


2019

Impact of Charter School Legislation on Public K-12 Education in Pennsylvania

Stuart Whiteleather
Walden University

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Walden University

College of Social and Behavioral Sciences

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Walden University
2019

Abstract

Impact of Charter School Legislation on Public K-12 Education in Pennsylvania

By

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MBA, Walden University, 2005

MPA, Kutztown University, 1997

BA, Wilkes University, 1995

Dissertation Submitted in Partial Fulfillment

of the Requirements for the Degree of

Doctor of Philosophy

Public Policy and Public Administration

Walden University

February 2019

Abstract

Charter and cyber charter schools were legislatively permitted to operate as publicly funded educational institutions in Pennsylvania with the passage of Act 22 of 1997. Examining the tuition payments from traditional school districts funding charter schools and resulting economic, operational, and programmatic impacts on traditional K-12 education was the purpose of this study. Conflict theory provided the theoretical framework which proposes that inequity and competition for limited resources is the result of powerful groups exerting their influence on the greater society. This study's research questions focused on determining the impact tuition payments to charter schools had on public K-12 student achievement, economic, and operational decisions. This study utilized a mixed method data collection design on the perceptions and experiences of K-12 school district superintendents and secondary building principals in 45 school districts within a 3-county region in Pennsylvania. The qualitative interviews were analyzed for credibility, transferability, dependability, and objectivity. The quantitative surveys were analyzed for mean, median, mode, range, variance, and standard deviation. The findings of this research study affirmed conflict theory and resulting economic, operational, and programmatic impacts on public K-12 education. Positive social change implications of this study include recommendations that Pennsylvania's legislature undertake an evaluation and reassessment into the long-term funding equity and sustainability of charter schools and public K-12 education.

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Dedication

This pursuit was dedicated to my family and friends who have provided me with support, guidance, and patience in the completion of my doctoral degree. While my journey has taken a number of years, I would have never completed this process without all of your help and guidance.

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Chapter 1: Introduction to the Study

Introduction

Charter schools are state-sanctioned, independently-operated, self-managed public schools that are initially approved by local school districts where the charter school is located as well as the Pennsylvania Department of Education (PDE) (PDE, 2004). While authorized under Act 22 of 1997, charter schools operate free of many traditional educational system mandates such as student busing and attendance monitoring (PDE, 2004). The attractiveness and growth of these institutions is linked to the fact that charter schools offer alternatives to traditional public education using strategies that may save money and improve student performance (PDE, 2004).

Charter schools can come in one of two operational forms. The first is that of a traditional brick and mortar charter school, which operates similar to a traditional school district with a physical building and classrooms for instructional delivery. Teachers employed by the charter school teach the specific curriculum of that charter school. Per the PDE, students are required to attend charter schools for a minimum of 180 days per instructional year (PDE, 2004). The second operational form is that of a cyber charter school, which is a virtual, web-based instructional environment. In this instruction environment, the student receives home-based instruction from a teacher through a cyber school provided, web-based software platform that is accessed with an Internet-connected computer. Student attendance and progress monitoring are all tracked through the web-based instructional platform. Students attending cyber charter schools

are required to virtually attend schools for a minimum of 180 days per instructional year (PDE, 2004).

Need for the Study

Charter and cyber charter school enrollment growth in Pennsylvania can be attributed to additional research findings of Carr-Chellman and Marsh (2009) identifying that traditional public education does not support the customization of educational delivery that charter schools embrace as part of their appeal. Traditional public education would face many operational and financial challenges addressing the individualized customization of educational delivery that is available in a charter school environment (PDE, 2004).

Several more recent studies have identified charter schools as becoming a significant economic and operational challenge against traditional public education in Pennsylvania (Baugh, Gilliland, Estep, & DiRocco, 2017; Pennsylvania School Boards Association, 2015). Among the more relevant topics raised or debated due to the growth of charter schools is how is the inequity and unequal competition for limited financial resources and tuition dollars being paid to the charter or cyber charter school resulting in less financial, operational, and programmatic resources allocated locally by the traditional K-12 school system (Pennsylvania School Boards Association, 2015).

This leads to questions about the short and long term financial, operational, and programmatic degradation or elimination for Pennsylvania's public education system in the era of increasing competition for limited resources shared with charter schools.

In Pennsylvania, “the school district of residence is required to fully reimburse the charter or cyber-charter school for the number of students attending based on that district’s per-pupil expenditures” (Carr-Chellman, Marsh, & Sockman, 2009, p. 53). Based on this funding system, to what extent has this competition for and transfer of dollars from traditional K-12 public education systems over the past 20 years in east central Pennsylvania impacted the economic, operational, and programmatic function of public education.

Background

Pennsylvania’s public educational roots can be traced back to 1682 (Pennsylvania Historical and Museum Commission, n.d.). During this time, European settlers founded schools that were mainly religious based (Pennsylvania Historical and Museum Commission, n.d.). From these early roots, public education in Pennsylvania has evolved a highly complex and regulated operation with many programmatic, economic, and regulatory changes over the past 3 centuries.

For the past 70 years, Pennsylvania’s public K-12 educational systems have been regulated by state government through the PDE. The PDE maintains ultimate operational and educational oversight and regulatory control over K-12 education sanctioned through Pennsylvania School Code of 1949. Pennsylvania School Code was originally adopted on March 10, 1949 and became effective with the fiscal year starting July 1, 1949 (Public School Code of 1949, 1949).

From its early beginnings over 300 years ago, the number of Pennsylvania’s public school systems has steadily decreased over the years from the consolidation of

smaller districts into larger regional organizations and is currently operating with 500 K-12 institutions. Each of these 500 public school districts serve specific parts of the state and the students that reside within their operational boundaries. Each school district is required to provide a tuition-free education to any child between the ages of 5 and 18 years old. For some special education students, a school district may be required to provide educational services up to the age of 21 years old. All 500 public school districts provide educational services to both regular education and special education students. Each school district is required to provide the education services that are deemed to be in the best interest of the child as defined by Pennsylvania School Code of 1949.

Public K-12 education provides important foundational building blocks for students in the broad areas of reading, writing, and arithmetic. The value of a K-12 education also includes many areas of benefit for a person and general society. High school graduates have greater lifetime earnings, improved job opportunities, stronger family bonds, more stable communities, and healthier lifestyles (Greenstone, Harris, Li, Looney, & Patashnik, 2012).

The majority of school funding for public K-12 education comes from local property taxes and state funding. This local and state funding provides the resources to pay for personnel, operational, and educational expenses incurred by the school district. Operationally, most school districts operate on a July 1 to June 30 fiscal reporting period. The only exceptions to this fiscal period are the school districts of Philadelphia and Pittsburgh, which operate on a January 1 to December 31 fiscal reporting period.

While traditional brick and mortar public education existed in Pennsylvania for many years, there was a significant legislative change to educational delivery in the 1990s. This change resulted in a significant shift in how public K-12 education was delivered across the state. This legislation further resulted in a significant change in the economics and competition for limited funding within the public education system in Pennsylvania.

In 1997, charter and cyber charter schools were approved into law by the Pennsylvania Legislature under Act 22 of 1997 (Carr-Chellman et al., 2009, p. 52). This legislation was originally intended to expand the available learning opportunities for all K-12 students in the public schools' system (PDE, 2004). This legislation further sought to give students and parents a choice outside of traditional public educational system “using innovative strategies meant to improve student performance and save taxpayer money” (Roebuck, 2017, p. 2).

On a basic level, charter and cyber charter schools operate much like a traditional public school. These institutions have school boards that provide overall oversight to the operations as well as hire employees and develop operational budgets and educational standards for those students that they educate (Carr-Chellman et al., 2009). Act 88 of 2002 further provided the PDE with the direct operational oversight of charter and cyber charter schools, which includes the authorization to renew or revoke the charter of these institutions (Carr-Chellman et al., 2009).

Recognizing that charter schools are filling an important void within the traditional public education system is readily validated by its rapid growth over the past

20 years. Shortly after passage of Act 22 of 1997, six charter schools opened in Pennsylvania (Behrman & Navratil, 2017). Less than 9 years later that number of operating charter schools increased to 175 (Behrman et al, 2017). During the 2003–2004 school year, 40,565 students attended charter schools in Pennsylvania; however, by 2011–2012 this number had increased to 105,024 (Pennsylvania School Boards Association Education Research and Policy Center, 2014). The corresponding tuition costs incurred by all 500 public school districts in Pennsylvania during the 2011–2012 fiscal year for charter school students was in excess of \$1.145 billion dollars (Pennsylvania School Boards Association Education Research and Policy Center, 2014).

The funding mechanism for charter schools in Pennsylvania is based on a calculation performed by each school district who sends a student to a charter school (PDE, 2004). This calculation determines the per pupil cost of educational delivery for that student. “The traditional school district of residence for the student is responsible for providing the tuition payment to the charter school” (Carr-Chellman et al., 2009, p. 53). Each of the 500 traditional public schools’ system in Pennsylvania are responsible for calculating the reimbursement/tuition rate that they are paying for each student of their responsibility that attends the charter school. This calculation formula is provided by the PDE and uses the public schools’ budgeted expenses minus the allowable deductions. This calculation is done annually by the sending public school district and captures the following data on PDE Form PDE 363:

1. Average Daily Membership (ADM): This is the daily average of student attendance at the public school district. It is calculated by the attendance percentage of all students divided by the number of school days.

Example: ADMs = 4,000

2. Total District Expenditures: This is the total amount of expenditures that the sending public school district has budgeted for all educational services over their 12-month operational year. This is typically a July 1 to June 30 cycle.

Example: \$50,000,000

3. Federal Fund Deductions: School districts are able to deduct federal funds from the total district expenditures when it calculates the charter school tuition.

Example: \$3,000,000

4. Other Allowable Deductions: All expenses within each of these categories are deducted from the total operational expenditures.

1100 Regular Education (federal dollars)

1200 Special Education

1300 Vocational Education

1400 Other Instructional (Federal Dollars)

1600 Adult Education

1700 Community College Programs

2100 Pupil Personnel (Federal Dollars)

2200 Instructional Staff (Federal Dollars)

2300 Administration (Federal Dollars)

2400 Pupil Health (Federal Dollars)

2500 Business (Federal Dollars)

2600 Operation and Maintenance (Federal Dollars)

2700 Pupil Transportation

2800 Central (Federal Dollars)

2900 Other Support Services (Federal Dollars)

3000 Operation of Non-Instructional Services (Federal Dollars)

4000 Facilities Acquisition, Construction, Improvement Services

5000 Other Financing Uses

Example: \$7,000,000

5. Tuition Calculation: The net total expenditure total of Items 2–4 is divided by the ADM to determine the tuition rate payment to charter schools for each child that attends a charter school.

Example: total expenditures \$50,000,000 – deductions \$10,000,000 = \$40,000,000. Net expenditures \$40,000,000 is divided by 4,000 ADM = \$10,000 tuition payment per child

This funding formula for students attending charter schools is calculated to be 80% of what the sending district spends in-house for each student (Carr-Chellman et al, 2009). This determined tuition rate is paid by the public school to the charter school for each student of residence that attends over the course of each year (PDE, 2004). This

annual tuition payment is prorated for students that do not attend the charter school for all required 180 school days (PDE, 2004).

This state-wide method of tuition calculation by each sending public school district results in a wide variation and inequity in the amount each school district pays for students it has attending a charter school. School districts with larger operational budgets generally tend to have a higher tuition rate, while school districts with lower operational budgets tend to have lower tuition rates. The highest tuition rate sending districts surround the urban centers of Philadelphia and Pittsburgh due to the higher cost of living, resulting in larger school district budgets.

While the average per-pupil tuition payment in 2013–2014 was \$8,333 across the state of Pennsylvania, relative school district wealth plays an important role in the amount of calculated tuition a school district pays on behalf of its students attending the charter school (PDE, 2004). In 2013–2014, annual per-pupil investments by individual school districts range from a low of \$6,405 to a high of \$16,182 (Pennsylvania School Boards Association Education Research and Policy Center, 2014). This distribution of wealth across Pennsylvania and the corresponding distribution of dollars to charter schools creates significant competition for and unequal distribution of funding.

How Charter and Cyber Charter Schools Operate

Under current Pennsylvania law, when a student attends a charter or cyber charter school, that student's "traditional" school district sends tuition dollars with that student (PDE, 2004). The tuition dollar exchange between the traditional school district and the charter or cyber charter school requires further examination to determine the

extent that this has impacted the economic, operational, and programmatic abilities of the traditional school system. Conflict theory is central to this discussion on how this competition for resources has potentially created an unequal distribution of funding to charter schools and potential profiteering at the expense of traditional public education.

Since charter schools are relatively new within Pennsylvania's public education system, dating back to only 1997, there is limited timeframe of research on the financial and operational impacts incurred by traditional educational institutions. This further limits the availability of supporting literature resources. However, more recent studies of Pennsylvania's charter school system have highlighted potential concerns about the economical, operational, and programmatic impacts resulting from the inequitable distribution of tuition dollars flowing to charter and cyber charter schools.

Statement of Problem

Debates and discussions surround the economic, operational, and programmatic degradation or elimination for traditional public educational systems as a result of tuition payments to charter and cyber charter schools (Behrman & Navratil, 2017; Lapp, Lin, Dolson, & Moran, 2017; Strauss, 2017). These debates have included such issues as how to resolve the public school district's per pupil tuition payments that are not equitable and not based on the charter and cyber charter school's individual operational costs. This leads to further questions about the potential inequitable distribution of funds and competition of limited resources. This unequitable distribution could lead to potential profiteering by charter schools at the traditional public school's expense. In this study, I attempted to identify to what extent these financial, operational, and

programmatic degradations or eliminations are occurring for Pennsylvania's traditional school districts who may not be able to easily reduce or eliminate their own internal costs without impacting their entire organization in an effort to offset the loss of tuition dollars going to charter and cyber charter schools.

In one particular report of the urban Philadelphia School District, growing enrollment in charter schools is another factor in the district's financial woes. State law requires districts to give charter schools the same amount per pupil, roughly speaking, that traditional schools spent per pupil in the previous year, adjusted for the difference between spending on regular and special education students. (Caskey & Kuperberg, 2014, p. 24)

While charter school growth in Pennsylvania has been validated in multiple reports, the economic, operational, and programmatic degradation or elimination from this legislation and tuition dollar outflow from traditional K-12 public education in Pennsylvania is clearly lacking in current literature (Carr-Chellman et al., 2009). In this study, I sought to more fully understand and interpret the impact of this topic by utilizing the perceptions and experiences of school district superintendents and building principals on the economic, operational, and programmatic impacts of charter schools in the state of Pennsylvania.

Research Questions

I developed the following research questions to guide this study:

Research Question 1: How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2: As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

Both questions were developed to obtain perceptions and experiences resulting from the charter school legislation. These research questions address the direct inquiry of the economic, operational, and programmatic decisions traditional school districts in Pennsylvania face resulting from the tuition payments to charter schools. The impact of tuition dollars leaving the traditional school system requires a more complete review and analysis based upon the experiences of specific personnel within public education with direct and daily exposure to this topic.

Conceptual Framework and Constructs for Study

Conflict theory provided the paradigmatic lens through which I viewed the economic, operational, and programmatic degradation or elimination associated with traditional public education tuition payments to charter and cyber charter education institutions in this study. Conflict theory proposes that the education system reinforces economic inequality based on the competition for limited resources. Brint (2006) also identified the impact that powerful groups have had on our educational systems over the years. Further, conflict theorists' view the education system as a way for the elite to dominate over and reinforce their views on other societal classes through resource

distribution (Wilson, 2011). For the purpose of this particular study, I sought to determine whether the tuition payments to charter schools and resulting competition for financial resources between charter schools and traditional K-12 education have affected the traditional public education system financially, operationally, and programmatically within the state of Pennsylvania.

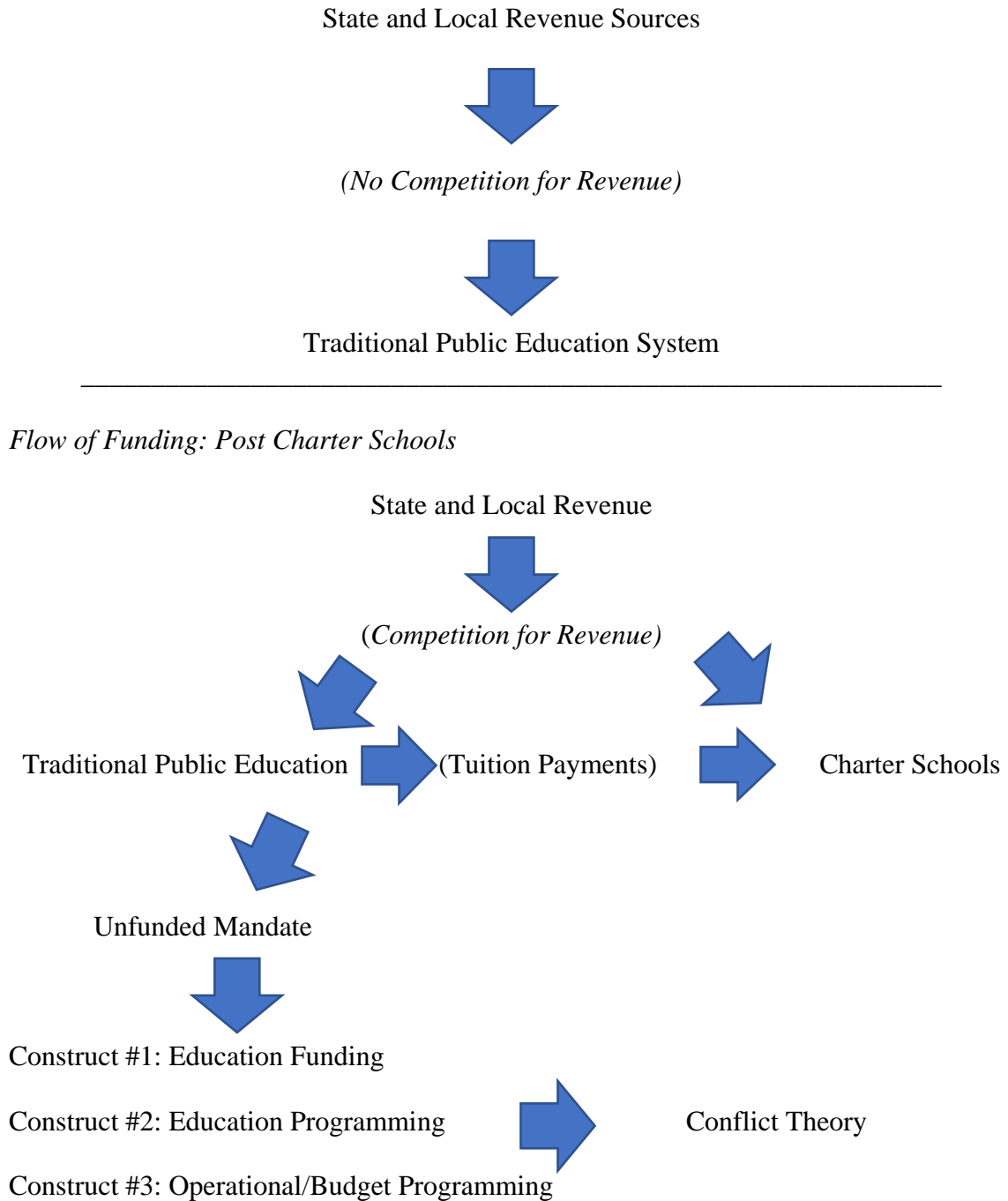


Figure 1. Flow of charter school funding.

Educational Funding

To what extent, if any, does tuition dollar funding from public school districts to charter schools contribute to the conflict theory premise on inequitable distribution of funding and resulting economical, operational, and programmatic degradation within public K-12 education in Pennsylvania?

Educational Programming

To what extent, if any, does tuition funding from public school districts to charter schools contribute to the conflict theory premise that competition for limited resources results in degradation or elimination in educational programming for public K-12 education systems in Pennsylvania?

Operational/Budget Programming

To what extent, if any, does tuition dollar outflows from public school districts to charter schools contribute to the conflict theory premise that competition for limited resources results in operational/budget reductions for public K-12 education systems in Pennsylvania?

Nature of Study

I designed this mixed method study, consisting of electronic surveys and interviews, to investigate the economical, operational, and programmatic degradation or elimination related to charter school tuition payments in Pennsylvania. Superintendents and one building principal in every school district in three Intermediate Units of Pennsylvania were asked to participate in this research study.

Purpose of Study

The purpose of this research was to gain a deeper understanding of the financial, operational, and programmatic degradation or eliminations from charter schools on traditional public education based on the perspectives and experiences of public school district superintendents and principals in Pennsylvania. Superintendents, being the administrative leader of a K-12 public institution, are responsible for budget and resource management and were able to provide the basis for more fully understanding the public policy impact of this topic on public administration and further foster a more open dialogue into this area of study. And, based on their direct hands-on experiences at the building and classroom instructional level, secondary building principals were able to further explain the impacts on student academic achievement.

I used data collected from this research to compare and contrast whether and how superintendents and secondary building principals have adapted to budget development, educational delivery, and operational decisions based on the outflow of funding to charter schools. The main findings were the similarities and differences observed and analyzed from interviews and surveys. Conflict theory proposes that the education system reinforces economic inequality based on the competition for limited resources. The competition of limited financial resources between traditional public education and charter schools may have created and inequality of economics and thus, an inequality of shared resources.

In this study, I sought to more fully investigate the link between the operational and financial implications on traditional K-12 public education systems resulting from

tuition dollars outflows to the charter school system in Pennsylvania. My intent was to highlight the importance of this issue to both legislators and educators in the expectation that gainful reform efforts will be undertaken to resolve this significant issue.

Definitions

Charter school: An independent, publicly-funded, public school facility that draws students from any of Pennsylvania's 500 public school districts (PDE, 2004).

Cyber charter school: An independent, publicly-funded, Internet-based school facility that draws students from any of Pennsylvania's 500 public school districts (PDE, 2018b).

Tuition payments: The funding that is required to be sent from public school districts to charter schools for a student that attends a charter school (PDE, 2004).

Unfunded mandate: A state law that requires a program or service be provided by the local educational facility with no associated state funding for its operations and ongoing compliance (Lapp et al, 2017).

Assumptions

The following three assumptions guided this research. My first assumption was that the participants in this research would be truthful in their responses to the research questions. I also assumed that the participants would have a sound understanding of the tuition payment funding mechanism between traditional public education and charter schools. Finally, I assumed that the participants would be able to clearly articulate if there were any economic, operational, and programmatic impacts on their district resulting from the tuition payments to charter schools.

