Report to the North Carolina General Assembly

Virtual Public Charter School Pilot Program

SL 2014-100 (SB 744), Section 8.35(g)

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Report to the JLEOC on
Virtual Charter School Pilot Program
January 17, 2017

Background

North Carolina Session Law 2014-100 (SB 744, Budget Bill) provides for each of the following actions:

State Board of Education shall report on the initial implementation of the pilot program to the Joint Legislative Education Oversight Committee (JLEOC) by November 15, 2016, and on the findings from three years of operation of the pilot program by November 15, 2018.

At a minimum the report shall include the following:

(1) The number of students who have enrolled in courses offered by the schools.

(2) The number and types of courses offered by the schools.

(3) The withdrawal rate of students after enrollment.

(4) Student performance and accountability data.

(5) Information on implementation, administration, and funding for the pilot program.

(6) Recommendations on the modification, continuation, and potential expansion of the program.

Historical Context

In 1996, North Carolina first authorized charter schools. This legislation imposed a statewide cap of 100 charters. In 2011, the General Assembly lifted the cap and directed the State Board of Education (SBE) to review and approve quality charters. In 2012, the SBE began working on a policy to address a new type of charter school that serves students via online programs. The SBE passed this policy on "virtual charter schools" in January 2013.

In August 2015, the two virtual charter schools, NC Connections Academy (Connections) and NC Virtual Academy (NCVA) opened after successfully completing the Ready to Open process. Session Law 2014-100 section 8.35(f) indicates the virtual charter schools are subject to presentation of data to the SBE. The SBE, in part of its oversight of the virtual pilot charter schools, required each school to provide implementation updates at several regularly scheduled meetings during the 2015-16 school year. During the 2016-17 school year, the SBE will use the

expertise of the Charter Schools Advisory Board (CSAB) and will require the virtual charter schools to provide updates for future recommendations throughout the remainder of the pilot.

As public school options increase, so do the challenges associated with understanding these options and ensuring high quality and accountability. Charter schools represent a growing alternative to traditional public schools, while still being public schools. Subsequently, as the charter school sector has grown, so has the body of research regarding charter school practices, performance, and accountability.

Charter schools are publicly funded and are typically operated under the auspices and oversight of an authorizer, which is often a school district but can be a State Education Authorizer (SEA), university, nonprofit agency, or other entity designated by law. Per General Statute 115C.218.5, North Carolina has a SEA which is the State Board of Education to authorize charters. Two options within the charter school sector include alternative education schools focusing on at-risk students, such as dropouts, and virtual schools that provide online instruction remotely via computer to a range of students, including those who have experienced success and failure in traditional settings.

Of more recent vintage are virtual schools, which have grown rapidly but still remain a small element of the overall charter school sector. Virtual schools have increased opportunities for individualized learning and broadened accessibility to a new range of instructional options. Schools that operate online pose a variety of complex challenges in the selection and teaching of curriculums, use and monitoring of technology, engagement of students and parents, and compliance with laws covering special student populations, such as students with disabilities. Even so, a 2015 national study by the Center for Research on Education Outcomes (CREDO) on virtual school performance showed, on average, that these students at these schools lag far behind their traditional public school counterparts. Questions also have been raised about the quality of oversight of some virtual schools and the manner in which they operate. Also a 2016 National Alliance for Public Charter Schools report indicates information on the breadth of underperformance by virtual charter schools and outlines the need for states to elevate the quality of virtual charter schools by outlining authorizing structures, enrollment criteria, enrollment levels, accountability for performance, funding levels based on costs, and performance-based funding. The report concludes with the recommendation that states with full time virtual charter schools may need to consider governing these schools outside of the state's charter law and simply as full-time virtual charter schools.

This legislative report outlines the progress of North Carolina's two (2) virtual charter schools (VCS), NC Connections Academy and NC Virtual Academy during the 2015 – 16 school year, which was each respective virtual charter school's first year of operation.

NC Virtual Charter School Legislation

Session Law 2014-100 sections 8.35.(a) - Notwithstanding G.S. 115C-238.29D or any other provision of law to the contrary, the State Board of Education shall establish a pilot program to authorize the operation of two virtual charter schools serving students in kindergarten through twelfth grade.

The State Board shall establish an application process to allow student enrollment in the selected virtual charter schools beginning with the 2015 - 2016 school year. A virtual charter school participating in the pilot may serve any grade span of students in kindergarten through twelfth grade. The pilot program shall continue for a period of four school years and shall end with the 2018 - 2019 school year.

Section 8.35.(b) - The virtual charter schools participating in the pilot program authorized by this section shall be subject to the statutes and rules applicable to charter schools pursuant to Part 6A of Article 16 of Chapter 115C of the General Statutes, except as follows:

(1) The maximum student enrollment in any participating school shall be no greater than 1,500 in its first year of operation and may increase by twenty percent (20%) for each participating school up to a maximum student enrollment of 2,592 in the fourth year of the pilot. The State Board of Education may waive this maximum student enrollment threshold, beginning in the fourth year of the school's operation, if the State Board determines that doing so would be in the best interest of North Carolina students.

(2) The maximum overall ratio of teachers to students for kindergarten through eighth grade shall be 1:50, and for ninth through twelfth grade shall be 1:150.

(3) A student who regularly fails to participate in courses may be withdrawn from enrollment pursuant to procedures adopted by the virtual charter school. The procedures adopted by the virtual charter school shall ensure that (i) fair notice is provided to the parent and student and (ii) an opportunity is provided, prior to withdrawal of the student by the school, for the student and parent to demonstrate that failure to participate in courses is due to a lawful absence recognized under Part I of Article 26 of Chapter 115C of the General Statutes and any applicable rules adopted by the State Board of Education.

Section 8.35.(c) - In addition to the operating requirements applicable to a virtual charter school participating in the pilot program pursuant to Part 6A of Article 16 of Chapter 115C of the General Statutes, the following requirements shall apply to a participating virtual charter school:

(1) The school shall maintain an administrative office within North Carolina. In addition, the school shall maintain at least one testing center or meeting place within each of the eight State Board of Education districts where the participating students reside, to allow educators and administrators from the school to meet students and parents.

(2) If the school contracts with a third party for the provision of administrative staff, such staff fulfilling the equivalent positions of superintendent, principal, or business officer shall be residents of North Carolina.

(3) All teaching staff shall carry the appropriate State certification to instruct any course and shall receive professional development in virtual instruction pursuant to the school's application to the State Board of Education to participate in the pilot program within 30 days of the employee's date of hire. At least ninety percent (90%) of the teaching staff shall reside within North Carolina.[1]

(4) The school shall have a withdrawal rate below twenty-five percent (25%). A student enrolled in a school with the intent expressed prior to enrollment of only being enrolled for a finite period of time within the school year shall not be counted in the measured withdrawal rate. The school shall keep a written record of a student's stated intent for finite enrollment. A count of school attendance shall be taken at least once during each semester for funding purposes.

(5) The school shall ensure that each student is assigned a learning coach. The learning coach shall provide (i) daily support and supervision of students, (ii) ensure student participation in online lessons, and (iii) coordinate teacher-led instructional sessions and State assessments.

Section 8.35.(d) - Notwithstanding G.S.115C-238.29B and G.S.115C-238.29D, a participating virtual charter school that is successful in meeting the requirements of this section and the applicable requirements of Part 6A of Article 16 of Chapter 115C of the General Statutes during the period of the pilot program shall be eligible to be approved by the State Board of Education, at its discretion, without additional application requirements.

Section 8.35.(e) - The State Board of Education shall provide State funding to a virtual charter school participating in the pilot program as provided in G.S.115C-238.29H(a) and G.S.115C-238.29H(a1). The amount allocated pursuant to G.S.115C-238.29H(a)(1) shall not, however, include the allocation for low-wealth counties supplemental funding and the allocation for small county supplemental funding. Virtual charter schools participating in the pilot program shall also be subject to the requirements in G.S.115C-238.29H(b) through G.S.115C-238.29H(d). The amount of local funds provided to participating schools pursuant to G.S. 115C-238.29H(b) shall be the lesser of seven hundred ninety dollars ($790.00) per pupil or the amount computed in accordance with G.S.115C-238.29H(b).

Section 8.35.(f) - A participating virtual charter school that does not comply with the provisions of this section may result in deferment or termination of enrollment expansion, or termination of a pilot. Schools are subject to presentation of data to the State Board of Education at the call of the Chair of the State Board with a minimum of 21 days' notice.

Report

NC Virtual Public Charter School Student Enrollment and Withdrawals

2015-16 Enrollment and Withdrawal Summary

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[1] Effective July 1, 2016, S.L. 2016-94 recodified the ninety-percent (90%) NC teacher residential requirement for the VCS to eighty percent (80%).

SL 2014-100 Section 8.35 outlines that the virtual public charter school shall have a withdrawal rate below twenty-five percent. Additionally, a student enrolled in a school *with the intent expressed prior to enrollment of only being enrolled for a finite period of time* within the school year shall not be counted in the measured withdrawal rate. The school shall keep a written record of a student's stated intent for finite enrollment. For the 2015-16 school year, Connections classified 20.7% of its 1,995 initially enrolled students. Respectively, NCVA classified 12.5% of its 1,870 initially enrolled students. Tables 1 and 2 provide a summary on each respective virtual public charter school's enrollment and withdrawal rates exclusive of months one (1) and five (5) which were not collected.

