires to be provided to students with disabilities enrolled in a charter school or a cyber charter school, the Department’s position on this issue is stated below.

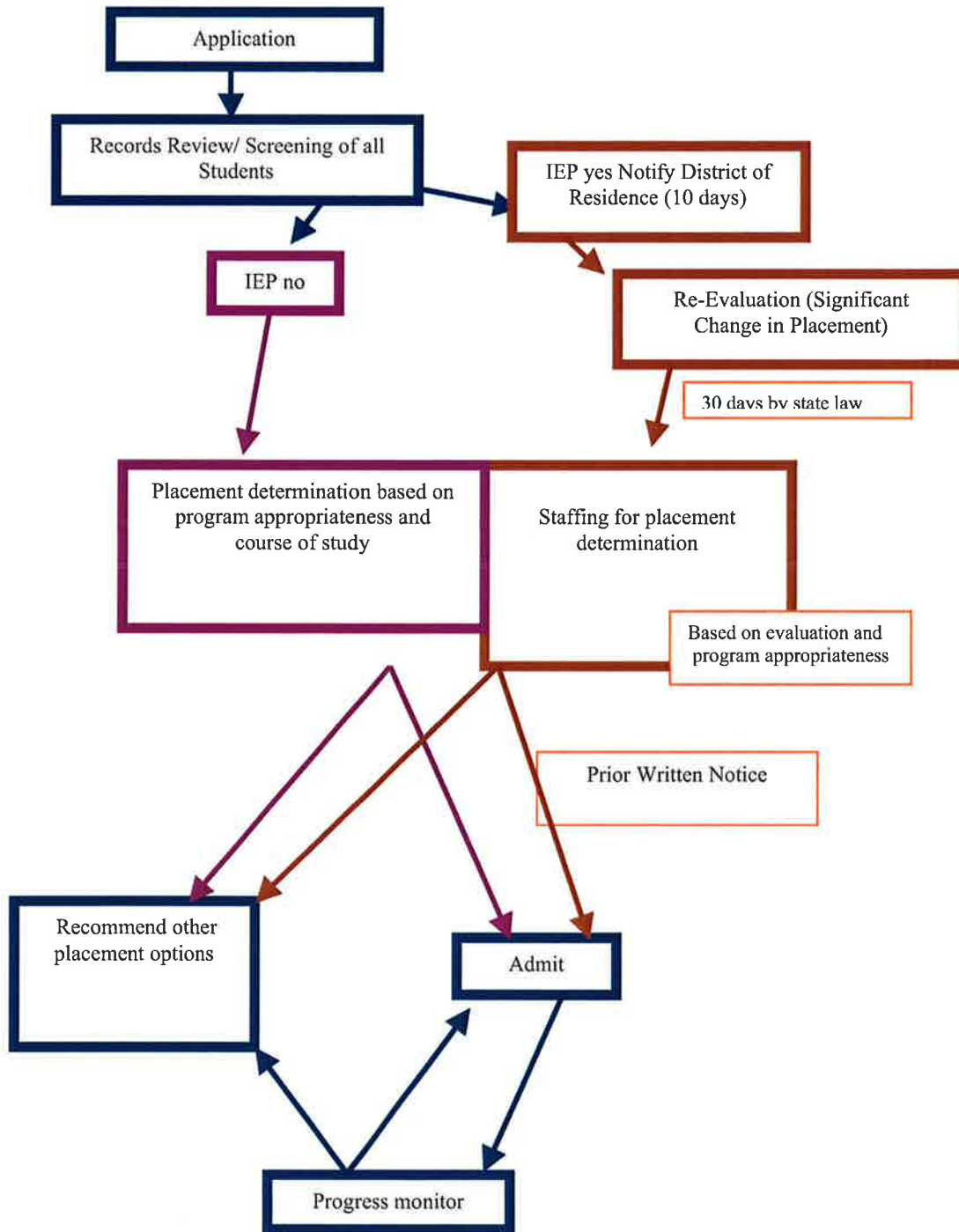
The CSL requires the Intermediate Unit (“IU”) in which a charter school is located to provide the charter school, upon request, with “services to assist the charter school to address the specific needs of exceptional students.” However, for cyber charter schools, the CSL requires that upon request, the IU or school district in which a student resides must “provide assistance, to the cyber charter school in the delivery of services to a student with disabilities.” In either case, an IU or school district may not charge a charter school or a cyber charter school more for such services than they charge the school district.

The Department’s interpretation of the “assistance” required by the CSL is that an IU or a school district is generally not required to provide direct services to charter schools or cyber charter school students with disabilities. However, at a minimum and upon request, assistance must be provided to help a charter school or a cyber charter school locate providers who could provide services necessary to address the needs of their students with disabilities. This would include providing the names of providers, contact information, etc.

The goal of all segments of the educational community should be to ensure that all students receive appropriate educational services. Thus, the Department expects and encourages school districts, IUs and cyber charter schools to work together to ensure that appropriate educational services are provided to all students with disabilities.