Scope and Delimitations

In this study, I focused on the state of Pennsylvania with the superintendents and secondary building principals of three Intermediate Units as participants. I conducted interviews with three sitting superintendents and three secondary building principals and sent electronic surveys to all 45 school districts in the selected geographic area to determine the potential scope and impact of charter school on traditional public education. This study was purposely narrow and the findings do not reflect the economic and operational impacts of charter schools on traditional public education in the entire state of Pennsylvania. I gave specific focus to the growth of charter schools and any potential associated economic, operational, and programmatic impacts on traditional public education resulting from charter school tuition payments.

Limitations

As with any research investigation, there were limitations associated with defining the scope of this project. Charter schools encompass a myriad of scholastic, operational, logistical, and financial issues. This research was also limited by the potentially biased responses given by interviewees at the selected public school institutions.

Many areas within the topic of charter schools would be worthy of study in their own right. However, in this particular study I was focused on the criteria of operational, financial, and programmatic constraints potentially incurred by traditional public education systems based on the payment of funds to charter schools for students in its

residential boundaries. I made every attempt to present as comprehensive of an analysis as possible in regard to this specific area of focus.

Significance of Study

Public education represents an important investment in children and future generations (National Education Association, Research Division, 1999). What is being invested today in public education will shape standards of living, career, and equality opportunities for current and future generations (National Education Association, Research Division, 1999). Within this context, it is important to understand how the evolution and rapid growth of charter schools is impacting the K-12 educational system and our society in general as well as whether charter schools have improved the overall educational system or contributed to increased inequality and deterioration of our traditional K-12 educational system. The potential resulting impacts of these questions have a much larger scope of importance on our society in general, ranging from social to economic issues. This is why I conducted this study on how traditional public education has been impacted in Pennsylvania operationally, economically, and programmatically by the tuition dollar outflow and why it is so critical to the larger discussion on charter schools.

The growth of charter schools in Pennsylvania has created several significant issues concerning public education in Pennsylvania. The initial issue associated with charter schools are that the funding for their operations is mandated to come from the sending public school district and does not reflect the operational costs of the charter school since the tuition payment is based on the sending school districts' operational

costs. This specific matter has been identified in several reports including one that discovered that “in 2013, Pennsylvania Auditor General Jack Wagner stated that Pennsylvania taxpayers were being overcharged \$385 million annually for charter school services” (Baugh et al., 2017, p. 5). The term, overcharged, reflects the tuition payments paid to charter schools by sending school districts that exceed the cost to provide education to each student in the charter school, which results in potential profiteering.

The second issue associated with the charter school debate is that of competition for limited resources and potential impacts on traditional public education. The current state legislation on charter schools arguably places a significant financial burden on traditional public education without state equity in shared costs. This financial burden could have been further worsened through the state government’s removal of funding to assist school districts in charter school tuition payments. Baugh et al. (2017) referenced that the Pennsylvania state government contributed \$200 million per year to assist local school districts with charter school costs; however, that funding was eliminated in 2011, potentially further compounding this competition for limited resources.

Carr-Chellman et al. (2009) further suggest that charter schools have facilitated new debates on the understanding of school funding, equity, and public good. In 1997, months after Act 22 was passed, there were six charter schools operating in the state of Pennsylvania (Behrman & Navratil, 2017). However, in 2015–2016, there were 130,000 students attending 175 charter schools in Pennsylvania, which is 7% of all Pennsylvania students (Behrman et al., 2017). In the Clariton City School District, charter school

costs are \$1.2–\$1.4 million per year on a total operational budget of \$15 million (Behrman et al., 2017).

Behrman et al. (2017) and Carr-Chellman et al. (2009) have started a dialogue regarding the funding mechanism for charter schools and their associated degradation impacts on public education institutions. Pennsylvania’s auditor general called the state’s charter school legislation as “the worst in the nation” for its economic and operational shortcomings (Baugh et al., 2017). Primary to this debate is the question of how public education is coping with the outflow of funds for resident students attending charter schools without any associated financial assistance at the state level and the minimal ability of traditional public schools to mitigate and/or reduce their own operational expenses without impacting their entire operations, students, and the larger society?

Traditional public education’s funding of charter school education in Pennsylvania is potentially further challenged with the impact of Act 1 of 2006. The most significant aspect of Act 1 of 2006 is that it imposes yearly tax increase limitations on public school districts. The PDE puts out an index, which is the maximum percentage school districts may increase their property taxes to fund their yearly operations. This limited ability to increase local funding through taxes coupled with the rapid growth of charter school enrollments have left many school districts across the state of Pennsylvania with potential financial projection questions. In as much, “a recent report from the PA Legislative Budget and Finance Committee found that the financial cost of charters to school districts is high, noting that over 40 percent of the school

districts with significant charter enrollment are known to be facing fiscal challenges.

(Baugh et al., 2017, p. 5)

This relationship between traditional public education and charter school funding requires a comprehensive review and analysis. This is to better understand the potential relational affects between charter school enrollments and the associated financial and operational impacts on Pennsylvania's public education. After better understanding this relationship as a result of this study, I hope that an improved method of financial accountability and reduced competition for and more equitable distribution of funds and shared sustainable short- and long-term success can be enjoyed by both public education systems and charter schools.

Summary

In Chapter 1 of this study, I examined the historical to present day evolution of charter schools in Pennsylvania and potential financial, operational, and programmatic impacts on public education systems. Further, I explored how conflict theory and the competition for and unequal distribution of funding was central to this research and the importance of this study. In Chapter 2, I will focus on the extant literature and further analyze the potential financial, operational, and programmatic constraints on public education that may have resulted from the rapid growth of charter schools in the state of Pennsylvania. In Chapter 3, I will review the mixed method approach that I employed through electronic surveys and interviews in this particular study as well as the selected participants, data collected, and other aspects of the research. In Chapters 4 and 5, I will present the data analysis and conclusions.

Chapter 2: Literature Review

Introduction

In this chapter, I will explore the extant literature and a conceptual framework based in literature related to the potential financial, operational, and programmatic impacts charter schools have on traditional K-12 public schools in Pennsylvania. There were a number of direct, indirect, and associated factors that could be explored as a part of this literature review. While the charter school versus public school debate is complex and dynamic, this study was limited to by my use of conflict theory as the conceptual framework, which reflects the inequity of shared resources and the competition for these limited economic resources to fund public and charter school operations. The conceptual framework further provided the basis for data analysis and interpretation of findings. In my review of the literature, I also explored how this competition for limited resources has potentially modified the operational, educational, and/or instructional programs of traditional public educational systems in Pennsylvania.

While the 1997 charter school legislative enactment in Pennsylvania encompasses a rather limited historical timeframe, there were sufficient information and data provided in available research and articles to provide a comprehensive analysis on the potential economic and operational impacts and resulting educational programmatic changes resulting from the tuition payments received by charter schools from traditional K-12 public education systems. The following research questions guided this study:

Research Question 1: How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2: As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

As previously mentioned, charter schools encompass a number of issues. These issues range from student academic achievement to extracurricular activities and student attendance. While each issue would arguably be worthy of additional research, in this particular study and literature review I focused on the potential operational, financial, and programmatic degradation or elimination for traditional public education resulting from the funding mechanism to charter schools in the state of Pennsylvania.

The funding mechanism to charter schools brings into question how the shared partnership of resources to equitably fund both local and charter school operations is or is not performing the way it was originally intended. This funding mechanism from public schools to charter schools in Pennsylvania also brings into focus several issues that framed the basis for this research. Specifically, I focused on how the funding from public education systems to charter schools may be impacting local school districts on economic, programmatic, and operational aspects.

As part of this study, I invited public school district superintendents and building principals from local school districts in a part of Pennsylvania to participate in this research study. Their participation in this research took the form of both completing

electronic surveys and face-to-face interviews. I analyzed their input to address the research questions and determine the competition for limited resources and local programmatic and/or operational changes resulting from charter schools funding.

In this literature review, I will discuss the following topics to highlight how each contribute to the current conditions and need for further exploration into the potential economic, programmatic, and operational degradation or elimination for local school districts:

1. Legislative evolution of charter schools in Pennsylvania,
2. Funding mechanism for charter schools,
3. Charter school growth,
4. Financial implications of charter schools on public education systems,
5. Operational implications of charter schools on public education systems,
6. State funding of public education systems, and
7. Act 1 of 2006.

Each aspect reflects an important building block of understanding on this topic and is foundational understanding to a broader knowledge base on how the charter school system is affecting traditional public education systems in Pennsylvania.

Legislative Evolution of Charter Schools

A key component to the overall discussion of charter schools is *how* and *why* they were permitted to operate in Pennsylvania. Was traditional public education not performing the essential functions to effectively educate children? Or, was it something else completely? In this section of the research, I will seek to address these questions.

According to Gallo (2014), Pennsylvania's charter schools are based on the concept of school choice and competition to improve the K-12 educational system. Charter schools were viewed as a necessary innovation within the public educational system (Gallo, 2014). In as much, "charter schools were viewed as cutting edge and a significant catalyst for redefining the traditional landscape" (Gallo, 2014, p. 210). "Americans pushed for educational reform over growing concerns for the failing public school system" (Gallo, 2014, p. 210). In 1997, the Pennsylvania legislature enacted Act 22 of 1997, which permitted charter schools operations:

Amending the act of March 10, 1949 (P.L. 30, No. 14), entitled "An act relating to the public school system, including certain provisions applicable as well to private and parochial schools; amending, revising, consolidating and changing the laws relating thereto," providing for the establishment of charter schools; providing for powers and duties of the Secretary of Education; establishing an appeals process and a State Charter School Appeal Board; providing for payments to charter schools; requiring certain reports and recommendations; providing for a feasibility study relating to the establishment of a Pennsylvania Science Partnership Program; and making appropriations. (Pennsylvania General Assembly, 1997, para. 1).

This legislation sought to give students and parents a choice outside of traditional public educational system. Specifically, by using innovative strategies meant to improve student performance and save taxpayer money (Roebuck, 2017). The charter

school are funded through tax dollars and are not allowed to charge tuition to parents of children attending them (Roebuck, 2017).

Act 22 of 1997 established the operation of charter schools in Pennsylvania. Charter schools were created to provide opportunities for teachers, parents, students, and community members to establish and maintain schools that operate independently from the existing school district structure as a method to accomplish the following: improve student learning, increase learning opportunities for all students, encourage the use of different and innovative teaching methods, create new professional opportunities for teachers, provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, and be accountable for meeting measurable academic standards (PDE, 2004).

From an educational standpoint, the Pennsylvania legislature sought to provide more educational delivery opportunities for students with charter schools. Between brick and mortar and cyber charter schools, parents and students have a number of educational options that may better suit the needs of the student and the preferences of the parents. Now, 20 years later, the charter school movement has prompted many questions about the overall K-12 educational system degradation based on financial inequity, long-term sustainability, and competition for the limited resources of the current funding mechanism.

Shortly after enactment, this legislation quickly provoked a host of complaints by traditional public education systems across the state that eventually resulted in four school districts along with the Pennsylvania School Boards Association (PSBA) suing

the state in 2001 over concerns of charter school financial, operational accountability, and local programmatic impacts for the sending local school districts (Huerta, d'Entremont, & Gonzalez, 2006). This lawsuit resulted in the Pennsylvania legislature's passage of Act 88 in June of 2002 (Huerta et al, 2006). While Act 88 arguably did not resolve the tuition funding mechanism, it did address two significant revisions to the original charter school legislation. It created a state-wide system that encompassed all cyber charter schools in the state relative to funding and operational standards, and specifically, it established cyber charter school operational standards that differed from brick and mortar charter schools (Pennsylvania General Assembly, 2002). Per Act 88,

Section 1741-A. Powers and duties of department.

(a) Powers and duties.--The department shall:

(1) Receive, review and act on applications for the creation of a cyber charter school and have the power to request further information from applicants, obtain input from interested persons or entities and hold hearings regarding applications.

(2) Renew the charter of cyber charter school and renew the charter of a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means. Upon renewal of a charter of a charter school approved under section 1717-A or 1718-A, the charter school shall qualify as a cyber charter school under this subdivision and shall be subject to the provisions of this subdivision. (Pennsylvania General Assembly, 2002, s. 1741).

Secondly, it established state reimbursement for a portion of charter school costs incurred by public school districts:

Section 2591.1. Commonwealth Reimbursements for Charter Schools and Cyber Charter Schools.--For the 2001–2002 school year, the Commonwealth shall pay to each school district with resident students enrolled in a charter school, a charter school approved under section 1717-A or 1718-A which provides instruction through the Internet or other electronic means or a cyber charter school as defined pursuant to Article XVII-A an amount equal to thirty percent (30%) of the total funding required under section 1725-A(a). If insufficient funds are appropriated to make Commonwealth reimbursements under this section, the reimbursements shall be made on a pro rata basis (Pennsylvania General Assembly, 2002, s. 2591).

Since Act 88 of 2002, the legislature has not passed any additional significant piece of charter school reform. As a result, charter schools are largely still undefined and continue to create conflict, debate, and discord at the state and local level within the areas of potential financial, operational, and programmatic inequity and impacts at the local school district level (Huerta et al., 2006). This largely unregulated charter school system is potentially creating many unresolved educational and programmatic challenges for public education based on the competition for and inequitable distribution of limited financial resources.

Charter School Funding

Section 1725-A of PA School Code of 1949 was enacted on June 19, 1997 and stipulates how charter schools are to be funded (Public School Code of 1949, 1949). The charter school is to receive a tuition payment from the sending local public school district based on that public school district's total expenditures per average daily membership (PDE, 2018a). This calculation allows the sending school district to take their total expenditures minus the costs associated with residence programs, adult education, community college, transportation, facilities acquisition, construction costs, debt service, and fund transfers (PDE, 2004). The legislature determined that these costs should not be part of the tuition calculation methodology because those expenses are not student instructional-based expenditures but rather physical structure expenses attributable to only that public school district's operations (PDE, 2004).

The public school district calculates the tuition rate it pays to the charter school by taking its budgeted expenditures (minus allowable deductions) and dividing it by the number of students attending. For example, if the school district budget is \$35 million dollars and there are 4,000 students attending, the tuition rate sent to the charter school for each student is \$8,750 ($\$35 \text{ million} \div 4,000 = \$8,750$). Since the tuition rate from a sending public school district to a charter school is determined by the size of their budget divided by their enrollment or ADMs, the tuition rates vary widely and inequitably across the 500 public school districts depending on how much the school district's budget size as compared to student population (Lapp et al., 2017).

The tuition rate variation is further identified in several research articles (Lapp et al., 2017; Strauss, 2017). In a study conducted by the PSBA Education Research and Policy Center (2014), the lowest tuition rate in 2006–2007 was \$5,217, while the highest tuition rate was \$16,182. And, as of 2013–2014, the tuition rates ranged from \$6,405 to \$16,390 (Pennsylvania School Boards Association Education Research and Policy Center, 2014). This means that for every student attending a charter school from the school district with the highest tuition rate, that district is sending the charter school an annual per pupil tuition payment of \$16,390. Gallo (2014) indicated that “government financed charter schools present a significant opportunity for profiteers” resulting from the tuition dollars being paid to many charter schools far exceeding their actual costs to educate children attending their program (p. 208). This profiteering is further identified by Gallo for cyber charter schools with operational costs far less than brick and mortar charter schools. Conflict theory as it relates to the competition for limited and inequitably distributed financial resources was relevant to this study because of the potential profiteering of charter schools from the sending local public school districts.

A study by PSBA Education Research and Policy Center (2014) on the cost of charter and cyber charter schools further identified the Commonwealth of Pennsylvania eliminated subsidy payments to public school districts for charter school payments in the 2011-12 fiscal year. This subsidy was intended to offset a portion of the charter school tuition payments for local school districts. While these subsidy payments to public school districts were on average of 30% of the tuition spending for a public school district, the financial impact of the state subsidy elimination potentially further strained

local financial resources and the resulting operational, financial, and programmatic reductions/eliminations at the local school district level. Further compounding this reimbursement elimination is that the legislation that approved this reimbursement, Act 25, 2016, remains part of legislation without being repealed or otherwise eliminated. The legislature simply removed the funding line item of the state budget resulting in inequitable shared funding and increasing completion for limited funding at the local school district level.

Charter schools, on a national front, have come from relative scarcity to a significance force within public education over the past decade. Approximately three million students attended charter schools during the 2015-16 school year (Russell, 2017). According to States News Service, nearly six percent of all public school students are educated in a charter school (Russell, 2017). Additionally, Strauss (2017) identified that across the country, charter schools are enrolling a few million students 43 states, which is approximately six % of the total public school enrollments. Clearly, charter schools are filling an educational need both locally and nationally, however, the impact on traditional public education has yet to be fully explored as it relates to the operational, educational, and programmatic changes or reductions at the local level. This is an important factor in order to determine whether the current system is working as originally intended.

According to Strauss (2017), Pennsylvania is one of a number of states across the country with extremely lax charter school laws, which has driven their rapid growth over the past twenty years. Baugh et al. (2017) referenced “funding for charter schools in

Pennsylvania is deeply flawed, based on a formula that is not reflective of the actual cost to operate these educational programs, especially cyber charter schools” (p. 6). This growth has fostered debate and discussion in the areas of the inequitable funding of charter school funding and resulting accountability and local school district financial, operational, and programmatic changes (Strauss, 2017; Huerta et al., 2006). Strauss (2017) further indicated that the Bethlehem Area School District located in IU 20, in eastern Pennsylvania is currently spending \$25 million a year on charter and cyber charter schools.

The Growth of Charter Schools in Pennsylvania

As of May 2015, there were 173 charter and cyber charter school operating in Pennsylvania (Pennsylvania School Boards Association Education, n.d.). And, from 2007-08 to 2014-15, enrollment in charter schools has increased from 67,275 to 132,770 (Pennsylvania School Boards Association Education, n.d.). During this same time period, spending on charter schools has increased from \$621 million dollars annually to \$1.486 billion dollars (Pennsylvania School Boards Association Education, n.d.). This dramatic rise in alternative K-12 educational delivery has posed a number of potential operational, financial, and programmatic challenges for traditional school systems that was investigated as a part of this research study.

Marsh et al. (2009) concluded several observations from his study on why charter schools are growing at a rapid pace. One such observation was that parents of charter school children preferred the customization that charter schools allowed in the educational delivery program versus the traditional educational system. Schools like

Charter High School of Architecture and Design, String Theory Music School, or Freire are examples of charter schools that are working well and providing quality learning experiences to students (Baugh et al., 2017). Findings of Marsh et al. (2009) identify that traditional public education does not support the customization of educational delivery that charter schools embrace as part of their appeal. Traditional public education would face many operational and financial challenges addressing the individualized customization of educational delivery that is readily available in a charter school environment.

In response to growing concerns over traditional public education, “charters further emerged as a compromise between public school defenders and advocates of expanded consumer choice in education” (Baugh et al., 2017, p. 5). Marsh et al. (2009) further concluded “some parents will seek alternatives to traditional schools due to the combination of socio-cultural changes and modern technologies now available” (p. 36). Parents more often sought to express their values into their children’s educational using the charter school system. These parents often identified the traditional K-12 educational system as a factory rather than a tool that could be individualized to their children’s needs and parents’ values. Marsh et al. (2009) further propose that the growth of charter schools is attributed to parents’ dissatisfaction that traditional public education not providing the resources for their child to reach their full academic potential. And, charter schools are able to meet the individual educational needs of the child through a customizable virtual educational delivery model (Marsh et al., 2009).

While charter and cyber charter school growth in Pennsylvania has been significant over the past twenty years, conflict theory is important to this broader discussion as to the competition for resources and potential inequitable funding mechanisms that resulting from the charter school funding model. Brint (2006) further identifies the influence that powerful groups have on public educational systems and the continuing debate of how charter schools serve the needs of public education in Pennsylvania at the potential detriment of traditional educational systems. This is a critical distinction to note relative to available reference material on this topic and subsequent findings that will come from this research.

Charter School Financial Implications

According to Pennsylvania's auditor general, Pennsylvania's public schools collectively spent \$708 million on tuition payments to charter schools during the 2008-09 school year (Bureau of State Audits, 2010). This amounted to an average annual tuition payment to charter schools in the amount of \$12,808 (Bureau of State Audits, 2010). As of the 2011-12 fiscal year, total spending on charter schools in Pennsylvania exceeded \$1.145 billion dollars (Pennsylvania School Boards Association Education Research and Policy Center, 2014).

Pennsylvania's funding formula of students attending charter schools has uncovered several aspects associated with inequitable funding formulas. The auditor general for Pennsylvania conducted an analysis of Pennsylvania's charter school funding found "a wide variation in the amount of tuition that school districts pay when one of their students decides to attend a charter school, which results in an inequitable

distribution of public education money and no assurance that taxpayer dollars are being spent wisely or for their intended purpose” (Bureau of State Audits, 2010, p.3). Carr-Chellman et al. (2009) further identify the potential inequities in charter school funding based on the sending school districts wealth and calculated expenditures associated with each of its students attending a charter school, heightening the inequity of resource distribution and competition for them.

Tuition rates reflect what is paid to the charter school from each sending public school district. The lowest tuition rate districts reflect those with the lowest levels of operational expenditures and highest poverty rates while those districts that have the highest tuition rates reflect those with the highest operational expenditures and higher wealth. Higher expenditure school districts tend to surround the urban centers of Philadelphia and Pittsburgh where the cost of living is higher than other areas of the state.