Table 1. NC Connections Academy 2015-16 Enrollment and Withdrawal

	Month 1	Month 5	Month 9
Membership Last Day	1,476	1,466	1,353
Enrollments Cumulative	1,644	1,967	1,995
Withdrawals Cumulative	168	501	642
Finite Enrollees			25
Withdrawal Rate all enrollees			32.2%
Withdrawal Rate without finite enrollees			31.3%

Table 2. NC Virtual Academy 2015-16 Enrollment and Withdrawal

	Month 1	Month 5	Month 9
Membership Last Day	1,402	1,389	1,283
Enrollments Cumulative	1,539	1,902	1,870
Withdrawals Cumulative	137	513	586
Finite Enrollees	48	152	158
Withdrawal Rate all enrollees			31.3%
Withdrawal Rate without finite enrollees			25.0%

Source: Principal Monthly Report as certified by the school and revised Finite Enrollees provide manually by school

Parents with children enrolled in the VCS were surveyed to determine the length of time their child(ren) were enrolled for the 2015-16 school year. Survey responses suggest that approximately 80% of students attending the virtual charter schools attended the school for the entire school year. The remaining percentage attended the VCS less than 9 months due to returning to traditional schools, homeschooling, or other charter schools. Of the parents completing the survey who attended NC Connections Academy, 35% responded that the school inquired about finite enrollment. Respectively, 36% of NC Virtual Academy's parents indicated the school asked about finite enrollment at the time of enrollment. Another 29% between each school responded that this

question was not applicable which could be due to the parent's understanding of the question or other reasons.

Figures A and B illustrates the trend in the number of students by month. Consistent for both VCS, 60% of the enrollments in a month were in membership for 165 days or more.

Figure A. Connections Membership Last Day

Connections
Membership Last Day
2015-16

Source data: Principal Monthly Report as revised and certified by the school
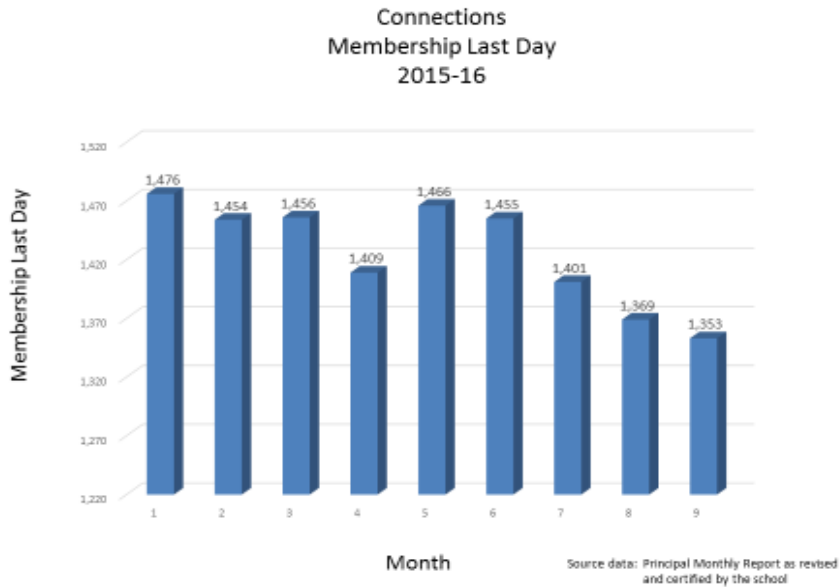
Figure B. NVCA Membership Last Day

NCVA
Membership Last Day
2015-16

Source data: Principal Monthly Report as revised and certified by the school
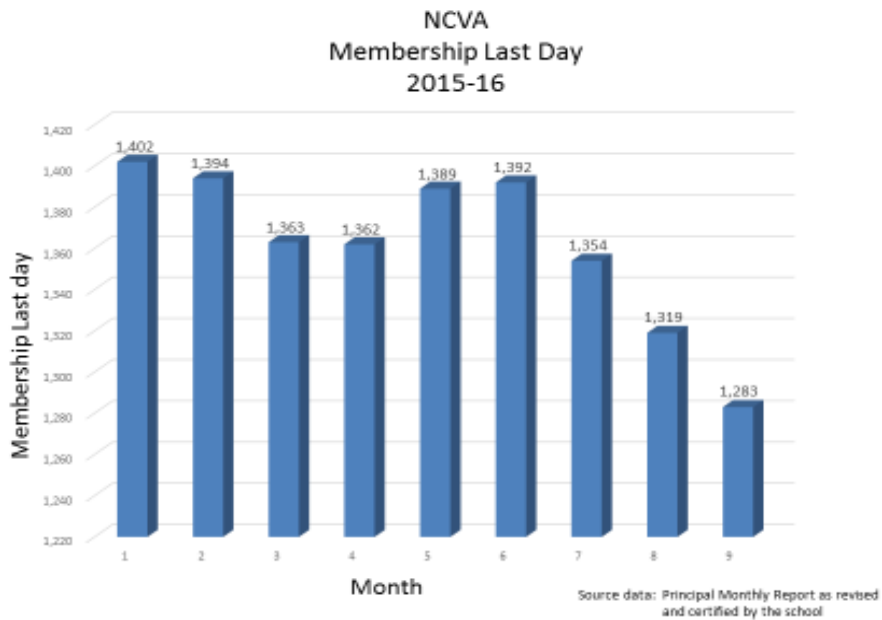
Session Law 2016-94 made four (4) specific changes to the VCS withdrawal rate beginning with the 2016-17 school year which includes additional exclusions. The additional exclusions shall not be counted in measuring the VCS withdrawal rates:

(1) Students who regularly failed to participate in courses who are withdrawn under the procedures adopted by the school.

(2) Students no longer qualified under State law to attend a North Carolina public school, including relocation to another state.

(3) Students who: (i) withdraw from school because of a family, personal, or medical reason, and (ii) notify the school of the reason for withdrawal.

(4) Students who withdraw from school within the first 30 days following the date of enrollment.

The majority of students attending the VCS during the 2015-16 school year previously attended a traditional public school (50%). Comparatively, survey responses indicated another 29% were previously homeschooled, while 6% attended a brick and mortar charter school in North Carolina. Responses not included in this breakdown were those who attended private schools, schools outside of North Carolina, or those not attending a school in the prior year due to their age.

The largest percentage of students attending the VCS were enrolled in grades 5 – 9. Survey responses indicated that the largest amount of students, between both VCS, were enrolled in grades six (6) and eight (8). Comparatively, grades five (5), seven (7), and nine (9) were the second highest enrolled grades based on parent response. Overall, student enrollment in the VCS was significantly higher in the middle to high school grades versus the elementary grades (Figure C). Connections is approved to offer grades K – 12; however, enrolled students in grades K – 9 during its initial year. Comparatively, NCVA is also approved to offer grades K – 12 and enrolled students in grades K – 10.

Figure C. Enrollment by Grade Level.
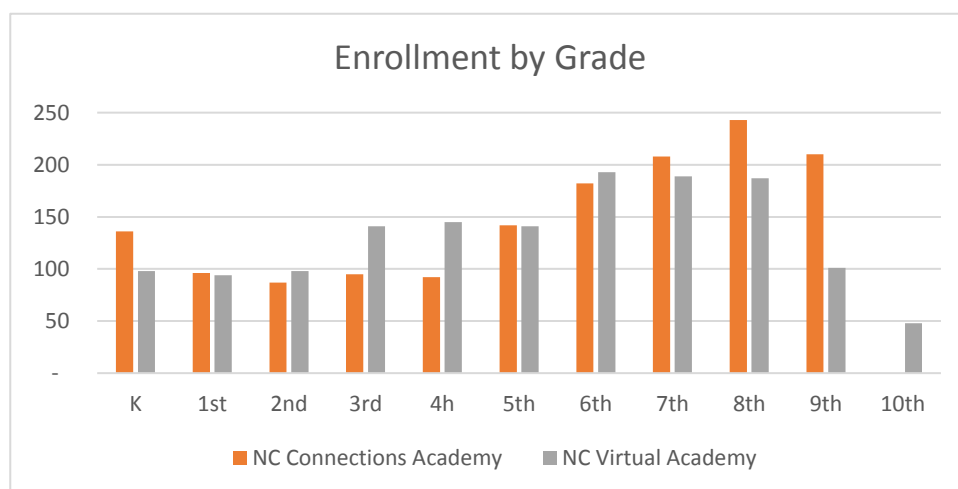
Source: Principal's Monthly Report as Certified by the School Administrator

NC Virtual Public Charter School Course Offerings

A variety of courses were offered and taught by teachers with varying experiences and education at each VCS for the 2015-16 school year at each grade level served. The course offerings captured from PowerSchool (Tables 1 and 2) include the elementary, middle, and high school course offerings for Connections and NCVA. Parents responding to the survey were primarily very satisfied (56%) or satisfied (35%) with the course offerings of the VCS. Only 8% of parents reported being dissatisfied, while another 2% reported being very dissatisfied.

