



Virtual Schools

State Policy Landscape

Contents

- Governance Landscape
- Enrollment
- Virtual School Research
- State Policy Levers
 - Authorizing and Oversight
 - Virtual School Funding
 - Student Attendance and Engagement
 - Virtual School Teachers and Instruction
- COVID-19 Pandemic Policy Changes

Virtual School Governance Landscape

Virtual schools take a variety of forms and operate within a unique policy context in each state. There are four main types of virtual schools—state-sponsored programs, virtual charter schools, multi-district virtual schools, and single-district virtual schools. In some cases, states have a combination of these entities in operation.

According to the Education Commission of the States' [50-state comparison](#) of charter school policies, 21 states explicitly permit virtual charter schools to operate in the state. However, single- and multi-district virtual schools can take a form similar to charters. For example, [Virginia](#), permits a district or districts to contract with an entity that meets department of education standards to serve as a multidivision online provider, similarly to the way a district would authorize a charter school.

State-sponsored virtual schools also represent a growing sector in the virtual school landscape. According to the [Digital Learning Collaborative](#), at least 21 states (as of February 2020) have state virtual schools that are operated by the SEA or other government entity or operate under a contract with a state entity. These serve multiple purposes, including offering supplemental coursework, increasing course access, or providing full- or part-time instruction.





Florida and **New Hampshire** provide two of the more commonly cited examples. New Hampshire [authorizes](#) their statewide school, the [Virtual Learning Academy Charter School](#), as a charter. The [Florida Virtual School](#) is governed by a governor-appointed [board of trustees](#) with oversight from the state department of education.

Many states, including [Iowa](#) and [Tennessee](#) operate course access programs that contract with course providers—including districts, virtual schools, and other entities—to provide approved coursework through a state platform. Iowa also has [multi-district online providers](#) approved to operate in the state.

Virtual School Enrollment

Full-time virtual schools have grown in popularity over the last ten years. According to a [report](#) from the National Education Policy Center, in the 2017-2018 school year, full-time virtual schools served roughly 300,000 students across 35 states. This number has grown significantly, by about 100,000 students since 2011/12.

In recent years, virtual charter schools have dominated the virtual school policy discussion. Although, they make up less than half of all full-time virtual schools in operation, they [enroll](#) nearly 80% of full-time virtual school students.

This enrollment share has likely increased in response to the COVID-19 pandemic. Enrollment data remains limited as we wait to see the impact of declining enrollment, but major virtual charter school operators have [reported](#) a surge that has seen enrollment increase by over 50%.

Virtual School Research

The research base focused on virtual learning generally is limited and typically focused on specific programs or curricula. A [literature review](#) released as a part of the Annenberg Institute's Ed Research for Recovery series highlighted best practices specific to virtual learning programs, including:

- Access to necessary technology.
- Differentiated instructional methods.
- Direct student-teacher contact time.
- Targeted professional development and planning time for teachers.
- Student social and emotional supports and opportunities for peer engagement.

Despite the larger enrollment share, virtual charter schools have a track record of poor student outcomes, limited student engagement, and, at times, financial mismanagement.

A comprehensive [study](#) conducted by Mathematica Policy Research shined a light on the operations and instruction of virtual charter schools. Notably, the report identified a few commonalities in virtual charter school instruction, including:

- Student-driven instruction;
- Limited teacher contact time; and
- High student-teacher ratios.

Additionally, the study found that most online charter schools have high expectations for parental engagement to ensure the student is engaging with the materials.

The seminal [study](#) of virtual charter school performance was released in 2015 by the Center for Research on Education Outcomes (CREDO) and its findings have largely been confirmed by the [National Education Policy Center](#) (2019) and, most recently, the [Brookings Institute](#). Each of these reports identified shortcomings in virtual charter school outcomes, including:

- Weaker academic growth and even learning loss;
- Increased student mobility;
- Lower school performance ratings; and
- Lower graduation rates.

These outcomes and several high-profile cases of mismanagement have led state policymakers to think intentionally about creating a regulatory framework specific to virtual schools.

State Policy Levers

The Education Commission of the States' [policy snapshot](#) on virtual school policies helps to frame a discussion of state policy levers. States have primarily pursued policy options that fall into the following buckets:

- Authorizing and Oversight
- Finance
- Student Attendance and Engagement

The snapshot includes multiple legislative examples, some of which are linked in the following sections.

We have also included policy options specific to virtual school teachers and instruction.