Source: Pennsylvania Department of Education. Basic Education Circular: Cyber Charter Schools .[www.pde.state.pa.us/k12/cwp/view.asp?A=11&Q=54323&pp=12&n=1].

Exhibit 1: Colorado Draft Process for On-Line Enrollment



Source: Personal communication with Lu McDaniels, Colorado Charter Schools Institute, May 16, 2007.

What resources are available for charter school authorizers and operators interested in learning more about virtual schools and special education in virtual schools?

In the overall public education sector, virtual charter schools are still relatively new and only limited technical assistance for these schools is readily available. The following organizations maintain websites that authorizers and charter operators may find informative as they contemplate special education issues.

- ❖ Adaptive Technology Resource Center, University of Toronto. Extensive information about latest developments in assistive/adaptive technology: <http://atrc.utoronto.ca/>
- ❖ American Speech, Language, and Hearing Association: information about telepractice: <http://www.asha.org/about/publications/leader-online/archives/2006/061128/061128f.htm>
- ❖ Center for Applied Special Technology (CAST): Develops innovative, technology-based educational resources and strategies based on the principles of Universal Design for Learning (UDL): <http://www.cast.org/about/index.html>
- ❖ National Association of Charter School Authorizers: Published set of issue briefs about virtual charter schools: <http://www.qualitycharters.org/i4a/pages/Index.cfm?pageID=3372> and <http://www.qualitycharters.org/i4a/pages/Index.cfm?pageID=3373>
- ❖ North American Council on Online Learning (NACOL): Nonprofit organization dedicated to fostering a learning landscape that promotes student success and lifelong learning. <http://www.nacol.org/>
- ❖ Pennsylvania Department of Education Basic Education Circular: Cyber Charter Schools: <http://www.pde.state.pa.us/k12/cwp/view.asp?A=11&Q=54323>
- ❖ Pennsylvania Department of Education: Pennsylvania System of Cyber Charter Review (PASCCR): http://www.pde.state.pa.us/charter_schools/lib/charter_schools/PASCCR.pdf

SECTION V: APPENDIX

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Acronyms and Definitions

Part 1: Acronyms

ADA	Americans with Disabilities Act
CEC	Council for Exceptional Children
CSP	Charter Schools Program (of the U.S. Department of Education)
ED	U. S. Department of Education
EMO	Educational management organization
FAPE	Free appropriate public education
FERPA	Family Educational Rights and Privacy Act
FRC	Federal Resource Center
504	Section 504 of the Rehabilitation Act of 1974
IDEA	Individuals with Disabilities Education Act
IEP	Individualized education program
LEA	Local education agency (school district)
LRE	Least restrictive environment
NACSA	National Association of Charter School Authorizers
NAEP	National Assessment of Education Progress
NASDSE	National Association of State Directors of Special Education
NCSLC	National Charter Schools Leadership Council
NCLB	No Child Left Behind Act - the most recent reauthorization of the Elementary and Secondary Education Act (ESEA)
NICHY	National Information Center for Children and Youth with Disabilities
OCR	Office for Civil Rights
PACER	Parent Advocacy Coalition for Educational Rights
RRC	Regional Resource Center
SEA	State education agency
UDL	Universal Design for Learning

Part 2: Definitions

Adequate Yearly Progress (AYP):	An individual state's measure of yearly progress toward achieving state academic standards. "Adequate Yearly Progress" is the minimum level of improvement that states, school districts and schools must achieve each year according to the No Child Left Behind Act.
Asynchronous instruction:	Student and teacher do not interact at the same time but rather, teacher delivers and stores content that student thereafter accesses. This type of instruction is typically delivered via course management software. E-mail communication is one means of asynchronous communication that teachers may use to instruct students.
Autism:	Autism is a developmental disability significantly affecting verbal and nonverbal communication and social interaction, generally evident before age 3, that adversely affects a child's educational performance, often associated with engagement in repetitive activities and stereotyped movements, resistance to environmental change or change in daily routine, and unusual responses to sensory experiences.
Bobby Approved:	Desktop tool, produced and distributed by Watchfire, that tests website accessibility. By exposing barriers and suggesting changes, Bobby encourages compliance with U.S. and international accessibility guidelines. Online webpage assessment available at http://webxact.watchfire.com/
Cyber School:	A comprehensive instructional program that utilizes electronic means to deliver its content.
Charter Schools	Charter schools are independent public schools designed and operated by educators, parents, community leaders, educational entrepreneurs and others. They are authorized/sponsored by designated local or state educational organizations, who monitor their quality and effectiveness but allow them to operate outside of the traditional system of public schools.
Child with a Disability	A child with a disability means a child evaluated in accordance with IDEA as having mental retardation, a hearing impairment including deafness, a speech or language impairment, a visual impairment including blindness, serious

emotional disturbance, an orthopedic impairment, autism, traumatic brain injury, an other health impairment, a specific learning disability, deaf-blindness, or multiple disabilities, and who, by reason thereof, needs special education and related services.