Table 1: NC Connections Course Offerings.

Elementary Courses (Grades K – 5)	Middle School Courses (Grades 6 – 8)	High School Courses (Grade 9)
English Language Arts Math Social Studies Science Chinese Visual Arts General Music Physical Education Home Life Health and Physical Education (Grades 3 – 5) Ed Tech/Online Learning Home Life	English Language Arts Math Spanish Science Social Studies Biology Visual Arts Local Elective Business Keyboarding Visual Arts Health and Physical Education Introduction to Entrepreneurship	English I English I and II Honors Journalism I Spanish I and II AP English Language Composition Introductory Mathematics Math I, II, and III Math II and III Honors Pre-Calculus Honors and AP Calculus Biology and Biology Honors World History and World History Honors Psychology Music Visual Arts Health and Physical Education Preparation I Local Elective Exploring Career Decisions Digital Photography Educational Technology Speech Multi Media and Web Design Principles of Business and Finance Entrepreneurship I

Table 2: NC Virtual Academy Course Offerings.

Elementary Courses (Grades K – 5)	Middle School Courses (Grades 6 – 8)	High School Courses (Grade 9)
English Language Arts Math Social Studies Science General Music Physical Education Health and Physical Education Visual Arts	English Language Arts Math Social Studies Science Visual Arts Health and Physical Education Fundamentals of Music	English I English I and II Honors English Language and Composition AP Spanish I and II Spanish III and IV Honors French I and II French III and IV Honors Math I, II, and III Math II and III Honors Pre-Calculus Honors and Calculus AP Introduction to Mathematics Environmental Science AP Physical Science Physics AP United States History AP Art Appreciation Digital Photography Advanced Functions and Modeling American History: Founding Principles American History I and Honors Biology and Biology Honors Introduction to Computers Career Management Chemistry and Chemistry Honors Database Concepts Earth/Environmental Science Health Education Health and Physical Education JAVA Programming Latin I and II Fundamentals of Music Psychology World History OCS American History I and II OCS Applied Science OCS English I and II OCS Introduction to Mathematics I OCS NC Math I

<u>Virtual Charter School Teachers</u>

Effective July 1, 2016, S.L. 2016-94 recodified the ninety-percent (90%) NC teacher residential requirement for the VCS to eighty percent (80%). However, guiding the VCS for the 2015-16 school year was S.L. 2014-100 section 8.35(c)(3) which stipulates in the virtual charter school, that all teaching staff shall carry the appropriate State certification to instruct any course and shall receive professional development in virtual instruction pursuant to the school's application to the State Board of Education to participate in the pilot program within 30 days of the employee's date of hire. Also, at least ninety percent (90%) of the teaching staff at the VCS shall reside within North Carolina.

In contrast, G.S. 115C.218.90 outlines employment requirements for teachers in charter schools. At least fifty-percent (50%) of teachers in brick and mortar charter schools must hold teacher licenses. Additionally, all teachers teaching in the core subject areas of mathematics, science, social studies, and language arts must be college graduates. Table 3 summarizes the percentage of licensed teachers in the VCS and brick and mortar charters.

Table 3: Percent of Licensed Teachers.

	NC Connections Academy	NC Virtual Academy	All Charters
Percent of Teachers Licensed	100	100	77.8

Note: As of May, 2016
Source: North Carolina Department of Public Instruction

During the 2015-16 school year, the VCS hired no teacher assistants as every student in the VCS is assigned a learning coach per S.L. 2014-100 section 8.35(c)(5). The learning coach provides (i) daily support and supervision of students, (ii) ensures student participation in online lessons, and (iii) coordinates teacher-led instructional sessions and State assessments. Of the 750 parents who completed the survey, 94% or 710 respondents indicated they served as their child's learning coach. The remaining responses indicated that another relative or sibling was the child's learning coach. From the Connections' and NCVA's board and administrator perspectives the learning coaches were primarily parents. Each learning coach at Connections participated in orientation. Learning coaches of this VCS were provided strategies on helping students in the home environment. Comparatively, NCVA described the role of the learning coach as being able to support students in the on-boarding process, policy reading, attending virtual sessions, and supervising students. One board member of NCVA served as a learning coach during the 2015-16 school year.

Additionally, S.L. 2014-100 section 8.35(b) outlines a maximum overall ratio of teachers to students in the VCS. Specifically, for kindergarten through eighth grade the ratio is 1:50, and for ninth through twelfth grade the ratio is 1:150. In contrast, 13% of brick and mortar charter school staff and 12% of traditional public school staff are teacher assistants (Table 4). Brick and mortar charter schools are not required to maintain a specific teacher to student ratio and the ratios vary in these schools from 1:20 – 25 depending on the grade level, school, and its mission.

Table 4: Staff Distribution.

	NC Connections Academy	NC Virtual Academy	All Charters	All Public
Teachers	74.4%	70.2%	64.5%	54.5%
Administrators	11.6%	10.5%	6.9%	4.2%
Professionals	7.0%	15.8%	6.1%	8.8%
Others	7.0%	3.5%	22.5%	32.6%
Total Staff	43	57	7,620	173,362

Note: Professionals include Guidance, Psychological, Librarian/Audiovisual, and Consultant/Supervisor.

Others category includes Teacher Assistants, Technicians, Clerical/Secretarial, Service Workers, Skilled Crafts, and Unskilled Laborers.

Source: North Carolina Department of Public Instruction

NC Virtual Public Charter School Student Performance and Accountability

State Board policy GCS-C-021 provides procedures for the NC Department of Public Instruction (NCDPI) for providing annual performance standards under the READY accountability model. In executing its duty under G.S. §115C-105.35, the State Board of Education (SBE) uses growth standards and performance standards to establish annual performance goals for all public schools, including charter schools. The accountability rules apply to all public schools involved in the state assessment program, including charter schools and regional schools. Section 26 of the Charter Agreement outlines the Nonprofit shall comply with all statutory and SBE requirements defining adequate performance criteria for Virtual Charter School performance and consequences for failing to meet statutory requirements.

During the 2015-16 school year each VCS enrolled students who were required to participate in the Ready accountability model. Connections is approved to offer grades K – 12; however, provided education to students in grades K – 9 during its initial year. Comparatively, NCVA is also approved to offer grades K – 12 and provided education to students in grades K – 10. Under the accountability model, students in grades 3 – 12 are required to take End-of-Grade (EOG) and End-of-Course (EOC) assessments depending on grade level and course enrollment.

During the March 3, 2016 SBE meeting, NCDPI Testing and Accountability provided its interim update on the VCS. At that time, each virtual charter school had:

(1) Developed the required 2015-16 testing plan;

(2) Established testing centers across the state;

(3) Developed procedures to ensure test security;

(4) Adhered to testing policies and procedures; and

(5) Requested permission not to administer the English II exam online due to difficulties transporting laptop computers to test sites and corresponding associated costs.

Participation on required assessments is a vital part of the accountability system. All students must be included in the assessments. State and federal laws allows for a 95% minimum participation

rate by student groups before consequences for low participation are enforced. NC Connections met 15 of 27 (55.6%) participation targets and NCVA met 23 of 24 (95.8%) participation targets for required EOG and EOC assessments. These schools are required to provide information to parents noting how they will improve participation rates to meet all targets in the future.

For the 2015-16 school year, both VCS received an overall School Performance Grade (SPG) of D which translates numerically to a 52 for Connections and 45 for NCVA respectively (Table 1). Both VCS received a SPG of C in Reading and an F SPG in Mathematics. Comparatively, during the 2015-16 school year, traditional public schools had a lower percentage of schools with D and F (22.9%) than public charter school (27.7%). Charter schools overall had a higher percentage of A/A+N/G and B grades (39.9%) than traditional public schools. Finally, Connections and NCVA are categorized as low-performing and will submit a strategic plan to address their academic deficiencies. NCDPI District and School Transformation will provide feedback to each VCS on their strategic plan and the schools will be wrapped into the intensive monitoring and support available for all low performing schools in NC.

Though only counted as 20% of the overall SPG, the amount of growth a school's students demonstrates for the year indicates the school's success in moving student achievement forward, a key criterion for sustained improvement. Growth is determined on a scale of 50 – 100. Each VCS did not meet growth expectations and were at the lowest end of the growth spectrum. For 2015-16, 73.6% of all schools, public and charter, met or exceeded growth expectations.

Table 1: School Performance Grade and Growth Status.

	NC Connections Academy	NC Virtual Academy
School Performance Grade	51	46
Reading SPG	65	56
Math SPG	39	34
EVAAS Score	50.0	50.0
Overall Achievement Score	52	45

Table 2 captures each VCS performance on statewide assessments for the 2015-16 school year. Overall, Connections had a 42.3% College and Career Ready (CCR) percentage and a NCVA has 34.9% CCR for all the EOG assessments administered. Connections had a 52.6% GLP while NCVA produced a 44.4% GLP on all EOG assessments administered.

Table 2: Percent College and Career Ready and Grade Level Proficient on End of Grade Tests.