Table 1

Charter School Tuition Rates

| School District | County | Elementary | Secondary |
|----------------------|-----------|-------------|-------------|
| Duquesne City SD | Allegheny | \$17,134.92 | \$11,344.01 |
| Kutztown Area SD | Berks | \$15,781.58 | \$15,626.57 |
| New Hope-Solebury SD | Bucks | \$17,065.54 | \$19,807.06 |
| Palisades SD | Bucks | \$19,387.63 | \$15,613.32 |
| Weatherly Area SD | Carbon | \$15,886.16 | \$12,762.97 |
| Radnor Township SD | Delaware | \$16,076.59 | \$16,043.76 |

Table 1 (Continued).

| | | | |
|----------------------|------------|-------------|-------------|
| Rose Tree Media SD | Delaware | \$15,537.84 | \$15,807.85 |
| Forest Area SD | Forest | \$15,600.95 | \$15,718.18 |
| Lower Merion SD | Montgomery | \$19,142.98 | \$20,744.13 |
| Upper Merion Area SD | Montgomery | \$15,391.51 | \$15,551.07 |

Note. From “School District Tuition Rates, by Pennsylvania Department of Education, n.d. (<http://www.education.pa.gov/Teachers%20-%20Administrators/School%20Finances/Office%20of%20Comptroller%20Operations/Pages/School-District-Tuition-Rates.aspx#tab-1>)

Public school districts also potentially face the balancing act of utilizing limited funding in providing resources for their own operations in addition to sending tuition payments for their resident students who attend charter schools. The problem could be further compounded resulting from in most cases, only a handful of students from each district attend charters. This could result in school districts that are unable to easily reduce overhead costs, such as heating and electricity without impacting their entire operations and the students they serve. Also, how are school districts able to easily reduce the size of their faculty or staff without impacting their entire operations and educational programming? Further complicating this situation is that many of the students who choose to attend charter schools may have previously been home-schooled or enrolled in non-public and private schools, representing an entirely new expense for school districts (Keagy, Peterson, Strauss, & Yarworth, 2010).

Charter Schools Operational Implications

Originally, charter and cyber charter schools were the alternative educational delivery systems that a student may attend rather than a traditional K-12 education system. The traditional public education system in Pennsylvania has been in existence for many decades, while charter schools are a relative recent addition. In 1997 with the passage of Act 22, Pennsylvania became the twenty-seventh state to approve charter schools as a means of public K-12 education (Huerta et al., 2006).

Charter schools will continue to grow in student population and operational strength resulting from their filling of an important void in public education. Specifically, charter schools offer adaptability and customization to individual student educational needs. Further, they are much better prepared to focus on and provide instruction that meets the needs of the students in either a traditional or virtual classroom environment, which may be a more appropriate venue for students and their ability to flourish.

As with any traditional public school system, charter schools have their own successes and shortcomings as identified in several reports. This aspect is not intended to cast either a positive or negative light over the entire charter system. Rather it is an attempt to provide a more complete overview of this area of research and potential associated issues that may come into the broader discussion.

Operational Successes

In a recent 15 state study, charter schools serving lower social economic and lower achieving students were more effective than their traditional brick and mortar

counterparts (Maxwell, 2010). Parents and students were also more satisfied with charter schools over their traditional counterparts (Maxwell, 2010). These results have fueled rapid growth in Pennsylvania and across the country.

Charter schools also provide numerous educational options for the students that attend them. And, many of the early successes of charter schools come from serving special and underserved populations (Husted, 2002). Having an option to better serve underrepresented student population groups fills a critical need within many public school systems.

Operational Shortcomings

With charter schools being a relatively new within Pennsylvania's public education system, questions surround how these institutions operate and function within student K-12 education.

Due to flaws in the foundational structure of charter legislation, there are far more examples of malfeasance, misfeasance and nonfeasance in charter school operations than there are exemplars. There have been serious issues of fraud and poor academic performance that need to be addressed in order for the tax-paying public to have trust and confidence in current charter system. Baugh et al. (2017) (p. 2).

Pennsylvania School Board Association Education (n.d.) further identifies limited insight to the financial and operational oversight challenges associated with cyber-charter schools as it links to students and accountability. Among these questions are the

factors of how are non-traditional classroom environments being monitored and assessed to the questions relating to teaching standards and student oversight and remediation.

Huerta et al. (2006) offered in their research “the decentralized charter status that grants charter schools wide levels of autonomy from state and local regulations, in conjunction with a non-traditional non-classroom-based charter school setting, makes monitoring student performance and educational program quality, both difficult and costly” (p. 7). While the traditional classroom environment has well-defined accountability standards to operate within, the challenges associated with the nontraditional classroom environment of cyber-based education has challenged many of Pennsylvania’s public school systems. Specifically, “over time the accountability structures of home school charters have been questioned for the inability of public officials to monitor the teaching and learning methods employed in private homes and whether public funds are being used efficiently” (Huerta et al., 2006, p. 16).

The flexibility of charter schools has also ignited debates about the quality of and education delivered methods to the students (Huerta et al., 2006). In cyber schools, “students accessed instructional materials from their homes, and therefore lacked the physical classrooms, hours of direct instruction, and adequate supervision required for compulsory attendance laws” (Huerta et al., 2006, p. 27). Addressing these specific concerns leaves unanswered questions about the long-term sustainability, operational, and educational viability of these alternative K-12 systems in competition with traditional public education.

As conflict theory implies, the competition for the limited financial resources and the resulting inequity of academic performance in Pennsylvania's traditional public education system and charter schools continues to be a major point of contention on both a local and state level. In as much, "the academic performance of charter schools is a central component in the debate over education funding" (Philadelphia Inquirer, 2013). Based upon somewhat limited comprehensive research in this particular area of study, there does appear to be a common theme that consistently arises. The academic performance of student attending charter schools is far less than students attending traditional public schools.

Pennsylvania compiles an annual school performance profile assessment of all public schools and charter schools for which complete data is available (Jack et al., 2013). This analysis included: academic achievement, academic growth, and closing the achievement gap. Based on an analysis of the 2010-11 and 2011-12 school years for the 11 cyber charter schools that had complete data showed that all 11 scored among the lowest performing schools in the state (Jack et al., 2013). Further, no cyber charter attained the state average school performance profile score (Jack et al., 2013). And, the average performance score for traditional public schools in Pennsylvania was 77.2 while cyber charters had an average of 44.7 (Jack et al., 2013).

Urban centers highlighted some of the larger shortcomings in public education. In the Philadelphia School District where 25% of its' student attend charter schools, the number of charters than met the Department of Education performance rates declined from 54% to 29% (Philadelphia Inquirer, 2013). And, of the 12 cyber charter schools

operating in the Philadelphia School District, none met the performance benchmark (Philadelphia Inquirer, 2013).

In another report prepared by the Center for Research on Educational Outcomes continues to reflect the lack of student performance trend. According to their research, student performance data collected from 2007 to 2010 reflected that 31% of bricks-and-mortar charter schools performed significantly worse than their traditional public school counterparts in the academic area of reading. However, 100% of cyber charters schools were significantly worse in student academic performance in reading (Niederberger, 2013).

Huerta et al. (2006) also identify the need for more oversight and accountability within Pennsylvania's charter school environment. Specifically, "increased participation by state level policy-makers may further legitimize cyber charter schools and lead to their proliferation" (Huerta et al., 2006, p. 30). However, the secondary challenge to increased oversight is essentially take away the individualized educational flexibility that have lead to the increased popularity of these institutions.

Of equal importance to this specific research is the conflict theory premise on the inequitable and competition for limited financial resources on the emergence, growth, and maturity of charter and cyber charter schools. The competition for public education funding and resources in Pennsylvania, historically provided to traditional public education, is increasingly shared with charter schools leading to potential programmatic changes to cope with the decrease of locally available resources. The changing educational landscape will fuel debates and disagreements as to how educational

delivery, assessments, and financial accountability within charter education are monitored both short and long-term.

In more recent years, the discussion has been on how traditional public education continues in its current operational form within the constraints of Act 1 and increasing tuition dollar outflows to charter schools (Behrman et al., 2017). Without substantive discussion and legislative reform efforts, the long-term potential impacts of the charter school tuition funding formula could have significant permanent unintended programmatic implications on local school districts.

State Funding of K-12 Public Education

Integral to this study is how funding is provided to traditional K-12 education and how has that changed over the years. The shift in funding away from the state resources to local resources has perhaps compounded the impact on local school systems. This decrease in state funding in conjunction with charter schools has further complicated the economic, operational, and programmatic decisions by superintendents and building principals on local decisions that impact local school districts.

Pennsylvania's public schools' system operations are governed in large part by Pennsylvania School Code of 1949. This legislation dictates nearly every operational matter involving public education; ranging from funding operations to hiring and firing personnel. Pennsylvania School Code was originally adopted on March 10, 1949 and became effective with the fiscal year starting July 1, 1949 (Public School Code of 1949, 1949). Since legislative inception, PA School Code has undergone a number of revisions in the past nearly 70 years.

While traditional K-12 school systems are regulated by this legislation, state funding of traditional K-12 public education has become a significant point of contention at the local level (Paul, 2014; Pennsylvania School Boards Association, n.d.). State funding to public schools in Pennsylvania comes primarily from the basic instructional subsidy (Pennsylvania School Boards Association, n.d.). The basic instructional subsidy reimburses public schools for a portion of their actual annual instructional costs based on student population size and relative wealth. More than \$5.26 billion of state funding was provided to public school districts in the 2014-15 fiscal year (Pennsylvania School Boards Association, n.d.).

In 1972, Pennsylvania's state government provided 50% of public school funding (Pennsylvania School Boards Association, n.d.). However, "over a span of several decades, the state's contribution as a percentage of basic educational instructional expenses has declined from more than 50% in the mid 1970's to less than 35% today" (Pennsylvania School Boards Association, n.d., p.1). As of 2015, Pennsylvania's funding of public education is 47th out of 50 states in subsidies supporting public education (Pennsylvania School Boards Association, n.d.).

The decreasing amount of state funding toward public education has shifted the burden onto the local tax base. Conflict theory and income inequity and competition for financial resources places this matter into clearer focus as the funding shift and competition for those limited financial resources has even greater impacts between the wealthier school districts and the poorer school districts across the state. Based on data collected between 2010-11 and 2014-15, the districts with the highest average resident

income spend \$1,800 more per student than the poorest half of districts (Pennsylvania School Boards Association, n.d.). This competition for limited financial resources is tied back to the financial, operational, programmatic decisions made by public education resulting from the charter schools funding mechanism.

Inequity of State Basic Education Funding

As part of the larger topic of state funding of public education and competition for limited resources, one of the most often debated issues with state subsidies of public education is that of hold harmless (Paul, 2014). In Pennsylvania, “hold harmless guarantees each school district received no fewer state dollars than it received the previous year, regardless of changes in student enrollment” (Paul, 2014, p. 1). This has translated into a significant disparity and inequity in funding between growing school districts and shrinking school districts. The end result is that “...school districts with declining enrollment received more than three times the state funding per student than growing districts” (Paul, 2014, p. 1).

Quantifying this statement, (Paul, 2014), data shows that the District with the largest growth in enrollment from 1996-2013 receives \$2,877.47 per student while the district with the largest decline in enrollment receives \$10,600.96 per student. This essentially means that as the districts with the largest declines in enrollment reap the benefit of hold harmless of basic instructional funding while the rapidly growing districts are constrained by the funding being spread out over more and more students contributing to more competition for limited resources and heavier reliance on property

taxes and expanding the performance gaps between more affluent and less affluent school districts in Pennsylvania (Pennsylvania School Boards Association, n.d.).

Based upon a growing local educator insistence that the state of Pennsylvania was not adequately funding K-12 public education, the state legislature commissioned a basic education funding committee with a goal of creating a new basic education funding formula. In 2008, the state of Pennsylvania formed a committee to develop a fair and equitable state funding formula for public education. The results of this study determined that the state basic instructional subsidy was under-funding public education by \$4 billion dollars (Pennsylvania School Boards Association, n.d.). Resulting from this study, the state legislature implemented a six year plan to fully fund this shortfall starting with the 2008-09 fiscal year.

However, in the 2009-10 and 2010-11 fiscal years, the state used one-time federal stimulus funds from the American Recovery and Reinvestment Act (ARRA) to provide funding for the basic instructional subsidy (Pennsylvania School Boards Association, n.d.). When the ARRA funds were gone, the state government was unable to backfill this funding gap and the basic instructional subsidy was reset back to 2008-09 funding levels (Pennsylvania School Boards Association, n.d.). And, in 2011-12, “the state legislature abandoned the funding formula meant to adequately fund public education” (Pennsylvania School Boards Association, n.d., p. 9). This ongoing competition for limited financial resources between traditional public education and charter schools could be the reason for local operational and financial decisions that have impacted student programmatic offerings at the local level.

Several years later, the governor and state legislature commissioned a new committee to again evaluate K-12 funding of public education. In June of 2015, the state legislature passed a new funding formula that established a base funding year of 2013-14 and then an allocation of any funding in excess of this base year on the following criteria. This legislation referred to as Act 25 of 2016. In part, it states the following distribution of funding:

If the fiscal year 2015-2016 appropriation for basic education funding exceeds the amount appropriated for basic education funding in fiscal year 2014-2015, the Commonwealth shall pay to each school district a basic education funding allocation which shall consist of the following:

- (i) An amount equal to the school district's basic education funding allocation for the 2013-2014 school year.
- (ii) A student-based allocation to be calculated as follows:
 - (A) Multiply the school district's student-weighted average daily membership by the median household income index and local effort capacity index.
 - (B) Multiply the product in clause (A) by the difference between the amount appropriated for the allocation of basic education funding to school districts and the amount appropriated for the allocation in subparagraph (i).
 - (C) Divide the product in clause (B) by the sum of the products in clause (A) for all school districts (Pennsylvania General Assembly, 2016, para. 17.1).

While this legislative funding formula adjustments made modest gains in a more equitable distribution of increased state funding over the base year of 2013-14, it did not

address the level of state funding as a portion of school districts' overall budgets, which is integral to the potential impacts at the local level resulting from the charter school funding mechanism. While this state funding percentage debate remains unaddressed, it is an arguably significant part of the overall discussion and debate on how this aspect is contributing to the local school district financial, operational, and programmatic constraints when factored into the charter school funding discussion.

With the limited and inequitable state funding of traditional public education, the impact on how operational, financial, and programmatic decisions at the local level are made is further brought into focus by the charter school funding formula. With the limited funding for public education, this study focused on how public educators are adopting and modifying their programmatic offerings and competing for the limited resources between their own operations and that of the charter school tuition payments. At present, significant questions remained unanswered based within the current literature.

Act 1 of 2006

As part of the charter school funding analysis, another component of the educational funding discussion is how Act 1 of 2006 changed the financial landscape of public educational funding in Pennsylvania (Pennsylvania Department of Education, 2006). This act proved to be a foundational shift to public education finances and funding mechanisms as a result of a growing political push back against what was portrayed as school districts over-taxing their residents (Bumbarger, 2010).

Amending the act of June 27, 2006 (1st Sp.Sess., P.L.1873, No.1), entitled "An act providing for taxation by school districts, for the State funds formula, for tax relief in first class cities, for school district choice and voter participation, for other school district options and for a task force on school cost reduction; making an appropriation; prohibiting prior authorized taxation; providing for installment payment of taxes; restricting the power of certain school districts to levy, assess and collect taxes; and making related repeals," further providing for PUBLIC REFERENDUM REQUIREMENTS AND FOR installment payment of school real property taxes. (Pennsylvania General Assembly, 2011, para. 1).

Act 1 of 2006 implemented several key changes to the financial operations of public school districts in Pennsylvania. Arguably most important, the Act restricted a school district's ability to raise local revenues via property taxes (Welton, 2015). Property taxes for the vast majority of school district in Pennsylvania represent its' single largest source of revenue to fund operations (Welton, 2015). Each public school district has nine board members elected by residents within its boundary who have the authority to hire and fire personnel, set board policy, and approve budgets. As part of the annual budget approvals in Pennsylvania, an elected school board by majority vote of their nine board members can increase the annual tax rate applied to all taxable properties within its jurisdiction.

This was a significant shift from what was in place prior to Act 1 of 2006. Prior to the enactment of Act 1 of 2006, a school board had unlimited authority to increase taxes annually by whatever amount a majority of their board voted in approval to

support their annual operational needs. After the enactment of Act 1 of 2006, all public school districts are limited as to how much they could increase taxes on an annual basis by what is referred to as an index (Welton, 2015). How has this local funding constraint contributed to and/or exacerbated the programmatic changes at the local level when factoring in the charter school funding formula?

The Act 1 Index is based on a calculation that uses the average of the percentage increase in the statewide average weekly wage and the employment cost index. (The Pennsylvania Bulletin, 2017). The statewide average weekly wage is determined by the Pennsylvania Department of Labor and Industry based on the preceding calendar year and the employment cost index is based on data provided by the Bureau of Labor Statistics of the Federal Department of Labor. (Pennsylvania Department of Education, 2018). How has this limitation of funding impacted public education student programmatic offerings as it relates to the charter school funding growth over the past 20 years?

Table 2

Act 1 Base Index History

| Fiscal Year | Index | Calculation Method |
|--------------------|--------------|---|
| 2018-19 | 2.4% | Millage rate multiplied by yearly index |
| 2017-18 | 2.5% | |
| 2016-17 | 2.4% | |
| 2015-16 | 1.9% | |
| 2014-15 | 2.1% | |

Table 2 (Continued)

| | |
|---------|------|
| 2013-14 | 1.7% |
| 2012-13 | 1.7% |
| 2011-12 | 1.4% |
| 2010-11 | 2.9% |
| 2019-10 | 4.1% |
| 2008-09 | 4.4% |
| 2007-08 | 3.4% |
| 2006-07 | 3.9% |

Note. From “Tuition Rate Calculation”, Pennsylvania Department of Education.
<http://www.education.pa.gov/Documents/Teachers-Administrators/Property%20Tax%20Relief/SSAct1%20BaseIndexHistory%200607-1819.pdf>

All school districts in Pennsylvania levy taxes based on a millage rate that is applied against all taxable property in its jurisdiction. This millage rate is permitted to be increased on an annual basis by no more than the Act 1 index. As an example, if a school district has a current millage rate of 30 for the 2017-18 fiscal year, it can only increase it by a maximum of 2.4% or .72 mills for a total rate of 30.72 for the 2018-19 fiscal year.

This index does not take into account the operational costs of a particular school district, which may be increasing at a rate greater than the Act 1 index when factoring in charter school payments. And, resulting from Pennsylvania’s public school system largest stream of revenue coming from local property taxes levied to fund operations, the impact of Act 1 has further brought into focus the potential economic and operational

viability and sustainability at the local school district level and competition for limited resources as potentially attributed to the charter school tuition payments.

Summary

The past 20 years of charter school operations in the Commonwealth of Pennsylvania has left a potentially enduring impact on traditional education from both an operational, financial, and programmatic perspective. This charter school impact has been experienced first-hand by school superintendents and building principals. Local traditional school systems to this researcher are to be examined relative to their exposure and experiences on their local operations based on the charter school funding mechanism. In Chapter 4 data collected from this mixed method electronic survey and interviews study will be presented, which will allow this research to more fully investigate how charter schools has specifically affected the operational, financial, and programmatic aspects of traditional public education. This mixed method electronic survey and interviewing of school superintendents and secondary building principals in three Intermediate Units in Pennsylvania will help a broader audience understand the implications of such legislation and invoke an approach to address these implications in a sustainable and cooperative partnership.

Chapter 3 will describe the research design, methodology, and study participants. This chapter also addresses the data collection procedures, instrumentation, and analysis of data. The role of the researcher in this study is also addressed in this section.

Chapter 3: Methodology

Introduction

In this study, I investigated the perceptions and experiences of superintendents and secondary building principals on the operational, financial, and programmatic impacts resulting from charter and cyber charter school tuition payments. My IRB approval number for conducting my research was 11-14-18-0014837. I utilized a mixed method model consisting of electronic surveys and interviews with school superintendents and secondary building principals for all 45 school districts in three Intermediate Units in Pennsylvania. McKim (2017) reflected on the increasing use of mixed method research since the 1980s and indicated that there is a perceived value associated with using two distinct methods of research because it requires additional time for the research to be conducted and analyzed. For these reasons, I selected a mixed method model to conduct this research. The research questions guiding this study were as follows:

Research Question 1: How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2: As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

In this chapter, I will describe the methods and procedures used in this study. The chapter will include a discussion of the setting of the study, participants, standards

of the study, and the survey and interview design. Additionally, this chapter will include content validity and reliability of the data analysis, data collection, procedures, and analysis.

The methodology for the study is similar to another study, *A Study of the Governing Accreditation Standards of the Educational Leadership Constituent Council for Educational Administration Programs in Conjunction with the Day-to-Day Responsibilities of the Entry-Level Building Administrator* by Dr. Riker (2007). Dr. Riker has given permission to use the general methodology steps as a basis for this study.

Research Design and Approach

Setting of the Study

This study included K-12 public school districts within three Intermediate Units in Pennsylvania. Intermediate Units serve as the regional educational entity serving in a partnership role with public K-12 districts within its area of service. The three Intermediate Units are made up of 45 K-12 school districts.

Participants of the Study

I invited all 45 school district superintendents and 45 secondary principals--one secondary building principal from each school district within the three participating Intermediate--to participate in the electronic survey. The superintendent is the administrative leader of each school district and the principal is the leader of a building within each district. These participants were selected because of their direct

involvement and perceptions as they pertain to the economic, operational, and programmatic impacts of charter school tuition payments on their districts.

Based on the responses from the electronic survey, I selected three superintendents and three building principals from three school districts for interviews. One district was selected from each of the three Intermediate Units. One of the districts selected for superintendent and secondary building principal interviews was from a district with a student population of less than 2,500, one was selected that had a student population of 5,000 to 7,499, and another was selected with a student population of over 7,500.

Standards of the Study

To determine the direct and associated impacts of charter schools on traditional public education, the standards of this study that I employed were:

1. Participants of this study are sitting superintendents and secondary building principals in the three selected Intermediate Units.
2. Participants have at least 3 years of experience as either a superintendent or secondary building principal.
3. Participants work in a K-12 public school district that has at least one operational charter or cyber charter school with resident students currently attending, which I verified through the PDE charter school website.

Quantitative Data

Survey Design

I designed the electronic survey sent to all 45 superintendents and 45 secondary building principals to examine their perceptions and experiences of charter schools and how they have impacted traditional public education operationally, financially, and programmatically. The survey participants were asked to respond to 10 survey questions. Each question had four possible responses using a Likert scale: *strongly agree*, *agree*, *disagree*, and *strongly disagree*. A Likert scale is a response scaling tool to rank or scale perceptions that employs an ordinal level of measurement that can be rank ordered based on responses from participants. Ordinal measures do not have any meaning and the difference between response rankings may not be equal. The survey participants were asked to respond on their perceptions of how they felt traditional K-12 public education was providing a quality education to students and how charter schools are impacting that traditional public education operationally, financially, and programmatically.