Additionally, the [Center for Reinventing Public Education](#) and the [National Charter School Resource Center](#) have both released policy recommendations that address these issues for virtual *charter* schools.

Authorizing and Oversight

As virtual schools have grown in popularity, states have sought to adapt a regulatory framework originally designed for brick-and-mortar schools to better address the context of virtual schools. Authorizing (or school approval) is a primary accountability and oversight mechanism that can be utilized to improve school quality.

Some states have implemented authorizing requirements unique to virtual schools, while other states have taken the approach of centralizing virtual school authorization with one entity. The following legislative examples illustrate these trends.

- **Massachusetts** [tasks](#) the Board of Elementary and Secondary Education with authorizing “commonwealth virtual schools”. Virtual Schools must include a variety of “terms and conditions” in their application for authorization, including engagement policies, expectations for student-teacher interactions, and other provisions specific to a virtual environment.



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- **Nevada** [S.B. 441](#) (2019) establishes the State Public Charter School Authority as the sole statewide authorizer for all virtual schools. When applying to the State Public Charter School Authority to operate as a virtual charter school, applicants must address support available to each student, the availability and frequency of interactions between students and teachers, criteria to be eligible for enrollment and the process for accepting students.
- **Oklahoma** enacted legislation in 2012 to [establish](#) the statewide virtual charter school board to serve as the sole authorizer for virtual charter schools in the state.

Additionally, some states have sought to create accountability provisions that address loopholes and specific concerns with virtual schools.

- **Colorado** S.B. [19-129](#) (2019) amends accountability requirements for online charter schools. Specifically, if an online school is on performance watch, it will remain on performance watch if it changes authorizers, or if it is closed and reopens with a different name under the same authorizer. The bill also requires schools closed for accountability reasons to apply for new certification before operating again, even if the school changes authorizers. Finally, when a multidistrict online charter school seeks to change authorizers, the school must obtain a new certification from the department of education.
- **Indiana** [S.B. 567](#) (2019) establishes actions the Indiana State Board of Education may implement if a virtual school is in the lowest-performance category in the state accountability system, including the implementation of a school improvement plan, a reduction in the administrative fee collected by the authorizer, a prohibition or limitation on enrollment growth, or the cancellation of the charter.

Finance

Finance is a common policy lever to address virtual school quality. Some states have established a separate school finance formula for virtual schools, while others have implemented more financial transparency provisions.

Oklahoma provides one example of clear financial transparency provisions for virtual schools. Some states have similar provisions for charters or public schools generally.

- **Oklahoma** [H.B. 1395](#) (2019) requires virtual charter schools to be subject to the same reporting requirements, financial audits and audit requirements as a school district. The bill also directs virtual charter schools to use the Oklahoma Cost Accounting System to report financial transactions to the department of education.

Based on a review of state statute, states fund virtual schools in various ways, including at an equivalent or lower rate than brick-and-mortar schools, through general allocation, or using a performance-based funding model.

This is not a comprehensive list, but we are aware of at least six states—Florida, Minnesota, Missouri, New Hampshire, Texas, and Utah—have implemented a performance-based funding model for virtual schools. At least four additional states—Idaho, Louisiana, Mississippi, and Wyoming—have implemented aspects of performance-based models into their funding formulas for virtual schools.

The following examples highlight various approaches to performance-based funding.



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- **Florida:** [Florida](#) requires successful course completion for state funding purposes. A [full-time equivalent student](#) enrolled in the virtual school consists of six full-credit completions or the prescribed level of content that counts toward promotion to the next grade. The Florida Virtual Charter School is funded at 1/6 FTE for each successfully completed course. The Florida Virtual School does receive a general appropriation for “discretionary operating” costs through the General Appropriations Act.
- **Idaho:** [Idaho](#) funds each student in a virtual school “based upon either the actual hours of attendance in the public virtual school on a flexible schedule, or the percentage of coursework completed, whichever is more advantageous to the school, up to the maximum of one full-time equivalent student.”
- **Minnesota:** [Minnesota](#) awards the online school provider 88% of funding based on average daily membership, while the enrolling district receives 12%. Funding is distributed upon student course completion.
- **Missouri:** [Missouri](#) school districts pay virtual course providers on a monthly basis, based on student progress and assignment completion.
- **New Hampshire:** The New Hampshire [Virtual Learning Academy Charter School](#) (VLACS) is funded through a memorandum of understanding with the New Hampshire Department of Education. Each credit is composed of competencies, and funding is based on student mastery of each competency (see p. 8 of this [report](#)). Although VLACS is awarded funding based on the attainment of these competencies, half of the [funding is distributed](#) upon student enrollment and half is distributed upon student completion.
- **Utah:** [Utah](#) funds virtual schools using a course fee schedule depending on subject matter. Online learning providers receive payment based on course progress and completion. For a full credit online course, the provider receives 25% of the online course fee after the withdrawal period, 25% of the course fee upon completion of the first half of the course and the remaining 50% of the online course fee if the full course is completed within 12 months.