	NC Connections Academy		NC Virtual Academy	
	% CCR	% GLP	% CCR	% GLP
All EOG Subjects	42.3	52.6	34.9	44.4
Reading Grades 3-8	52.2	64.1	44.4	54.8
Math Grades 3-8	28.4	35.9	21.9	29.6
Science Grades 5&8	52.8	66.7	45.5	57.6

Table 3 captures each VCS performance on statewide assessments End-of-Course assessments for the 2015-16 school year. Overall, Connections had a 37.2% College and Career Ready (CCR) percentage and a NCVA has 36% CCR for all the EOC assessments administered. Connections had a 47% GLP while NCVA produced a 45.7% GLP on all EOC assessments administered.

Table 3: Percent College and Career Ready and Grade Level Proficient on End of Course Tests.

	NC Connections Academy		NC Virtual Academy	
	% CCR	% GLP	% CCR	% GLP
All EOC Subjects	37.2	47.0	36.0	45.7
Biology	37.9	41.4	43.8	43.8
English 2	--	--	70.7	73.2
Math 1	34.7	49.2	17.6	34.1

S.L. 2014-100 denotes that each VCS school must maintain at least one testing center or meeting place within each of the eight State Board of Education districts where the participating students reside, to allow educators and administrators from the school to meet students and parents. Survey responses from parents suggests that 43% of parents agreed that the testing site was convenient for them, while 28% of respondents strongly agreed with the convenience of the testing site. For the 2015-16 school year Connections and NCVA complied with the testing site legislative requirement. Regional Accountability Coordinators (RACs) visited each of the testing sites to ensure that each location was appropriate for testing. Additionally, OCS monitored to ensure that each site was safe for students and collaborated with each VCS to certify that each site met mandatory health and safety requirements.

Session Law 2016-94 outlines the following changes to test administration in the virtual charter school to which the NC Department of Public Instruction Accountability Division has worked to adjust its polices to ensure compliance to the statute change:

- A participating virtual charter school may administer tests to multiple grade levels at the same time and in the same location.

- A participating virtual charter school may contract with a test administrator who is not employed by the board of directors of the school and meets the following criteria:

  o Holds a valid North Carolina teaching license.

  o Passes a criminal history check performed by the school.

  o Is trained to administer a test in accordance with the North Carolina Testing Program.

NC Virtual Public Charter School Year One Implementation, Administration, and Funding

<u>Virtual Charter School Student Demographics</u>

Based on data from 2015-16, the overall student populations in the NC VCS, charter schools, and traditional public schools are similar in terms of racial and ethnic composition, though several differences do exist. NC Connections' has a Hispanic population of 11.4% and NCVA has a Hispanic population of 7.2%. This is compared to 16.5% in traditional public schools and 8.4% in brick and mortar public charter schools. Further, Connections' White population (70% of its population) was higher than its virtual counterpart, brick and mortar charters, and the traditional public schools. Comparatively, the brick and mortar charter schools and traditional public schools maintain a higher percentage of black students. Of the virtual charter schools, Connections' black population was 14% while all other schools represented in Figure A below was above 20%. Finally, NCVA had the lowest percentage of Asian students at 1.6% while Connections Asian population of 2.1% was similar to the brick and mortar charters and the traditional public schools.

Figure A: Percentage Distribution of Race/Ethnicity.

	NC Connections Academy	NC Virtual Academy	All Charters	All Publics
■ Pacific Islander	0.0%	0.3%	0.2%	0.1%
■ Multi	14.5%	0.8%	3.6%	3.8%
■ White	58.1%	70.0%	57.0%	49.5%
■ Black	14.0%	20.1%	26.7%	25.7%
■ Hispanic	11.4%	7.2%	8.4%	16.5%
■ Asian	2.1%	1.6%	3.4%	3.0%
■ American Indian	0.8%	1.8%	0.8%	1.3%
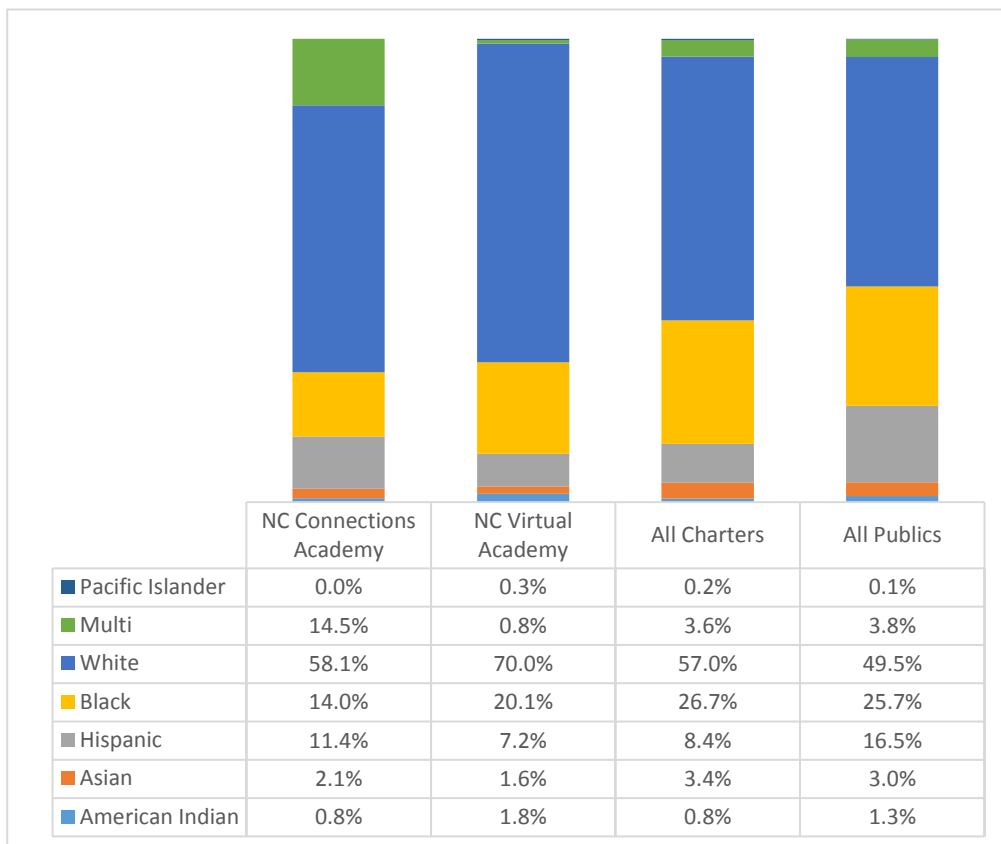
Note: All charters excludes the two virtual academies. All publics excludes all charters.
Source: North Carolina Department of Public Instruction

While each of the VCS had some representation of various subgroups at their campuses, two (2) subgroups fully represented with available data were Students with Disabilities (SWD) and Economically Disadvantaged (ED). Students with Disabilities (SWD) Headcounts are conducted two (2) times per year, December and April. Based on the April 2016 headcount Connections had a 10.0% SWD population while NCVA had a 12.1% SWD population; NC as a whole has a SWD

population of 12.5%. Neither Connections nor NCVA participates in the National Free and Reduced Lunch Program (FRL); however, available data suggests that Connections' EDS population is approximately 48% and NCVA's is 46% respectively. Comparatively, NC's EDS population reflects approximately 50%.

2015-16 Funding Legislation

The State Board of Education shall provide State funding to a virtual charter school participating in the pilot program as provided in G.S. 115C-218.105(a)(1). The amount allocated pursuant to G.S. 115C-218.105(a)(1) shall not, however, include the allocation for low-wealth counties supplemental funding and the allocation for small county supplemental funding.

Legislation provides 3 differences in funding for the virtual charter schools and the traditional public schools and charter schools:

1. The State per pupil amount is calculated for each Local Education Agency (LEA) in the same way as traditional charters BUT excludes the per pupil share of low wealth and small county;

2. Traditional charters are funded based on month 1 Average Daily Membership (ADM), but virtual charter schools are funded based on the membership of students on the 20th day of the school and adjusted for the 2nd semester on the 100th day; and

3. Traditional charters receive a per pupil share of the local current expense of the LEA in which the student resides. For virtual charters this amount is capped at $790. The amount of local funds provided to participating schools pursuant to G.S. 115C-238.29H(b) shall be the lesser of seven hundred ninety dollars ($790.00) per pupil or the amount computed in accordance with G.S. 115C-238.29H(b).

Dollars Per Student without Low Wealth and Small County

Connections	NCVA
($114,672)	($159,571)
3%	3.5%

This chart below provides summary detail on the number of students funded for each virtual charter school based on a previously submitted PMR. Additionally, much like the brick and mortar charter schools, funding was distributed to each virtual charter school for the December and April 1 Exceptional Children (EC) headcounts.