Content Validity

Content validity is used to determine the extent to which a measure represents all facets of a given construct. While experts in a given field of study assess content validity, there is no numerical way to express the judgment of adequacy (Best & Kahn, 1989). Content validity is measured from two perspectives: item validity and sampling validity. Item validity is a test to determine if the items are relevant to measure the content area intended, while sampling validity is focused on how well the samples are

covering the total content area (Gay & Airasian, 2003). Content validity is essentially a method of subject expert testing for gauging agreement on how essential a particular item is to assess the content area being researched.

I tested the electronic survey for content validity through the following procedure. Three central office administrators were asked to review each survey question to the specific standard. The review committee was made up of the superintendent and two assistant superintendents of a Pennsylvania school district. Each administrator had served in the school district for at least five years in a central administrative role. The superintendent and both assistant superintendents had earned doctoral degrees.

Each of the survey questions was either deemed acceptable or unacceptable. In order for any survey question to move to the next step of the process, two of the three administrators were required to deem the question as acceptable. If the question did not receive an acceptable response from at least two of the administrators, I discarded or rewrote it. If the question was rewritten, the same two-thirds approval test was conducted to deem it acceptable.

I then shared the questions that passed the first phase of testing with three superintendents. Each of the selected superintendents must have served in an administrative capacity for a minimum of three years. The same two-thirds approval process was used to determine that the questions were acceptable. If any of the questions did not receive a minimum of two-thirds approval of being acceptable, it was removed or rewritten. If any questions were rewritten, I sent the question back to the

administrators in the first phase or review and then sent it back to the superintendents for their approval as well.

Reliability

Under this measurement, “test reliability describes the degree to which a test consistently measures the knowledge or abilities it is supposed to measure. Many factors can cause a test results to be inconsistent and, therefore, cause a test to be unreliable” (Myers, 2017, p. 1). Therefore, reliability is the test to determine that the same set of outcomes of the survey are consistency achieved. Higher coefficients of reliability exist when errors of measurement have been reduced or eliminated. Reliability is expressed numerically using a correlation and usually expressed as a coefficient. A high reliability coefficient indicates a highly reliable test. A reliability coefficient of 1.00 represents a perfect reliability score.

Internal consistency reliability is a commonly used form or measure to evaluate the degree in which different test items on the same construct produce similar results. Internal consistency testing requires only one test administration, which eliminates measurement errors such as different testing conditions. I asked five administrators, who were central office and building level administrators, to participate in the reliability testing.

I divided the survey questions into two subtests. The odd number questions were one test and the even number questions were the second test. The participants completed the entire survey and then were asked immediately following to answer questions from one of the subtests.

I calculated a correlation of the two sets of scores. The results of the Pearson correlation provided a reliability coefficient of 1.0, which is a perfect reliability score. A Pearson correlation is a measure of the linear correlation between two variables X and Y. While a split-half process typically yields a lower correlation due to reduction of size of the overall test into two tests, this survey was considered reliable based on the outcome of the scores.

Procedures

I e-mailed an invitation letter and consent form with a link to the survey to all superintendents and one secondary building principal per district in the three Intermediate Units, providing them a brief description of the study. The risks and benefits of the study were also outlined. The e-mail consisted of the following information:

1. An invitation letter narrative outlining the study, their voluntary participation, and request to participate in the study.
2. A Walden University consent form that respondents could consent to by completing the survey.
3. Survey questions that could be accessed via a web link at the end of the consent form.

Quantitative Data Analysis

Measures of Central Tendency

There are three measures of central tendency: mode, median, and mean. The mode is the most common score found in a set of response. The median is the value of

the middle number when data are arranged in value order. The mean is the average of all the numbers added together and then divided by the number of numbers added together. The mean is the most commonly used measure of central tendency and was calculated by myself for each survey question.

Measures of Variability

The measure of variability is the amount of variability or spread in a set of data. There are three commonly used measures of variability: range, variance, and standard deviation. The variance is a value that describes how all the scores in a distribution are dispersed or spread about the mean. The standard deviation is the square root of the variance and is most frequently used measure of variability. For this survey, all three measures of variability were calculated for each survey question.

Data Analysis

Quantitative data from the electronic survey was entered into a computer using Microsoft Excel software. The data was collected from the survey monkey survey results. The components of the data were reviewed and selected to reduce the probability of identifying a participant of the study through the analysis of the data.

A correlations analysis of the mean scores was conducted based on each category. The correlation analysis determines if the participants' perceptions were statistically significantly different or if there were statistically significant correlations between data based on the established ranges. This provides another statistical measure for the data analysis in Chapter 4.

Quantitative Data Summary

Information included in Chapter 4 was obtained from the quantitative component of the study, inclusive of surveys, including a summary of the participants information and complete documentation of the quantitative data. The measures of central tendency and variability was calculated and reported. A comparative analysis within the elements and overall review of each standard is provided. The summary section concludes with a reflective summary of the quantitative data.

Qualitative Data

Interview Design

Qualitative analysis can provide a rich source of data in that “broadly speaking, qualitative research involves an in-depth examination of human experiences and human behavior, with the goal of obtaining insights into everyday experiences and meaning attached to these experiences of individuals...” (Onwuegbuzie & Denham, 2014, p. 1). The interviews consisted of 17 questions. The interview questions for the study were designed to examine the operational and financial impacts experienced by public school district superintendents as a result of the Act 22 of 1997 charter school legislation.

A convenience sample of participants for the interview were selected from the same pool as the survey respondents based on the proximity to the researcher. Each participant was sent an oral interview consent form to review and electronically respond to with their consent. Interview participants were asked to describe their education, experience and perceptions of charter schools and its’ impact on their current school district economically, operationally, and programmatically. When conducting

qualitative research, it is important for the researcher to gain as total and complete picture as possible. As such, specific interview questions focused on what operational changes were implemented as a result of charter schools. Secondly, specific focus was also be placed on what financial impacts were experienced at their particular school district as a result of charter school funding mechanisms. Third, specific focus was on what programmatic/instructional changes were experienced resulting from the charter school funding mechanism.

Interview questions were designed and reviewed with dissertation chair and committee member. Interview strategies utilized included the research include controlling reactions, avoiding asking yes or no questions and being an active listener.

Interview Participants

Three school superintendents and three secondary building principals from school districts within three Intermediate Units were invited to participate in the interviews. Of those that responded that they would participate in the interview via their completed survey, one superintendent and one secondary principal was selected from a school district with a student population of less than 2,500, one superintendent and one principal will be selected from a school district with 5,000 to 7,499 students and one superintendent and one principal was selected from a school district with more than 7,500 students. Each oral interview participant was sent an oral interview consent form by the researcher to review and electronically reply to with their consent.

Interview Setting

Interview participants had the option of having the interview conducted in several different settings. Interview options included: visiting the participant's office, having the participant coming to my office, the interview taking place at a non work location, or the interview being conducted over the phone. Participants were encouraged to select the location option that would provide them with the most comfortable environment. For the purpose of this research, I encouraged interviews to be in-person and at the participant's office or non work location. I felt that either of these two locations would be most comfortable to the participant and thus produce the best results for this research.

The interviewees were instructed that at any time and for any reason, the interview could be stopped or continued at a later time. Each interviewee was informed that the goal of the interview was not to encourage any specific type of response and if a question was unclear, clarification would be provided. Two interviews took place in person and four interviews were conducted via telephone. Interviews took place during the first week of December 2018.

Assessment of Trustworthiness

Quantitative data consists of internal and external validity, reliability, and objectivity. Lincoln & Guba (1985) translates the quantitative terms to qualitative terms as credibility, transferability, dependability, and objectivity respectively. Credibility depends less on the sample size than on richness of the information gathered and on the analytical abilities of the researcher. Thus, interview questions were carefully designed

with extensive analysis of the interview responses. Transferability refers to the ability to generalize findings across different settings. However, the transferability of a working hypothesis in a study to other situations depends on the degree of similarity between the original situation and the situations in which it is transferred. The setting for this study was limited to three Intermediate Units in Pennsylvania. The transferability would relate to disseminating the results of this study across the Commonwealth of Pennsylvania.

Dependability refers to the similarity of measurements within a given period of time. The interview material was reviewed from a total perspective to identify similarities in responses. Confirmability relies on interpretations and is considered to be subjective. Increased subjectivity leads to results that are both unreliable and invalid. A researcher who is neutral and strives to be nonjudgmental and reports what is found in a balanced manner. Throughout the interviews and analysis of responses, I continually strived to remain neutral. Finally, each area of trustworthiness was further validated through the triangulation of data. And, the final component of the analysis was a comparison of quantitative and qualitative information.

Qualitative Data Summary

Chapter 4 includes information obtained from the qualitative interview component of the study. This includes a summary of the participants outlining the demographic information and analysis and summary for the responses for each question asked during the interviews. This data will be compared and contrasted to the quantitative data collected.

Triangulation of the Data

An in-depth review of each research question of the study was provided. This included a through comparison of the quantitative and qualitative information obtained through the surveys and interviews. Data source triangulation was utilized to find data sets from the interviews and surveys that complement one another to strengthen the credibility of this research.

Summary

The quantitative and qualitative methodologies as defined and outlined in this chapter enable the research to gather meaningful data to be reviewed and analyzed. The two sources of data were triangulated to obtain a greater understanding and appreciation of the findings. Chapter 4 will provide the results of the methodologies performed in the study.

Chapter 4: Results

Introduction

The purpose of this study was to understand the economic and operational impacts of Act 22 of 1997 charter school legislation on public K-12 education in state of Pennsylvania. I invited both school superintendents and secondary building principals in 45 school districts in Pennsylvania to be part of this study. The following research questions guided this study:

Research Question 1: How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2: As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

This chapter will include the setting for this study as well as the participants. This chapter will further include the demographics of the participants included in this study. In this chapter, I will also discuss the data collection methods used for this study and the data analysis method. Lastly, I will present an analysis of the results according to the research questions in this chapter.

Setting

Act 22 of 1997 legislation permitted the operation of charter schools in the state Pennsylvania (Pennsylvania General Assembly, 1997) Over the past 21 years, much debate and discussion has surrounded the economic and operational impacts of the

tuition payments paid from public K-12 schools to charter schools for each student of residence that attends a charter school (Behrman et al., 2017; Lapp et al., 2017; Strauss, 2017). The purpose of this research was to gain an in-depth understanding of how this legislation has and is currently impacting traditional K-12 schools operationally, economically, and programmatically from the perspectives of superintendents and secondary building principals.

For this study, I invited 45 school district superintendents and 45 secondary school principals from 45 school districts in Pennsylvania. The 45 school districts were located within three Intermediate Units, which are regional educational institutions that work cooperatively with the public school districts within their geographic coverage area. The invited participants were asked to complete an electronic, 10-question survey. At the end of the electronic survey, participants were asked if they would be interested in an oral interview. Interested participants provided their contact information and total K-12 student enrollment. From the pool of interested participants, I selected three school superintendents and three secondary school principals to be part of one-time, audio recorded, oral interviews that were conducted during the first week of December 2018.

Demographics

The electronic survey resulted in 37 responses. This was a 41% response rate to the 90 survey invitations that I sent to superintendents and secondary building principals in the 45 school districts included in this study. Based on discussions with my dissertation chair and methodologist committee members, response rates for electronic

surveys are generally 25%–30%, which indicates a positive outcome with the 41% participant response rate in this study. The electronic survey participants were 100% anonymous; therefore, responding participant characteristics are not available for further analysis.

Oral interview participants consisted of four telephone interviews and two in-person interviews conducted during the first week of December 2018. I selected three superintendents and three secondary building principals to participate in the study from those who responded to the survey and these selected participants consisted of one superintendent and secondary building principal from a school district with a K-12 student population of less than 2,500, one superintendent and one secondary building principal from a school district with a K-12 student population of 5,000 to 7,499, and one superintendent and one secondary building principal from a school district with a K-12 student population of greater than 7,500.

Data Collection

I sent an e-mail electronic survey request and consent form to 45 school superintendents and 45 secondary school principals on November 14, 2018. Second and third reminder survey request e-mails were sent to invited participants on November 18 and November 27, 2018. The initial invitation resulted in 16 responses and the second invitation resulted in an additional 14 responses. The third invitation resulted in the final seven responses. In total, the survey resulted in 37 responses, which was a 41% response rate. This higher response rate resulted in a richer level of data for me to analyze and present results.

The survey contained 10 questions regarding the economic and operational impacts that each participants' school district had experienced over the past 3 years from the outgoing tuition payments to charter schools. I sent the same 10 question surveys to both superintendents and secondary school principals. The electronic survey also included a final request as to whether the participants were interested in an oral interview. If the participant was interested, they were asked to provide their contact information for me. I used SurveyMonkey.com for this part of data collection.

Of the 37 responses to the survey, I received a total of 13 responses from participants interested in oral interviews. Of the 13 interested participants, I selected superintendents and secondary principals based on the total student population of their district, and this resulted in a total of six interviews. The interviews were conducted both in-person and over the telephone using a semi structured interview questionnaire consisting of 17 questions.

Data Analysis

Quantitative Data

For this study, I used a mixed method approach, collecting quantitative data from electronic surveys and qualitative data from individual interviews. The quantitative data collected from the electronic surveys were evaluated based on a 4-point Likert scale. Assigning values of 1 to 4 to the participant responses enabled me to analyze the data by a number of different statistical measures. These statistical measurements further allowed the data to be analyzed for response trends, commonalities, and differences.

I entered all response data based on the Likert scale number assignment into a Microsoft Excel spreadsheet. The spreadsheet was created and included the following central tendency measurements: mean, median, and mode. The collected data was further analyzed for the following variability measurements: range, variance, and standard deviation. Each of these statistical measurements and results to the analysis was further presented based on the data collected.

Central tendency. Mean is the value of the numbers added together and divided by the number of responses. I assigned values of the following to the survey responses: *strongly agree* = 1.0, *agree* = 2.0, *disagree* = 3.0, and *strongly disagree* = 4.0. The significance of the mean is that it assigns an average to the total responses collected for each question. In some statistical analysis, the mean can be influenced and/or skewed by response outliers in the data; however, in this particular study, this was minimized as response options were limited to the 4-point Likert scale.

The mean further allowed me to determine the response average for each question as being either strongly agree, agree, disagree, or strongly disagree. This provided a statistical basis for me to determine the response trends to the questions asked of the participants and what results were reflected for each question in the survey. This then allowed me to make certain reasonable assumptions with the data collected.

Median is the value of the middle number when the data are arranged in value order. The median is another tool of statistical analysis, and it allows the researcher to determine what the central point in the data collection reflects. This analysis provided relevant and useful data to this study because it excluded potential response data outliers

that may have skewed data results from the mean measurement analysis. The median further allowed me to make some reasonable assumptions based on the data collected based on the middle point in the responses to each question.

Mode is the most common score in the responses received. Mode is a statistical analysis that allows the researcher to determine what the most common or frequent response to each question asked in the survey. The most common response in each question provides another source of data for the researcher to make some additional assumptions with the data collected.

Variability. Range is the difference between the highest and lowest numbers. If the highest number is 4.0 and the lowest number is 1.0, the range is 3.0. In a 4-point Likert scale, the range reflected how closely aligned or dispersed the responses were to each question. The smaller the range, the more similar the participant responses were to the questions.

Variance is the value that describes how all the scores in the distribution are dispersed or spread about the mean. When comparing the mean or average to the variance, scores that are closely aligned around the mean, or statistically less than 1.0, reflected similar response trends to the questions. A variance that is greater than 1.0 reflects responses that are more spread about the mean.

Finally, standard deviation is the square root of the variance and is the most frequently used measure of variability. Standard deviation identifies how close or dispersed responses are to the mean. A low standard deviation of less than 1.0 reflects

most of the responses are close to the mean or average. A standard deviation of greater than 1.0 reflects responses that are more dispersed as compared to the mean or average.

Qualitative Data

The oral interviews comprised the qualitative portion of this study. I used the following four areas of qualitative analysis: credibility, transferability, dependability, and objectivity. Each measure will be further detailed in this subsection.

Six interviews were conducted as part of this study and included three superintendents and three secondary building principals based on their total student population. I selected the participants in the interviews. There was an initial total of 13 participants in the electronic survey who indicated interest in an interview as part of this research. I used this participant pool to select the six individuals for interviews. All interviews were conducted during the first week of December, 2018.

The first qualitative measurement tool for the interviews was credibility. Credibility depends on the richness of the information gathered and analytical abilities of the researcher. Data triangulation consisted of measuring interview results from six separate individuals who were interviewed independently of one another. In addition, there were four different school districts involved in this research. Lastly, there was three different student population school districts involved in this research study.

Further credibility measures how responses between participants compared with each other. Determining whether the interviews provided consistent results or where the responses inconsistent with one another. Also, this measurement allows the researcher

to further interpret the data and compare and contrast with the quantitative analysis results.

The second qualitative measurement used in this study was transferability. Transferability refers to generalizing finding across different settings. It provided evidence that the generalization of the data collected could be applicable to other groups, which in this case is the entire K-12 public education system in Pennsylvania. Transferability also reflected being able to provide as much details as possible about the interviews such as time, context of the research, and how participant responses will assist within the particular study.

For transferability, this study included 45 school districts within three Intermediate Units in Pennsylvania. The interviews included a rich source of data to draw upon for this analysis from participant years of experience to their experiences with the operational and economic impacts of charter school tuition payments on their own district. The generalization of these findings could then be transferable to the entire state of Pennsylvania, which includes a total of 500 school districts and 29 intermediate units.

Dependability is the repeatability of findings from the data collected. This researcher strived to develop and collect data that would be dependable for this research study. For this study, I utilized external review of the interview questions, collection process, and data analysis by my local mentor prior to providing to my committee members. My local mentor has an earned doctorate, is a school district superintendent, and adjunct professor at a local university. This mentor review was further completed to

ensure that my results and interpretations of the data were consistent with the external mentor's assessment.

Objectivity was the final qualitative measurement utilized for the qualitative part of the study. Objectivity is based on the researcher being distanced from the data collected and in that he/she presents non opinion based factual information. The research should not be influenced by the values, opinions, bias, or perspectives of the researcher.

I remained completely objective and presented the results of the interviews without any subjective opinion-based interpretations. I further detailed their objective and neutral stance as part of the introductory statement with each interviewee. The full transcripts of each interview are attached in Appendix B.

Research Questions

In order to answer the first research question, school superintendents were included in both the electronic surveys and oral interviews. The following survey and interview questions were asked of each participant to investigate how the charter school legislation has impacted their K-12 school district as a result of the tuition dollar outflows to charter schools.

For the second research question, secondary school principals were included in both the electronic surveys and oral interviews. The second research question was not developed to exclude superintendents, rather it was meant to gain the additional perspectives of secondary building principals who have a direct operational and programmatic oversight of their respective buildings, teaching staff, and students. The

secondary building principals could speak directly to the operational and programmatic impacts resulting from the tuition dollar outflows to charter schools. The following tables lists the electronic survey and oral interview questions that were asked of both superintendents and secondary building principals in this study.

Table 3

Electronic Survey Questions

Research Question 1. How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2. As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

1. As a school superintendent or building principal, I have a sound understanding that Act 22 of 1997 requires the local school district to annually calculate and remit a tuition payment for each student that attends charter schools?
2. As a school superintendent or building principal, the number of students at my district attending charter and cyber charter schools has increased over the past 3 years?
3. As a school superintendent or building principal, my district's tuition dollar spending on charter and cyber charter schools has increased each year over the past 3 years?

4. As a school superintendent or building principal, charter and cyber school tuition payments have resulted in a reduction to educational equipment, supplies, and materials budgets directly related to classroom instruction over the past 3 years?
5. As a school superintendent or building principal, charter and cyber school tuition payments have resulted in one or more complete budget eliminations to educational equipment, supplies, and materials budget directly related to classroom instruction over the past 3 years?
6. As a school superintendent or building principal, charter and cyber charter schools has resulted in reductions within our student programmatic academic offerings at my district over the past 3 years?
7. As a school superintendent or building principal, charter and cyber charter schools has resulted in one or more complete budget eliminations within our student programmatic academic offerings at my district over the past 3 years?
8. My district has raised local property taxes at least one time in the past 3year as a direct result of charter school tuition dollar outflows?
9. For the upcoming 2019-20 budget cycle, my district will be required to reduce staff hours or reduce educational instructional delivery programs as a direct result of charter school tuition payments?
10. For the upcoming 2019-20 budget cycle, our district will be required to eliminate staff positions or eliminate educational instructional delivery programs as a direct result of charter school tuition payments?

Questions 1 to 3 were developed to establish the framework for the researcher to investigate the participants knowledge as it relates to charter schools and what level of student enrollment is there for charter schools at their particular school district.

Questions 4 and 5 were developed to investigate the level of direct instructional material and supplies reductions/eliminations there has been as a result of charter school tuition outflows at their particular district. Questions 6 and 7 were developed to investigate, at the participants' local district, whether or not tuition dollar outflows have resulted in educational program reductions or eliminations as a result of charter school tuition outflows. Question 8 was developed to investigate the direct economic impact of charter schools as it relates to the revenue generation for the local school districts. Finally, Questions 9 and 10 were developed to investigate, based on the 2019-20 budget development process, if any reductions or eliminations to instructional programs would be necessary as a result of the tuition dollar outflows to charter schools. Appendix A provides a complete report of the results of the electronic surveys.

Table 5 reflects the oral interview questions asked of the participants. The oral interviews investigated the perspectives on the economic, operational, and programmatic impacts resulting from tuition dollar outflows. The same questions were asked of both superintendents and secondary building principals.

Table 4

Oral Interview Questions

Research Question 1. How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2. As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

1. Current position?
2. Time in current position?
3. Prior positions held in public education?
4. Total years of public education experience?
5. General financial and operational observations of charter and cyber charter schools?
6. Has the number of charter school students from your district increased or decreased over the past 3 years (both regular and special ed)?
7. For the 2018-19 school year, do you know how many students from your district are currently attending charter and cyber charter schools?
8. Has the number of charter and cyber charter schools operating in your area that your students attend increased or decreased over the past 3 years? How much of an increase or decrease?

9. For the 2018-19 school year, do you know how much your district is spending on charter school tuition payments?
10. Over the past 3 years, has your district's tuition spending on charter schools increased or decreased? How much of an increase or decrease?
11. What, if any, operational impacts has charter school enrollments created for your district (example: reduced or eliminate programs, instructional materials, or staffing)?
12. What, if any, financial impacts has charter school enrollments created for your district (example: increased taxes)?
13. Has the "financial health" of your district improved or worsened over the past 3 years as a direct result of charter school tuition payments?
14. What, if any, do you feel is the most pressing financial issue for your district created by charter schools that should be addressed immediately?
15. What, if any, do you feel is the most pressing operational issue for your district created by charter schools that should be addressed immediately?
16. What, if anything, has your district done or will do to address the charter school tuition payment expenditures (example: created you own cyber program, recruited students back)?
17. Additional comments...