If a student does not complete a course within 12 months online learning providers will still receive 30% of the course fee if the student completes the course before graduation.

Additionally, some states allocate a diminished proportion of the brick-and-mortar school funding rate to virtual schools. We identified four states that utilize a diminished rate, including:

- [Georgia](#) provides virtual charter schools with two-thirds of the student funding rate for brick-and-mortar charter schools, plus 25% of capital outlay to help provide for technological infrastructure required to support students. Statute grants the state department of education the authority to increase the proportion if they deem it necessary.
- [Indiana](#) funds virtual charter schools at 85% of the normal per student funding rate. Virtual schools are given funding for each student on a monthly basis based on that month’s attendance, which ensures that funding is representative of the student population served. Indiana defines virtual charter schools as a school that offers over 50% of instruction online.

Student Attendance and Engagement

States have approached student attendance and engagement in a variety of ways. Engaging both students and parents is of paramount importance to a successful virtual school experience.

The following legislation highlights a few state approaches.

- **Indiana** [S.B. 567](#) (2019) requires students to complete the virtual school’s annual onboarding process and orientation with their parent before enrolling. The bill directs virtual school authorizers to develop minimum requirements for the annual onboarding process, methods for tracking and monitoring student progress, engagement and counseling policies, and professional development plans. It also mandates that virtual schools withdraw students identified as habitually truant. Lastly, the legislation requires virtual schools to submit an annual report including the methodology for determining attendance and policies for student engagement, in addition to attendance records.
- **Maine** [L.D. 513](#) limited enrollment and grade-level expansion of virtual charter schools.
- **Missouri** [H.B. 1606](#) (2018) requires students enrolled in two or more virtual courses to have an individual learning plan developed by a certified teacher. The department of elementary and secondary education is charged with monitoring student progress and reporting full-time virtual school student performance to the local school district. A school district may decide to alter the course load or terminate a student’s enrollment in a virtual school.
- **Nevada** [S.B. 441](#) (2019) permits the virtual charter school to consider the following for attendance calculations: amount of time each student spends on the computer (or other means of communication used to administer the program); progress of each student in completing tasks during a specific time period; number of lessons and units completed by each student.
- **Oklahoma** [H.B. 2905](#) (2020), also known as the Virtual Charter School Reform and Transparency Act, categorizes students who pre-enroll in a statewide virtual school as a transfer student and limits the number of times a student may transfer to a virtual charter school to once a year.

This legislation also adjusts virtual charter school attendance requirements. A student must complete at least 72 instructional activities per academic quarter to be considered in attendance. The definition of instructional activity was also updated to specify that completed assignments must be assignments factored into the grade of the student. Field trips and instructional meetings with teachers are also added to the definition of instructional activity.

This bill stipulates that a student who does not complete an instructional activity for 15 school days is withdrawn from the school for truancy. A student withdrawn twice for truancy in the same year is prohibited from enrolling in the virtual charter school for the remainder of the year.

Virtual School Teachers and Instruction

This section includes state policy examples addressing the following issues:

- Teacher Contact Time and Seat Time
- Student-Teacher Ratios
- Teacher Certification and Professional Development

Teacher Contact Time and Seat Time

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State policy on instructional time in virtual schools typically does not provide explicit requirements, instead these provisions are addressed through authorizing. In one state, [Wisconsin](#), statute is more specific on instructional time. Virtual charter schools must provide educational services to their pupils for at least 150 days each school year and teachers must be available for student interaction for the same amount of hours traditional public schools are required to provide instruction. No more than 10 hours in any 24-hour period may be accrued to meet this requirement.

State policy is limited with respect to seat time in virtual schools, but some states have defined what instruction or attendance looks like in these settings.

