

# Outsourcing Education: Online school law gets new look in Washington state

Puget Sound Business Journal (Seattle) - by [Clay Holtzman](#) Staff Writer

Washington's growing online school system is less regulated than in other states, and legislators may need to decide whether the state should take a more active oversight role, according to a new state Senate report.

The report, requested by a top education lawmaker, could be a precursor to a new round of legislation on the tax-funded online schools, the largest of which are operated by for-profit companies. Such schooling has mushroomed in Washington, in part through the widespread marketing of programs set up under local school districts but enrolling children statewide.

Concerns about quality, accountability, rapid growth and the lack of oversight prompted the re-examination, said Sen. Rosemary McAuliffe, chairwoman of the Senate Early Learning & K-12 Education Committee, which produced the report.

"I do not know that there is any oversight right now," McAuliffe said.

McAuliffe, D-Bothell, helped draft the legislation in 2005 that paved the way for the online explosion by giving such programs the same per-pupil funding as traditional schools. She said the resulting system gives her some concern.

"Before it grows into a very large industry," she said, "we need to make sure we are funding all the right things, because this is about

educating our children and spending taxpayer dollars.”

The Puget Sound Business Journal has reported in a series of articles called “Outsourcing Education” that state officials had limited knowledge or control of major developments at the tax-funded online schools, including:

- Below-average scores and a low WASL (Washington Assessment of Student Learning) participation rate at the two largest programs.
- Two state legislators and a district superintendent leaving public service to take paid positions with online-learning companies.
- An online school being sold in the middle of the school year, to the surprise of the district superintendent.

The 48-page Senate report finds that Washington’s online programs vary greatly in their structure and services. Some are developed and run by district employees themselves. Others are operated by nonprofits. The largest are run by publicly traded companies — including Virginia-based K12 Inc., Phoenix-based Apollo Group Inc. and Illinois-based DeVry Inc. — under contracts with Washington school districts.

McAuliffe, along with many other experts, said online learning has much to offer, including flexibility, access to more courses and individualized learning pace.

Half of Washington’s school districts, in fact, have at least one student taking an online course. Many students take a single class as a supplement, while thousands of others study online full-time at home. In all, about 14,000 students took at least one online class during the last school year, according to the report. Washington has about 1 million public school students.

Washington is by no means alone in embracing digital education. Michigan recently passed a law requiring all students to have an “online learning experience” before graduation. And the Florida Virtual School, with more than 100,000 registrations during the 2006-07 school year, is widely recognized as a good performance model.

But other states have seen problems. In Colorado, Idaho and Kansas, audits revealed deficiencies in quality control and failure to meet state teacher certification and course content standards, according to the education committee report. In at least two instances, the report says, legislation was passed to address shortfalls.

Washington could join those states, McAuliffe said, as she plans to examine national standards and gather data on the online learning industry. Both will help her decide what online learning in Washington should look like.

In early September, the Senate committee McAuliffe chairs will discuss online learning with officials from the state Office of the Superintendent of Public Instruction. Afterward, she will have a better sense of whether additional legislation is needed during the next legislative session beginning in January.

Martin Mueller, assistant superintendent for operations and support, said the development of online learning has broadened access for students, a key goal of the 2005 legislation.

Still, Mueller said, the online rush has generated some tension among school districts. A more consistent, statewide approach to implementing effective online programs, he said, would probably be a good thing for Washington.

How that might take shape, and how to strike a balance with local control, are yet to be determined, he said.

“In a lot of ways, our education system really does drive decision-making down to those locally elected school boards,” Mueller said.

Among the most vocal skeptics of the privately run online schools has been the state teachers union.

“We have concerns over how it is implemented,” said Mary Lindquist, president of the Washington Education Association. “We are concerned whenever schools are run on a for-profit basis.”

Lindquist also said she is concerned that online programs — including those run by a private company employing its own teaching staff —

could skirt Washington's requirement for in-state teacher certification. The education committee report notes that concern as a real possibility.

The teachers' union said in the report it is concerned that programs managed by private companies will try to garner more profit by boosting enrollments as much as possible. The union advocates for eliminating privatization of online schools, according to the report.

Several online providers advertise their programs in newspapers and on TV, marketing them as new, flexible and tuition-free. Several school districts have objected because such marketing is pulling students out of their districts — along with the state funding that follows them.

Lindquist is not alone in her call for greater state control over online schools.

The Washington State School Directors' Association also expressed concern in the report about profit motives. And the report quoted the executive director of the Association of Washington School Principals as saying there needs to be more state oversight of online schools.

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