Questions 1 to 4 were developed to investigate the participants' experience and years of professional experience in the field of K-12 public education in Pennsylvania. Question 5 was developed to investigate the participants' observations about charter

schools. Questions 6 to 8 were developed to investigate the number of students from their particular K-12 school district that were/are attending charter schools. Questions 9 and 10 were developed to investigate the direct financial impacts that are resulting from charter school tuition outflows at the participants' school district. Questions 11-13 were developed to investigate the operational and financial impacts associated with charter school tuition dollar outflows. Questions 14-15 were developed to investigate the most pressing financial and operational impacts that the participants in the interviews were experiencing at their local school district. Question 16 was developed to investigate what step(s) have been taken at the local school district level to address the charter school tuition outflows. Finally, Question 17 was developed to be open-ended to allow the participant to provide any other information they felt necessary to the researcher. Appendix B provides the full transcript results of all of the oral interviews.

Results

This mixed method study determined operational, economic, and programmatic impacts. Specifically, the impacts experienced by public K-12 school districts resulting from Act 22 of 1997 charter school legislation. This legislation requires tuition payments from public school districts to charter schools that educate students that reside within their attendance area.

Quantitative Data

The electronic surveys used a 4-point Likert scale for each question. There were ten questions asked in the survey with response options of strongly agree = 1.0, agree = 2.0, disagree = 3.0, strongly disagree = 4.0. The survey was designed to investigate

from superintendents and secondary building principals the economic, operational, and programmatic impacts of tuition dollar outflows to charter schools. The results of the survey reflected the following:

Table 5

Electronic Survey Responses

| Question | Strongly Agree | Agree | Disagree | Strongly Disagree | Responses |
|-----------------|-----------------------|--------------|-----------------|--------------------------|------------------|
| 1 | 17 | 15 | 3 | 2 | 37 |
| 2 | 12 | 18 | 8 | 0 | 38 |
| 3 | 17 | 15 | 4 | 0 | 36 |
| 4 | 13 | 16 | 7 | 1 | 37 |
| 5 | 7 | 8 | 20 | 2 | 37 |
| 6 | 6 | 14 | 16 | 0 | 36 |
| 7 | 5 | 11 | 20 | 1 | 37 |
| 8 | 12 | 6 | 15 | 3 | 36 |
| 9 | 4 | 8 | 21 | 4 | 37 |
| 10 | 3 | 5 | 23 | 6 | 37 |

Table 6

Descriptive Statistics on Central Tendency

| Question | Mean | Median | Mode |
|-----------------|-------------|---------------|-------------|
| 1 | 1.73 | 2.00 | 1.00 |
| 2 | 1.89 | 2.00 | 2.00 |

Table 6 (Continued).

| | | | |
|----|------|------|------|
| 3 | 1.64 | 2.00 | 1.00 |
| 4 | 1.89 | 2.00 | 2.00 |
| 5 | 2.46 | 3.00 | 3.00 |
| 6 | 2.28 | 2.00 | 3.00 |
| 7 | 2.46 | 3.00 | 3.00 |
| 8 | 2.25 | 3.00 | 3.00 |
| 9 | 2.68 | 3.00 | 3.00 |
| 10 | 2.86 | 3.00 | 3.00 |

Table 7

Descriptive Statistics on Variability

| Question | Range | Variance | Standard Deviation |
|-----------------|--------------|-----------------|---------------------------|
| 1 | 3 | 0.68 | 0.83 |
| 2 | 2 | 0.54 | 0.72 |
| 3 | 2 | 0.46 | 0.68 |
| 4 | 3 | 0.64 | 0.80 |
| 5 | 3 | 0.76 | 0.86 |
| 6 | 2 | 0.54 | 0.73 |
| 7 | 3 | 0.58 | 0.76 |
| 8 | 3 | 1.00 | 1.01 |
| 9 | 3 | 0.66 | 0.81 |

Table 7 (Continued).

| | | | |
|----|---|------|------|
| 10 | 3 | 0.62 | 0.78 |
|----|---|------|------|

Based on the central tendency mean data analysis conducted, the results reflected the following. For questions 1 to 4 the mean reflected a score of 1.73, 1.89, 1.64, and 1.89 respectively. Responses between 1.0 and 2.0 reflect response averages between strongly agree and agree.

Question 1 reflected an average score of 1.73, which is between strongly agree and agree to the question of the participants general understanding of Act 22 of 1997. This mean response measurement reflected that participants understood how the charter school tuition payment system worked. This statistical measurement establishes the foundation of credibility for the data collected for the remaining questions. Alternatively, responses to this question that reflected disagree or strongly disagree would have diminished the credibility and validity of data collected to the remaining survey questions.

Questions 2 and 3 reflected a mean score of 1.89 and 1.64 or responses between strongly agree and agree. These questions asked about the growth in charter school enrollments as well growth in charter school spending by participants' districts. The research collected in Chapter 2 on the growth of charter schools was supported by the participant responses to these questions in this survey.

Question 4 reflected a mean score of 1.89 or responses between strongly agree and agree. This question asked if the participants' district had reduced budgets directly

related to classroom instruction. This response mean addresses in part Research Question 1 on the decisions of superintendents on the economic and operational decisions. This response mean also in part addresses Research Question 2 on the impacts to student achievement when budget reductions resulted in participant districts.

Questions 5 to 9 and 10 reflected a mean score of 2.46, 2.28, 2.46, 2.25, 2.68, and 2.86 respectively. Since mean translates to the average of the responses, a score of less than 2.0 reflects either strongly agree or agree. And, a score between 2.0 and 3.0 reflects responses in between agree and disagree.

Questions 5 to 7 asked participants if their district either completely eliminated instructional materials or instructional programs as a result of charter schools. The mean response of 2.46, 2.28, and 2.46 indicate responses between disagree and agree. Responses within this range reflect some of the participant districts' reduced or eliminating budgets or program offerings for instructional purposes while others did not. I did not further investigate the reasons for why some did and some did not, however, some assumptions that could be proposed are that socio economic conditions at some districts being better than others or some districts adopting programmatic economic or operational strategies to deal with the tuition dollar outflows.

Questions 8, 9, and 10 reflected questions relating to tax increases as a result of charter school tuition costs and whether for 2019-20 fiscal year whether participants anticipate reducing or eliminating staff or programs. The mean scores of 2.25, 2.58, and 2.86 respectively reflect scores between agree and disagree. I did not further investigate why some participants agreed while others disagreed, however, some assumptions that

could be proposed is that those that are not increasing taxes or reducing and/or eliminating staff or programs, however, some assumptions that could be proposed is that the socio economic status of some districts being better than others or that some districts are more active in developing strategies to mitigate the current and future impacts of tuition dollar outflows.

Question 1 to 4, and 6 indicated a median score of 2.0. Questions 5, 7, 8, 9, and 10 indicated a median score of 3.0. The median is the data point with an equal number of data points above and below it. The median was another statistical measure utilized in this study because it eliminated the possibility of outlier responses skewing the scoring for each question.

Based on the median score of 2.0 for questions 1 to 4, and 6, it reflected that a median data point of agree. The median score of 2.0 provides further confirmation of the results with the mean score. The participants had a sound understanding of Act 22 of 1997 and also had an increase in the number of students attending charter schools and increasing charter school costs. Results further reflected a reduction in participant budgets related to classroom instruction.

Based on a median score of 3.0 for questions 5, 7, 8, 9, and 10, it resulted in a median data point of disagree. These survey questions related to budget eliminations for classroom instruction, programmatic eliminations, tax increases, and instructional reductions and eliminations to their 2019-20 budgets. This response indicator of the survey results reflected that the participants on average did not have to eliminate programs or increase taxes as a result of the tuition dollar outflows to charter schools.

The mode is the most common score within a set of data. Questions 1 and 3 had a mode score of 1.0 or strongly agree. Questions 2 and 4 had a mode score of 2.0 or agree. Questions 5 to 9 and 10 had a mode score of 3.0 or disagree. A score of 1.0 on the mode reflects a response of strongly agree, 2.0 reflects agree, and 3.0 reflects disagree. For six of the 10 questions, the mode reflected 3.0 or disagree.

The mode was another statistical measure used for this study because it reflected what participant responses were most common for each question in the survey. The strongly agree responses to both questions one and three reflect that participants had a sound understanding of Act 22 of 1997 and also that the tuition dollar outflows have increased for their district. This further supports the research compiled in Chapter 2 on how charter school costs have escalated dramatically over the past 21 years.

Questions 2 and 4 reflected a mode of agree. These questions pertained to the growth of charter school enrollments and reduction in instructional materials budget for their respective school district. Both question response modes again supported that charter schools have had a direct impact on the economic, operational, and programmatic offering of traditional K-12 education.

For questions 5 to 9, and 10, the mode score was 3.0 or disagree. These survey questions pertained to programmatic reductions, complete budget eliminations, tax increases for their respective districts. These mode scores supported the mean and median analysis that participants have either been able to reduce or eliminate the impacts of tuition payment as it relates to programmatic offering or tax increases.

For the variability measurement data analysis the range reflects the difference between the highest and lowest responses. The survey was a 4-point Likert scale. Based on the range in the survey responses being 1 to 4 for questions 1, 5, 7, 8, 9, and 10 the range was 3.0. The range for questions 2, 3, and 6 was 2.0.

Range was used in this study to determine the span of responses to each question in the survey. For a range of 3.0, the responses reflected all possible options from strongly agree to strongly disagree. For a range of 2.0, the responses were more closely aligned among participants.

The range measurement provided me with data to determine whether the responses indicated a larger disbursement of participant experiences as they relate to the charter school tuition dollar impacts. It also provided some direction on whether participant districts' potential ability to minimize or mitigate the impact of charter schools on their own operations.

The measurement of the variance in the data, which reflects how response scores are spread about the mean. The more closely the scores are to the mean reflected similar response trends. The mean for questions 1 to 10 were 1.73, 1.89, 1.64, 1.89, 2.46, 2.28, 2.46, 2.25, 2.68, and 2.86 respectively. The variance for questions one through ten were .68, .54, .46, .64, .76, .54, .58, 1.00, .66, and .62 respectively. A variance of less than one indicates responses closely packed around the mean.

Variance was another statistical measure used in this study because it determines how closely aligned or dispersed the survey responses were to each of the survey questions. For all questions, with the sole exception of question 8, the variance was less

than 1.0, which indicated closely aligned responses. This indicates similarity in responses and associated impacts for the survey participants. Similarity in responses indicates consistency in the impacts experienced by the participants in this study.

The sole outlier in the variance measurement was question 8 with a score of 1.00. Question 8 asked whether or not the participants' district was required to raise taxes as a direct result of charter school tuition payments. Based on responses received, 50% indicated that they did raise taxes by responding strongly agree and agree and 50% indicated by disagree and strongly disagree that they did not raise taxes. An assumption I made based on this measure is that it indicates that some districts have been successful in mitigating the impact of tuition payments or adopting other strategies to deal with the costs more successfully than others.

The final quantitative measurement used in this study was standard deviation. Standard deviation is the square root of the variance. The standard deviation analysis measures how much the responses differ from the mean. For questions 1-10, the standard deviation was .83, .72, .68, .80, .86, .73, .76, 1.01, .81, and .78 respectively

The standard deviation reflected very similar results to the variance inclusive of question 8. A standard deviation of less than 1.0 reflects small differences from the mean or average response. The standard deviation analysis reflected small difference from the mean with the outlier of questions 8, which was identified based on the equal split in agree/disagree answers to that particular question.

The quantitative analysis of the survey questionnaire reveals several outcome assessments. First, conflict theory, and the competition for and unequal distribution of

limited financial resources is reflected in the response data collected based on mode scores of 1.0 or strongly agree for increased spending on charter schools and a mode score of 2.0 or agree for reducing classroom instructional budgets.

The second assessment from this analysis is that most survey participants have been successful in reducing or eliminating the need to reduce or eliminate programmatic offerings as a result of charter school tuition payments. The mode score of 3.0 or disagree for Questions 5 to 9, and 10 indicated that districts are actively working to mitigate or minimize the ongoing impacts of charter schools. This could be as a result of districts' implementing strategies to curtail the more recent impacts of charter schools like creating their own charter school or rebranding their district to recruit charter students back from the charter school.

The third assessment gathered from this data analysis is that response trends based on the variance and standard deviation reflect very similar responses to all questions in the survey from both secondary principals and superintendents. This reflects consistent responses and more validity to the data as applied across a large number and region of Pennsylvania public K-12 school districts.

Research Question 1 on the economic and operational decisions of superintendents and Research Question 2 on the impacts on student achievement based on the economic and operational decisions resulting from charter school tuition dollar outflows are further addressed based on the small variance and standard deviation measures as they relate to the questions on the instructional and programmatic impacts at participant districts.

Qualitative Data

The oral interviews consisted of three superintendents and three secondary principals being asked 17 questions. Four interviews were conducted via telephone and two in person during the first week of December 2018. The results of the interviews reflected the following methods of evaluation and results.

The credibility of the results in this research reflects data collected from six different sources across three different counties in Pennsylvania. Interviews included superintendents and secondary building principals from three Intermediate Units.

The interviews were further conducted at three different student population districts to provide as much diversification as possible with the participant pool. Selection of a small K-12 student population district of <2,500 students, mid-sized population district 5,000 to 7,499 students, and large school district with student population of >7,500 provided a diverse cross section of superintendents and secondary building principal perspectives.

I included superintendents and secondary building principals as they have overall and direct oversight at their respective K-12 school district. Each participant included in the interview had at least three years of experience in K-12 public education and currently holds a position of significant responsibility within their respective school district. Their experiences and perspectives relative to this research topic are based on the impacts experienced by traditional public education systems in Pennsylvania. They have direct and multi year experiences with charter schools and tuition dollar impacts that are critical to this research and answering of the Research Question 1 and Research

Question 2 and affirming conflict theory position on the unequal distribution and competition for limited financial resources for public K-12 education in Pennsylvania.

The responses collected from questions 1 to 4 indicated participants with extensive administrative careers ranging from 19 to 32.5 years in K-12 public education. All participants had experience as both a teacher and now as either a secondary building principal or superintendent. All participants further indicated current position experience ranging from three to 13.5 years. Interviews lasted between 10 and 20 minutes with all participants and were audio recorded and then transcribed into text. Transcripts of interviews are attached in Appendix B.

Transferability of the results in the study reflect the generalization to a broader group based on the six collected responses to the interviews. To improve the transferability of the collected responses, interviews were conducted over a large geographic area covering three counties in Pennsylvania. Further, interviews were conducted from both a building level and top district leadership position.

Question 5 on the interview reflected a number of responses ranging from educational performance and transparency of charter schools to financial impacts at their current district. The responses received also indicated a wide range of concerns about charter schools on an operational oversight and accountability. In general, all six participants shared varying levels of observations and/or concerns about charter schools and their impacts on their own district.

All six participant responses collected for questions six indicated charter school enrollment growth. This would support references included in Chapter 2 and well as

response data collected in question two of the electronic survey reflecting the growth of charter schools across Pennsylvania over the past 21 years. However, only one of the interview participants indicated a significant growth in the number of charter school students over the past three years of ten percent annualized. This would tend to indicate that charter school enrollment is growing but at a much slower pace.

For Question 7, five of the six participants knew the current number of student attending charters schools from their district. Charter school enrollment ranged from a low of 35 to a high of 2,044 for participant own districts'. This significant variation of charter enrollment was directly associated with the K-12 student population of the participant's district. The largest district had the largest charter enrollment and the smallest district had the lowest enrollment.

For Question 8, five of the six participants indicated that the number of charter schools operating in their area has increased. This response trend is consistent with the data presented in Chapter 2 on the growth of charter schools. Further, as presented in Chapter 2, the more recent growth of cyber charter schools across the state facilitates this continued growth. The contrast to this finding is that the response to Question 6 in the interviews indicated that growth was not significant at participant districts' with the exception of one interviewee.

Question 9 responses indicated a significant variance among participants. Four of the six participants knew their district's spending on charter schools. Annual spending by the participants school districts ranged from a low of approximately \$800,000 to nearly \$30 million per year. One participant indicated during the interview

that the vast majority of the highest spending charter school districts come from the larger suburban and urban districts across the state. This particular question ties directly back to addressing Research Question 1 on the unfunded mandate of charter schools and the economic and operational decisions of superintendents as each participant identified the payments as significant dollar outflows from their budgets that could be used elsewhere in their budgets.

Question 10 responses by all six participants indicated growth in charter school spending. In one participant response, their spending on charter schools has increased by \$8 million dollars over the past 3 years. Conflict theory as it relates to the unequal distribution and competition for limited funding is particularly highlighted by the participant responses to this question. Also contributing to the increase in expenditures is the tuition calculations to charter schools that are required annually based on the sending district's budget as presented in Chapter 1.

Questions 11 and 12 responses indicated in five of six participants district's varying levels of operational and financial impacts. One of the six participants indicated that they eliminated 20 teacher and support positions as a result of charter school tuition payments, which reflects what approximately one half of the electronic survey responses reflected. In addressing Research Question 2, the impact on student achievement, the district eliminating 20 positions over the past 3 years reflected a significant impact on student instructional resources.

Tax increases directly related to charter school tuition payments was identified in three of six participant responses. In one case, the participant indicated that if they did

not have to pay for charter school expenses, they would not need to annually raise taxes. This again affirms this study's conceptual framework on conflict theory and the competition for and unequal distribution of limited economic resources to fund public K-12 public education in Pennsylvania.

Questions 13 reflected five of the six participants responses of negative impacts on the financial health of their district as a result of charter schools. One of the six responses indicated that their financial health improved in spite of the charter school tuition payments due to other economic factors. Responses further indicated that the tuition dollar outflows were funds that could have be used elsewhere in their budgets for the support of student instruction and support services.

Questions 14 and 15 reflected in all six responses issues ranging from student accountability for charter school students returning back to the sending school district to the academic needs for the returning students. Three of the six participants specifically mentioned that charter school tuition payments do not match their operational costs. Also, three of six participants mentioned that transportation costs for charter school students is a pressing operational issue for their district.

Question 16 further reflected a number of responses from participants. Five of the six participants indicated that their district created a cyber school. However, in one district, they started their own charter school but later disbanded it due to students and parents citing too rigorous academic demands. In another district, one participant indicated that they wanted the parents and students to choose their traditional environment over that of a charter school by reinforcing the value that they provide to

the students. In another district, the participant indicated that they have held press conference, met with legislators, and created Facebook and Twitter accounts with information on the impact of charter school tuition payments for their district.

The responses received in Question 16 support my assumptions in the survey responses analysis that districts are adopting strategies and plans to mitigate and/or eliminate the impact of tuition dollar outflows. Some participants indicated that they have only recently adopted some of these strategies while others indicated long-term multi-year efforts.

Finally, Question 17 indicated a number of responses ranging from more control and oversight by the PDE to a more equitable means of student and financial accountability by the charter schools. One participant indicated that education of students should be the priority and not politics. Another participant indicated that charters are selling themselves as better than traditional education, but based on their experiences, they are not.

Dependability is the consistency of the data collection and data analysis process with the interviews. For this study, interview responses in this study was collected from December 4 to December 7, 2018. The data collected based on responses to Questions 5, 6, 10, 13, 14 and 15 indicated consistent response similarities among the participants as it relates to the negative economic, operational, and programmatic impacts on traditional K-12 education resulting from tuition dollar outflows. Further, based on the interview results as compared to Chapter 2, the consistent themes of lack of charter

school academic and financial accountability, need of additional state oversight, and reform of the current charter tuition payment system is affirmed.

Objectivity is the ability of the researcher to remain neutral to the research and data collection and only provide the facts. I remained completely objective during the interviews and did not influence, interfere, or otherwise solicit particular responses to questions. All participants were informed at the beginning of the interview that my role was to remain neutral and not influence or otherwise interfere with their responses to the questions asked. The results of the interviews and full transcripts are included in Appendix B.

Summary

Charter schools were initially permitted by legislation enacted and approved via Act 22 of 1997. Over the next 21 years, as detailed within Chapter 2, the tuition dollar outflow from traditional public education systems to charter schools in Pennsylvania has resulted in an increasing level of concern about the fairness and equitability of the current funding mechanism across the state. The electronic surveys and oral interview responses obtained from both superintendents and secondary building principals were used to investigate the conceptual conflict theory framework for this study as well as address Research Question 1 and Research Question 2 that charter schools have resulted in economic, operational, and programmatic reductions/eliminations for traditional K-12 school systems.

Chapter 5 presents the study's findings as they relate to the literature review and theoretical framework in Chapter 2. Chapter 5 also presents the limitations of the study

as well as recommendations for further research. In addition, Chapter 5 finally presents the social change of the findings and conclusions.

Chapter 5: Conclusions and Recommendations

Introduction

The purpose of this study was to understand the economic, operational, and programmatic impacts on traditional K-12 education resulting from the tuition payments to charter schools. This study involved two research questions; the first research question was developed with a focus on school superintendents, while the second was developed for both superintendents and secondary principals. The research questions that guided this study were as follows:

Research Question 1: How does the unfunded mandate for charter schools impact the economic and operational decisions of superintendents in public schools?

Research Question 2: As a result of the unfunded mandate for charter schools, to what extent, if any, do superintendents' economic and operational decisions impact student achievement in traditional public schools?

In this study, I used a mixed method design involving electronic surveys and semi structured interviews. The participants in this study were selected based on their overall operational oversight responsibility by school superintendents to the direct classroom educational delivery oversight by secondary building principals. The results of the electronic surveys and oral interviews will be presented in the following section based on the two research questions.

Key Findings

Research Question 1

In this study, I gathered data from both electronic surveys and interviews to establish how traditional K-12 school districts in Pennsylvania. The first research question was intended to address how and to what extent the outflow of charter school tuition payments impacted how the superintendents, as the administrative leader, modified their operational decisions. The findings from the electronic surveys indicated that school districts across the study locations in Pennsylvania had experienced growth in the number of students and tuition dollar spending by 81.08% and 88.89%, respectively. Additional findings from the electronic surveys showed that participants identified local programmatic reductions or eliminations by 55.56% and 43.24%, respectively, as a direct result of charter school tuition dollar outflows.