Funded Students

	Connections	NCVA
Month 1	1,488	1,433
Adjustment month 5	(23)	(21)
Final Funded	**1,465**	**1,412**
Headcount of Exceptional Child	90	135

Source data: Principal Monthly Report as certified by the school

The NC Department of Public Instruction, Division of School Business received revised student count numbers with the submission of the final PMR from both NC Connections Academy and NC Virtual Academy reflecting the following final student counts:

	Connections	NCVA
Month 1	1,476	1,402
Month 5	1,466	1,389

Source data: Principal Monthly Report as certified by the school

State Funding

Connections and NCVA received state funding sources from the LEA and an appropriated reserve. 56% of the funds were generated by reducing 108 LEAs for Kindergarteners going to the Virtual Charter School (VCS) that resided in those LEAs and for the students at the VCS who were previously in membership in the LEA. Comparatively, 44% were funded by an appropriated Reserve for non-public school students which were predominantly homeschool students. Funding amounts per student ranged from $4,682 to $6,415 during the 2015-16 school year. Additionally, the schools were provided EC funding, summer camp for their first, second, and third graders (other is fines and forfeitures, reading devises for student diagnostics, Indian gaming).

State Funding

Base allocation	Connections	NCVA
Initial in Month 1	$ 7,402,237	$ 7,111,138
Adjustment for 2nd semester	(115,898)	(105,821)
Final Funded State Base allocation	**$ 7,286,339**	**$ 7,005,317**
Other State Funding		
Funded State EC	$ 340,881	$ 507,433
Summer Camp	40,874	46,956
Other	23,196	30,414
Total State Funding	**$ 7,691,290**	**$ 7,590,120**

Source of State Funding

Funding from reductions to LEAs	$9,002,395
Funding from appropriated reserve	$6,137,575
Other appropriation	<u>$141,440</u>
Total funding	$15,281,410

Source data: Division of School Business

Virtual Charter School Funding Comparison

Traditional charters are funded based on month 1 ADM, but virtual charter schools are funded based on the membership of students on the 20th day of the school and adjusted for the 2nd semester on the 100th day. Additionally, traditional charters receive a per pupil share of the local current expense of the LEA in which the student resides. For virtual charters this amount is capped at $790. Detailed below is the impact of legislation and policy indicating:

(1) The difference in the funds each VCS would have received if the per pupil calculation included low wealth and small county. It is important to note that these allotments are over $250 million of the state budget.

(2) The impact on the VCS by being funded on Membership Last Day (MLD) month 1 and 5 instead of month 1 ADM. For Connections there is a difference of 38 students and calculating on the average funded amount is $189,000 and for NCVA the difference is 102 students and over half a million dollars.

Membership Last Day vs Average Daily Membership

Connections	NCVA
$188,997	$506,050
38 Students	102 students

Traditional charter schools and VCS are eligible to apply for federal grants. Information below shows the funds for Title I, and IDEA that they received. Included in the summary is the total of State and Federal funds for each VCS. In addition to these amounts, the schools received local funds at the local per pupil share or $790 per student (whichever is lower) or possibly grants directly to them from other entities.

Federal Funding

	Connections	NCVA
Title I	$ 123,276	$ 179,960
IDEA VI Handicapped	218,075	240,696
Improving Teacher Quality	35,814	41,252
IDEA VIB Targeted Assistance	900	900
Total Federal Funding	$ 378,065	$ 462,808
Total State and Federal Funding	$ 8,069,355	$ 8,052,928

Recommendations on the Modification, Continuation, and Potential Expansion of the Virtual Public Charter School Program

During the 2015-16 school year, the SBE approved TCS-U-18. The policy was developed specifically for the Virtual Charter Schools to address the nuances of virtual education and to accommodate the requests of the VCS related to student attendance and membership. TCS-U-18 modified the SBE's policies related to attendance and membership in the Student and Accounting Manual for traditional and brick and mortar charter schools and was subsequently approved, February 5, 2015.

The VCS completed their implementation year during the 2015-16 school year. The pilot is scheduled to conclude in four (4) years. Over the next three (3) years, NCDPI, Office of Charter Schools, Charter Schools Advisory Board, and the State Board of Education plan to conduct additional surveys and collaborate with the virtual charter schools before arriving at additional recommendations on the modification, continuation, and potential expansion of the Virtual Public Charter School Program.

Virtual Charter School Stakeholder Perspectives

The Southeast Comprehensive Center (SECC) is funded by the U.S. Department of Education. The centers provide training and technical assistance to state education agencies (SEAs) to enable them to assist school districts and schools in the implementation and administration of programs authorized under the Elementary and Secondary Education Act (ESEA) and the use of research-based information and strategies. SECC works closely with SEAs in Alabama, Georgia, Mississippi, North Carolina, and South Carolina to support their efforts to implement, scale up, and sustain initiatives statewide and to lead and support their school districts and schools in improving student outcomes. The Southeast Comprehensive Center partnered with NCDPI to help collect information regarding the first year implementation of the VCS from parents, students, administrators, and board members.

In September 2016, the North Carolina Department of Public Instruction (NCDPI) and the Southeast Comprehensive Center (SECC) launched the North Carolina (NC) Virtual Public Charter School Parent and Student Year-End Surveys. Students who attended the two virtual public charter schools, NC Connections Academy and NC Virtual Academy, during the 2015-2016 school year and their parents completed the surveys. The student survey was designed for students

in grades four and up and all parents, regardless of their child's grade. The parent survey link was emailed to parents and the student link was included in the email message for parents to share with their student(s) who were in the appropriate grades. However, the response rate for students is more complicated to calculate because parents had to share link with their students, therefore, their response rate is contingent on how many parents allowed their students to complete the survey and how many students were in grades four and up. Given that these numbers are not known, a response rate for student participation was not calculated. Therefore, the parent and student survey results should be considered a snapshot of the perceptions and experiences of those involved in the NC virtual public charter schools.

Stakeholder perspectives on the virtual charter school pilot program were captured through surveys from parents who enrolled a child in the VCS and students who were enrolled in the VCS during the 2015-16 school year, including finite enrollees. VCS student enrollment was verified by the PowerSchool database which captures student enrollment in NC public schools. Using the PowerSchool student membership information, NCDPI collaborated with each VCS to obtain parent email addresses for survey distribution. Additionally, interviews were conducted of each respective school's Lead Administrator and Board Members of the nonprofit holding the charter.

Parent Survey Summarized Responses

While all parents who enrolled a child enrolled in a VCS during the 2015-16 school year received a survey, approximately 82% of the emails were valid resulting in 2,797 receiving a survey to complete. Of those parents where the survey delivered, approximately 27% or 761 parents responded to the survey request. The specific survey questions and responses for the parents are captured below and included multiple choice and limited open response choices.

Overall, the number of children attending the virtual charter schools was split evenly between Connections and NCVA. Fifty-one percent or 388 parents indicated they had a child(ren) attending Connections, while the remaining forty-one percent or 369 responded their child(ren) attended NCVA during the 2015-16 school year. Approximately ninety percent of parents whose students completed a full year in virtual public charter school were satisfied or very satisfied with the amount of contact their child had with his/her teacher(s), while seventy-four percent of parents with withdrawn students expressed satisfaction about the amount of teacher contact. Twenty-six of parents who withdrew their students were dissatisfied or very dissatisfied with the amount of contact their child had with his/her teacher(s).

In general, all parents were satisfied or very satisfied with the virtual public charter schools, with ninety-two percent of parents whose students completed a full year and seventy-two percent of parents with withdrawn students expressed overall school satisfaction.

Parent Suggested Changes for the Virtual Charter Schools

The following results are from the open-ended question "What suggestions do you have for improving virtual public charter schools and online education?" 855 responses were coded into 14 themes. Table 1 displays the response rates and percentages by campus. Table 2 displays the themes and a sample of responses for each category.

Table 1: Parent Response Rates by Campus.

Theme	Total Responses	Total %	NC Connections	%	NC Virtual Academy	%
Academic support	22	2.57	6	1.30	16	4.08
Assessment	39	4.56	26	5.62	13	3.32
Assignments deadline/ More flexibility	128	14.97	51	11.02	77	19.64
Curriculum/Instruction guide	27	3.16	20	4.32	7	1.79
More electives/Honors courses	86	10.06	45	9.72	41	10.46
More face time with teachers	40	4.68	29	6.26	11	2.81
More field trips/Social events	119	13.92	65	14.04	54	13.78
More resources/ textbooks	37	4.33	26	5.62	11	2.81
School governance	31	3.63	15	3.24	16	4.08
School/Teacher communication	72	8.42	45	9.72	27	6.89
Technology issues	39	4.56	15	3.24	24	6.12
General comments	88	10.29	58	12.53	30	7.65
Negative experience	21	2.46	10	2.16	11	2.81
Positive experience	106	12.40	52	11.23	54	13.78
Total	**855**	**100%**	**463**	**100 %**	**392**	**100%**

Table 2: Coding Themes and Sample Quotes for Parents.

