Resources on Virtual Charter Schools

As educators, elected officials, and communities struggle to develop policies to strengthen and improve our education system during these difficult times, the role of online charter schools has become a major issue. Too often the debate is fueled by outlandish claims, emotionally charged language, and vague promises. Developing sound policy should be based on facts and actual oversight and regulatory experiences. Online charter schools have been operating for several years and have a track record we can learn from.

This list is designed to provide background information and useful policy tools to help grapple with whether or how to fit online charter schools into our educational systems. Because there's a great deal of research on charter schools, this is not a complete listing but rather a sampling of useful studies and articles.

See the following sections below:
- Overviews
- Scandals and Waste of Taxpayer Dollars
- Quality of Education
- Student and Educator Privacy

Overviews

Virtual Schools in the US 2019
NEPC's yearly report on U.S. virtual schools—charter and district—is organized in three sections:
- Section I, Full-Time Virtual and Blended Schools: Enrollment, Student Characteristics, and Performance, documents the number of virtual and blended-learning schools, their student characteristics, and their performance.
- Section II, What Virtual and Blended Education Research Reveals, reviews the relevant available research literature.
- Section III, Key Policy Issues in Virtual Schools: Finance and Governance, Instructional Quality, and Teacher Quality, provides a review of recent policymaking related to virtual schools.

An NPE Report | Online Learning: What Every Parent Should Know
This Network for Public Education guide presents a frank assessment of the intended and unintended consequences of online learning in K-12 school—both charter and district—and offers questions parents should ask principals if their child's school adopts computerized programs to deliver instruction, assessment or behavior management.

Virtual Public Education in California
In the Public Interest's report describes management practices and student academic performance at California Virtual Academies (CAVA), the largest provider of virtual public education in California.

Scandals and Waste of Taxpayer Dollars

Oklahoma—EPIC Charter School
[The Unregulated World of Online Charter Schools](#)
An ongoing scandal in Oklahoma reveals why we should be wary of outsourcing education to the private sector.

[Epic charter school penalized $530K for excessive administrative costs](#)
Epic's two schools now top 28,000 students and have drawn scrutiny in recent years following rapid growth. The school has also drawn the [attention of the Oklahoma State Bureau of Investigation](#), where investigators claim it falsified enrollment records and its founders split at least $10 million in state funding that was sent to Epic.

['Our kids have become a piggy bank': Epic Charter Schools shields $50M in taxpayer funds from public scrutiny](#)
On top of a 10 percent cut of every dollar of revenue, Epic Charter Schools is paying its for-profit management company millions more in taxpayer dollars every year for school expenditures that are never audited and which Epic claims are shielded from public scrutiny.

School officials now acknowledge payments for previous years totaled $50.6 million for something Epic calls the "Learning Fund." And based on a recent uptick in student enrollment, Epic's allocation for 2019-2020 alone could be $28 million.

California A3 Education
[Inside the Charter School Empire Prosecutors Say Scammed California for $80](#)
The indictment against the leaders of California's A3 Education lays out a complex organizational structure with two top leaders and several lieutenants who led the charge to enroll thousands of summer school students, who did not actually take classes.

[How does a $50 million charter scam work? Here's what happened in California (before 11 people were indicted).](#)
The indictment details a scheme in which an Australian man and his business partner in Southern California opened 19 charter schools throughout the state and then took the public funding the schools received to operate and used it instead for real estate and other ventures.

California—Peak Prep Pleasant Valley
[Online charter school faces laundry list of violations](#)
According to the 18-page document prepared by the district, Peak Prep violated the labor and education code laws and the Brown Act, as well as its charter agreement. District leaders said their biggest concern is the school's leasing of teachers from Educational Staffing Services, a Tennessee-based company that places school staff at districts around the country

California "Home School Charters"
['Home school charters' let families use state dollars to buy Disneyland tickets, horseback riding lessons, and more](#)
There are a handful of charter schools that give students' families as much as $2,800 to $3,200—tax dollars sent to the charter schools—every year to spend on anything they want from a list of thousands of home school vendors approved by the charters, according to the schools' websites.

[Inspire charter schools spread across California as critics warn of performance, financial concerns](#)
At the heart of the Inspire network is a corporation whose CEO [makes about $380,000 a year](#) and who helped create the schools, which now pay his corporation 15 percent of the taxpayer funds they collect.

Inspire has grown in part by advertising that parents [can decide how to spend](#) $2,600 or more a year toward their child's education.

Pennsylvania
[Report: Cyber Charters Wasting Millions](#)
A new report says Pennsylvania is wasting $290 million on online charter schools each year. [The report](#), from Education Voters of Pennsylvania, says online charters are paid based on what the districts pay per student in brick-and-mortar schools, not on the actual cost of educating them at home on a computer.

[Charter school fraud has cost Pennsylvania at least $30 million](#)
Nicholas Tombetta, founder of the Pennsylvania Cyber Charter School, has been indicted for diverting $8 million of school funds for houses, a Florida condominium, and an airplane. In 2005, a former business associate of Tombetta surfaced allegations of fraud, which led to the investigation.