These results further affirmed the relevance of conflict theory to this study and that the competition for limited resources has resulted in unequal distribution of resources. Based on interview responses from several participants, the tuition dollars going to charter schools did not reflect the actual instructional costs, so the charter schools are profiting at the sending districts' expense both financially and programmatically.

The oral interviews also consistently supported the results of the data collected in the electronic surveys. All six participants in the interviews indicated that their school district has experienced growth in charter school enrollment and tuition dollar outflows. Further, all six of the interview participants responded that they have experienced

varying levels of programmatic impacts as a result of charter school tuition dollar outflows. One participant indicated that they have eliminated 20 professional and support staff positions over the past 3 years.

However, for the 2019–2020 budget cycle, only 32.43% and 21.62% of participants in the electronic survey indicated that their district would be reducing or eliminating instructional programs respectively as a result of charter school tuition outflows. Based on the interviews, all six of the participants stated that their local school district has either started their own charter school or recruited students back to the local district through open recruitment or district rebranding. The survey results and responses collected for Question 16 in the interviews also reflected that a majority of local school districts are adapting their local educational delivery options and rebranding as a result of charter schools.

As previously identified, I asked Question 8 on the electronic survey to investigate whether the participants' school districts raised taxes in the past 3 years as a direct result of the charter school outflows. This was the only question in the survey to reflect a standard deviation of > 1.0 . The survey responses reflected 50% agreed that they did raise taxes, and 50% responded that they did not raise taxes. This spread in the responses was further clarified in the interviews as two of the responses indicated that they were able to fund the charter school tuition payments without the need for a tax increase, while four participants responded that a tax increase was required as a direct result of charter school tuition payments.

Research Question 2

With this research question, I investigated how and to what extent student achievement was impacted as a result of the charter school tuition dollar outflows. In the electronic survey, I found that 55.56% and 43.24% of the participants answered that their local school district has either reduced or eliminated programs as a result of the charter school tuition payments, respectively, and four participants in the oral interviews said that their K-12 school districts have reduced or eliminated educational programmatic offerings.

While I did investigate programmatic reductions and eliminations that could have impacted student achievement in this study, I did not use a statistically measurable student academic achievement test or other standardized test scores pre and post charter school tuition impacts. However, I did make several assumptions based upon the programmatic reductions in participant responses on student achievement in traditional K-12 public education.

The results of this study also indicated that traditional K-12 school districts are adapting to the charter school tuition dollar financial impacts in a number of ways. Five of the interview participants stated that they have created their own charter school or are recruiting students back to their respective school district. In addition, both the electronic surveys and oral interviews showed that 67.57% and 78.38% of the survey responses, respectively, and five of the oral interview participants that for the 2019–2020 budget cycle, they did not indicate that they would be reducing or eliminating educational instructional delivery programs as a result of charter school tuition

payments. This finding further reinforces the other results of this research reflecting more districts adapting to and/or modifying their own operations to better compete with the charter schools in their area.

Five of the oral interview participants reported that their school districts have either created their own charter school or recruited students back. Three participants responded that they have incorporated additional strategies to reduce the outflow of tuition dollars to charter schools. These strategies included meeting with legislators, town hall meetings, rebranding their school district, and creating Facebook and Twitter accounts. These interview response trends indicate that school districts have progressively adapted to the charter school environment and developed creative solutions.

The survey and interview results also showed a consistent, observable, and statistically significant theme among a majority of survey and interview participants. The results of this study also supported the conflict theory conceptual framework as it relates to the competition for and unequal distribution of limited financial resources. Further, the results reflected a range of impacts at the local level as well as a number of actions taken to reduce the charter school tuition dollar outflow impact. The key takeaway is that a majority of the survey and interview participants indicated increasing enrollments, tuition dollar outflows, and a lack of accountability and transparency for charter schools.

Interpretation of Findings

In this study, I consistently found that the charter school tuition dollar outflows have had an impact on the economic, operational, and programmatic offerings based on all participant responses. While the answers to some survey and oral interview questions reflected strong consistency among the participants, other survey question and interview responses varied. In 78.38% of responses to the survey questions, participants indicated that the tuition dollar outflows have resulted in programmatic academic offering reductions. However, only 50% of responses stated that there were tax increases in their school district as a result of charter school tuition outflows. This finding was supported by oral interview participant responses to Questions 11 and 12 on the financial and operational impacts of charter schools in their district.

In addition, the findings of this study illustrate a fundamental need for the charter school tuition payment system to be reviewed for fairness and equitability across the entire Pennsylvania K-12 educational system. The tenets of conflict theory were central to this specific finding. Specially, the charter school tuition system is not based on actual instructional costs, which has created an unequal distribution of limited financial resources.

Based on the participant responses from both the surveys and interviews, the local economic conditions and adaptability of the respective school district play a significant role in how the tuition dollar outflows have impacted the local school district in respect to addressing Research Question 1 and Research Question 2. The tuition rate calculation variations from school to school and competition for limited shared

resources between charters and traditional K-12 districts also seem to play a significant role in how and to what extent the current charter school system has and continues to impact traditional school districts. In response to this, school districts have adopted and continue to adopt new strategies to adapt and mitigate charter school tuition dollar outflows from forming their own cyber charter school to taking proactive political and rebranding strategies.

Limitations of Study

This study was limited to investigating the financial, operational, and programmatic impacts associated with charter school tuition dollar outflows. However, there are many other areas that are worthy of additional research like student academic achievement or charter school versus public school graduation rates. This study was also limited in determining the exact reasons why some the survey participants indicated much more significant impacts than others relative to tuition dollar outflows.

Act 22 of 1997 legislations was enacted 21 years ago, and the charter school system is continuing to rapidly evolve both operationally and financially in both brick and mortar and cyber-based operations. How this growth may be over the next 20-plus years is not known. Also, neither is how this tuition payment system will continue to impact traditional K-12 education across Pennsylvania in a number of research worthy areas.

A further limitation of this study was to determine the specific factors contributing to the short- and long-term successes of districts in their efforts to minimize the growth in charter school tuition dollar outflows. Data collection did not include

questions on successes or failures related to minimizing or eliminating tuition dollar outflows. While most participants indicated ongoing strategies to adapt to charter schools, the success or nonsuccess of those efforts was not part of this study.

Delimitations

This study only included school districts located in three Intermediate Units in Pennsylvania. I based this selection criteria on a reasonable geographic proximity to me as the researcher. Because this research area was purposely narrow, the results do not necessarily reflect the economic and operational impacts of charter schools on traditional public education on all school districts in Pennsylvania. In total, Pennsylvania includes 500 traditional K-12 school districts within 29 intermediate units.

Recommendations for Further Research

The results identified several areas for additional research. First, I did not specifically identify why some school districts did not reduce or eliminate local programmatic academic offerings while other participants indicated that their school district eliminated entire programs as a result of the tuition dollar outflows. There are some assumptions that can be made, however, this would be an important area of further research and analysis.

Secondly, I did not identify the economic conditions within each of the participant school districts. The local economic conditions within particular school district may have a significant impact on the school districts' ability to minimize or eliminate the impact of charter school tuition outflows. Another assumption is that some

participant districts were more proactively implementing strategies to counter the impacts of charter schools.

Third, I did not investigate student achievement in charter schools versus traditional public education. The tuition dollar outflows should come with a better understanding of the academic effectiveness and achievement that is being accomplished by charter schools in Pennsylvania. This is a further recommendation of research in this area.

Implications for Social Change

The focus of this study was to investigate the economic, operational, programmatic impacts of charter school tuition dollar outflows from the perspective of a school district superintendent and secondary building principal. This research was also to address the research questions of operational and economic decisions of superintendents and also to investigate how student achievement may be impacted by charter school tuition outflows. Further, this research's conceptual framework was conflict theory and the competition for and unequal distribution of limited financial resources for public K-12 education in Pennsylvania.

Superintendents and secondary building principals have overall and direct involvement and oversight authority with day-to-day operations as well as direct classroom instruction and student achievement. The participants in this study also have overall and direct oversight on how these tuition dollar outflows affect their local districts' ability to operate economically, operationally, and programmatically. Lastly, superintendents and secondary principals can further speak directly to how the charter

school tuition dollar outflows have affected their operations in addressing the research questions in this study.

Participants in this research reflect individuals who essentially have a first-hand knowledge and oversight on how the tuition dollar outflows to charter schools have impacted traditional K-12 public education in Pennsylvania. Some participants' school districts' have reduced or eliminated programs or increased taxes to offset the tuition dollar outflows. However, the results of this study indicate a consistent theme that there is a real and compelling reason to review and reform the current funding system for more equity and fairness in terms of establishing standardized tuition rates and a more equalized and shared state and local funding of charter schools.

Further, the participants in this study identified first-hand how the current system has reshaped the traditional K-12 school system in Pennsylvania. Adapting to the environment seemed to be a consistent theme among interviews for those districts that have had minimal impacts to their own operations as a result of tuition payments to charter schools. This could be an important catalyst for other traditional K-12 systems across the state to reduce or eliminate the ongoing and increasing impacts of charter school tuition outflows.

Conclusion

The purpose of this study was to identify how charter school tuition dollar outflows from traditional K-12 school district have resulted in economic, operational, and programmatic reductions and/or eliminations. Based on the data collected by both the surveys and interviews, the tuition dollar outflows have impacted traditional public

education in a number of ways. This reinforces the need of the legislature to open further dialogue and discussion on how this system was originally designed and what fixes are necessary for the long-term sustainability of the charter and public school partnership.

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Appendix A: Electronic Survey Results

Economic and Operational Impacts of Charter Schools on Public K-12 Education in Pennsylvania

Q1. As a school superintendent or building principal, I have a sound understanding that Act 22 of 1997 requires the local school district to annually calculate and remit a tuition payment for each student that attends charter schools?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly Agree | 45.95% | 17 |
| Agree | 40.54% | 15 |
| Disagree | 8.11% | 3 |
| Strongly Disagree | 5.41% | 2 |
| | Answered | 37 |
| | Skipped | 0 |

Q2. As a school superintendent or building principal, the number of students at my District attending charter and cyber charter schools has increased over the past three years?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly Agree | 32.43% | 12 |
| Agree | 48.65% | 18 |
| Disagree | 21.62% | 8 |
| Strongly Disagree | 0.00% | 0 |
| | Answered | 37 |
| | Skipped | 0 |

Q3. As a school superintendent or building principal, my district’s tuition dollar spending on charter and cyber charter schools has increased each year over the past three years?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 47.22% | 17 |
| Agree | 41.67% | 15 |
| Disagree | 11.11% | 4 |
| Strongly disagree | 0.00% | 0 |
| | Answered | 36 |
| | Skipped | 1 |

Q4. As a school superintendent or building principal, charter and cyber school tuition payments have resulted in a reduction to educational equipment, supplies, and materials budgets directly related to classroom instruction over the past three

years?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 35.14% | 13 |
| Agree | 43.24% | 16 |
| Disagree | 18.92% | 7 |
| Strongly disagree | 2.70% | 1 |
| | Answered | 37 |
| | Skipped | 0 |

Q5. As a school superintendent or building principal, charter and cyber school tuition payments have resulted in one or more complete budget eliminations to educational equipment, supplies, and materials budget directly related to classroom instruction over the past three years?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 18.92% | 7 |
| Agree | 21.62% | 8 |
| Disagree | 54.05% | 20 |
| Strongly disagree | 5.41% | 2 |
| | Answered | 37 |
| | Skipped | 0 |

Q6. As a school superintendent or building principal, charter and cyber charter schools has resulted in reductions within our student programmatic academic offerings at my District over the past three years?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 16.67% | 6 |
| Agree | 38.89% | 14 |
| Disagree | 44.44% | 16 |
| Strongly disagree | 0.00% | 0 |
| | Answered | 36 |
| | Skipped | 1 |

Q7. As a school superintendent or building principal, charter and cyber charter schools has resulted in one or more complete budget eliminations within our student programmatic academic offerings at my District over the past three years?

| Answer Choices | Responses | |
|-------------------|-----------|----|
| Strongly agree | 13.51% | 5 |
| Agree | 29.73% | 11 |
| Disagree | 54.05% | 20 |
| Strongly disagree | 2.70% | 1 |

Answered 37
Skipped 0

Q8. My District has raised local property taxes at least one time in the past three year as a direct result of charter school tuition dollar outflows?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 33.33% | 12 |
| Agree | 16.67% | 6 |
| Disagree | 41.67% | 15 |
| Strongly disagree | 8.33% | 3 |
| | Answered | 36 |
| | Skipped | 1 |

Q9. For the upcoming 2019-20 budget cycle, my district will be required to reduce staff hours or reduce educational instructional delivery programs as a direct result of charter school tuition payments?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 10.81% | 4 |
| Agree | 21.62% | 8 |
| Disagree | 56.76% | 21 |
| Strongly disagree | 10.81% | 4 |
| | Answered | 37 |
| | Skipped | 0 |

Q10. For the upcoming 2019-20 budget cycle, our district will be required to eliminate staff positions or eliminate educational instructional delivery programs as a direct result of charter school tuition payments?

| Answer Choices | Responses | |
|-------------------|-----------------|-----------|
| Strongly agree | 8.11% | 3 |
| Agree | 13.51% | 5 |
| Disagree | 62.16% | 23 |
| Strongly disagree | 16.22% | 6 |
| | Answered | 37 |
| | Skipped | 0 |

Q11. The researcher would like to conduct interviews with some participants. If you are interested in being interviewed, please provide your contact information.

| Answer Choices | Responses | |
|-------------------|-----------|----|
| Name: | 100.00% | 13 |
| Current Position: | 100.00% | 13 |

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| | | |
|--------------------------------|-----------------|-----------|
| School District: | 100.00% | 13 |
| Email: | 100.00% | 13 |
| Phone Number: | 100.00% | 13 |
| Total K-12 Student Population: | 100.00% | 13 |
| ZIP/Postal Code: | 0.00% | 0 |
| Country: | 0.00% | 0 |
| Email Address: | 0.00% | 0 |
| Phone Number: | 0.00% | 0 |
| | Answered | 13 |
| | Skipped | 24 |

Appendix B: Oral Interview Results

Superintendent #1:

Stuart: Hello, my name is Stuart Whiteleather. I am a doctoral student at Walden University. I am conducting a study on the financial and operational impacts of charter schools on traditional K-12 education.

Stuart: The researcher has selected three superintendents and three secondary building principals for interviews on their professional background as well as knowledge and experiences on the economic operational and programmatic impacts of tuition dollar outflows from their school district to charter schools. The selection criteria is one superintendent and one secondary building principal from districts with a total K-12 student population of less than 2500, 5000 to 7499 students, and finally greater than 7500 students.

Stuart: Reports coming out of these interviews only provide participant position, years in position, prior K-12 positions, and total K-12 years of experience. Reports will not share the identities of individual participants. Additionally, details that might identify participants such as the specific location of the interview or school district name will not be shared. The researcher will also not use your personal information for any purpose outside this research project. For the purpose of this interview, you will be referred to as Superintendent Participant Number One.

Stuart: Today is December 4th, and the time is approximately 9:00am. This interview is being conducted in person. Participants will be asked a total of 17 questions. At the end of each question asked by the researcher, participants will be asked to respond. There is no time limit to your response. Please be aware that my role as a researcher during this interview is to record your responses and not to encourage any specific type of answer. If you or any ... If any of the questions asked by the researcher are unclear, clarification will be provided. Finally, if at any point you need to stop the interview, please let the researcher know. Do you have any questions at this point?

Supt #1: No, I do not.

Stuart: Are you okay to proceed to the interview questions?

Supt #1: Yes, I am.

- Stuart: All right. The first question: Current position?
- Supt #1: My current position is Superintendent of Schools.
- Stuart: And how long have you been in your current position?
- Supt #1: This is my six year.
- Stuart: What are your prior positions held in public education?
- Supt #1: I was an Assistant Superintendent. I was also a Director of Human Resources. High School Principal. Middle School Principal. Transportation Coordinator. And then Middle School and High School Teacher.
- Stuart: What is your total years of public education experience?
- Supt #1: At this point, 32 and a half.
- Stuart: My next question is: Your general financial and operational observations of charter and cyber charter schools?
- Supt #1: My general observation is that over the past decade I've seen an extensive amount of financial obligation from school districts to support both charter and cyber schools. I do believe even in the past few years, I'll say three or four years, that increase has jumped even more significantly than in the past, which obviously is having an impact on our overall financial budget development process.
- Stuart: Okay. My next question is: Has the number of charter school students from your district increased or decreased over the past three years?
- Supt #1: It has increased.
- Stuart: My next question: For the 2018/2019 school year, do you know how many students from your district are currently attending charter and cyber charter schools?
- Supt #1: I don't have that exact number.
- Stuart: Next question: Has the number of charter and cyber charter schools operating in your area that your students attend increased or decreased over the past three years? And if you know, how much of an increase or decrease?

- Supt #1: I can tell you that they have increased over the past three years. I am going to estimate that it's been approximately a 10% increase each year.
- Stuart: Next question: For the 2018/2019 school year, do you know how much your district is spending on charter school tuition payments?
- Supt #1: Again, I don't know the exact amount. I do know it's a lot of money. I'm gonna predict somewhere around \$800,000 would be our number, but I could be off on that.
- Stuart: Next question: Over the past three years, has your district's tuition spending on charter schools increased or decreased and, if so, how much of an increase or decrease?
- Supt #1: Once again, increased probably around 10%.
- Stuart: Okay. The next question is: What, if any, operational impacts has charter school enrollments created for your district? For example, reduced or eliminated programs, instructional materials, or staffing.
- Supt #1: Well, the bottom line is in our district we try to ... Our goal is always to bring our budget in at the index or slightly under the index. Obviously, any financial impact, whether it's charter cyber schools, health care, salaries that are whatever, takes away from our ability to put that funding into a different area. So the simple fact that each year our budget costs for cyber charter increases, that is money that I do not have to spend on additional programs and through the entire budget process, knowing that we have the threshold of the index. I actually need to take money away from different programs or maintain the stability. For instance, building base budgets are not able to be increased, and the fact that they remain the same, knowing that the cost for their product and service goes up each year is actually a decrease. So decrease in student supplies, programs at the building levels would be one specific example of an impact that this expenditure has had on our district.
- Stuart: My next question is: What, if any, financial impacts have charter school enrollments created for your district? For example, increased taxes.
- Supt #1: Well, once again, we are required by several factors for the past few years to raise our taxes to the index. You know, we list the top four or five primary reasons for that. Obviously, the significant increase to charter cyber school tuition is one of the top five reasons that we've had to raise taxes.

- Stuart: My next question is: Has the financial health of your district improved or worsened over the past three years as a direct result of charter school tuition payments?
- Supt #1: Well, it's had a direct negative result. Any area that increases above the index increase I consider to be a negative impact on the district. Obviously, with the grown in cyber charter school tuition increasing more than what our index is, I view as a negative impact.
- Stuart: Next question: What, if any, do you feel is the most pressing financial issue for your district created by charger schools that should be addressed immediately?
- Supt #1: I believe, once again, it's simply the fact that for budgetary purposes we are going above the index. Any time, knowing that we're going to build a budget to the index, any factor that is an increase above the index creates a hardship on the district. At the same time, I believe that if we drill down deeper into the budget and the data, that the amount of money we are paying towards an individual child in these areas is not equitable to what we are spending on our children within our district.
- Stuart: My next question is: What, if any, do you feel is the most pressing operational issue for your school district created by charter schools that should be addressed immediately?
- Supt #1: One of the major operational factors that we have is simply transportation. The fact that we are required to transport students to these schools is what I consider to be a hidden financial burden to the district. Obviously, needing to contract ... we contract our buses, contracting additional vans and buses, our resources and manpower here in the district to do all that creative scheduling. There are many cases where their school year, school day, conflicts or does not agree with what we do, which then in return causes for us to have additional busing, you know, all at a budgetary cost to the district.
- Stuart: Next question is: What, if anything, has you district done or will do to address the charter school tuition payment expenditures? For example, creating your own cyber charter program or recruiting students back to the district.
- Supt #1: Well, we a few years ago did create and spent a significant amount of time and professional development to design our own online program. The goal was to bring students back and actually offer them a graduate diploma from our district. We put together what I feel was a very good

program for our families to come back to. We actually had two evenings that we invited our families back in and shared the program with them. You know, the overall carrot was to be able to say, "I look forward to having you walk across the stage and receive your diploma." We had numerous families that did initially come back. However, the feedback we received from these families as they left our program was that it was too rigorous.

Supt #1: Our program was designed with specific timelines and deadlines. You know, we learned about some programs where you could hand all your work in the last day of the term or semester or whatever. We learned about programs that had very minimal requirements. So although we put together what we thought was a very good, comprehensive plan, the bottom line is most of these families that are looking at cyber schools are shopping for the easiest program for their children.

Supt #1: And you know, one of the situations we recently had was a student failed seventh grade, parents were not happy, went to cyber school the following year, and then wanted to come back in ninth grade. The principal of the cyber school indicated that the student successfully passed eighth grade. When we looked at her records, she had a 38 in algebra and a 27 in English. We refused to promote her to ninth grade and really questioned how can a student pass a course with a 38% and a 25%. So that's one of many examples of issues that we've had with some of these schools. There are some excellent charter schools in our area, too, and I do believe in charter schools, however, there is a definite inequity issue when it comes to the funding of these schools.

Stuart: Okay. My last question for you is: Do you have any additional comments that you would like to share?

Supt #1: I do believe as budgets become tighter and more difficult and the state continues to place numerous mandates on us, including the index and the budgetary exceptions that are included in that, that they also need to be responsible for taking a harder view of how the funding is delegated here to these educational entities. I believe if they would do that, more of my peers would have a more favorable opinion of these institutions. But the fact there's an inequity from the financial lens of this point makes it very difficult to look at such entities from a positive lens.

Stuart: Thank you. All right, thank you. That concludes my interview here. Thank you very much.