- [Nevada](#) permits virtual charter schools to consider the following when measuring student attendance:
 - Amount of time each student spends on the computer (or other means of communication used to administer the program);
 - progress of each student in completing tasks during a specific time period; and
 - number of lessons and units completed by each student.
- **Ohio** enacted [S.B. 216](#) (2018), which directed the superintendent of public instruction to define terms — including participation and documentation of online learning — that will be used by the Ohio Department of Education for determining full-time equivalency for virtual school students.
- [Oklahoma](#) includes instructional meetings with a teacher, completed assignments that are factored into the student's grade, testing, school-sanctioned field trips, and orientation as instructional activities for attendance purposes.

Although some states require virtual schools to outline teacher contact time in their application or report on teacher contact time to the state, others have explicitly required some synchronous instruction or other specific activities or interactions between students and teachers.

- [Oregon](#) (see 338.120) requires virtual schools to develop and implement plans to conduct meetings at least twice a week between teachers and students and provide opportunities for face-to-face meetings between teachers and students enrolled in the school at least six times each school year.
- [South Carolina](#) (see 59-40-65) requires at least 25% of instruction to be synchronous. Additionally, parents are required to verify the hours of instructional activity completed by their child annually.

Finally, seat-time waivers are not specific to virtual schools, but they represent a relevant state policy option that has been utilized by states to support innovative education models like work-based learning or competency-based education. These policies require schools to apply with the state department of education for a waiver from state instructional time requirements. This could be utilized to allow for virtual instruction models as well.

- **Michigan** implemented a variety of [credit flexibility options](#), including [waivers](#) from traditional instructional time requirements. Under its policy, schools and districts may receive waivers for online learning, project-based learning, work-based learning, and career and technical education options.

Student-Teacher Ratios

Based on a review of state policy, states do not mandate a maximum student-teacher ratio for virtual schools. [Ohio](#) provides the closest example. Under Ohio law, students in virtual charter schools are assigned a teacher of record who is licensed in the state. These teachers may not be assigned to more than 125 students.

The following states require virtual schools or authorizers to annually report on the student-teacher ratio.

- [Indiana](#)

- [Utah](#)

In addition to reporting requirements, [Massachusetts](#) has incorporated the student-teacher ratio into the application for authorization.

Teacher Certification and Professional Development

While some states grant waivers to charter schools from teacher certification requirements, some have moved to require certified teachers in virtual schools and virtual charter schools specifically. States have also implemented professional development for virtual school teachers.

- [Idaho](#) requires virtual schools to have a plan specific to professional development to support teachers in the virtual environment and clearly defined teacher role expectations.
- [Massachusetts](#) requires all teachers in virtual schools to be certified. Additionally, virtual charter schools must outline evaluation and professional development protocols and opportunities for teachers.
- [Oregon](#) (see 338.120) requires virtual schools to develop a plan to ensure that 95% of instructional time is taught by certified teachers.
- [Wisconsin](#) requires virtual school teachers to be certified for the grade and subject and statute outlines their specific responsibilities within the virtual setting, including:
 - Improving learning by planned instruction.
 - Diagnosing learning needs.
 - Prescribing content delivery through class activities.
 - Assessing learning.
 - Reporting outcomes to administrators and parents and guardians.
 - Evaluating the effects of instruction.

COVID-19 Policy Response

States have approached virtual learning during the COVID-19 pandemic in similar ways, including supporting virtual charter schools as an option for parents. Most commonly, however, states have prioritized building a state-sponsored virtual learning infrastructure and providing professional development for educators transitioning from an in-person classroom to a virtual environment.

Alaska provides an example of how states have built virtual learning infrastructure in response to the pandemic. Alaska began to develop this infrastructure early in the pandemic when they [contracted](#) Florida virtual school to quickly develop the [Alaska Statewide Virtual System](#).

Arizona utilized CARES Act funds in a partnership with the Helios Foundation and Arizona State University to establish the [Arizona Virtual Teacher Institute](#), which offers free professional development for educators statewide on virtual instruction.

For other examples of how states have utilized CARES Act funding to develop this infrastructure and offer professional development, consult the following resources.

- [ESSER Tracker](#)



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- [Governor's Emergency Education Relief Funds](#)
- [Rethink Education Models Grant Program](#)

In terms of state action specific to virtual charter schools, it has been limited. **New Hampshire** [allocated CARES Act funds](#) to expand access to the Virtual Learning Academy Charter School, while the **North Carolina** Legislature [lifted the enrollment cap](#) on their virtual charter schools in order to allow for increased enrollment spurred by the pandemic.