Indiana—Indiana Virtual School and Indiana Virtual Pathways Academy
[Audit: 2 online schools misspent nearly $86M](#)
The State Board of Accounts review, dated Wednesday, found the Indiana Virtual School and Indiana Virtual Pathways Academy wrongly received $68.7 million in state payments by improperly claiming about 14,000 students as enrolled between 2011 and 2019, even though they had no online course activity.

[Two virtual schools defrauded Indiana of $68 million and funneled more to execs](#)
Last summer, state investigators revealed that the charter schools had inflated their enrollment to defraud the state—by enrolling students who'd simply requested information on the schools' website, re-enrolling students after they'd left the schools or, in one case, by keeping a deceased student on their books more than a year after their death.

[Systemwide failure on virtual charter schools](#)
Businesses that were associated with and benefited from Indiana Virtual School and Indiana Virtual Pathways Academy gave over $140,000 since 2016 to the campaigns of Republican legislators and Gov. Eric Holcomb. The schools also paid over $300,000 to a high-end lobbying firm, according to the report.

That's in addition to similar amounts paid by other online education providers—e.g., K-12 Inc. and, for a time, Connections Academies—to promote an environment conducive to virtual schools.

Ohio—Electronic Classroom of Tomorrow (ECOT)
The ECOT Debacle: When Charter Schools Dodge Accountability
According to the DOE, only *40 percent* of ECOT students met the requirements to be considered full time and therefore eligible for funding. Most students were not participating in the minimum 920 hours of "learning opportunities" required by the state. Suddenly, the school was facing penalties of more than $60 million….ECOT, along with six other virtual schools, has so far failed to invalidate the state audit in the courts, and lawmakers have been hesitant to come to the rescue.

ECOT closing: Sponsor votes to shut online school after state rejects settlement offer
The controversial Electronic Classroom of Tomorrow (ECOT) was made to pay back $80 million in overpayments—payments the school disputes—for two school years.

Ohio's Online Charter Scandal Is a Warning to the Nation
Telling the truth about Ohio's charter school corruption is only a start. As lawmakers sort out ways to effectively address the political cronyism behind these schools, what should be abundantly clear to the state and the nation is that continuing to expand charters will only worsen the problem.

ECOT legal battle continues as Ohio Supreme Court accepts appeal
A year and a half after the Ohio Supreme Court ruled that state education officials were justified in ordering the Electronic Classroom of Tomorrow to refund tens of millions of dollars to the state, the Ohio Supreme Court on Tuesday agreed to review whether the now-defunct e-charter school has the right to appeal the refund order.

Ohio—White Hat Management
White Hat Management
White Hat Management has been accused of bribing public officials and corrupt financial practices. In May 2010, the boards of ten White Hat-managed charter schools in Ohio filed suit against their parent company.

White Hat is the largest for-profit charter school operator in Ohio and third largest nationwide. It operates more than 50 schools in six states under the auspices of three separate educational ventures.

School's out for White Hat: David Brennan's pioneering for-profit company exits Ohio charter scene
By June of 2018, White Hat's once prolific presence in Ohio had shriveled to a single online school—Ohio Distance and Electronic Learning Academy (OHDELA)—and 10 "Life Skills" centers, which deliver computer-based GED courses to academically faltering teens and young adults.

Quality of Education

Most virtual charter schools' students don't graduate
In fact, fewer than half of all students at three of the four virtual charter schools in Oklahoma graduated within six years, according to the same state data.

[Online Charter School Students Falling Behind Their Peers](#)
A 2015 CREDO study suggested that students of online charter schools had significantly weaker academic performance in math and reading, compared with their counterparts in conventional schools. It offers a rigorous analysis of the operations of online charter schools, their policy environments, and their impacts on student achievement

[Oklahoma Watch: Epic Charter School grads less likely to enroll in college](#)
In a five-month investigation, Oklahoma Watch found that fewer than 1 in 5 of Epic's 2019 graduates enrolled in a public Oklahoma college or university last fall. Its rate was lower than rates for all of the state's 10 largest school districts, according to an Oklahoma Watch analysis of education data collected from nearly every college and university in the state.

[State Board of Education directs closure of online charter school](#)
The Colorado State Board of Education has directed the Douglas County School District to revoke the charter for HOPE Online Learning Academy Elementary School.

"The school had had nine consecutive years of low performance and the accountability laws in this state require the State Board to take action after five years," said Colorado Department of Education Chief Communications Officer Dana Smith.

Student and Educator Privacy

[Most Ed-Tech Products Don't Meet Minimum Criteria in Their Privacy Policies, Report Finds](#)
The research uncovered what Common Sense called "a widespread lack of transparency, as well as inconsistent privacy and security practices" in its three-year review of how student information is collected, used, and disclosed on some of the most popular applications and services in education technology.