Superintendent #2

- Stuart: All right. Hello. My name is Stuart Whiteleather, and I'm a doctoral student at Walden University. I'm conducting a study on the financial and operational impacts of charter schools on traditional K-12 education. The researcher has selected three superintendents and three secondary building principals for interviews on their professional background, as well as knowledge and experiences on the economic, operational, and programmatic impacts of tuition dollar outflows from their school district to charter schools.
- Stuart: The selection criteria is one superintendent and one secondary building principal from districts with a K-12 student population of less than 2500, 5000 to 7499, and greater than 7500 students. Reports coming out of these interviews will only provide participant position, years and position, prior K-12 positions, and total K-12 years of experience.
- Stuart: Reports will not share the identities of individual participants. Additionally, details that might identify participants such as specific locations of the interviews, or school district name, will not be shared. The researcher will also not use your personal information for any purpose outside this research project. For the purpose of this interview, you'll be referred to as superintendent participant number two.
- Stuart: Today is December 5th, and the time is approximately 3:40 p.m. This interview is being conducted over the phone. Participants will be asked a total of 17 questions. At the end of each question asked by the researcher, participants will be asked to respond. There is no time limit to your responses. Please be aware that my role as a researcher during this interview is to record your responses and not encourage any specific type of answer.
- Stuart: Also, if any of the questions asked by the researcher are unclear, clarification will be provided. Finally, if at any point you need to stop the interview, please let the researcher know. Do you have any questions at this point?
- Supt #2: No.
- Stuart: And are you okay to proceed to the interview?

- Supt #2: Yes, I'm ready to proceed.
- Stuart: Okay. First question is current position?
- Supt #2: Superintendent of Schools. [REDACTED] School District.
- Stuart: Next question is time in your current position?
- Supt #2: This is my ninth school year.
- Stuart: Next question is prior positions held in public education?
- Supt #2: I was an assistant superintendent for two years, I was a high school principal for about 15 years, assistant principal, and a teacher.
- Stuart: What is your total years of public education experience?
- Supt #2: 33. 32 and a half. I'm in my 33rd.
- Stuart: Okay. Next question is general financial and operational observations of charter and cyber charter schools?
- Supt #2: My general observations are that cyber schools seem to be more poorly run and poorly performing, even more so than brick and mortars. Brick and mortar charters, from my experiences in the district, vary in both their effectiveness and also in their management and organization and ability to provide accurate invoices and so forth.
- Stuart: Next question is has the number of charter school students from your district increased or decreased over the past three years?
- Supt #2: Increased.
- Stuart: The next question is for the 2018-19 school year, do you know how many students from your district are currently attending charter and cyber charter schools?
- Supt #2: 2044.
- Stuart: Next question is has the number of charter schools ... I'm going to restate that question. Has the number of charter and cyber charter schools operating in your area that students attend increased or decreased over the past three years?

- Supt #2: I think it's about the same. No, I'm sorry. Increased. I can think of at least one new one. Increased.
- Stuart: Next question. For the 2018-19 school year, do you know how much your district is spending on charter school tuition payments?
- Supt #2: We have budgeted close to 30 million.
- Stuart: Next question is over the past three years, has your district's tuition spending on charter schools increased or decreased?
- Supt #2: Increased.
- Stuart: Do you know by how much of an increase or decrease?
- Supt #2: Over how many years?
- Stuart: The past three years.
- Supt #2: Past three years? It's probably increased about eight million.
- Stuart: Next question is what if any operational impacts has charter school enrollments created for your district? For example, reduced or eliminated programs, instructional materials, or staffing.
- Supt #2: Operationally, the challenge is that because we have so many schools, let's say 16, we have 16 elementary schools, that even though the majority of chartered kids are from elementary schools, when the numbers are spread across 16, we don't even have the benefit of reducing sections or even closing a building or something to that effect, because the impact is spread across 16 so it's not significant enough to allow us to reduce overhead. That's a significant operational impact.
- Supt #2: Another and obviously the budget impact of that money that we estimate that if all those students came back to us, all 2000 students, we would absorb them across our 22 schools, and even if we hired one teacher for every 25 students, we'd spend maybe \$6 million and we anticipate laying out 30 million. Our estimate is that charter schools are costing the district about \$25 million a year more than if they didn't exist.
- Supt #2: Another operational impact is transportation. Transporting that many students to a dozen or so local charters creates major operational challenges, 'cause the kids are spread out all over the district. It's not like when one of our buses goes into a neighborhood, picks everybody up,

drives them to the same school. It's picking up kids here and there, taking them to transfer points at some of our schools, loading them on another bus, and then driving them, often out of town, to out of town charters. Those are the most significant operational impacts I'd say.

- Stuart: Next question is has the financial health of your district improved or worsened ... I'm sorry. Strike that. I skipped a question. The next question is what if any financial impacts has charter school enrollments created for your district? For example, increased taxes.
- Supt #2: Yeah. It's had a dramatic impact growing to that nearly \$30 million this year. As I said in the previous question but I can repeat, we estimate if charters didn't exist and all those 2000 kids were in our schools, it might cost us \$6 million in operational HR expenses. But we're putting out 30 million.
- Supt #2: It's a drag of 25 million, \$20-25 million a year, additional expense. It's a fact that without ... If you take away the cost of charters, we would not need tax increases.
- Stuart: Okay. The next question is has the financial health of your district improved or worsened over the past three years, as a direct result of charter school payments?
- Supt #2: It has improved despite the cost of charter school payments. Part of that has been trimming the budget in other areas where we can, and part of the reason has been increasing taxes.
- Stuart: Next question is what if any do you feel is the most pressing financial issue for your district created by charter schools that should be addressed immediately?
- Supt #2: Well, it's the funding system for charters. Initially, going back to when the law was passed in 1997, there was a component of the funding was a state reimbursement to districts. Basically, for overhead costs, recognizing that when a student leaves and you pay 11,000 or 12,000 to a charter, your overhead doesn't go down by that much.
- Supt #2: You still have the teacher, the building, the buses, et cetera. The state used to reimburse districts up until the first year of the Corbin administration, when they just eliminated it, when they were making significant cuts to education spending. That unfortunately came at just as the time when charter enrollment in the state was increasing pretty quickly.

- Supt #2: For us, just as our charter costs grew, the state pulled out that reimbursement. If they maintained that reimbursement of 25 or so percent to school districts, for our charter costs, that five million or so that we would get from the state would again, that would probably eliminate our need for tax increases.
- Supt #2: So, to me, they have to fix the funding of ... My preference would be to eliminate charter schools. I don't think they're right and I think they undermine public education, but if they're going to exist, the funding system for charters needs to be addressed. Putting in the reimbursement would be a big step in that direction.
- Supt #2: I did some numbers a couple of years ago where something like 75% of all charter students in the state come from only 25 school districts. Out of the 500 districts, 25 are really bearing the burden of the broken charter funding, and the whole broken charter system. Those are ones that are more urban, more populated with brick and mortar charters nearby.
- Supt #2: 25 districts are bearing the burden of 75% of the charter students. Fixing the funding if they have to exist.
- Stuart: The next question is what if any do you feel is the most pressing operational issue for your district created by charter schools, that should be addressed immediately?
- Supt #2: Well, on that side it's transportation. We bus 10,000+ kids a day and literally like many places, have a hard time getting enough bus drivers, and the more complex the busing becomes, because of all the charters, the number of kids going to charters, the more pressure there is on our transportation department. Then, the trickle down problems that happens, if we don't have enough drivers on a given day, buses run late, parents get upset. Probably the most regular operational issue that pops up, fires that we have to put out, is caused by the burden on transportation.
- Stuart: Next question is what if anything has your district done or will do to address the charter school tuition payments? For example, creating your own cyber program, or recruiting students back.
- Supt #2: Well, we have a cyber program, and what we've realized, and I think other districts have as well, is that it's difficult to recruit students back from cybers, because we have higher expectations and we demand that they actually go online and do what they're supposed to do. We've heard that from parents, and students, at cyber charters, that it's easier there. They don't get pressured the way we actually want them to do something.

- Supt #2: Though we have about 80 kids in the cyber charter, so if you view it that we diverted 80 kids from leaving us and going into a charter, but we haven't been very successful in drawing kids back who are in cyber charters. As far as other actions we've taken, we have taken significant advocacy work with legislators, Department of Education and so forth, to push for changes in the charter funding.
- Supt #2: We have written op-ed pieces, we've had press conferences, we've done a number of things to draw attention to it. We've educated our parents to how their kids are impacted by the fact that all this money flows to charters. We've also taken steps to make sure, I guess marketing steps, to make sure we're getting all the good work that goes on with the district out.
- Supt #2: So, over the last three years we have seriously ramped up social media, Facebook, Instagram, Twitter. Just this year we added [REDACTED] on [REDACTED], and we have just this week I think, Monday, received ... We rolled out a new logo at the end of the year for a rebranding of the district. Our logo hadn't been updated since the late '80s, and we rolled out a marketing booklet that is like an admissions, a booklet you would pick up if you visited [REDACTED], or a charter school or a private school, like an admissions book event. Very well done, the cover is all the highlights in the district and what parents could expect at each level in the district.
- Supt #2: That's a clear push, not only for charters, but also to get out to opinion makers in the area. What I call opinion shapers, so that they can have good information about the district as well. It's definitely forced us to engage in branding and marketing in a way that school districts haven't in the past.
- Stuart: My last question is do you have any additional comments that you'd like to share?
- Supt #2: Well, I think that in looking at the charter situation, it's about politics. It's not about education. I don't think that in looking at the impacts on schools and potential solutions, it can't be looked at in a vacuum. It has to be looked at with political lens, that the reality is the charter lobby in Harrisburg is very strong. They put millions of dollars into the coffers, the campaign coffers of legislators, in a way that public school districts don't.
- Supt #2: I think that's our biggest battle. I do think the pendulum is beginning to swing. I think as more members of the public and parents realize how

charters are paid for, more people are upset about that. Many, many, many people assume business leaders, I've had conversations with some well known business leaders in the valley, who didn't realize that charters were publicly paid for. They thought they were like private schools.

Supt #2: I think the more the general public is educated about the cost of charters, I think we also have to blow up the myth that charters, like it's a wash, where you don't get the money, public school district, the charter gets it, it's a wash. We have to show that there is a cost of charter school, there is a cost to charters above and beyond public school districts.

Supt #2: I think the more the public understands that, the more pressure there will be to push back on it, and I think the pendulum's starting to move in that direction. You have to look at it through a political lens. It's not about educational opportunities, it's about the politics of school choice. That's my speech on that topic.

Stuart: Okay. That concludes my interview. Thank you, I'm going to stop the recording.

Supt #2: Okay.

Superintendent #3

- stuart: Alright, hello. My name's Stuart Whiteleather and I am a doctoral student at Walden University. I am conducting a study on the financial and operational impacts of charter schools on traditional K-12 education. The researcher has selected three superintendent and three secondary building principals for interviews on their professional background, as well as knowledge and experiences on the economic, operational and programmatic impacts of tuition dollar outflows from their school district to charter schools.
- stuart: The selection criteria is one superintendent and one secondary building principal from a district with a total K-12 student population of less than 2,500, 5,000 to 7,499 and greater than 7,500.
- stuart: Reports coming out of these interviews will only provide participant position, years in position, prior K-12 positions and total K-12 years of experience. Reports will not share the identities of individual participants. Additionally, details that might identify participants such as specific locations of the interviews, or school district name will not be shared.
- stuart: The researcher will also not use your personal information for any purpose outside of this research project. For the purpose of this interview, you'll be referred to as "Superintendent Participant Number Three".
- stuart: Today is December 5th and the time is approximately 5:50 PM. This interview is being conducted over the phone, participants will be asked a total of 17 questions. At the end of each question asked by the researcher, participants will be asked to respond.
- stuart: There is no time limit to your responses, please be aware that my role as a researcher during this interview is to record your responses and not encourage any specific type of answer. Also, if any of the questions asked by the researcher are unclear, clarification will be provided.
- stuart: Finally, if at any point you need to stop the interview, please let the researcher know. Do you have any questions at this point?
- Supt #3: I do not.
- stuart: Are you okay to proceed with the interview questions?
- Supt #3: Yes.

- stuart: First question is your current position?
- Supt #3: Superintendent of the [REDACTED] School District.
- stuart: Next question is your time in your current position?
- Supt #3: This is my third year as superintendent of school.
- stuart: Next question is your prior positions held in public education?
- Supt #3: So prior to being superintendent I was principal of two different high schools for a total of six years I was a high school principal. Prior to that I was a middle school principal, or junior high school principal rather for three years. Prior to that I was a assistant high school principal, I was also a director of instructional technology for a year and then I was five years a high school social studies teacher.
- stuart: Next question is total years of public education experience?
- Supt #3: This is my 19th year in education.
- stuart: Next question is general, financial and operational observations of charter schools and cyber charter schools?
- Supt #3: Well my view of the operational costs and their fiscal responsibility in general is that they lack transparency, they are also underneath the guise of non profit, but yet the lack of transparency and what those dollars are used for imply that they are for profit companies. Especially when they do not disclose what their top officer's salaries are, they also do not have public board meetings in the same fashion that public school entities do.
- Supt #3: So I am very skeptical of the financial practices and oversight of any cyber school, any brick and mortar charter school.
- stuart: Next question, is has the number of charter school students from your district increased, or decreased over the past three years?
- Supt #3: It has increased.
- stuart: Next question, for the 2018 - 19 school year do you know how many students from your district are currently attending charter schools and cyber charter schools?

- Supt #3: Yes, there are 75 students attending a brick and mortar charter school, or a cyber school.
- stuart: Next question, has the number of charter school ... Let me start over, has the number of charter and cyber charter schools operating in your area that your students attend increased or decreased in the past three years? And if so, do you know how much of an increase or decrease?
- Supt #3: There has been an increase in charter school options for kids available through our school district. It has increased, by my knowledge, of three new cyber or brick and mortar.
- stuart: Next question, for the 2018 - 19 school year do you know how much your district is spending on charter school tuition payments?
- Supt #3: Yes, we are roughly about 1.4 to 1.6 million dollars.
- stuart: Next question, over the past three years has your district's tuition spending on charter schools increased or decreased?
- Supt #3: It has increased.
- stuart: Next question, what, if any, operational impacts has charter school enrollments created for your district? For example, reduced, or eliminated programs, instructional materials, or staffing.
- Supt #3: So the 1.5 million dollars ... The average between 1.4 and 1.6, so let's say "1.5 million dollars" ... Is equivalent to our deficit for the past three years, which has led to staff cuts over the last three years cumulatively we have cut over 20 staff members during that time to be able to cover the annual deficit of about 1.5 million dollars.
- Supt #3: So ours has been staff cuts.
- stuart: Next question, what, if any, financial impacts has charter school enrollments created for your district? For example, increased taxes.
- Supt #3: It has not increased taxes which has led to those staff cuts. So, the impact has been staff cuts as a result of our board of directors not to raise taxes. So that unwillingness has led to staff cuts north of 20 positions, that's professional staff and support staff.

- stuart: Next question, has the financial health of your district improved or worsened over the past three years as a direct result of charter school tuition payments?
- Supt #3: So, obviously everything is cumulative and causal because there's increasing PSERs costs, increased healthcare costs. But, the significant cost as a budget driver charter schools bring, charter and that's brick and mortar and cyber, it is equivalent to our deficit.
- Supt #3: So, I would say it obviously has a negative impact on our financial health and we have been unable to serve our students in the way we have three years ago with the decrease in staff.
- stuart: The next question is what, if any, do you feel is the most pressing financial issue for your district created by charter schools that should be addressed immediately?
- Supt #3: So what I believe ... The dilemma with public charter schools is those are not actual costs that they receive. So, for example, at [REDACTED] it costs \$18,000 for a regular education student to go to a brick and mortar, or cyber charter school and \$37,000 for a special education student. Knowing full well that that is not the direct cost that a charter school has for those students.
- Supt #3: The reason why I say that is that when we have a student who will leave for special education placement we are billed for the actual costs. So when I send a student to a particular special needs school we will be charged \$12,000, \$15,000 depending on their need. It is not a flat cost. Or, by a formula derived from your ADM which is [REDACTED]
- Supt #3: What I think needs to be amended is how that calculation occurs. I have a cyber school that we are able to offer to our students with better results. I have a data that can show that students that enrolled in our virtual academy outscore the cyber schools that we send our students to on Keystone and PSSA exams. We also outscore our brick and mortar schools by far through our own programming.
- Supt #3: Since this is public dollars we should be accountable to that and so should cyber and charter schools. We should be able to look at their books and say exactly what is the cost for Agora Cyber Charter School to educate a child. What is the actual cost? Not what the flat rate of what goes to the school district, because we see them using dollars for advertising, recruitment, and we don't see the actual costs, or the salaries of those that are running them. The lack of transparency is horrendous.

- Supt #3: The auditor general in Pennsylvania called the cyber charter school law in Pennsylvania "The worst in the nation." So, this issue around the financial methodology is actually more than problematic, I think it is borderline criminal. It is taking taxpayer dollars with no accountability, lack of outcome and it is turning into a for-profit industry which is not the role it should play.
- stuart: Next question is what, if any, do you feel is the most pressing operational issue for your district created by charter schools that should be addressed immediately?
- Supt #3: So, operational ... There's a few things that I think that are problematic ... We provide busing for those kids, which we're not going to get around, because we do that for private schools. So I would say the biggest operational issue is the management of truancy laws with cyber and brick and mortar charter schools, because in many cases we are responsible to handle it. What also occurs, is that from the operational side, if we're paying them 18,000 to 37,000 they should be totally responsible for handling operational items such as filing charges for truancy, filing any type of motions and holding them accountable. It is quite ridiculous what we're actually paying them.
- stuart: Next question is what, if anything, has your district done, or will do to address the charter school tuition payment expenditures? For example, creating your own cyber program, or recruiting students back.
- Supt #3: So we have our own virtual academy which is running quite strong. We have over 200 different enrollments, there's 122 single course enrollments or partial enrollments in our cyber charter schools. But we have a total 36 full time students. So we definitely actively recruit. We offer our own program, we have for years.
- Supt #3: Our newest approach is actually to go through legislation and our taxpayer groups. We have actually held budget town hall meetings showing the dollars that are expended, the achievement that is being done at these places, how the kids are doing. In one brick and mortar charter school they scored 18% proficient on the Math PSSA. We scored upwards in the 80s, 70s and 80s in our school and I have implored our taxpayer group who are mostly retirees to say "Ask our legislatures how are they holding them accountable to their taxpayer dollars? And what are they doing about it?"
- Supt #3: I'm also lobbying our senate appropriations committee out of [REDACTED], I have a meeting next week. So, I am taking the active role of lobbying on

behalf of our taxpayers to be able to recoup those dollars because I could probably do a tax decrease if I wasn't paying for cyber charter schools and brick and mortar charter schools.

- stuart: Last question that I have is do you have any additional comments that you would like to share?
- Supt #3: I think that cyber charter schools and brick and mortar charter schools are probably the largest budget driver that a school district has some control over. We can recruit students, but we can also create legislation that can change this and bring dollars back to school districts.
- Supt #3: That is going to be the chief mechanism that we have at our disposal, it is not going to be PSERs, because that is codified into law and we have financial obligations. It's actually in the constitution of Pennsylvania. So PSERs is going to stay.
- Supt #3: We can not control health benefit increases. You can go through consortiums, but those still are rising at rates that we don't have control. So, when you look at budget drivers cyber charter schools and brick and mortar charter schools are an area that the state government has the ability to control costs. They can come up with new legislation that can change how they are implemented, how they're monitored and how that calculation occurs for using ADM.
- Supt #3: If that would occur, I think you would see school districts in better fiscal health, being able to provide different opportunities for kids, or tax relief. Tax relief could be incurred pretty quickly and still keeping options for families. I want to say, I am not anti school choice. I think actually that is a great option to have, because depending on where you live you might need better options. Where we live, where the school district that I work, we have better options than the cyber charter school in terms of achievement, but parents need options nonetheless.
- Supt #3: So, if I have a cyber charter school, what I would suggest to legislatures if I have an equivalent program that the cyber charter school cost would have to be what their actual cost is, or equivalent to what my actual cost is. Because a charter school, a cyber school curriculum costs far less than a brick and mortar.
- Supt #3: We don't have to provide all the services that go along with a cyber school. Thus, we should be able to say "Whatever our cyber school costs, that is how they should calculate it." Because, parents still maintain

choice, and it's an equitable relationship and it could also be equitable accountability.

- Supt #3: The school I mentioned that scored 18%, which is below ours. You will hear legislatures say "They are accountable." And I would say "What I'd like to see is show me who was fired, what school was taken over by the department of education." And if they can't produce that looking at those results then we clearly know that there is a problem and it is a for-profit business. Because, if there's a lack of anybody losing their job, or a state takeover like we saw in Chester Upland then we know something is not right and I think the data shows that.
- Supt #3: They will say that a cyber school can be closed by the local school district and that is true except the laws do not allow it to happen readily, or fairly, or quickly. And that's why you don't see cyber charter schools closing, or brick and mortar.
- Supt #3: So, that's my opinion regarding school choice.
- stuart: Okay, that concludes the questions for my interview, thank you for your participation.

Principal #1

stuart: Hello. My name is Stuart Whiteleather. I am a doctoral student at Walden University. I am conducting a study on the financial and operational impacts of charter schools on traditional public education. This researcher has selected three superintendents and three secondary building principals for interviews on their professional backgrounds as well as knowledge and experiences on the economic, operational, and programmatic impacts of tuition dollar outflows from their school districts to charter schools. The selection criteria is one superintendent and one secondary principal from a district with a total K-12 student population of less than 2,500, 5,000-7,499, and greater than 7,500 students.

stuart: Reports coming out these interviews will only provide participant position, years in position, prior K-12 positions, and total K-12 years of experience. Reports will not share the identities of individual participants. Additional details that might identify participants, such as specific locations of the interviews or school district name, will not be shared. The researcher will also not use your personal information for any purpose outside of this research project.

stuart: For the purpose of this interview, you'll be referred to as secondary principal, participant number one. Today is December 4th, and the time is approximately 1:40 p.m. The interview is being conducted in person. Participants will be asked a total of 17 questions. At the end of each question asked by the researcher, participants will be asked to respond. There is no time limit on your responses. Please be aware that my role as a researcher during this interview is to record your responses and not to encourage any type of specific answer. Also, if any of the questions asked by the researcher are unclear, clarification will be provided. Finally, if at any point, you feel the need to stop the interview, please let the researcher know. Do you have any questions at this point?

Princ - #1: Nope. No, I'm ready to go.

stuart: The first question is your current position?

Princ - #1: Principal of [REDACTED] High School.

stuart: Time in current position?

Princ - #1: This is my 13th year in this position.