Academic support	• "When a special needs child has been identified with the teacher and family, immediate action for the IEP should be done. I feel that we have been forgotten about with regard to an IEP that in turn has created attendance issues, daily lesson plan issues which has resulted in an overwhelming feeling of frustration and confusion." • "My daughter was behind in math. There really was no plan in place to help her catch up but rather we still had to maintain the same school lessons."
Assessment/ Assessment-related	• "Test location should be close. Traveling from one city to another city far from home is not reasonable." • "Get rid of the requirement for EOG's"
Assignments deadline/ More flexibility	• "Live lessons were at inconvenient times. If you needed help with a lesson you had to watch an hour recording of a live lesson to get the 15 minutes of content that you needed on the lesson." • "Increased flexibility. Inability to skip lessons causes difficulties and stress." • "We were told at the start that live lessons were NOT mandatory then teachers started requiring students to be at them. Misleading." • "Allowing the student to skip classroom sessions that were already completed in advance. Students lose interest if they are further ahead of other students but required to join them in online sessions."
Curriculum/Instruction guide	• "I would have preferred there be more diversity in the science curriculum." • "The online curriculum is above NC state standards and more challenging than the standard public school; therefore, it requires an enormous amount of dedication to complete."
More electives/Honors courses	• "Need to have AIG/Honors classes available." • "More funding to help certain classes become available would be great." • "I think that the online charter schools should partner with the local schools for things like band, choir, and sports.." • "Use NC Virtual Public School classes to expand online class offerings."
More face time with teachers	• "I would suggest that the virtual online classroom be more like Skype, where the children can see the teacher in real time." • "More opportunities for 1 on 1 contact with teachers or tutors." • "More time to do lessons face to face with teacher and class."
More field trips/Social events	• "More social activities for all areas of state." • "The only improvement I would like to see would be more opportunities for children to interact with one another."

More resources/ textbooks	• "Sending more materials for kids to use when learning providing math textbooks to the families. While we found other courses were easy to work through using e-texts, math was a struggle due to having to go between several pages, including previous lessons and the answers in the back of the book. A physical text would have been much easier." • "I do wish hard copy textbooks were available to rent for the year. I have gone online and bought some for my daughter. It's easier on the eyes and just easier in general to read from an actual book- no flipping back and forth between windows."
School governance/operations	• "Administrators were MIA the whole school year. Almost no contact by principal throughout years. Like a ship without a captain." • "Make sure there is adequate staffing of teachers per the number of students."
School/Teacher communication	• "I had a difficult time getting in touch with school counselor before school started to discuss his schedule." • "Give a time frame for the teachers to respond to students (questions we had went unanswered)."
Technology issues	• "The ability to use tablets and chrome. Those are two very popular things, and for a virtual academy to not have access with those is a little disappointing." • "There were technical problems - but it wasn't a regular occurrence. Anything involving technology will have a glitch at some point."
General comments	• "The teacher must be able to teach and children can be very rude, distracting, and disrespectful. Maybe parents can volunteer to be class monitor, but having a student do so is not helpful and may be harmful." • "Allow more and get the word out many families do not understand this is available in our state. They also don't understand that it is tuition free."
Negative experience	• "I felt like the material was too difficult with unrealistic goals… I have a first grader that is burned out on her studies, already, due to overbearing demands." • "I suggest finding a model of online education that is not run by a business (K12, etc) but by truly qualified educators passionate about seeing our North Carolinian students succeed."
Positive experience	• "I love the split year curriculum with plenty of time to complete a class and transition to the next class while retaining knowledge." • "We love the virtual school environment. Coming off a year of traditional home school, we love having the support from the teachers when needed and we liked that we didn't have to choose a curriculum."

Student Suggested Changes for the Virtual Charter Schools

The following results are from the open-ended question "What suggestions do you have for improving your virtual public charter school?" Table 3 displays the response rates and percentages by campus. Table 4 displays the themes and a sample of responses for each category.

Table 3: Student Response Rates by Campus.

Theme	Total Responses	Total %	NC Connections	%	NC Virtual Academy	%
Academic support	18	5.03	7	4.24	11	5.70
Assessment	17	4.75	10	6.06	7	3.63
Assignments deadline/ More flexibility	30	8.38	8	4.85	22	11.40
Class schedule/Courseload	28	7.82	7	4.24	21	10.88
More electives/Honors courses	42	11.73	19	11.52	23	11.92
More face time with teachers	23	6.42	13	7.88	10	5.18
More field trips/Social events	47	13.13	29	17.58	18	9.33
More resources/ textbooks	16	4.47	8	4.85	8	4.15
School governance	34	9.50	12	7.27	22	11.40
School/Teacher communication	16	4.47	10	6.06	6	3.11
Technology issues	17	4.75	7	4.24	10	5.18
General comments	43	12.01	20	12.12	23	11.92
Positive experience	27	7.54	15	9.09	12	6.22
Total	**358**	**100%**	**165**	**100%**	**193**	**100%**

Table 4: Coding Themes and Sample Quotes for Students.

Coding Theme and Sample Quotes	
Academic support	• "Stay in contact with the students, and offer the services on their IEP. Mine was out of compliance the entire year!" • "When a student ask for help and obviously is falling behind but attending regularly with good communication; help the student to succeed. Don't just say "they'll catch up" and continue to bulldoze through the course with an obvious failure for the student in the end."
Assessment	• "Limit the time for the tests on line with the ability of pausing the test. So the kids know to finish the test in certain amount of time." • "Make it so we could do EOGs at home."
Assignments deadline/ More flexibility	• "If the planner could be adjusted by teachers during semester to skip unnecessary material." • "Class connects should be optional, not mandatory if student is passing the course and is not behind with assignments. Having all the required class connects doesn't give much flexibility and left little time to do the assignments."
Class schedule/Course load	• "The virtual classes should end by the time traditional school classes end so that we can participate in fun activities, too." • "I had to spend 5 hours in class connects and then complete my assignments. School was to be a 6 hour day however, for me the school day lasted 8-9 hours a day."
More electives/Honors courses	• "Offer more classes, especially AP level classes." • "More honors and AP courses Allowing students to take NCVPS courses that NCCA doesn't offer."
More face time with teachers	• "More one on one conversations with the teachers." • "I think a good way to improve the Online School is to have more times to meet my teachers in person."
More field trips/Social events	• "More social events and field trips" • "I wish we had some kind of social media network system for classmates, like facebook for ncva, so we can make friends with our classmates easier."
More resources/ Textbooks	• "I need a book for all my core subjects." • "My son is special needs not having books and hands on material was hard. I had to supplement all that."
School governance/ Operations	• "Better ways of tracking attendance." • "Make sure all classes have teachers. One of the classes did not have a teacher for some time."
School/Teacher communication	• "Make the teachers available to students when needed other than briefly through email." • "More accessible to teachers and better explanations of grading."

Technology issues	• "Try and make the online servers more stable. (less need for maintenance on school days and making sure all course materials are working at all times.)" • "Make the work more user friendly on an iPad"
General comments	• "My biggest issue was that the teachers really didn't do anything. All of the work was put on the "coach". All of it." • "Make sure everyone is on the computer because kids were just leaving the computer open and pretending they were on" • "You need to offer credits for afterschool activities as the local county school boards will not allow NCVA students to participate in their afterschool activities (this is unjust)." • "You need to have a lockdown on your teachers, my math teacher quit and it threw my entire semester off, as the new teacher wanted to 'pick up', but we weren't prepared because there were gap weeks w/no teacher just the book (bad)."
Positive experience	• "Our teacher was awesome. She would help us in any way possible. She was the greatest teacher. She made the kids feel loved and that they could achieve anything that wanted to." • "I love NCVA and I am thankful for it!!!" • "I think they are great! Wonderful courses and very advanced." • "I liked everything about virtual school!"

NC Connections' 2016-17 Proposed Changes

The following results are from the open-ended question when interviewing the Board of Directors and the Administrator of NC Connections, "What changes, if any do you expect to occur in enrollment, staffing, or course offerings in your virtual school?"

- Our school will be adding a grade level and plan to do common based assessments around curriculum and EOG testing. We plan to provide more information to parents around the importance of EOG tests and more RTI procedures to heighten interventions for all students.

- We had 300 students impacted by hurricane Matthew and are watching these families closely as this impacted learning due to loss of power. We are trying to give support as much as possible and will watch as families come back on line.

- We will continue to have clear expectations with EMO in year 2 and will continue to hold the EMO accountable. For example, we identified some issues with math instruction and began to make changes in year 1. We will continue to work with the EMO to address the issues in Year 2. The Board takes the contract with the EMO very seriously which is why they only had a 1 year contract with the EMO (typically contracts are for 4 years). Having a one year contract holds the EMO accountable. In addition, the board held payments to the EMO until they saw that interventions were in place. The board is expecting changes to math instruction such as: lower class size or providing actual calculators for the math assessments (in year one, students were provided a computer calculator that students hadn't been exposed to, and a deeper level of questions that are more aligned to the assessment.

- We had monthly meetings with the EMO and had several work sessions in between to determine what the board will focus on financially. Connections understands the seriousness of improving the school letter grade next year and the year to follow. The board is holding the EMO accountable.

- Without the EMO, the school doesn't have a district like structure, so the board needs to consider options- possibly changing the role of the EMO, considering bringing academic structure in house- like Chief Academic Office, etc.

NC Virtual Academy's 2016-17 Proposed Changes

The following results are from the open-ended question when interviewing the Board of Directors and the Administrator of NC Virtual Academy, "What changes, if any do you expect to occur in enrollment, staffing, or course offerings in your virtual school?"

- One main expectation is that the majority of returning families will be familiar with the virtual school environment. Students and parents will know what the main procedures are and how to connect and maneuver through the virtual classroom settings.