Disaggregated

Disaggregate" missing other quotation mark means to separate a whole into its parts. In education, this term means that test results are sorted into groups of students who are economically disadvantaged, from racial and ethnic minority groups, have disabilities, or have limited English fluency.

Free Appropriate Public (FAPE?) Education

Free Appropriate Public Education (FAPE) means special education and related services that are provided at public expense, under public supervision and direction and without charge; meet the standards of the state, include preschool, elementary school, or secondary school education and are provided in conformity with an individualized education program (IEP).

Inclusion

Inclusion is a special education approach that stresses educating students with disabilities, regardless of the type of severity of that disability, in the regular classrooms of their neighborhood school to ensure that they have access to the general education curriculum. The construct of inclusion includes appropriate supports, modifications and accommodations that allow students with disabilities to access the general education curriculum.

Individualized Education Program

An individualized education program (IEP) is a written statement for a child with a disability that is developed, reviewed, and revised in a meeting in accordance with IDEA regulations.

Transition Services

The IDEA Regulations issued in August 2006 define transition vices as follows:

(a) Transition services means a coordinated set of activities for a child with a disability that--

(1) Is designed to be within a results-oriented process, that is focused on improving the academic and functional achievement of the child with a disability to facilitate the child's movement from school to post-school activities, including postsecondary education, vocational education, integrated employment (including supported employment), continuing and adult education, adult services, independent living, or community participation;

(2) Is based on the individual child's needs, taking into account the child's strengths, preferences, and interests; and includes--

(i) Instruction;

(ii) Related services;

(iii) Community experiences;

(iv) The development of employment and other post-school adult living objectives; and

(v) If appropriate, acquisition of daily living skills and provision of a functional vocational evaluation.

(b) Transition services for children with disabilities may be special education, if provided as specially designed instruction, or a related service, if required to assist a child with a disability to benefit from special education (34 CFR §300.43).

Inn addition, the regulations provide that transition services must be included *Beginning not later than the first IEP to be in effect when the child turns 16, or younger if determined appropriate by the IEP Team, and updated annually (34 CFR §300.320).*

Individuals with Disabilities Education Act

The Individuals with Disabilities Education Act (IDEA) is the major federal law related to special education that provides funding to states and set specific procedural requirements for the identification and education of students with disabilities.

Least Restrictive Environment

The IDEA requires that, to the maximum extent appropriate, school districts must educate students with disabilities in the regular classroom with appropriate aids and supports, referred to as "supplementary aids and services," along with their nondisabled peers in the school they would attend if not disabled, unless a student's individualized education program (IEP) requires some other arrangement.

Linkage

The type of connection that is mandated or voluntarily established between a charter school and a traditional LEA.

Local Education Agency (LEA)

A local education agency (LEA), also known as a school district, is a public institution or agency having administrative control and direction of a public elementary or secondary school system that typically serves a distinct geographic region.

National Assessment of

The National Assessment of Education Progress (NAEP),

Education Progress	conducted since 1969, is the only nationally representative and continuing assessment of what American students know and can do in various subject areas. Students with disabilities participate according to NAEP criteria. (For a copy of the criteria, see http://nces.ed.gov/nationsreportcard/about/criteria.asp).
Qualified Personnel	Under IDEA, qualified personnel means personnel who have met SEA-approved or SEA-recognized certification, licensing, registration, or other comparable requirements that apply to the area in which the individuals are providing special education or related services. The NCLB Act also defines highly qualified teachers for those who teach core academic subjects.
Related Services	Related services means transportation and such developmental, corrective and other supportive services as are required to assist a child with a disability to benefit from special education, and includes speech-language pathology and audiology services, psychological services, physical and occupational therapy, recreation, including therapeutic recreation, early identification and assessment of disabilities in children, counseling services, including rehabilitation counseling, orientation and mobility services, and medical services for diagnostic or evaluation purposes. The term also includes school health services, social work services in schools, and parent counseling and training.
Special Education	Special education means specially designed instruction, at no cost to the parents, to meet the unique needs of a child with a disability, including instruction conducted in the classroom, in the home, in hospitals, institutions and in other settings, related services, travel training, vocational education and instruction in physical education.
State Education Agency	Agency primarily responsible for the state supervision of public elementary and secondary schools.
Synchronous Instruction	Instruction that occurs with both student and teacher at the same time. Also known as live or real-time instruction.
Teletherapy	Therapy provided online from a different location (e.g., speech therapy delivered via a webcam)
Universal Design for Learning	A framework for designing an academic program that enables all individuals to gain knowledge, skills, and

enthusiasm for learning. UDL provides supports for learning and reduces barriers to the curriculum while maintaining high achievement standards for all. Universal Design for Learning calls for:

- multiple means of representation, to give learners various ways of acquiring information and knowledge;
- multiple means of expression, to provide learners alternatives for demonstrating what they know; and
- multiple means of engagement, to tap into learners' interests, offer appropriate challenges, and increase motivation. ([http://www.cast.org /](http://www.cast.org/)).

Virtual School:

A comprehensive educational program delivered primarily through distance learning that may include a continuum of means of delivery of content.