- stuart: What are the prior positions held in public education?
- Princ - #1: Three years as an assistant principal here at [REDACTED] High School. One year as an assistant principal at [REDACTED] High School. Two years as a social studies teacher at [REDACTED] High School. Four years as a teacher at [REDACTED] Area High School.
- stuart: What is your total years of public education experience?
- Princ - #1: I believe this is my 22nd or 23rd year.
- stuart: What are your general financial and operational observations of charter schools and cyber charter schools?
- Princ - #1: I would say for us here at [REDACTED], I know that we certainly have our fair share of students who leave us for charter schools and cyber charter schools. But in my opinion and my estimation, it's certainly not to the level of some of the larger surrounding districts in the [REDACTED]. In my opinion, I think it's because of what we are able to offer and provide for our students and parents. I feel like we have a pretty big menu, if you will, of academic choices, co-curricular opportunities, athletic opportunities, and just a general sense of community that I think maybe some of our counterparts don't have, which is why they might lose more kids to other schools.
- stuart: My next question is has the number of charter school students from your district increased or decreased over the past three years?
- Princ - #1: I would imagine that it's increased. Honestly, I don't know for sure, but I feel like it probably has increased just based on ... I feel like charter schools are becoming more, I don't want to say popular, but more people are aware of them now, and it's kind of a current topic I think out there in education, so I would say it's definitely increased.
- stuart: For the 2018-'19 school year, do you know how many students from your district are currently attending charter and cyber charter schools?
- Princ - #1: I honestly do not know. But if I had to guess, I'd probably put it in double digits. Maybe close to 100 or so, but again, that's just a guess.
- stuart: Next question is has the number of charter and cyber charter schools operating in your area that your students attend increased or decreased over the past three years? If you know that, how much of an increase or decrease?

- Princ - #1: I would say I don't know, but I feel like again, maybe it's increased by one or two. I know we lose a lot of kids ... Well, when I say a lot, it's a handful to the [REDACTED] charter school in [REDACTED]. I'm familiar with that one probably more so than any others, but if I had to guess, I'm sure it's increased a little bit by a school or two, I would guess.
- stuart: Next question. For the 2018-'19 school year, do you know how much your district is spending on charter school tuition payments?
- Princ - #1: I don't know that. I probably should know that because I'm sure it's been mentioned in a budget presentation here or there, but I don't know honestly.
- stuart: Next question is over the past three years, has your district's tuition spending on charter schools increased or decreased, and if you know, how much of an increase or decrease?
- Princ - #1: Yeah, I would fathom that it has increased. I think with anything, costs always go up every year, and I think we probably had more kids leave for charter schools and certainly maybe one or two new schools developed, so yeah, I would say it's increased, but by how much ... Yeah, I'd have to guess. I wouldn't even really know.
- stuart: Next question is what, if any, operational impacts has charter school enrollments created for your district? For example, reducing or eliminating programs, instructional materials or staffing?
- Princ - #1: Honestly, I can't think of any significant impact that we've had at the high school in my time here because of losing kids to cyber or charter schools. I don't think we've lost positions. I don't think we've cut programs. I mean, and honestly, I don't think we've even saved any money on resources or materials because again, I think the number of kids we are losing at the high school level, it's very I would say minimal when you look at the entire big picture. I don't think we've really, it's really affected us at all, in that respect.
- stuart: My next question is what, if any, financial impacts has charter school enrollments created for your district? For example, increased taxes?
- Princ - #1: Well, definitely. I mean obviously the impact to us directly is the tuition that we are sending to those institutions for our student to attend. Therefore, my guess is, we probably had to look at and factor that into the equation when we're building the budget and potentially raise taxes and

██████████ that whole process. Yeah, definitely, it impact us financially across the board.

- stuart: Next question is has the financial health of your district improved or worsened over the past three years as a direct result of charter school tuition payments?
- Princ - #1: I mean I guess I would say it's worsened only because that's money that is flowing out, and we're honestly not getting a direct return on that. But I don't think it's put us in a spot like some of our neighboring districts where they're spending real significant amounts and not getting anything in return. I mean I feel like it's affected us, but in the long run, I think we've been able to make ends meet, if you will, in spite of what we're paying out.
- stuart: The next question is what, if any, do you feel is the most pressing financial issue for your district created by charter schools that should be addressed immediately?
- Princ - #1: Well, I mean I just think the money that is flowing out for tuition for kids that are not attending any of our facilities. Like I said, indirectly, we're not gaining anything from it. I think there needs to be some consideration there on the part of imagine PEE to figure out a better way to fund those facilities rather than it come out of the home district.
- stuart: The next question is what, if any, do you feel is the most pressing operational issue for your district created by charter schools that should be addressed immediately?
- Princ - #1: Again, I just think it's the funding. How those charter schools are being funded and should it be the taxpayers of the ██████████ or should it be, whether it's PDE or some other way to fund those? I mean I think that's ... For us, that's the most pressing need, absolutely.
- stuart: Next question is what, if anything, has your district done or will do to address charter school tuition payment expenditures? For example, creating your own cyber program or recruiting students back?
- Princ - #1: We created a cyber program several years ago. Honestly, I'd have to say at least five or more years ago. I think our initial purpose was to try to do just that, recapture some of those students back to ██████████ who were leaving for cyber and charter schools. I don't know that we ever fully developed a program the way we thought we would initially. I think we

thought we would be able to provide an entire, at least 9-12 cyber experience. But in my estimation, it became very costly to do that, and the return on the investment, I don't think was going to be there because as we looked at who were the kids that were leaving and going to cyber and charter schools, I think we felt that they were probably going to go anyway regardless of what program we put in place. I think some of that was just family situation. Some of it might've been they had a very unpleasant experience somehow in some way with the district or one of our schools or an administrator or teachers. I don't think they were willing to just return because it was our program.

Princ - #1: In the end, I think we have ... It gave us some more options on our academic menu, if you will, for our students to take some of our own cyber courses and so forth, but I honestly don't know that we really brought anybody back because we didn't, we couldn't, and we still don't offer every single course that we have in that cyber format. I think it was a good attempt initially, but how it evolved is not, I think, what we really were intending.

stuart: Last question is do you have any additional comments?

Princ - #1: I mean I think just really I think what I kind of said in the beginning. I definitely think cyber and charter schools are certainly a pressing issue for every school district, at least in this area. I do think PDE probably needs to figure out a better way to, for these facilities to be funded, but I do think we're very fortunate here that, although there's definitely been an economic impact to us on the negative side, I think that's been very minimal in the grand scheme of our entire budget because of, I think, the programs and opportunities and services we're able to provide K-12.

Princ - #1: I think if I look around the [REDACTED] and see or I ... what schools are kids leaving to go to cyber or charter and compare them with what we offer, I think it's because maybe their options for kids aren't quite what we are able to provide. I feel like we're in a good position right now as to why we're not losing so many kids. I think if we continue to maintain our programs and evaluate things and maybe add things here and there, I think we can continue to be in a good spot in comparison to our [REDACTED] counterparts.

stuart: Well, that concludes my interview with participant number two. Thank you.

Principal #2

- stuart: All right. Hello, my name is Stuart Whiteleather and I am a doctoral student at Walden University. I am conducting a study on the financial and operational impacts of charter schools on traditional k12 education. The researcher has selected three superintendents and three secondary building principals for interviews on their professional background, as well as knowledge and experiences on the economic, operational, and programmatic impacts of tuition dollar outflows from their school districts to charter schools.
- stuart: The selection criteria is one superintendent and one secondary building principal from districts with a total k12 student population of less than 2,500, 5,000 to 7,499, and then greater than 7,500 students.
- stuart: Reports coming out of these interviews will only provide participant position, years in position, prior k12 positions, and total k12 years of experience. Reports will not share the identities of individual participants. Additionally, details that might identify participants, such as specific locations of interviews or school district names will not be shared. The researcher will also not use your personal information for any purpose outside of this research project. For the purpose of this interview, you'll be referred to as secondary principal, participant number two.
- stuart: Today is December 5th and the time is approximately 1:30 p.m. This interview is being conducted over the phone. Participants will be asked a total of 17 questions. At the end of each question asked by the researcher, participants will be asked to respond. There is no time limit to your responses. Please be aware that my role as a researcher during this interview is to record your responses and not encourage any type of specific answer. Also, if any of the questions asked by the researcher are unclear, clarification will be provided. Finally, if at any point you need to stop the interview, please let the researcher know.
- stuart: Do you have any questions at this point?
- princ #2: No, I do not.
- stuart: And are you okay to proceed with the interview questions?
- princ #2: I am.
- stuart: All right. First question, your current position?

- princ #2: I'm currently the high school principal at [REDACTED] High School.
- stuart: Time in your current position?
- princ #2: I have 13 years, about 13 and a half years.
- stuart: Next question, prior positions held in public education?
- princ #2: Assistant principal for four years and public school mathematics teacher for 13 years.
- stuart: Your total years of public education experience?
- princ #2: This is my 30th year.
- stuart: Next question, your general financial and operational observations of charter schools and cyber charter schools?
- princ #2: General observations are that there's very little accountability. That the dollar amounts that are being asked to provide the education in cyber school appeared to have no rhyme or reason to why they, how they correspond to the education that's provided.
- princ #2: We can't even figure out what constitutes a day of attendance with the cyber charter schools. They have no obligation to share their budget or get budget approval. Where a public school obviously has to go through that process. So we recognize it is just a dollar out with very little accountability for how those dollars are being used to educate children.
- stuart: Next question, has the number of charter school students from your district increased or decreased over the past three years?
- princ #2: It has increased. I wish I could give you specifics, but I can't at the top of my head. I can tell you that right now we budget for approximately \$850,000 annually. In considering that a mill, according to a previous business manager ... thank you, [REDACTED] is approximately \$750,000 of income. You can see where we're budgeting for over a mill of tax for an unknown entity.
- stuart: Okay. The next question is, for the 2018, 19 school year, do you know how many students from your district are currently attending charter and cyber charter schools?

- princ #2: I am not a hundred percent correct, but I wanna say it's somewhere in the neighborhood of 35 to 40 students. I can look that up, actually. But go ahead, next question.
- stuart: Has the number of charter school and cyber charter schools operating in your area that your students attend increased or decreased over the past three years? And if you know, how much of an increase or decrease?
- princ #2: Over the past three years it's pretty much stayed the same. They're the same group of people.
- stuart: Okay. Next question, for the 2018-19 school year, do you know how much of your district, how much your district is spending on charter school tuition payments?
- princ #2: I think we budgeted this past year for \$850,000.
- stuart: Okay. The next question is, over the past three years, has your district's tuition spending on charter schools increased or decreased? And if you know, how much of an increase or decrease?
- princ #2: It has increased. And I wanna say that according to budgetary meetings I sat in on, it increased at approximately three percent per year.
- stuart: All right. Next question, what, if any, operational impacts has charter school enrollments created for your district? For example, reduced or eliminated programs, instructional materials, or staffing?
- princ #2: At this point, because we are very fortunate in our budgetary situation, we have not had the impact on the budgetary side. We have had an impact on the educational and instructional side.
- princ #2: I should say, though, that maybe we have. Because what happens is, the student goes off to a cyber charter school and because there's no accountability for their attendance or their outcomes, typically the year they're away at cyber charter school they will not matriculate, make enough progress to matriculate to the next year. The parent will then become frustrated with the child at home, return them back to the public school where now ... and they want them to graduate on time. So now we have to put additional programming in place or increase our class sizes with kids who we otherwise were not planning on being back in the school. Or we plan for them to be in one type of class, but now they're overloading another type of class, because of the academic record they brought with them.

- princ #2: So, I guess financially it has increased staff, it has messed up our staffing so that we can provide the ... on a second or third order effects, that we can provide maybe that next section of otherwise low enrolled course. Like maybe a Spanish four or a calculus class. Because I need an extra session of a Spanish one or an extra session of an algebra course. So in that way, I would say that yeah, it has effected our programming. And again, it's because of the returning student who did not matriculate and not held accountable while they're at cyber charter school.
- stuart: Okay. The next question, and you touched a little bit upon this. But what, if any, financial impacts has charter school enrollments created for your district. For example, increased taxes as a result.
- princ #2: Yeah, because of the ... The process works for, at least at the high school level, in such a way that when a parent begins to be held accountable for their child's attendance, or their child's discipline, the response is to take the child and put them in cyber charter school.
- princ #2: Now the child's in cyber charter school, but because they really haven't had the guidance and academic discipline, if you will, when they were in a structured setting, they even have less when they are in the cyber charter school. So now we end up having to pay that money.
- princ #2: So because more parents are using cyber charter as a means by which to avoid their responsibility for, I guess that's a lack of better word, that's why we now have to budget more and more money to do this. To be able to pay those bills. So we're looking again at a little over a mill of our taxes goes directly to cyber charter schools with no return seen from that investment.
- stuart: Next question, has the financial health of your district improved or worsened over the past three years as a direct result of charter school tuition payments?
- princ #2: I would say, simply because we have to add an additional mill of tax, it has decreased. I'll give you an example. This last school year, we would have liked to have put away some more money into our capital reserve for the potential of some upcoming improvements and some maintenance that has to be accomplished on the capital reserve side.
- princ #2: But because that extra mill would have added, or the extra mill in the budget would have had a budgetary increase, our board was reluctant to do so. They said, no, it's time that we give the taxpayers a break, so-called, and not raise our taxes.

- princ #2: Well if we wouldn't have had that mill plus in the budget for the cyber charter schools, then we would've been able to put that money into the capital reserve. And we could have met those needs.
- stuart: Next question, what, if any, do you feel is the most pressing financial issue for your district created by charter schools that should be addressed immediately?
- princ #2: I really believe there needs to be an accountability of the student's progress and their attendance. So that if we're using this money, the public's money is going to educate this child, there needs to be accountability that it's actually being spent to educate the child.
- princ #2: My recommendation would be that legislation follows cyber charter the way it follows our public school systems. There should be a transparent budgetary process that is made available for all school districts to take a look at, which would mean accountability of how the dollars are spent. There should be a review process, an auditing process, that demonstrates that the amount of money that's going to educate a child is actually going to the education of the child.
- princ #2: And in doing so, then if that cyber charter school is performing the mission that they advertise, then so be it. That's a fair representation providing a free and appropriate public education. But if it's not, there needs to be some kind of accountability for those inactions, transparency, and so on.
- stuart: Next question is, what, if any, do you feel is the most pressing operational issue for your district created by charter schools that should be addressed immediately?
- princ #2: I'll go back to the last example I used. Operationally, so that we don't have to raise taxes in large chunks down the roads, we don't put bond issues out for major repairs such as a roof repair or such, that cyber charter money that goes out the door is being subsidized with building and maintenance repairs. And then secondary, second third order effect through staffing issues to not allow a student to be able to take maybe an upper level course because we have to back fill courses that students fail because they went off to cyber charter but weren't held accountable for their performance.
- stuart: Next question is, what, if anything, has your district done or will do to address their charter school tuition payment expenditures? For example,

create your own cyber charter program or recruit students back to the district?

princ #2: Well, first thing we did is we started to take a different philosophy of rather than recruit back, because we attempted that and it didn't work so well. We were spending a lot of time and energy. We weren't getting a return on the investment.

princ #2: So what we looked at and said what if we go on the other end. What if we become the educator provider of choice. And how can we distinguish ourselves from what a cyber charter does? And we see that public school, what we have available to us is the ability to build relationships. So how do we build those relationships? We move the teacher who was a family consumer science teacher, we didn't have an enrollment in courses there, so we moved her into a virtual learning coordinator. So she's a teacher in a virtual learning lab. And we allow students to be flexible in their school, in their choices for their courses.

princ #2: So I can have a student take a virtual course of, say, a calculus two because we're not big enough to offer calculus two. And then meanwhile, they can stay in school for their more traditional classes. But that comes at a cost at approximately \$500 per student, per course. So again, there's something that the cyber charters are shifting the expenditures for us.

princ #2: We actually did a geographic study and tried to notice if there certain key areas on the map of our district, in which are there pockets of people who are dissatisfied and say how can we address their dissatisfaction and what would it take to get them to return? And like I said previously, we didn't really find any patterns other than the students were habitual attendance problems, habitual behavioral problems. That's the number one driver of secondary educated students middle school, high school. Secondary educated students moving into cyber charter.

princ #2: So we have done our research in trying to figure out how to return people, but we have found that one the front end, how do we become the educational provider of choice and how do we think differently in that way. But that comes at a cost of expense to be able to execute those programs, as well.

stuart: The final question here is do you have any additional comments?

princ #2: Well, I think I ran on pretty good for most of those questions you gave me. But I can't emphasize enough, I understand that charter schools were designed to reduce the regulation, to free up the ability for educational

opportunity to be a little bit different, to be a little bit more inclusive or a little more personalized to kids.

princ #2: But I'm afraid that what has happened is some folks who didn't have those concerns at heart, found a way to make a cash cow. And they were able to take advantage of the laws that were in place and now the lack of legislative oversight to hold them accountable to the community who's paying for the taxes.

princ #2: As you well know, the state provides a limited amount of money to the public education system. Well over 50 percent, 58 percent I guess it is, comes from the local governance. So it's these local governance folks, the money's coming out of that mom and pop pocket and it's going to the businesses who are running this for a profit and really could care less about the product that's coming out the door.

stuart: Okay. That concludes my questions for this interview. Thank you very much for your participation.

princ #2: You bet, thank you.

Principal #3

stuart: Hello. My name is Stuart Whiteleather, and I'm a doctoral student at Walden University. I am conducting a study on the financial and operational impacts of charter schools on traditional K-12 education. The researcher has selected three superintendents and three secondary building principals for interviews on their professional background, as well as knowledge and experiences on the economic operation on programmatic impacts of tuition dollar outflows from their school district to charter schools.

stuart: The selection criteria is one superintendent and one secondary building principal, from districts with a total K-12 student population of less than 2500 to 7499 and greater than 7500. Reports coming out of these interviews will only provide participant position, years in position, prior K-12 positions and total K-12 years of experience. Reports will not share the identities of individual participants. Additionally, details that might identify participants, such as specific locations of the interviews, or school district name will not be shared.

stuart: The researcher will also not use your personal information for any purpose outside of this research project. For the purpose of this interview, you'll be referred to as Secondary Principal Participant Number Three.

stuart: Today is December sixth, and the time's approximately nine am. This interview is being conducted over the phone. Participants will be asked a total of 17 questions. At the end of each question ask by the researcher, participants will be asked to respond. There is no time limit to your responses. Please be aware that my role as the researcher during this interview is to record your responses and not encourage any specific type of answer.

stuart: Also, if any of the questions asked by the researcher are unclear, clarification will be provided.

stuart: Finally, if at any point you need to stop the interview, please let the researcher know. Do you have any questions at this point?

Princ #3: No.

stuart: And are you okay to proceed with the interview questions?

Princ #3: Yes, I am.

- stuart: Okay. The first question is your current position.
- Princ #3: High school Principal.
- stuart: Okay. Next question is, time in current position.
- Princ #3: Third year.
- stuart: Okay. Next question is, prior positions held in public education.
- Princ #3: I was a building principal out of our alternative ed building for two years. And prior to that, 14 years in the classroom in the same high school I'm now the principal of. So 18 years total.
- stuart: And next question is, total years of public education experience.
- Princ #3: 19.
- stuart: Okay. Next question is, general, financial and operational observations of charter and cyber charter schools.
- Princ #3: I'm sorry, can you clarify what you mean by that?
- stuart: The question is looking to gauge your general observations as it relates to the financial and operations of charter school and cyber charter schools.
- Princ #3: Three years.
- stuart: Next question is, has the number of charter school students from your district increased or decreased over the past three years?
- Princ #3: Increased.
- stuart: Next question, for the 2018/19 school year, do you know how many students from your district are currently attending charter and cyber charter schools?
- Princ #3: Yes. I just have to add them all together because they're broken down. A total of 548.
- stuart: Next question is, has the number of charter and cyber charter schools operating, in your area that your students attend, increased or decreased over the past three years.

- Princ #3: Increased.
- stuart: Do you know by how much?
- Princ #3: No, I don't.
- stuart: Next question is, for the 2018/19 school year, do you know how much of your ... how much your district is spending on charter school tuition payments?
- Princ #3: I don't know that exact number, no.
- stuart: Next question, over the past three years, has your district's tuition spending on charter schools increased or decreased? And if so, if that is known, how much of an increase or decrease?
- Princ #3: It has increased. I'm not aware of the exact dollar amount.
- stuart: Next question, what, if any, operational impacts has charter school enrollments created for your district? For example, reduced or eliminating programs, instructional materials or staffing.
- Princ #3: It has definitely effected staffing, in terms of, obviously, the number of students and the need for less staff at times. I would say, one of the biggest impacts it's had on us is, in order to try to curtail the number of students leaving our district. We've created our own cyber school in an attempt to keep students in our public school through our own cyber school, which has been, obviously, a larger end cost to us to try to compete with that.
- stuart: Next question is, what, if any, financial impacts has charter school enrollment created for your district? For example, increasing taxes.
- Princ #3: Certainly. Tax rates has gone up as those dollars have been redirected to go to those cyber ... or the charter schools. We've had to raise taxes in order to continue being able to provide the same level of education for our private ... or, I'm sorry, our regular school students after the loss of that, of those dollars.
- stuart: The next question is, has the financial health of your district improved or worsened over the past three years as a direct result of charter school tuition payments?
- Princ #3: Worsened.

- stuart: Next question, what, if any, do you feel is the most pressing financial issue for your district created by charter schools that should be addressed immediately?
- Princ #3: The ability for the district to hire staff members to reduce our class sizes, but because of the loss of dollars to charter schools, the inability to do that.
- stuart: Next question, what, if any, do you feel is the most pressing operational issue for your district created by charter schools that should be addressed immediately?
- Princ #3: I don't know. I'm sorry.
- stuart: Okay. Next question is, what, if anything, has your district done or will do to address charter school tuition payments, payment expenditures? For example, creating your own cyber program, or recruiting students back.
- Princ #3: Both of those. We created our own cyber program. We continue to try to make that a more robust program, a more flexible program, as well as, obviously, trying to keep students here and/or bring them back to our district. We do find that a lot of students who do go to those cybers and charters do end up coming back eventually. Sometimes, it's in elementary school charter, but then they come back for our secondary schools, but trying to keep them here or bring them back.
- stuart: My last question is, do you have any additional comments?
- Princ #3: Yeah, just that the idea here is that the cyber and charters have been sold to students as a better option for education. However, the students that we have coming back to us often tell us that it was not a very good educational experience that they had on those ends and that's why they often times do come back. So I think there's a misrepresentation of the public school's ability to education versus what is being sold as an elite educational program in cyber and cyber charters that is not accurate.
- stuart: Okay. That concludes the questions for my interview. Thank you very much.