- The board members expressed satisfaction that they had worked out the basic technical issues with the virtual environment and there is an expectation that the new school year will operate much smoother.

- Board members noted that now that they had completed one year successfully and addressed the first year problems, they would be able to direct their energy on smaller details of operating a virtual school.

- There is an expectation that the enrollment and the staffing will increase. The school has hired new subject area coaches to provide more academic support for students who need help. The school will also be adding another grade level (11th grade) and increasing new courses, based on teacher availability.

- Board members shared that the number of courses offered in the virtual school is directly impacted by the availability of NC teachers. According to board members, the virtual schools cannot employ teachers from other states and that limits the kinds of courses that can be offered to students, especially in the area of foreign language.

Virtual Pilot Charter Schools Response Opportunity

At its November 15, 2016 meeting the Charter Schools Advisory Board (CSAB) recommended that the Office of Charter Schools (OCS) provide an opportunity to each virtual charter school to respond to the report. Attached as Appendix A are the responses received.
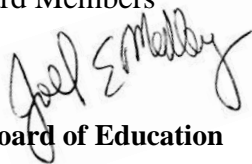
Appendix A

NORTH CAROLINA VIRTUAL ACADEMY

4220 NC Highway 55, Suite 130
Durham, NC 27713
Phone: 919.346.0121
Fax: 919.324.6597

http://ncva.k12.com

DATE: November 14, 2016

TO: Joint Legislative Education Oversight Committee Members
            State Board of Education Members
            Charter School Advisory Board Members

FROM: Joel Medley, Head of School

RE: **JLEOC Report by the State Board of Education**

Thank you for providing the North Carolina Virtual Academy (NCVA) an opportunity to review this version of the draft report and include a response from our perspective.

NCVA had a good first year of operation and can celebrate many successes. We readily admit that our goal is to improve academically; however, we want to point out the positive milestones from our first year of serving students and families:

- Testing greater than 95% of our students.
  - As the law required one testing location in each of the State Board educational districts, NCVA hosted 15 different sites. The average drive per family to a testing center was less than 20 miles.
- NCVA exceeded the State average in meeting Participation targets by nearly a full percentage point.
- NCVA's English 2 test results exceeded the State average in College/Career Ready status by 21 percentage points. Our proficiency score was 70.7 compared to the State's score of 49.6.
- NCVA had a clean financial audit with no findings or identified material weaknesses .
- EDGE Research group surveyed the parents of NCVA at the end of the 2015-16 school year to gauge their thoughts. Listed below are responses on questions most directly related to the family experience at NCVA:
  - 78% were satisfied with the virtual education experience
  - 86% were satisfied with NCVA specifically
  - 89% were satisfied with their child's primary teacher
  - 89% would enroll their child or recommend other children the next year
- Parent testimonials speak of the difference that NCVA and its teachers are making in the lives of their children.
  - Mother of 3 Adopted Students at NCVA Shares Her Experiences
    https://www.youtube.com/watch?v=zv5sgXvHbvw&feature=youtu.be
  - From Bullied to Budding Child Author with an Anti-bullying Message
    http://www.carolinaparent.com/CP/Brendens-Story-From-Bullied-at-School-to-Budding-Child-Author
  - At the end of this letter is an email from a newly enrolled family. It is unedited other than removing the family's name for FERPA purposes.

Every child…Every class…Every day

Upon conclusion of our first year with students, a comprehensive look back at that year was undertaken to revise our Academic Plan. We recognized that our scores were not what we hoped; however, we also understand that the first few years of a charter school's existence are, in the words of Jonathan Schorr and his book *Hard Lessons*, a "traumatic fight for survival." Several changes have been implemented in the second year to improve our academic performance. Some of those items are outlined below:

- Shift to the block schedule for high school students.
- Additional math teacher hired at the middle and high school level.
- Data-driven instructional model fully implemented at the school.
- Co-teaching model used at the middle school level between general education and special education teachers.

While the Department of Public Instruction references the CREDO report and the National Alliance of Public Charter Schools recommendations, we are uncertain as to their inclusion for a report on the virtual charter school pilot in our state. Neither report examines the North Carolina specific context leading to a question of relevance. We believe it is necessary to discuss several factors regarding from these reports that were not mentioned by the Department.

- CREDO
  - The report, released in October 2015, does not included any data whatsoever from North Carolina; however, the report does affirm several important factors:
    - Virtual charter schools serve a higher population of students that enter the charter school below proficiency. The data presented by NCVA to the State Board of Education in the fall of 2015 verified that fact.
    - Virtual charter schools serve a higher population of low-income students when compared to traditional charter school counterparts.
    - Virtual charter schools frequently utilize student assessments to measure individual student growth.
  - The academic performance data contained in the CREDO report was prior to 2012. Considering that the most recent three years of data was not utilized, the policy conclusions of the report have diminished value. Virtual charter schools have adjusted practices to help improve student results in recent years based on more current data; however, none of those factors were considered in the CREDO report.
  - Questions regarding the "virtual twin" methodology have been continually pointed out but not addressed by CREDO. For instance, in an attempt to measure the performance of students who transferred to online charter schools from those in traditional schools, the report did not control for factors typically faced by statewide online public charter schools. Those factors include: persistence and performance over time, date of enrollment, the effect of mobility, and the reasons why children leave their local school. Absent any controls for these factors, the "virtual twin" students is not accurately matched meaning the comparison is between very different students.

Every child…Every class…Every day

- <u>National Alliance for Public Charter Schools</u>
  - Removing virtual charter schools from the charter school sector would do a grave disservice to families as we are the only public school option for many of those families. In our first year of operation, NCVA served students from 92 of the State's 100 counties which is significantly broader reach than the other 160 charter schools.

Instead of relying upon the CREDO report, we would suggest that other peer-reviewed reports also be given consideration. For instance, *The Journal of Online Learning Research* published an article by Leuken, Ritter, and Beck entitled "Value-added in a Virtual Learning Environment: An Evaluation of a Virtual Charter School." Their study focused on the academic results by students that chose to remain with the virtual charter school over time. This study found three, important correlations:

- For students who transfer into a virtual charter school, they experience academic regression in the first year.
- For students who remained enrolled in the virtual charter school beyond a second year, they experienced an academic recovery.
- For students remaining with the virtual charter school three years, they experienced a complete academic recovery and saw significant improvement in years four and five. The value-add in years four and five outpaced that of their matched peers.

We also suggest looking to the Keeping Pace report: *Accountability in the Digital Age* (February 2015) for virtual school policy recommendations and a description of the at-risk nature of many virtual school students. This study describes the specific mobility patterns and credit-deficiency trends among virtual school students. NVCA's population resembles the students described in this report. As this report suggests, policymakers need to consider additional and/or different ways of measuring school success for full-time virtual schools. The first step toward policy recommendations is a critical analysis of available data.

We applaud your efforts to timely report on data from the two virtual charter school pilots. We look forward to continuing the data examination and contributing to policy discussions to best measure virtual charter school performance in our state.

Every child…Every class…Every day

NORTH
CAROLINA
VIRTUAL ACADEMY

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PARENT EMAIL DATED OCTOBER 19, 2016:

Dear Mr. Medley:

I have been meaning to sit down and write you this short email about our experience with NVCA to date.

My daughter started NCVA on 9/19/2016. She has been Homeschooled for the past 2 years and prior to that attended the local elementary school here in Clayton NC. During her 5th grade year I made the decision to remove my daughter from traditional school. She is a high functioning Autistic child who also has ADHD and a few other struggles in her life (comes with the territory I suppose). She is a bright, hardworking child who struggles with anxiety pretty much daily.   I removed her from the local elementary school and took on the challenge of schooling her myself. Not too long after I also removed my 9 year old (currently waitlisted for NCVA) due to my EXTREME disappointment in the public education they were receiving.

Upon finding NCVA and actually moving on the information and getting her enrolled…I was nervous. Let me tell you…nervous for no reason!

Your 7th grade team/teachers are the most amazing people I have ever had the pleasure of dealing with. They are helpful, caring, fun, engaging, the list goes on and on, with the students. They show a GENUINE interest in her successes and failures! They do everything in their power as educators to help her along. It's the most overwhelming feeling when you actually have teachers WHO CARE. I cannot thank you enough for Mrs. Dasher, Mrs. Whitley, Mrs. Shepherd, Mrs. Hunt, Mrs. Brancaccio and I cannot thank you enough for Mrs. Irene Martin…that woman being a special education teacher has gone ABOVE AND BEYOND to help me get her settled and help her along. Every one of these ladies has extended nothing but warmth and caring and encouragement to my daughter. Every one of these ladies is an amazing teacher and I cannot even find the words to express my gratitude towards them. THIS IS WHAT A TEACHER SHOULD BE! These women are shining examples of what it is to be an educator. My daughter's old elementary school could learn many things from NCVA…MANY.

The challenges may be hard for my daughter, but with the support of not only her family but her teachers as well…I know she will succeed…which is all I want for her. She doesn't need to be the superstar student...she just needs to be happy with her achievements and it's been good to see her smile while in class! To be happy with school and not an emotional wreck…it's worth every last second I help her during her day…every – last – second.

Thank you.

Every child…Every class…Every day

Memorandum

To:	Members, North Carolina State Board of Education Dave Machado, Director Office of Charter Schools
From:	Nathan Currie, Superintendent, NCCA
Cc:	Bryan Setser, NCCA Board Chair
Date:	December 5, 2016
Re:	NC Connections Academy Response to JLEOC Virtual Charter Report

Please find below North Carolina Connections Academy (NCCA) response to the recent JLEOC virtual public charter school report that will be included in the January State Board of Education agenda items. We have thoroughly reviewed the report and we appreciate your consideration of our response.

NCCA's First Year in Review

NCCA is proud to have met all of the first year charter goals outlined in our charter agreement. These were established with the State Board of Education as goals and indicators of success for a virtual charter's initial year. Despite the 2015-16 school year being the first year for all of our students, which studies have demonstrated can hinder a student's performance as they transition to a new setting, NCCA successfully met all of these goals. In its first year, NCCA was financially healthy with no material audit findings and demonstrated economic sustainability.

Our retention rate for teachers rated proficient or better exceeded the 90% goal. NCCA's state test proficiency rates exceed .85 of the state average in its first year and nearly 90% of full academic year students promoted to the next grade level in grades K-8 and earned at least a year's worth of required credit at the high school level, far exceeding the 85% requirement.

Perhaps most importantly, parents and students are very satisfied with NCCA. In an independent, third party survey, 91% of parents would recommend NCCA to those not currently enrolled and 94% of parents thought their child was satisfied with NCCA's program. 95% of parents were satisfied with their NCCA teachers and 94% of parents agreed our curriculum was high quality and that technology used improved the overall learning experience of their children.

During our first year we were proud to perform above the state average in reading. Elementary science scores and reading proficiencies were approximately 68%, which was also above state averages and other charter school averages. In addition, we were equally proud that the North Carolina Teacher Working Conditions Survey revealed that our teachers ranked NCCA above

the state and charter school averages. During the first year, NCCA established 7 student clubs and provided 21 field trips.

From our parents:

--I appreciate the amount of communication we are getting from the teachers. I never was this informed at my child's local brick and mortar school.

--I enjoy reading the updated webmails from our teacher. He always adds something to the webmail that makes me laugh or smile.

--To all our Teachers, we are very appreciative of your patients and heard work. We treasure every moment we share you all. Without you, we would not have presidents, doctors, lawyers and all those great careers you've helped us achieve. Cheers to all our teachers!

--Very grateful to have such positive and enthusiastic teachers at NCCA. My son is currently in the 9th grade and this is his second year at NCCA. I feel that I know his teachers better and have more contact with them, than I did with previous teachers in a bricks and mortar middle school. Keep up the great work!

--I just wanted to say that the field trip to the science museum was great. I really enjoyed myself. And my son did too. Keep up the great work. For all of my son's teachers I just wanted to say again thank you for your support, and I think all of you should get the reward you work to get.

--I have been very impressed and pleased with the curriculum here at NCCA. I have also been very impressed with the level of communication that I have had with the teachers and their responsiveness to my student's questions and needs. Everyone is very friendly, helpful and seems to be genuinely interested in helping my student succeed!

--You all are doing a great job! I like how things are coming together this year. We appreciate that teachers are available if we need help, and I like the live lessons that give the program more of a brick and mortar feel. It's especially neat when teachers allow the students web cam time at the end of live lessons so they can see each other and interact with one another and the teacher. Thanks for all you do!

--Thank you for your patience with my many questions about live lessons. My son is learning so much and we really appreciate your help and dedication. Also I'm impressed how you all can tell when he's not paying attention during a live lesson. That is an impressive teacher skill. It makes me smile. Thank you again.

While we feel very strongly that our school has met many indicators of success, we realize there is certainly room for improvement. As mentioned above, the 2015-16 school year was NCCA's

first academic year and all students were new to online learning. It is not uncommon, especially in a new virtual environment, for students to struggle academically initially as they adjust to an online learning model.

At NCCA, our number one priority is for our students to achieve academic success, and we are committed to helping improve student performance on state tests across all subjects. We have developed and implemented a robust action plan for 2016-17 to help students achieve their academic best and improve performance on state tests, especially in math.

Current Improvement Plans

To improve academic performance, the following initiatives are being implemented this (2016-17) school year:

- Purchased and distributed graphing and scientific calculators to qualified students, ensuring that they become more familiar with their functions, operations, and capabilities,
- Provided personalized Live Tutor® to students in grades 4th-10th in both math and language arts,
- Implemented new math conceptual program to all students in grades K-3rd,
- Targeted professional development in math instruction and data analysis,
- Completion of a comprehensive curriculum audit,
- Participation in Principal READY Professional Development, to develop and enhance the school's leadership team in monitoring and leading instruction,
- Increased the frequency of mandatory Live Lessons® synchronous learning sessions,
- Implemented common/mock assessments for all tested grades,
- Developed a *Traveling Academy* to serve and assist students in a blended environment,
- Implemented *Reading Plus*, a reading pilot program,
- Hired additional staff to reduce class ratios and to provide a more personalized targeted intervention approach, and
- Implemented Learning Coach University, a monthly meeting to inform, train, and model best instructional practices for parents

JLEOC Report: Withdraw Rate

For the 2015-16 school year, there were several discrepancies in how the Department of Public Instruction calculated NCCA's withdraw rate versus the calculation included in our binding charter application, which was approved by the State Board of Education. NCCA has submitted several memos to the State Board outlining these discrepancies. We are pleased that for the 2016-17 school year, it appears some of these discrepancies have been resolved due to legislation enacted during the 2016 legislative session. We believe this new withdraw rate calculation will be more reflective, accurate list of the students who should be included from the withdraw rate. Under the new withdraw rate, NCCA's rate was 20.7%, well within the acceptable range.

However, in order to fully understand the withdraw rate at NCCA, it's very important to look at the rate in context and consider the highly mobile student population virtual schools typically serve. NCCA meets the needs of families who are enrolling for a variety of reasons, including some temporary ones. Some of these temporary reasons include: ① finding a safe environment free from bullying, ② allowing a child to maintain their studies while recovering from a medical condition, ③ a temporary displacement from their home, ④ the child was behind their peers academically, and a myriad of other situations and circumstances. In these cases, when a student withdraws, it is because the problem has been resolved and the family returns to their previous school, likely a traditional public school. It is not typically because the family was dissatisfied with NCCA.

Furthermore, some who initially chose NCCA as a short-term solution decide to remain enrolled, as they are highly satisfied with the flexibility, school environment, and quality of education NCCA provides them.

JLEOC Report: Inclusion of the CREDO Report

While we always appreciate research being done in the area of virtual education, we believe the CREDO report does not completely nor accurately evaluate NCCA as well as other virtual schools.

Virtual schools are meeting the needs of students looking for a solution to a challenge. This results in a unique student body that engages with school differently. When evaluating virtual schools, we must consider attributes like student mobility, academic standing, and the impact of large numbers of year-one students on state assessments (and how this can skew results).

The CREDO report does not account for these attributes (and they acknowledge the data was not available to account for them). Until research accounts for the interplay of these factors on performance, we will continue to have an incomplete understanding of virtual schools.

NCCA is attractive to families because it is *unlike* traditional school – to fully recognize its benefits we can't assess virtual school through the traditional school lens – virtual school operates differently by design.

We would welcome the opportunity to discuss how the virtual charters in North Carolina can be fairly held accountable for the unique nature of their school model. A framework and accountability system that factors in student mobility, gives additional weight to student academic growth, and expands graduation measures are just a few of the suggestions we believe we provide North Carolina reasonable tools to evaluate its virtual charters and hold them accountable.

Funding Equity

While not directly addressed in the JLEOC report, NCCA believes it is important to note that its funding level is lower than not only traditional public schools, but also traditional public charter schools, as we shared with you in our report to you on August 31, 2016.

In fact, NC virtual schools receive approximately $0.60 for every $1 that a traditional NC public school receives, and only $0.74 for every $1 that a NC (bricks and mortar) charter school receives. This equates to a funding shortfall of $3,800 per child for virtual school students vs. their traditional school counterparts. NCCA received $5,814 per student in the 2015-16 SY.

NCCA has different but equal costs to that of traditional public schools. We must maintain an administrative facility to host families, provide collaborative and teaching space for our teaching staff, as well as house our administrators. Our school state testing plan requires us to have multiple sites across the state, where we must often rent space and provide travel reimbursement for our teachers and staff. We provide technology and testing materials which must also be stored during the school year. Furthermore, we provide technology subsidies for students with demonstrated financial needs which exceed $253,000 alone for the 2015-16 school year. Our curriculum provides several supplemental learning tools that can quickly add up as well. NCCA tries to stretch every dollar but at the current funding level, it is very difficult to maintain the long-term goal of providing a high-quality virtual learning opportunity for our students. We want to fully serve our families by investing in our teachers, tutoring and technology

We realize ultimately it is the legislature that would need to change the virtual charter funding formula, especially at the local funding level, but we believe it is important for the State Board of Education to have this context when evaluating the success and challenges of operating a high quality virtual charter school in North Carolina.